BIZCOMMUNITY

11-step battle plan for business owners, leaders during lockdown

By Trevor Clark

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Right now, every small- to medium-sized business in South Africa needs a survival plan. Business owners and team leaders need to use the one thing that this difficult period provides - time. Time to evaluate, plan and strategise. That way, a business will have a foundation and find its feet in the post-coronavirus economy.



Image source: www.pixabay.com

Here is an 11-step plan for business owners and leaders during lockdown:

Step 1 – Communicate

It more important than ever to communicate with stakeholders. Whether you are using the humble telephone, email or more sophisticated apps that enable conference calling, make sure that you check in regularly with your team, customers, networks, suppliers and members of the local community.

Step 2 – Be positive

When everyone is feeling insecure and fearful, you need to be a positive leader. Put your best face forward and confidently reassure your people that you are doing everything in your power to ensure their welfare and that of your business.

Try to look for small wins every hour and encourage your staff to do the same. Emphasise that there's an opportunity in every challenge. Try not to spend too much time soaking up negative news – as long as you keep in touch with important developments, less news is sometimes better.

Step 3 – Know the cycles

Remember that things go in cycles - whether it is nature itself or economics. As our farmers have had to accept recently,

even the weather follows seven to 10-year cycles with plentiful rainfall following harrowing droughts. The general rule is that summer is followed by autumn and then winter and, finally, by spring. It might be winter now, but make sure you invest the time now to plan for your business's spring.



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Step 4 – Change

As the often-used quote from Heraclitus goes, "The only constant in life is change." The problem during plentiful times is that we are often too busy to notice or factor in change and the opportunities that it presents. Right now, you can not only consider potential changes but lead the change.

We teach our clients to embrace, and leverage the formula for change, which is:

 $(D \times V) + F > R$ Where D = Dissatisfaction, V = Vision, F = First Steps, and R = Resistance

Essentially, people typically only change their behaviour (get over the resistance) when either their dissatisfaction, or their vision is extremely high. As we saw in the global meltdown of 2008/9, it was the people that waited too long to change (only when their dissatisfaction became overwhelming) that took the biggest hit.

Those with the vision to understand that this is really happening, and that embraced the change as an opportunity to grow and find new opportunities, were the people that came out of the crisis even stronger.



Trevor Oark, senior franchise partner, global trainer, internationally certified ActionCOACH business and executive coach

Step 5 – Cut back

This is simple common sense. Curtail spending and remember that cash is king. Slow things down or postpone expenditure – and renegotiate big payouts such as rentals and debt repayments now. Banks are amenable to helping their clients survive, so take advantage of this.

Also identify where you can't cut back – remuneration for essential staff and marketing and selling your products/services. That way, you'll remain top of mind once the lockdown is over.

Step 6 – Extend credit

Chat to your banks, suppliers and lenders. Extend credit lines and identify possible payment holidays if you will need these to survive the lockdown period. With a survival plan in place, approach your bank and try to renegotiate rates going forward.

Step 7 – Staffing cuts/changes

For many businesses, this may be inevitable. However, negotiate wisely and within the country's labour laws. Remember that, for many, simply having a job

is better than no job at all. So, consider implementing pay cuts, half day solutions or short time. Suspend bonus programmes.

Step 8 – Work from home

Continue to support and check in with staff who are working from home. Top them up online if they need more data. This way, you can continue to hold meetings and report back to your team. In fact, now is a good time to strategise and plan and take advantage of the time that you never had prior to this. The same goes for banking and checking in with customers.

If you are still able to operate, remember that customer service remains important. If you are there to support your clients now, they won't forget you when all returns to normal.

Step 9 – Online or deliveries

During lockdown, it is almost impossible for people to come to you. You have to go to them. If you can, add an efficient delivery service to your offering and ramp up your online business and sales. Take orders by phone and follow up to ensure that all is going smoothly.

Step 10 - Market and sell

At times like these, many companies cut their advertising budgets and stop promoting their businesses. The rule now is pretty similar to the advice given to businesses during recessions and economic down turns – you have to keep marketing to keep your business top of mind. During the recovery period, you need to make sure that your business is the one that customers think of first.

To ensure this, re-negotiate rates with your service providers and create new offers and special offers to reward clients for supporting your business.

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Step 11 – Repeat business

It is vital to keep your existing customers at all costs. Create deals just for them and arrange bulk buys and negotiate cash up front to ensure delivery of goods that may be in short supply. Here, again, communication is key.

Use the 80:20 rule to ensure you reach the correct customers the correct number of times.

Finally, remember that common sense and compassion rule during times like these. Over deliver on customer service and make sure that if you are still operating, customers know that their safety is paramount. Provide sanitiser. Simply be nice and take a chill pill. Much of what is happening is out of your control – but be ready to step in and take charge where you can. Most of all, be empathetic – and don't buy too much toilet paper!

ABOUT THE AUTHOR

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