

# Strategic Planning for Business Continuity

## C H E C K L I S T

### A Response to COVID-19

Business continuity is dependent on the ability of businesses to adjust to new circumstances and to plan for different scenarios. The coronavirus has been devastating for tourism businesses, causing massive shuttering and employee layoffs. COVID-19 is ongoing with no clear end—the sustained disruption to the tourism industry creates many uncertainties. Small businesses seek guidance on managing through the crisis to help ensure they can survive and to be sure they can adapt to new business realities. This checklist contains a framework to explore the issues to help set a new strategic path.

#### EXPLORING THE ISSUES: CLARIFYING THE PROBLEM

*Think carefully about each item, prepare notes, and identify priorities. Use this information to help develop your business continuity strategy.*

#### **Analyze financial scenarios**, for example:

- Identify revenue impacts:
  - What is the estimated shortfall in revenues over the next 3, 6, 9, and 12 months?
- Review cash flow liquidity risk:
  - Can the business fund its liabilities?
- Financial relief:
  - What are the government emergency financial relief programs, tax rebates, or other supports available?
- Refinancing or loans:
  - What options does your lending institution have? Are these feasible?
- Review applicable insurance policies:
  - Does your insurance cover unexpected costs or losses?
- Impact on payroll and other staffing costs:
  - What will the costs be for severance packages or to accommodate extended layoffs or leaves of absence?
  - What is the impact on benefit packages and worker insurance schemes?

#### **Emphasize the needs of the customer/consumer and the community**, for example:

- Establish crisis communications:
  - What must you communicate to keep customers, employees, suppliers, and the community informed?
- Comply with health and safety guidelines
- Define your new customer

#### **Look at the impacts on business practices**, for example:

- Repurposing products and services:
  - What changes are needed to appeal to the new customer?
  - What changes are needed to overcome possible constraints or limitations due to new health and safety guidelines or regulations?
  - What are the costs to develop new products or services?



- Workforce policies and practices (e.g., travel restrictions, health and safety training, use of personal protective equipment, required changes in service standards to maintain safe personal distance requirements):
  - What policy changes are needed?
- Supply-chain stabilization:
  - Do you have a secure supply chain? What products may no longer be available? Is your supplier compliant with safety protocols that meet your standards? Do you need to identify alternative suppliers?
  - What updates to your inventory practices are needed?
- Alternative working relationships (e.g., employees working remotely, use of freelance workers, accommodating different working schedules to address employee needs such as caregiving):
  - What skills and infrastructure do you need to address these new ways of working?

**Determine the investments needed in human capital and infrastructure**, for example:

- Employee skills upgrading
- Upgrading/adapting IT systems:
  - Do you have what is needed to enable workers to be efficient and productive working remotely?
  - Is additional infrastructure needed to securely manage data or new communications requirements?
  - Are there added costs associated with IT services?
- Retrofitting of workplace:
  - Is there a need for signage, addition of social barriers (e.g., plexiglass panels), added cleaning supplies, or other tools?

**Conduct an environmental analysis** using one or more of the following strategic planning models:

- PESTLE (Political, Economic, Social, Technological, Legal, Environmental) Analysis
- Porter's Five Forces: Competition, Potential of New Entrants, Power of Suppliers, Power of Customers, Threat of Substitute Products
- Visioning
- VRIO (Value, Rarity, Imitability, Organization) Framework
- Theory of Change

#### DEVELOPING THE BUSINESS CONTINUITY STRATEGY: EXPLORING SOLUTIONS AND CONTINGENCIES

*Develop your strategy using what you learned from exploring the issues and focus on the most pressing issues you are facing, along with solutions to address them. Keep in mind that your strategy will not be static; you will need to adjust your plan in order to respond to new and emerging social, economic, and political issues.*

- Establish/assemble core strategic planning team**
- Review information collected during exploratory stage** and ask:
  - What do you continue to do well?
  - What are your biggest strengths and most robust resources?
  - How do you leverage existing resources (e.g., people, tools, products, services, partnerships)?
  - How can you promote stability?
  - What will it take to adapt?
  - Are you able to innovate?
  - What should you NOT be doing?



- Identify priorities impacting your company** and ask:
  - Where are your greatest risks?
  - What must you change in order to sustain your business?
  - What are the impacts on the current workers?
- Identify if there is a need to consult internal and external stakeholders** (e.g., employees, community-based organizations, financial institutions, legal experts)
- Develop response plan, strategic aims, and action plan:**
  - Identify key activities:
    - Rewrite HR policy and procedure manuals
    - Implement new training requirements
    - Seek financial relief funding
    - Sell off excess inventory
    - Develop crisis communications plan
    - Define expectations for remote work
    - Find alternative ways to deliver product or service
    - Develop new product or service
  - Break down each activity area into specific actions
  - Set timelines
  - Identify resources (e.g., people, equipment, materials)
  - Develop key performance indicators for each goal
- Develop budgets and timelines**
- Develop implementation strategy:**
  - Develop communication strategy
  - Determine reporting requirements
  - Establish a schedule for progress reviews (e.g., monthly, quarterly, end of year)

## N O T E S

You may also want to review the following Tourism Recovery checklists:

- Managing Cash Flow During Recovery Checklist
- Creating a Crisis Communications Plan
- Defining Your New Visitor Market Checklist
- Smart Inventory Control System Checklist

