Creating, Revising, and Implementing Strategies to Address Today's Challenges

Emergent Partners distributed a list of essential questions that business leaders need to ask themselves as they face the realities of the COVID-19 pandemic and its effects on their businesses. Here are some additional insights from Emergent Team on how to effectively answer these questions and considerations that need to be made.

Do you have an overall strategy to cope with business interruption?

Some companies have ideas regarding what they would do, but do not have formal strategies. Other companies do have formal strategies, but could not anticipate a scenario where they would be generating no revenue for an extended period with no specific timeline for recovery. The situation we are currently in is unprecedented and for most represents beyond what could be imagined as a worst-case scenario. This has obviously left companies scrambling to figure out short and long-term solutions. Since strategies were either not in place or have become inadequate, it is necessary to make a continuous, honest assessment of the current situation and projected outcomes, no matter how bad they look. The path from current situation to business survival can involve everything from making or continuing to make cuts to implementing new ways to further monetize existing products or services. Reliance on government assistance should not be part of the strategy since there is no way of telling if or when individual companies could receive it. Business leaders also need to be flexible on revising their strategy since we are dealing with a very fluid situation. Drastic times do indeed call for drastic measures, and companies should not be afraid to take drastic measures as necessary in the short-term to increase the chances of better long-term outcomes.

When you are making changes or cuts, are you factoring in what your future needs will be once the economic and social climate improves?

Eventually, markets will rebound and business will resume. Companies have to keep this in mind when choosing what and where to cut or continue to cut. Cutting too deep in certain areas can create even more significant hardships down the road. It is important to think about who and what have been and can continue to be essential to the success of the business. In most cases, this is not "black and white." Cutting an employee who physically performs a non-essential function, but provides a critical example or leadership to the team, brings extensive or unique experience to the organization, or embodies competitive advantages to customers can provide short-term gains, but hinder future recovery. As can cutting support for certain products or services that may not be the most profitable, but facilitate the sale of other, more critical products and services. There is no singular answer or strategy since every company has its own unique aspects. It is up to company leadership to develop a thorough understanding of their own situations and unique opportunities and plan their cuts accordingly.

Looking for more information? Contact us at www.emergent-partners.com/contact.

Emergent Partners is a management consulting firm specializing in helping companies define and execute operational and financial excellence, devise effective strategies, and align those strategies with actions enabling them to take advantages of opportunities in their markets.

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