

COVID-19 business checklist





As the coronavirus pandemic continues to spread across markets and impact people around the world, it is creating significant challenges for business leaders. How can you make your business better prepared and more able to handle the impact of this global pandemic?

The Grant Thornton network would like to share with you a business checklist which has been designed to initially respond to COVID-19. This type of planning is critical and often doesn't feel urgent until it is. If you haven't done so already, this checklist can also be a first critical step to build a disaster response plan for your organisation.

Please kindly contact Grant Thornton Luxembourg specialists who will help you to understand and react to the rapidly changing circumstances and for the necessary support.

This checklist is not intended to be exhaustive or to replace official advice provided by the Luxembourg government.



Supply chain

Are your suppliers impacted by supply chain or manufacturing disruption caused by COVID-19, either directly or indirectly?
How dependent is your business on these suppliers? Is there an alternative supplier with product available?
Have you checked your contractual obligations with your suppliers? Are you required to purchase certain quantities? Do you have exemption clauses for instances such as this?
Have you communicated with your suppliers about how COVID-19 will impact your operations and how you expect any issues to be managed?
Do your contracts explore the possibility of suppliers undertaking a forced closure?
Do you have contingency plans in place if your supplier stops operations? Are there local or regional alternatives?
Do you prepay your suppliers, and is there an ability to renegotiate terms?
Have you considered the levels of stock you are buying? Is your stock perishable? Can you buy in bulk?



Customers

Are your customers aware of the origin of your goods and/or the potential impact disruption caused by COVID-19 may have on your product or service availability?
Do you rely on a physical retail space for sales, and what proportion of sales require direct customer contact?
Can you tailor your business to meet the needs of a remote customer? Is this an opportunity to grow?
Are your customers directly or indirectly impacted by COVID-19 disruption? How will this impact their buying pattern?
Are you proactively communicating with clients to understand and manage their expectations?
Have you checked your contractual obligations with your customers?
Could your debtor's terms be shortened or altered to better manage your cash flows?
Are you dependent on a limited number of customers? What are the consequences if they shut down?
Can you mitigate a downturn in spending with strategic advertising campaigns?
Can you provide additional reassurance over supply compared to your competitors?



Staff

Have you enacted basic sanitation procedures such as hand and respiratory hygiene information at the entrance to your workplace, and in highly visible internal work areas? Does this information include instructions about self-quarantine if a team member is unwell?
Are you monitoring the Ministry of Health and other regulating bodies' website and interviews for updates, and are you sharing relevant information with your staff?
Has the company made plans for alternative work arrangements that are commensurate to the level of risk exposure: skeletal workforce, work from home, rotation, shifting, alternative offices and plants, complete closure?
Are there any roles you have identified which cannot be performed remotely? Have you considered any health & safety implications of working remotely; for example, the availability of IT equipment, stability of connectivity, suitable home office space etc.
If your business can operate remotely, are there processes and procedures in place to ensure quality is maintained, performance can be monitored, and operations can continue?
When on alternative work arrangements, what are your plans to continuously engage with employees, monitor their work and activities, and ensure that output is in accordance with quality standards?
If your staff are required to travel or meet face-to-face, can these interactions be managed through alternative means such as video-conferencing?
Do your compensation and benefit policies support alternative work arrangements, including communication expenses, health and wellness support, and leave management?
Are you currently monitoring your employees' leave balances? What is your ability to fund extended leave periods, and health and wellness availments?
Have you checked your contractual obligations with your staff against your organisation's leave policy? Have you considered potential and temporary changes to these policies?
If key staff and/or contractors become ill, will this have a major impact on your operations? Is there a succession plan in place for these roles? For example, this could include handover instructions, system/process training required in advance etc.
Has any staff communication about quarantine expectations been distributed –wherever working? Does this information include criteria, duration and return to work procedures?
What is your current staff situation in terms of levels of resource and capability? Do you have a plan in place to maintain operations if a portion of the staff are quarantined –either self-imposed or mandatory?
Do your team members know how you will manage different scenarios during their time off in quarantine? For example, when they are sick, not sick but are not able to work, able to work from home?
Have you drafted a communication plan for staff, clients, suppliers and other key stakeholders in the event of a mandatory closedown? How regularly do you plan to update your stakeholders?



IT

Is your organisation capable of working remotely?
Do your staff have the hardware and software required to achieve this? Are they encrypted?
Have you got secure networks that allow a flexible and secure working environment?
Have you tested your IT infrastructure to support a flexible and potentially remote working environment?
Have you considered the security implications of a flexible working environment?
Do you have a Business Continuity Plan and an Incident Response Plan? Have you tested them?
How will your staff deal with IT or systems issues when working remotely?
Do they have an updated communications plan and process to address this?
Have you spoken to your outsourced IT vendors, managed service providers and other relevant third parties regarding their readiness and availability about the potential impact from Coronavirus?



Governance

What are your current messages to the business regarding their preparation, management and response to COVID-19?
Do you have a contingency plan for those who may fall ill at your workplace?
Who are the key people that can decide to continue operations?
Are you documenting regular board meeting minutes regarding decisions, with evidence of decisions?
Have there been changes in your organisation's risk profile? Have you reviewed your risk profile and developed an action plan to record, address, mitigate and manage the risk?
What impact will the Coronavirus have on your insurance policies?
Who else needs to be notified – who are the key stakeholders that are affected?



Financial

Do you calculate projected cashflow regularly, and do you understand the cashflow requirements of your business on a weekly and monthly basis?

Do you understand your working capital requirements – are you reviewing debtors, work in progress and creditors regularly?

Have you calculated how long your business can survive a mandatory shut down period?

If you rely on regular funding during your normal course of operations, have you spoken to your bank about your situation and requirements?

What are your obligations to the bank, specifically around debt covenants?

Have you spoken to your insurance provider? Does your business interruption cover COVID-19 interruptions, and to what extent?

Do you have back up plans if your business partners shut down or are affected; specifically, what happens if your IT or payroll service can't operate normally?

Do you understand the cost of continuing to operate with less staff/customers compared to the cost of completely shutting down for a period?



Regulatory

Do you have an active channel for health authority information to be followed?

Have you considered any potential tax relief by way of instalment arrangement relating to COVID-19?

Who are the key people in your business aware of legislation? Are these processes and requirements documented?

In terms of your key compliance staff, do you have a succession plan if one or the whole team become ill or is quarantined? What impact does this have on your regulated deliverables?

Are your COVID-19 response and measures compliant with privacy and security regulations?

Have you assessed the impact of the government's community quarantine rules on the ability of your organisation to deliver goods and services to your customers?

Need more information?

Whether you're an existing company, growing internationally or simply starting a new venture, we can help you understand, identify and manage potential risks to protect your business.

Today's businesses are faced with strategic, financial, operational and technological challenges. Grant Thornton understands that growing companies need guidance to establish robust internal controls, use information technology effectively and improve performance.

Our dedicated risk management team delivers objective, value-added solutions that will strengthen governance processes, implement sound organisational strategies, increase technological capabilities and improve your operational efficiency.

To find out how we can help your business, contact us

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