

COVID-19 RESPONSE

# **BUSINESS CONTINUITY**

Immediate concerns checklist

As governments around the world scramble to tackle the spread of the COVID-19, businesses globally must think quickly and strategically about the social, operational and financial fallout.

While the situation remains highly fluid, disruption is certain to continue for weeks, if not months, meaning businesses must swiftly take decisive, clearly communicated action that engages and informs all stakeholders. In the face of this uncertainty, AlixPartners has highlighted the immediate areas that senior business leaders must be seeking to address as they navigate this highly disruptive event.

### People

- Health and safety, including in-office physical contingencies like cleaning
- Work policies including remote working particulars
- Communications tuned to culture and meta-messages
- Tracking of potential exposures
- Facilities openings and closings as appropriate
- Facilitating remote work and policy decisions
- Event and meeting cancellation
- Emergency Succession Plan for all key roles
- Counseling and support for people affected

### Finance

- Best case and worst case scenario planning and most likely case business forecast
- Finance stress tests
- Cash flow model with covenant analysis
- Receipts and disbursements
- Cash Czar
- Communications with lenders, vendors, suppliers

### Supply chain

- Vendor and material continuity
- Redundancy and alternate sources
- Geographical considerations to alternate sourcing
- Critical path stabilization
- Transportation
- Manufacturing and assembly reliability
- Demand and inventory planning

### Customers

- Demand implications: increase or decrease of sales pipeline
- Service assurance, continuity of delivery for both goods and services
- Opportunistic response to any increased needs
- Enhance the brand through demonstrated values and actions

### IT

- Scenario planning—single, multiple affected locations
- A review of all projects:
  1. Decide what can be progressed remotely and continue. A lot can be done this way if people are creative. Some re-planning may be required.
  2. Decide what is critical and must continue regardless. Some re-planning may be required.
  3. Pause the rest. Cash flow planning may require some projects to pause anyway
- Redundancy and geographic variety of normal cadence
- Scenario planning
- Remote working test for system stress
- Production operations and monitoring activities coverage by location
- Third-party, outsourced production operations and monitoring activities coverage by provider
- Remote access infrastructure capacity—systems operations and administration by location and major system
- Remote access infrastructure capacity—business users, key functions
- Risk of increased external threats due to perceived vulnerability
- Secure access to physical items needed for special processes run remotely (e.g., check stock, secure storage for media intake, etc.)
- Process for approval of exception and special access to closed areas

### Internal communications

- Ensure that the culture and principles of the company are demonstrated
- Personal nature of how this may be impacting you, speak up if you need help
- Company and its personal role in society
- Personal role in company
- Company support
- Board: frequency/topics/method
- Health and safety awareness/advice
- Travel restrictions
- Meeting/visitor policy
- Remote work/paid leave policy
- Internal channels/spokespeople/crisis inbox

### External communications to key stakeholders

- Media
- Local communities
- Suppliers
- Customers
- Analysts
- Lenders
- Regulators and governments
- Investors

### Program and Crisis management

- War Room
- Who
- How often
- Structure
- Roles: decision-making responsibility and clarity
- PR and crisis management
- Monitoring: virus progression, competitive monitoring, social media monitoring
- Single source of truth (i.e., fact base for critical decision-making)
- Communication strategy
- Value protection (financial, operational, reputational, etc.)
- Critical metrics/KPIs

### Other

- Opportunistic M&A
- Recruiting
- Point person for each critical area



For more information, get in touch: [www.alixpartners.com/contact-us](http://www.alixpartners.com/contact-us)

## **ABOUT US**

For nearly forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges – circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line – a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA – so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.

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