

Navigating the COVID-19 Crisis: Planning Tips to COVID-19 Response Resource Center: Timely Counsel for your Business

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In the evolving COVID-19 pandemic, businesses are having to re-evaluate their short-term and long-term needs. There are several actions companies can take to avoid business disruption.

1. Create a response team. Appoint key personnel within your company to monitor daily developments and guidance from federal, state and local governments and health officials and to develop a planned response, as appropriate. The response team should include representatives from human resources, finance, IT and management and meet at a set time each day.

2. Comply with the law. Federal, state and local governments are issuing new rules and regulations restricting when and where people can meet and under what circumstances businesses are allowed to operate. You and your employees must comply with all laws. If you have locations in different jurisdictions, you may need separate policies to comply with the laws in each.

3. Communications. Effective communications with employees, customers and key suppliers are critical. Different audiences should know not just what decisions have been made regarding the business, but also why and how they will impact them. People can wrongfully assume that a company is acting only in its financial interests, but that is often not the case—issues like health and safety, customer needs and business longevity are factored into decisions and may be paramount.

If a decision is made to lay off or furlough workers, explain to them why the decision was made and what other options were considered.

4. Employment issues. The COVID-19 pandemic has raised new employee-related questions for companies and created scenarios that were never imagined. To help address some of these issues, the Equal Employment Opportunity Commission has issued new guidance, relaxing some standards and clarifying others. The federal government has also passed new laws regarding unemployment benefits, family leave and paid sick time for companies. Make sure you are aware all of the new rules and their potential implications for your company.

5. Financial concerns. With many businesses being forced to close their doors or change their work hours, operating funds may become an issue. If you have not already, determine your cash flow needs for the next three to six months, as well as the availability of short-term credit options if you think they might be needed.

The federal government is offering financial relief for businesses impacted by COVID-19, including providing loans and tax relief. In addition, the IRS has extended the tax deadline to July 15. More information about some of these financial programs can be found [here](#).

6. Supply chain concerns. Make sure you have a solid understanding of what materials your business needs to operate for the next few months and what inventory is currently on hand. If needed, reach out to your suppliers to proactively have discussions on your business needs. Conversely, make sure you are in contact with your customers to alert them of potential issues and to help them find workable solutions.

It may also be helpful to review your contracts to see what provisions they have for supply chain disruptions or force majeure clauses and what permissible defenses might be available to you if the terms of the contracts cannot be met.

7. Talk to your customers. Now is a great time to connect with your customers. Call them and ask how they and their business are faring. Find out what their gating conditions are and see if there are ways you can help and support them.

8. Make productive use of slow times. Everybody has a list of things they will get to when they have time. Dust off your list and see what items can be tackled now. Spend some time planning for 2021 and beyond. Review your key contracts and vendor service agreements and make sure they are still meeting your needs. Revisit your employee policies or privacy regulations and make sure they are still relevant and compliant with changing regulations.

To best weather the COVID-19 crisis, businesses should be attentive and seize opportunities to strengthen bonds with employees, suppliers and customers and use found time for planning.

Navigating the COVID-19 Crisis: Planning Tips to Avoid Business Disruption

Brooks Pierce is dedicated to keeping our clients fully informed during the COVID-19 crisis. For more information, please visit our [COVID-19 Response Resources](#) page.

Tags: Equal Employment Opportunity Commission (EEOC)