

# PATH FORWARD



Reopen • Reimagine • Recover

A webinar series by the Rochester Area Chamber

## **Small Business Continuity: Your Operational Checklist**

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# SMALL BUSINESS CONTINUITY



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# WHAT IS A BUSINESS CONTINUITY PLAN?

1. Business continuity planning is the process of creating a system of prevention and recovery from threats to a company. The plan ensures that personnel and assets are protected and are able to function quickly in the event of a disaster.
2. Survival and recovery.
3. The new economy - current and future.

# WHAT ARE THE THREATS TO YOUR BUSINESS?

- [Government Orders](#) - 51 Orders since 3/13/20
- Employee Health and Availability
- Reluctant Customers
- Supply Chain Issues - What business do you rely on?
- Additional Shut Downs
- Cash, Revenue, Debt....
- Other? Every Business and Industry is Unique

# ABSTRACT CHECKLIST (INNOVATE)

- Investigate
- **Innovate**
- Communicate
- **Innovate**
- Negotiate
- **Innovate**
- Execute
- Repeat

# FLOWCHART: MIT SLOAN MANAGEMENT REVIEW

## ARE WE STRUGGLING IN OUR BUSINESS BECAUSE OF COVID-19?

**YES**

Can we offer our products and/or services online?

**YES**

Do it!  
*Examples: retail, higher education*

**NO**

Can we use our infrastructure to produce products and/or services that are in demand?

**YES**

Do it!  
*Examples: insurance, manufacturing*

**NO**

Focus on loss mitigation  
*Examples: airlines, tourism*

**NO**

Can we acquire infrastructure to expand production of our products and/or services?

**YES**

Do it!  
*Examples: e-commerce, logistics, health care*

**NO**

Continue to operate as normal while exploring new opportunities  
*Examples: FMCG, pharma*

# BUSINESS IMPACT ANALYSIS & PLAN

1. Determine what the new economy means to you now.  
In 3, 6, 12, 24 months.
2. Revenue
3. Expenses
4. Cashflow
5. Resources (human resources and other)



# Safely adjusting the dials

## WORKPLACE SETTINGS



## SOCIAL SETTINGS



## SCHOOL SETTINGS



**SAFE PRACTICES**



- Wash your hands often
- Stay home when sick
- Social distance yourself
- Wear a mask

**COVID-19 RESPONSE**



- Test symptomatic individuals
- Isolate positive cases and contact trace
- Protect those at heightened risk
- Build needed hospital capacity
- Procure critical care supplies

# COVID-19 Preparedness Plan template and instructions

Version 4 30 2020 (EO 2048)

## COVID-19 Preparedness Plan template and instructions

Executive Order 20-48 issued by Gov. Tim Walz on April 30, 2020, requires each business in operation during the peacetime emergency establish a COVID-19 Preparedness Plan.

A business's COVID-19 Preparedness Plan shall establish and explain the necessary policies, practices and conditions necessary to meet the Centers for Disease Control and Prevention (CDC) and Minnesota Department of Health (MDH) guidelines for COVID-19, federal Occupational Safety and Health Administration (OSHA) standards and Executive Order 20-48, related to worker and customer – if the business has customer-facing operations – exposure to COVID-19. The plan should have the strong commitment of management and be developed and implemented with the participation of workers. The Minnesota Department of Labor and Industry (DLI), in consultation with MDH, has the authority to determine whether a plan is adequate.

Your COVID-19 Preparedness Plan must include and describe how your business will implement at a minimum the following:

1. infection prevention measures;
2. prompt identification and isolation of sick persons;
3. engineering and administrative controls for social distancing;
4. customer controls and protections for drop-off, pick-up and delivery;
5. housekeeping, including cleaning, disinfecting and decontamination;
6. communications and training for managers and workers necessary to implement the plan; and
7. provision of management and supervision necessary to ensure effective ongoing implementation of the plan.

This document includes a template for a COVID-19 Preparedness Plan that includes the criteria listed above and is developed to fit the potential needs of different types of businesses. This template should be used with the Checklist guidelines for creating a COVID-19 Preparedness Plan available at [www.dli.mn.gov/updates](http://www.dli.mn.gov/updates). No business is required to use this template. If you choose to use this template, you must adapt it to fit the specific needs of your business.

Version 4 30 2020 (EO 2048)

## COVID-19 Preparedness Plan for [Company name]

[Company name] is committed to providing a safe and healthy workplace for all our workers and customers. To ensure that, we have developed the following COVID-19 Preparedness Plan in response to the COVID-19 pandemic. Managers and workers are all responsible for implementing this plan. Our goal is to mitigate the potential for transmission of COVID-19 in our workplaces and communities, and that requires full cooperation among our workers, management and customers. Only through this cooperative effort can we establish and maintain the safety and health of our workplaces.

Management and workers are responsible for implementing and complying with all aspects of this COVID-19 Preparedness Plan. [Company name] managers and supervisors have our full support in enforcing the provisions of this policy.

Our workers are our most important assets. We are serious about safety and health and keeping our workers working at [company name]. Worker involvement is essential in developing and implementing a successful COVID-19 Preparedness Plan. We have involved our workers in this process by **[Describe how worker concerns have been addressed, how worker suggestions and feedback have been requested, and how those have been integrated into developing the plan]**. Our COVID-19 Preparedness Plan follows Centers for Disease Control and Prevention (CDC) and Minnesota Department of Health (MDH) guidelines, federal OSHA standards related to COVID-19 and Executive Order 20-48, and addresses:

- hygiene and respiratory etiquette;
- engineering and administrative controls for social distancing;
- customer controls and protections for drop-off, pick-up and delivery;
- housekeeping, including cleaning, disinfecting and decontamination;
- prompt identification and isolation of sick persons;
- communications and training that will be provided to managers and workers; and
- management and supervision necessary to ensure effective implementation of the plan.

# CREATING THE PLAN (INVESTIGATE)

1. Identify the goals and objectives of your business.
2. What resources do you have? (employees, products, services, cash, credit)
3. What resources do you need? (customers, cash, product)
4. Rank processes, roles, and resources in your business in level of priority and importance.
5. What is essential:
  - a. Priority A: Essential services or products.
  - b. Priority B: Services/products that can be suspended for a short period of time (voluntarily or otherwise)
  - c. Priority C: Products or services that can be suspended for an extended period of time.

# REVENUE: Who, What, When, Where & How

1. Current: What cash, inventory, or liquid assets are available?
2. Old Revenue: When and how can I replicate my prior revenue?
3. New Revenue
  - a. Sales (If so, of what? to whom? when? and how much?)
  - b. Loans (SBA, PPP, EIDL, Banks, Family, OPM (Other People's Money))
  - c. Partnerships (Sale of shares, combination of product/services, other?)
  - d. Grants (Do I qualify for any? Keep it Local, Otto Bremer, RAF, other?)
  - e. Innovations (What does the world need now that I can provide?)

# EXPENSES

## **What are my current expenses (what is necessary)?**

1. Identify
2. Investigate (What do I really owe, to whom, when is it due, and can they collect?)
3. Prioritize (Needs vs. Wants. Timing.)
4. Negotiate (Everything is negotiable. Everything.)
5. What can be reduced, delayed, forgiven, moved, mortgaged, assigned, refinanced?

# CASH FLOW ANALYSIS

unsexy, but necessary

1. Budget monthly to mesh the income and expenses.
  - a. When will you run out of cash?
  - b. How do you avoid running out of cash?
2. If you can succeed, good for you. If you run out of cash, go back to Revenue and Expense slides and Innovate.
3. Share the Analysis and Plan with lenders, landlords, suppliers, partners.

# EXECUTE THE PLAN

1. First, you (and your team) must believe in the plan.
2. Communicate and train staff on the plan and their role.
3. Share your plan with whomever you can (customers, suppliers, lender).
4. Update the plan (it will change).
5. Make someone accountable for the plan itself.
6. Measure success (on budget, staff morale, health and safety).

# PITFALLS / OPPORTUNITIES

1. Business as usual is a huge risk, few are returning to the same world.
2. Failure to understand your new customer. What is important to them?
3. Failure to adapt/innovate/change quickly. Not all ideas will work.
4. Unrealistic expectations. Build it and they will come?
5. Personal guarantees and liabilities. Who really owes the debt?
6. Continuing without a plan for success, there is a time to stop/pivot.
7. What have you learned in the last 8 weeks?

# RECAP OF CHECKLIST

1. **Investigate & Strategize:** Identify the impact COVID -19 has on your business.
2. **Revenue:** Find revenue sources
3. **Expenses:** Understand, reduce and forecast debt and expenses.
4. **Cash Flow Analysis:** Blend the revenue and expenses in a timeline.
5. **Formalize the Plan:** Write it down, vet, share, test it.
6. **Execute:** Apply the resources.
7. **Ask for Help**

# EXAMPLES & THOUGHTS

**Pace Electronics**

**Chamberlain Concierge**

**Voca**

**Market Share vs. Market to Share**

**Local, Regional, and National Food Production & Distribution**

# QUESTIONS?



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