

COVID-19

A Post-Crisis Planner for Small Businesses



Preface

Ordinarily, a crisis planner of this type would be written start to finish, allowing you to plan for and navigate through a crisis that disrupts your business operations.

But given that the actual crisis – COVID-19 – is affecting us now and for the foreseeable future, we are starting with the Post-Pandemic period, the time when business returns to a “new normal” and the economy can catch its collective breath, if even for a moment.

Unlike many natural and even human-made disasters, the duration of this particular public health issue is unknown. It’s far easier to recover from an earthquake or major storm. The duration is one of minutes, hours, days or weeks, not months and even years.

That said, it is crucial to maintain flexibility and agility, take acceptable, measured risks, and anticipate possible outcomes so you can plan for those scenarios that are most likely to happen and which have the most significant impact.

If you are new to crisis planning and the method for determining the likelihood and impact of various scenarios, feel free to download our crisis planner: **When Trouble Strikes.**

As summer may provide a break in the crisis, we are working on a second primer that will walk you through the process of ramping down operations in preparation for a second wave and reopening more quickly once the danger has passed.

Post-Crisis Transition Planning

(As the First Pandemic Wave Dies Down)

First, realize that life will eventually return to normal, or a “new normal.” During the 1918 Spanish Flu pandemic, 98% of the population survived and the business community eventually rebounded and flourished.

The goal of a post-crisis plan is to get your operations up and running predictably and efficiently. You may have been forced to close your business suddenly or severely reduce operations, closing down machinery or production lines without the usual precautions or routine maintenance. Employees may have been sent home for the day with little or no notice. You may not even have a way to contact them all of your workers to let them know the status of your business and their future employment.

It’s almost certain that you didn’t have time to fully grasp the economic impact a global pandemic would have on your business. No one – not even the best minds in crisis and disaster planning – would have given this scenario serious thought.

You will probably have to do things differently than you did before. Until an effective vaccine is readily available, you may have to make changes to the workplace to maintain proper distancing, monitor employees who display symptoms and prevent additional outbreaks among your workforce.

The following steps should help you assess where you are at now and how you're going to get to the next stage of your business' operations and activities. Use it to plan for an eventual resumption of operations and for preparing for the possibility of future disruptions.

Business Continuity

- Identify the primary existing, physical, economic and social impacts to your business that may occur over the next year and think about vulnerabilities and what the next three, six, nine months are going to look like with this new landscape and these new challenges.
- Determine the business functions that are critical to your operations.
- List the resources needed to continue/protect those functions, including people, processes and technology.
- Review or adopt a viable telework policy and evaluate your workforce to determine which roles can still be performed remotely via telework and which cannot, even in a restart.
- Identify the specific employees in each of those roles who have demonstrated their ability to work productively while remote.
- Create a stack ranking of roles/workers so that workforce can be brought back in stages, with those most comfortable and effective in remote working coming back last.
- If you don't have one yet, establish a crisis management team. They can help you plan for and weather a second or third wave should they occur.
- Calculate the hard dollar losses (revenue, profits), comparing them to last year or the previous months. Also consider the soft dollars such as loss of workers and goodwill, increased absenteeism, customer migration, expired inventory or dated machinery. Document the information, as insurers, the SBA and other institutions will require paperwork to support your claims.
- Determine what financial obligations need to be paid immediately to resume operations. Question all expenses to determine near-term necessity, even those have been institutionalized over time such as bottled water dispensers, publication subscriptions, etc. Conserve cash where possible.
- Adjust your balance sheet and projections to create an emergency reserve cash fund when possible should another closure take place.
- Document all extra expenses you incur in the process of resuming operations, including renting equipment (until yours is repaired or replaced), temporarily leasing another location, marketing and moving expenses.
- Implement any crisis plan actions you already have in place so you can restore your business to normal operations as quickly as possible after the governor or public health officials have given the all clear to reopen.
- Become familiar with local, state and federal programs and funding mechanisms that may have been put in place to address business issues that are specific to this particular crisis.
- Prepare for the eventuality that your business operations could be disrupted again after reopening and plan accordingly.
- Implement changes that can be made to your business model to add flexibility and increase the resiliency of your business should there be additional closures in the future. Where possible, transition to online models, expand into new markets, add new products or services that are more resistant to public health disruptions and be willing to think out of the box. A crisis can also be an opportunity in business.

Examples:

Canlis, the upscale dining establishment in Seattle, pivoted within days to suspend normal operations and offered home delivery of family-style meals instead. Their goal was to keep their 140+ employees employed and the restaurant's operations going.

Geo's Cuban Café not only offered takeout and curbside delivery to their customers, but also added 32 oz. virgin versions of its famous libations to their to-go menu to keep their bartenders employed.

Chambers Bay Distilling repurposed some of its raw materials for making whiskey and vodka to create hand sanitizer for the public. The state liquor and cannabis board later amended its policies to allow all distilleries to manufacture sanitizer.

Should a second wave strike, you want to be able to pivot to an alternate business plan as quickly as possible.

Communications

- Communicate with customers, suppliers and government recovery officials at the local, regional and state levels to identify potential challenges associated with reopening your business.
- Set up an alert notification system so you can communicate to employees, stakeholders and clients via a variety of channels as you resume operations.
- Contact employees and let them know the status of your business and their return to work. If you have a lot of employees, use a phone/texting tree (managers call their direct reports) to get the word out. If you don't have a communication tree, put one in place so you are ready in the future to communicate quickly and efficiently with employees.
- Establish a policy and procedure for dealing with employees who may show signs of infection. Make sure public health officials and family members are notified if an employee becomes ill and cannot return to work during a quarantine period.
- Establish an easily accessible database of information about the company that key employees can access in case of another disruption. This should include company background information, critical documents, key contacts, passwords and other information necessary to keep the business operating during and after a crisis.
- Set up a Private Group on Facebook and ask employees to request to join the group so you can keep them up to date throughout the recovery process.
- Ensure stakeholders know where to look for the most recent updates about your business. Social media is an excellent tool for keeping these audiences up to date.
- Provide regular updates about how your business is recovering and how things are returning to normal. Keep in mind that there may be a second wave in the future. Prepare your stakeholders and employees for that eventuality.
- Share all information in an honest, timely and consistent manner.
- If you have relationships with local reporters, provide them with an update about your business. Resist the temptation, however, to send out a broadcast "we're open for business again" press release. The media is already overwhelmed.

- Improve your plan as needed and regularly update the information. Make sure you are compassionate and empathetic as possible in your communications. While things may be returning to normal for you, others are still in crisis or various stages of recovery and grief.

Resources:

Tech giants like Google, Zoom and Microsoft have been providing limited-time access to conferencing and collaboration tools for business.

Founder Institute, the world's largest pre-seed accelerator, introduced free webinars that encourage the continuation of education while practicing social distancing.

Facebook announced during the initial wave they would offer \$100 million in cash grants and advertising credits to small businesses. See what the status of this and other programs are as you prepare to open again.

Emergency Management

- Monitor state and national health information for any updates about the current situation or new pandemic waves.
- Contact public health officials and applicable regulatory agencies to get updates on when and how a business can be reopened. State, county and local officials may opt for a tiered approach to re-establishing commerce.
- Balance recovery actions with preparedness planning for a new disruption to your business operations. This will create resiliency in your company long term.
- Recognize that you may have to change safety practices, including maintaining proper social distancing, testing employees that display

symptoms, offering appropriate personal protection equipment, etc.

- Develop a crisis plan as time allows, if you don't have one already. To help you develop one, visit our crisis planner toolkit, which includes handy checklists near the end for suspending and resuming operations as well as in-depth tools for assessing and responding to various scenarios.
- Identify any available direct and indirect government recovery support.
- Check documentation requirements for insurance and federal and state aid so you can keep appropriate records for any claims or formal requests related to the pandemic.
- Keep accurate records of crisis-related losses or costs.
- Implement your business recovery plan and be prepared for the possibility of a subsequent wave.
- Monitor your recovery continuously and take proactive actions to protect your operations and ensure resiliency in the post-crisis phase. Be sure that you document your activities so that procedures and activities can be used in the future.

Facilities

- Confirm with local authorities that it is safe for employees to return to work. Depending on the type of business you have, you may need to get additional health, safety and fire inspections to get the green light to open again.
- Bring back sufficient staff to do a thorough cleaning/sanitization of your facilities before officially resuming operations. This will give your workers, customers and stakeholders peace of mind that you have their safety and security in mind.

- Sanitize all surfaces, especially those in common areas such as meeting rooms, break rooms, the cafeteria and lobby areas. Establish more stringent maintenance and janitorial procedures to reduce the chance of community spread.
- Monitor the Center for Disease Control and state and local guidance for best practices as these change over time.
- Re-establish utilities if they have been temporarily discontinued.
- Inventory damages (spoiled/outdated products, etc.).
- Check the building interior for any potential equipment malfunctions due to lack of use or regular maintenance (water, toilets, hand basins, boilers, fuel supplies etc.).
- Contact vendors and suppliers and re-establish delivery and support functions.
- Systematically bring back services that were being performed remotely. You may want to bring these back in stages so that you don't become overwhelmed when payroll is due and find yourself deeper in debt. This would include things like janitorial services, paid parking for workers, etc.
- Verify that you have adequate staffing to monitor and maintain HVAC systems and other environmental controls.
- Conduct preventative maintenance on critical systems. Make sure equipment is tested as specified by the manufacturer. This includes detection devices that require regular testing, inspection, maintenance and calibration. Prioritize systems that had their regular maintenance delayed.
- Review your security procedures. Consider putting a progressive response system in place to limit building/facility access in case of a second

wave. Put a plan in place that automatically triggers when certain events transpire, such as a positive test of a visitor, vendor or employee.

- Consider making your building safer if extended closure is required again, such as installing shutters to protect windows, inexpensive emergency lights that turn on during power outages and security cameras.

Human Resources

- Focus on a retention plan that retains your most skilled and valued workers, those who are most likely to take advantage of offers to work elsewhere in the aftermath of a crisis.
- Enact policies that provide workplace flexibility. You will likely experience increased absenteeism and a loss of productivity as employees process the crisis. Individuals have had to make significant changes and adjust their standard of living suddenly. Consideration of their circumstances will be helpful to their retention. Prioritize people over projects and profits as you resume operations and transition into getting back to normal.
- Increase certainty by helping employees outline the goals they want to achieve during this time. With sudden changes to operating plans, many projects or previously set goals might now be irrelevant. Resetting priorities during this time will help employees feel a sense of control and direction.
- Understand that there will be long-term psychological trauma caused by widespread fear, panic and grief. If you have an Employee Assistance Program in place, remind employees to take advantage of it. If you don't, think about developing one. Chances are good you will face other crises down the road.

- The business recovery process is immense, stressful and labor intensive. But do not overlook the need to address the mental health of your employees and to assure them regularly that their hard work has purpose and progress is being made,
- Identify local, state and federal health agencies that may have programs in place to assist workers with trauma and readjustment.
- Assess the short- and long-term impacts on your employees and their families. This is not the time to be a clock-watcher. Things will find a new rhythm – be patient and be kind. You are not the only one experiencing stress right now.
- Recognize the importance of human connection and find ways to facilitate continued collaboration and social interaction.
- Ensure that technology operates smoothly and that the right tools are available to help employees get the job done in new ways.
- Build in some fun. Any crisis is stressful, even after it has passed. Find little things to celebrate and allow a little frivolity here and there so everyone can blow off steam. Even without a crisis, the workplace can be extremely stressful. Let your employees (and yourself) decompress a bit and celebrate the fact that, at least at the moment, things are relatively normal again.
- Consider subscriptions for your staff to mindfulness apps that help with anxiety. Headspace, AnxietyCoach and Happify are all **ADAA-reviewed** mental health apps that can help in a variety of ways. There are also companies designed specifically with employees in mind such as **Modern Health**, which offer in-person or over-the-phone support through therapy, digital resources and certified coaches.
- Evaluate the effectiveness that working remotely had on your business and your employees. You may discover that your employees can still be

productive working remotely, either full- or part-time. You may be able to reduce square footage and related costs as you rebuilt revenue.

- Provide resources on how to mitigate distractions and effectively work from home. Provide managers with information on how to effectively support and coach employees remotely.

Legal

- Gather and review relevant insurance policies. Focus in particular on property/business interruption clauses and riders and any event cancellation policies. Look specifically for communicable disease coverage.
- Document all insurance claims, including:
 - The presence of Coronavirus/COVID-19 at the relevant location.
 - All lost income and extra expense attributable to the Coronavirus/COVID-19 health crisis.
- Assess impacts on insurance, short and long term.
- Mitigate impacts on the business from potential failures due to policy and insurance shortcomings.
- Contact state agencies to inform them of your status as an employer. Be sure to cover any exposure related to unemployment insurance, worker's compensation, or new regulations and taxation that may have changed while you were closed or on a reduced schedule.
- Document losses and keep receipts for federal tax purposes following IRS guidelines and the professional advice of an accountant or attorney.
- Consider requiring medical clearance from a doctor before an employee who was exposed or infected returns to the workplace.

- Follow all applicable wage and hour rules for employees who telework; be aware of differences concerning exempt and non-exempt employees with respect to time worked and furloughs.

NOTE:

The **National Federation of Independent Businesses (NFIB) Small Business Legal Center** provides information on other employment laws owners should consider during this time including the Americans with Disabilities Act, the Family and Medical Leave Act, and the Occupational Safety and Health Act.

Supply Chain

- Assess near- and long-term impacts on inventories and your supply chain.
- Forecast related costs and time required to recover.
- Implement options and actions to correct shortages.
- Monitor international, national and state recovery operations and identify any disruptions or delay in your supply chain.
- Assess what personal protection equipment is required in a restart and identify appropriate suppliers for these items. If quantities are sufficient, stockpile extras in case of future disruptions.
- Mitigate the effects of these delays and disruptions, including finding new or alternate suppliers.

Technology

- Make sure your remote workers have the technologies they need to work effectively, including laptops with onboard cameras, cellphones, tablets, etc.
- Utilize VPN with remote access so workers can “tunnel” into the company’s networks securely. This will allow access to sensitive information or systems behind the firewall
- Review Zoom, Skype or teleconferencing subscriptions to ensure that you have a plan that matches your company’s needs. Make sure your staff gains mastery of these tools, even after a restart.
- Invest in project management tools that will allow employees to communicate and collaborate, such as Google Docs, Microsoft Teams, etc.
- Optimize systems in place so your remote workers can back up their work, and systems, keep applications up to date and collaborate with coworkers who may have returned to the physical workplace. Strive to make this as seamless as possible.
- Upgrade to business-efficient security solutions like malware protection and network security. Remind employees to stay on top of updates.
- Listen to your workers on the frontlines. Your IT staff may not be aware of new tools or technologies that will increase the efficiency of your teams, on-site and remotely. Empower them to not only solve problems, but also to speak up to provide innovative solutions.

Travel

- Monitor federal and state sites to determine when travel can be resumed. Some countries will remain on the travel restriction list.
- Build flexibility into your overseas tradeshows and sales initiatives, being aware that travel can be restricted at any time in the future, even if you are out of the country at the time.
- Allow plenty of time between arrival times to consider airport delays as a result of additional flight health screenings and other unexpected interruptions.
- Develop other options in lieu of traveling in transportation modes that put you in harm's way.
- Consider cancelling or rescheduling non-essential business trips.
- Check out the fine print on your travel purchases and on any corresponding travel insurance. Ask about the cancellation policies for airlines, hotels and other travel vendors. Get it in writing.
- If employees do travel overseas, make sure they have a 60 to 90 day supply of any prescriptions.
- Include travel policies so your employees will know what to do if they are suddenly unable to travel or to return home after a business trip.
- Review your business and event insurance coverage to see if any riders are necessary to prevent or reduce losses caused by disruptions.
- Prioritize a good night's sleep over going out with coworkers or sneaking in that extra hour of meeting prep.

Note:

For the most up-to-date information about travel restrictions and guidance visit:

bit.ly/cdc_coronavirus2019

Go to **travel.state.gov** for the latest warnings and travel advisories. There are also links to U.S. embassies in various countries for more destination-specific information.



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Got a question? Email us at
moreinfo@choosewashington.com