



## **RE-OPEN YOUR BUSINESS - A CHECKLIST (05-26-20)**

### **1. Re-Opening Rules:**

#### **Business:**

- a. What are the phased rules from the state & city for your type of business, for reopening?
- b. Do you have a written copy of the rules?
- c. When are you allowed to reopen?
- d. Full or partial (what percentage of occupancy)?
- e. How will Occupancy be determined?
- f. How many people at a time?
- g. Hours of operation?
- h. Payment/Transaction Rules - no contact payment, cash register shields.
- i. Signage - Rules for Customers & Employees
- j. Sanitation requirements & materials - wipe downs, hand sanitizers etc

#### **Customers:**

- a. What are physical safety requirements - Required social distance?
- b. Masks required?
- c. Sign-in Sheet - Customer Log? (date, time, name, contact information)
- d. Verbal Questions?

#### **Employees:**

- a. Masks required?
- a. Gloves?
- b. Temperatures checked?
- c. Verbal questioning?
- d. Employee Log?

## **2. Basic business considerations:**

- a. How much cash do you need to reopen?
- b. How much do you have now?
- c. Do you have a Cash Forecast: how much will you need when, where will you get it?
- d. Do you have a line of Credit to cover the shortfall?
- e. If you need credit, where can you get it?
- f. How can you increase cash inflow, and slow cash outflow?
- h. Publicizing your Reopening:
  - (1) How will you let people know you are reopening your business?
  - (2) How will you Inform employees, vendors, customers and the general public?
  - (3) What are the options: print media? Broadcast media? Social media? Word of mouth? Personal phone calls?

## **3. Your employees:**

- a. How many of your employees do you need back? Which ones and When?
- b. Have they been working? Collecting Pandemic Unemployment Assistance (PUA)?  
Will they want to come back to work?
- c. Do you understand what to do if an employee refuses to return and is drawing PUA?
- c. Did you get a PPP Loan?  
IF YES:
  - (1) Do you understand the Forgiveness Requirements on FTE & Salaries?
  - (2) Will you have the required FTE by June 30?
  - (3) If you cut salaries will you restore them by June 30?
  - (4) Did any Employees refuse to return to work?
  - (5) Have you attended our PPP Forgiveness Webinar?
  - (6) Do you understand how the PUA & PPP affect each other
- d. Is this an opportunity to reconfigure your work staff? Add people, lose people?

#### **4. Your business product offerings:**

- a. Will you offer the same products/services as you did before the pandemic?
- b. Does the changed business environment suggest changes to your product/service offering? Are there new opportunities?
- c. Has your potential customer population changed?
- d. Are there new ways to offer your products/services to make them more attractive in the new environment?
- e. Does the new business environment allow you to simplify how you do business?
- f. Do new requirements force changes in how you do business?
- g. Can you make changes now that you've wanted to make, but couldn't?
- h. Is the way you ran your business still appropriate for the new environment?

#### **5. Available assistance:** Have you checked out the following resource websites?

- a. Small Business Development Center ([nmsbdc.org](http://nmsbdc.org))
  - (1) Free Counseling
  - (2) Webinars (Cash Flow, PPP Loan Forgiveness, etc)
  - (3) Resource Links
- b. SBA website ([sba.gov](http://sba.gov))
- c. SCORE website ([albuquerque.score.org](http://albuquerque.score.org))
- d. WESST ([www.wesst.org](http://www.wesst.org))
- d. Veterans Business Outreach Center (VBOC - <http://www.nmdvs.org/vboc/>)
- e. NM Economic Development Dept ([gonm.biz](http://gonm.biz))

**6. Your business Re-Opening Plan (Simple Sample):**

1. Decide on an Opening DATE.
2. Backward plan – what has to be in place by when in order to Open on that Date.
3. Decide on who is responsible for the various actions
- 4. Write it down or create a Re-Opening spreadsheet that captures the PLAN**

<b>Step</b>	<b>Activity</b>	<b>Responsible</b>	<b>Planned Start Date</b>	<b>Planned Done Date</b>	<b>Actual Done Date</b>	<b>Notes/ Comments</b>
1	Get the NM Opening Rules					
2	Contact Employees (if applicable)					
2	Generate Re-Opening Checklist					
3	Generate Cash Flow Analysis					
4	Make/Buy Signage					
5	Purchase Safety/Sanitary/PPE Prodcuts					
6	Make modifications to Facility (if applicable)					
7	Contact Customers					

### **Know your current Financial Position.**

#### **Look at your P&L for 2019 and for 2020 YTD:**

1. Look at generating additional Funds (Cash, A/R, Loans etc)
2. Prioritize your Expenses (Highest to Lowest)
3. Now look in detail at the components of the Highest Expense
4. Match up the list of Actions we will give you with the Prioritized Expenses.
  - Labor (Headcount, Payroll, Indep Contractors)
  - Facilities (Mortgages, Rents, Leases, Utilities, Phone etc)
  - Vendors (Raw Material, Products, Office Expense)
  - Marketing/Sales (Advertising, Promotions)
  - Travel & Misc(Trade Shows, Workshops, Customer Meetings)

### **Generate Additional Funds**

- **Collect Outstanding Debts:**
  - Accounts Receivable
  - Loans
- **Allow Credit Card Payments:**
- **Use Invoice Factoring: (Get professional advice)**
  - On Invoices (Net 60, Net 90 or longer)
- **Government and Lender Concessions:**
  - Tax breaks, Tax deferral, Tax forgiveness
  - Negotiate a Low or Interest Free Loan
  - Loan Payment deferment or forgiveness
  - SBA Debt Forgiveness & Bridge Loans

## **Generating Additional Funds (cont'd)**

### **- Sell Investments:**

- Stocks & Bonds
- Property
- Inventory

### **- Offer More Attractive Terms to Investors:**

- Needs to be done carefully and with professional advice

### **- Opportunities to Invest for Future Cash Flow:**

- Buy assets and/or businesses that are going at rock bottom prices if you have **the cash.**

**(Merge or Buy your Competitors)**

## **Labor Expenses**

### **- Offer Lay-Off:**

- Determine who are the Critical Team Members
- Offer Lay-Off packages/incentives

### **- Introduce Paycuts and Defer Bonuses:**

- 20% paycut could extend payroll by 10 weeks
- 30% paycut could extend payroll by 18 weeks

(Note: if you got PPP max paycut = 25%)

### **- Scale Back on Perks and Fringe Benefits:**

- Eliminate, Scale back or Temporarily eliminate

## **Facilities Expenses**

### **- Scale back on Space:**

- Office Space (remote working)
- Storage/Warehouse Space
- Manufacturing Space

### **- Scale back on Utilities:**

- Electricity (lights & equipment)
- Heating/Cooling (thermostats)
- Phone (landline & cellphones)
- Water usage

## **Vendor Expenses**

### **- Renegotiate Supplier Contracts:**

- Price
- Payment Terms
- Delivery Terms

### **- Diversify to more Cost Effective Supply Chains:**

- Alternate Suppliers
- Alternate Products
- Alternate Locations

## **Marketing**

- **Review the Marketing Spend:**
  - Ads (print, radio, TV)
  - Promotions vs payback
- **Offer Gift Certificates:**
  - helps bring forward future income
  - especially good for restaurants and retail
- **Offer Discounts:**
  - Generate additional Sales
  - Especially when the competition is tough

**CAUTION: Do not cut into the Muscle of Marketing**

## **Customers Services**

- **Offer Remote Services:**
  - Customer Order Center
  - Customer Support
- **Call Key Clients:**
  - Check on how they are doing
  - Any way your Business can help them
- **Offer Payment Plans or Milestone Based Payment**
  - Payment Plans - 6 or 12 month
  - % of completion milestones

## Travel & Misc

### - **Reduce or Eliminate Business Related Travel:**

- Customer Meetings
- Trade Shows
- Out of Town Workshops/Training
- Company Vehicles

### - **Review Online Subscriptions & Web Services:**

## Organizational Considerations

### - **Inspire Confidence in Your Team:**

- There is Hope and Opportunity

### - **Reorganize around the New Demands and the New Business Realities:**

- New Customer & Employee Realities

### - **Brainstorm Survival Strategies:**

- Include the whole Team

## **What is the New Reality?**

### The New Reality – Business

**For a business, this can be a time to build your relationship with your customers and employees on a deeper level.**

- What actions can you take NOW to **communicate** with customers and employees?
- How can you **exceed** your customers' and employees' **expectations**
- **Concern** for your customers and employees should be a priority

## **New Reality - Customers**

- **Customers** will expect enhanced sanitation measures
- **Customers** will expect prominent **NOTICES** on the rules in your establishment
- **“Normal” business operations** are just not good enough

**Customers must feel safe in your establishment**

## **Customers (cont'd)**

- **Provide alternate access** to products and services
- **Develop creative ways** to communicate
- **Communicate consistently** with your customers

## **Customer Re-Discovery:**

Customer Re-Discovery consists of re-connecting with existing customers, letting them know you are re-opening and asking a series of questions

The answers should help you determine:

What the new Customers Expectations are

What products/services are the Customers wanting NOW that are different from before.

What changes (pivots) do you need to make:

Useful Website:

<https://www.growthramp.io/articles/customer-discovery-interviews>

## **New Reality - Employees**

- **Communicate consistently** with your employees
- **Think through** how you can plan for the concerns your employees
- **Be as transparent** as possible

## **New Reality - Lenders & Vendors**

**On the financial side, businesses need to be planning for shortfalls in cash flow in the coming weeks.**

**(register for our Cash Flow webinar)**

**- Talk with your banker and/or credit union NOW**

**also consider a Line of Credit**

**- Consider SBA Loan Programs: (7a), Micro Loans, Bridge Loans, Debt Relief. (Did you apply for PPP and/or EIDL?)**

**(register for our PPP, EIDL, NM Business Finance webinars)**

**- Talk with your suppliers NOW**

**- Diversify your Supply Chains for products/services**

## **New Reality - OPPORTUNITY**

**The pandemic presents unique challenges for every business and every individual, creating a NEW REALITY for all of us - a new Planet.**

**- It provides an OPPORTUNITY for creative solutions**

**- How can business owners best move forward in this new reality?**

**You have to have a Plan – Now you know how to put that PLAN together**