

COVID-19:
Helping your
business
respond
and adapt.

Steps to consider taking as the COVID-19 situation evolves.

As the situation continues to evolve, considering ways to maintain stability for customers, suppliers and staff is essential for your business to survive COVID-19.

It's important that you have an action plan in place. We encourage you to contact experts in your network, to help formulate a response to the COVID-19 situation, which is relevant to your circumstances, industry and business life stage.

In this guide you'll find tips and tools to help your business adapt to the changing environment. You can learn practical ways to manage employees and customers, stabilise revenue, maintain your cashflow, and plan for the future.

We've also included a helpful list of government contacts and support services.



Show care for your employees and customers.

During periods of uncertainty, it's more important than ever to show commitment to your customers, and those who work for and with you. You can do this by:

- Creating and implementing clear and regular communications for employees and customers about how you will maintain your business' operations.
- Monitoring official health guidelines from the [World Health Organisation](#) and the [Australian Government Department of Health](#) and taking action to keep your customers and employees safe in the workplace.
- Communicating openly with your employees and customers, with your obligations in mind. Keep up to date with those at [Safe Work Australia](#).
- Keeping up to date with how the Federal Government subsidies, including the [JobKeeper Payment](#), can be used to help your employees.



Use scenarios to model potential impacts on your business.

Scenario planning helps to identify what might happen in the future of your business, such as predicting cash flow in the short, medium or long term.

By modelling each scenario, you can create contingency plans to better prepare you for any situation. An example of this is below:

	Scenario 1: Not achieving plan	Scenario 2: Significant downturn	Scenario 3: Cashflow crisis
Potential impact to your business	<ul style="list-style-type: none"> • Change to customer behaviour. • Flat to mild decline in revenue. • Disruption to operations. 	<ul style="list-style-type: none"> • Significant impact likely over multiple years. • Some lines of business no longer profitable. • Significant operational disruption. 	<ul style="list-style-type: none"> • Sustained reduction in revenue. • Doubts about sustained viability of certain lines of business.

Here are some example actions that could be taken for Scenario 1:



Protect against revenue declines: Market to at risk segments.



Create stability in your operations: Ensure security of supply chain.



Take action to maintain cashflows: Evaluate cost reduction opportunities.



Plan for the actions that can be taken to recover and grow: Propose a service roadmap and the investment required to enact.

To help you with your planning, we've included a [template](#) that you can complete with the actions you'll take against each scenario.



Protect against revenue declines.

When times are tough, it's important to find new ways to stabilise your revenue. Here are some ways you can do this.

Put the customer at the heart of every decision, building trust, advocacy and market share:

- Create and implement marketing campaigns that help your highest risk segments.
- Inform customers of actions taken to maintain business continuity.

Download [Continuity planning for your business checklist, PDF 163kb](#).

Take preventative measures against declines in key revenue streams:

- Review your business development and sales pipelines, making note of future opportunities.
- Develop a pricing strategy as the market conditions change.

Adapt swiftly to current and future growth opportunities:

- Identify new revenue opportunities, such as moving to an e-commerce delivery model.
- Pivot resources to produce high-value and in-demand products and services.

Download [Innovation Toolkit, PDF 990kb](#).



Create stability in your operations.

While ever-changing conditions might make it harder to maintain stability, communicating openly with customers, suppliers and staff helps to create some consistency during uncertain times. Below are some ways to manage this.

Maintain stability with your suppliers:

- Host daily calls or video conferences with your supply chain teams to openly discuss operational risks.
- Work closely with suppliers to monitor supply chain risks.
- For at risk services or parts, seek commitments on supply minimums and identify alternative suppliers if need be.
- Ramp up or down service delivery or product manufacturing to meet your customers' needs.

Continue planning for your business:

- Move customers to online channels where possible, or adjust your opening hours.
- Move your workforce to meet expected demand increases or decreases.
- Put non-essential projects on hold.

For more information download [Continuity planning for your business checklist, PDF 163kb](#).



Take action to maintain cashflows.

Managing cash flow is one of the most important things to focus on during times of disruption. While you assess potential risks and evaluate what you and your business require, here are some things you could also consider.

Deploy a spend handbrake:

- Put a freeze on hiring additional employees.
- Cancel all non-essential travel and/or training.
- Grant leave to your full-time employees and contingent workforce.
- Pause non-critical consulting projects.
- Be selective on which marketing activities to maintain and which to pause.
- Put on hold non-critical capital expenditure.

Prepare for future corrective actions:

- Identify ways to reduce your costs, such as temporary office or facility closures.

Ideas that reduce cost without hampering your ability to compete:

- Implement a zero-based budget, to build a culture of financial management.
- Automation of certain functions.
- Competitive tenders with multiple suppliers.



Action planning to recover and grow.

While cost-cutting might be needed to survive COVID-19, investing in your 'future business' could spur the growth you need after the crisis. Below are some examples.

Identify ways to maintain and grow customer share during and after the COVID-19 pandemic:

- Build a strategic product or service roadmap with the investment needed in mind.
- Identify merger and acquisition opportunities or strategic partnerships.
- Review your operations to achieve greater agility.
- Identify actions required to maintain a strong balance sheet.
- Identify the key systems, people and capabilities to help your business survive and flourish.

Prepare for a shift in customer expectations:





- Integrate sustainability initiatives into your business strategy.
- Identify emerging trends and technologies and act swiftly to consider the opportunity or risks they present to your business.

Other information to help your business.

What's available	Where to go for more information
<p>Safework Australia</p> <p>COVID-19 information for workplaces.</p>	<p>safeworkaustralia.gov.au/covid-19-information-workplaces</p>
<p>The Treasury</p> <p>Information and fact sheets to help support small businesses impacted by COVID-19.</p>	<p>treasury.gov.au/coronavirus/businesses</p>
<p>Australian Tax Office (ATO)</p> <ul style="list-style-type: none"> • Administrative relief, payment deferrals and varied instalment options for small businesses. • Faster access to GST credits for business owners. • Low interest payment plans for business owners. • Mental health assistance for small business owners. 	<p>ato.gov.au</p> <p>ato.gov.au/business/gst/lodging-your-bas-or-annual-gst-return/options-for-reporting-and-paying-gst/monthly-gst-reporting</p> <p>ato.gov.au/General/Paying-the-ATO/Help-with-paying</p> <p>ato.gov.au/General/Financial-difficulties-and-serious-hardship/small-business-owners-experiencing-mental-health-issues</p>
<p>Westpac help for Australian businesses</p> <p>Support measures to help our business customers impacted by COVID-19.</p>	<p>westpac.com.au/help/disaster-relief/coronavirus</p>
<p>Australian Government: Business</p> <ul style="list-style-type: none"> • The latest information on COVID-19 support, eligibility and financial assistance for business. • JobKeeper Payment information for employers and employees. 	<p>business.gov.au/Risk-management/Emergency-management/Coronavirus-information-and-support-for-business</p> <p>business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/jobkeeper-payment</p>

Each business should consider its own circumstances and needs. We encourage you to speak to experts to help you to formulate a plan that suits your business.

Template: Scenario plan the impact of Covid-19.

	Scenario 1: Not achieving plan	Scenario 2: Significant downturn	Scenario 3: Cashflow crisis
Potential impact to your business:	<ul style="list-style-type: none"> • Change to customer behaviour. • Flat to mild decline in revenue. • Disruption to operations. 	<ul style="list-style-type: none"> • Significant impact likely over multiple years. • Some lines of business no longer profitable. • Significant operational disruption. 	<ul style="list-style-type: none"> • Sustained reduction in revenue. • Doubts about sustained viability of certain lines of business.
Actions that could be taken:			
 Protect against revenue declines			
 Create stability in your operations			
 Take action to maintain cashflows			
 Plan for the actions that can be taken to recover and grow			

We're here to help.

For more information on the ways we could help your small business during the COVID-19 pandemic, visit **westpac.com.au/business-banking/small-business-relief**