



MANAGING ECONOMIC UNCERTAINTY

20 PRACTICAL ACTIONS BUSINESSES CAN TAKE

A helpful action plan to enable you to focus on and act in the right areas.

ROBSON / LAIDLER

INTRODUCTION

Having just emerged from the pandemic, the UK and global economy is facing a challenging future with rising inflation and interest rates globally. Global stock markets continue to perform well, but many would argue too well.

Closer to home households are facing significant price rises in pretty much everything from fuel to tomatoes. This will inevitably start to impact businesses, many of which have little, if any reserves left to face challenging times.

Alongside this backdrop, many businesses are facing challenges with their staff, with high sickness rates and ongoing implications from Covid.

What should businesses be doing to protect themselves, their people and their customers?

We have produced this handy guide to help business's focus and act in the key areas. From prioritising debt and cashflow, to being highly communicative with your people, your customers and your suppliers, this guide provides you with a helpful action plan that will enable you to focus on and act in the right areas.

CASH



You need to understand your financial position before you can make the right decisions in other areas. Conduct a review of your finances. Key areas to focus on are:



01 Cashflow

Do you have sufficient cash in the bank to enable you to continue to operate for the next 3, 6 and 12 months?



02 Forecasting

What do your short and long-term finances for your business look like?

- Your forecast will inform you and enable you to make the right decisions to keep your business moving.
- Preparing longer-term cashflow forecasts will help you understand what additional funding requirements you may need.



03 Collect the cash you are owed

Speak to customers that owe you cash and proactively work with them to secure payments. Show empathy to those that are struggling and work with them to agree a payment schedule.



04 Do you owe cash to suppliers or others?

If you owe cash to suppliers or others speak to them and agree a payment plan that works for you both.



05 Do you need to access additional cash?

If so, look at your options carefully and consider the impact of any additional borrowing.



06 Make the most of the support available

Make the most of tax deferrals, grants and other financial support that may be available to you.



07 Review and refine pricing & payment terms

How your customers pay you may need to change to help them and/or to help you. Think about the best way you can get paid in a way that is fair and appropriate for your customers.

PEOPLE



Key things you need to bear in mind include looking after your people, keeping them informed and supporting them.

Your priorities for your people are their well-being and ensuring they have the tools and support to do their jobs.



08 Contingency plans

What contingency plans do you have in place to handle staff absences e.g., due to Covid? Consider your legal and financial obligations. Consider how you can manage absences without overburdening staff.



09 Recruitment and Redundancies

Handle your recruitment, people management and, if things take a turn for the worse, redundancies carefully and appropriately. Ensure you follow the correct protocols and have good processes in place.



10 Expectations

Be clear about your expectations of staff if they are unwell or test positive for COVID. Do you require them to stay at home even if they're not ill. What are your rules around allowing someone into the office when they've had a positive result?



11 H&S & wellbeing reviews

Conduct regular H&S and wellbeing reviews. Record the outcomes and act on them.



12 Communications

Communications will be key. Ensure you are communicating regularly and appropriately with all staff – whether they are working from home or in the workplace or are absent due to illness.



13 Support your teams

Are your managers equipped to support their teams? Do they know how to handle the wellbeing aspects of their people?



14 Technology

Have your people got the right technology and support to do their jobs? This is especially critical for workers working from home or remotely or where you may need to engage with new technology as part of service delivery.

CUSTOMERS



Clearly your customers are vital to your business. You need to be talking to them and identifying the ways you can help them. How you support customers will be crucial. Make sure you:



15 Customer experience

Consider what impact any staff absences or changes in processes over the past years may be affecting the customer experience. Can customers still contact you and visit you? What, if any, changes to your services have been made and have you communicated this clearly to your customers?



16 Communications

Don't assume your customers know how you can help them and how they can buy from you. Contact them and let them know. Use this opportunity to re-engage with customers and reassure them, especially now when everyone is concerned about increased prices and availability of some products and services. Remind them of how to contact you and what to expect from you.



17 Make sure you can deliver

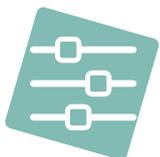
If you are reliant on others e.g., suppliers or transportation, check your supply chain and secure what you need to ensure you can deliver for your customers. Put in place contingencies in case of staff shortages e.g., due to Covid absences.



18 What do your customers need & want?

Identify the key things that your customers need from you right now. This may have changed from 'normal times'.

The easiest way to do this is to ask them – a simple 'how can we help' message will go a long way towards reassuring your customers and reminding them of how you can help.



19 Review & refine your products/services

We are in a new world. What worked before may not now. Be helpful to your customers by thinking about the alternative ways you can make life easier for them. Review packages, delivery options, promotion. Be creative and find ways to make your products and services accessible and attractive.



20 Get in touch with your existing customers

Call them and/or write to them. Post messages on social channels. Be highly visible with relevant and helpful information and content. Your existing customers already know, like and trust you. Look after them as a priority.

NEXT STEPS



We hope you have found this guide useful. Many of the 20 recommended actions are things that you can easily do and implement on your own.

We do recommend you consider speaking to professional advisers in the key areas of your finances, cashflow and debt management, as well as on people matters, supplier contracts and terms of business. A professional adviser will help you review what is best for you and your business and help ensure your business is in the best possible shape going forward.

Please do get in touch if we can help.

Robson Laidler is a firm of dedicated Accountants, Business Advisors & Tax Specialists, fully committed in our purpose to "make a positive difference to people's lives." As such we were the first business in the North East to become B Corp accredited in the summer of 2021, which means we meet the highest standards of social and environmental performance, accountability, and transparency.

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