



Business Reboot

Reprioritizing your business to drive innovation in times of crisis

The next 100 days will be the most important 100 days in your life as a business owner. You will need to muster all of your talents, strength and passion to boost morale (the state of mind and experience), create momentum (what worked yesterday is not working today and may not work tomorrow) and motivate (inspire and lead) your team(s) to new opportunities, new marketplaces and a changed landscape.

Go boldly where no one has gone before.

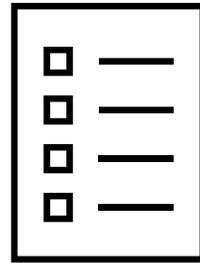
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ISSUES BUSINESSES ARE FACING

The rate of change in economic environment is typically very fast-paced and overwhelming; especially so during these times of confusion, chaos and economic shifting caused by the COVID-19 crisis. Being innovative, flexible, and agile is critical to survival and long-term success.

Driving innovation needs to start quickly and remain focused, but how can you be innovative if your business is hemorrhaging cash?

First, you need to stop the bleeding. Specifically, there are immediate issues that must be quickly addressed:

- Poor and negative cash flow
- Clear identification of priorities to address current market conditions
- Proper reallocation of your work force to best meet changing work priorities

One of the things which you can and should do is to establish an “Emergency Response Committee” (“ERC”) within your company to provide discipline, direction and communication so that projects remain on-track and are completed successfully.

A critical first step toward innovation is to control your costs and to “stop the bleeding”. To that end, here are some steps to help get you started:

- Establish a Governance Structure and Disaster Response Strategy
 - Establish a Special Purpose Project Management Office (PMO) empowered to make decisions in partnership with you and your Executive Team
 - Engage with your functional teams to encourage ideation from the people doing the work and create a dialogue to support change
 - Develop a short-term strategic plan to immediately improve cash flow, rebalance your work force, and generate an ideation pipeline for innovation
- Inventory and categorize current projects
 - Complete an inventory of all active projects, the goals, resource allocation, and respective timelines for each
 - Assess the current health of all active projects
 - Evaluate all active projects against the short-term strategic plan and your company’s Vision Statement to determine which projects remain vital to your company’s operations and which do not
 - Leverage the Special Purpose PMO as a central hub for communications and change
- Project Work Recommendations
 - Immediately stop work on projects that do not align with either the short-term strategic plan or your company’s Vision Statement
 - Pause projects that are supportive to your company’s Vision, but that are not aligned to the short-term strategy including:
 - Quickly wrap up ongoing activities to bring the project to a stop
 - Gather and consolidate notes, files, and documents from all functional groups
 - Make a prioritized listing of startup activities to build a rapid redeployment plan to enact when recovery is underway
 - Reallocate resources, as required, to better support the implementation of your short-term strategic plan



This needs to be an intense and highly interactive redevelopment program for your company and your employees/staff (the survivors and the winners). Look out and project 3 months, 6 months and 1 year with “Best”, “Worst” and “Mid” case scenarios. What is the initiative that needs your complete focus and attention?

Prepare for the future! Things will never be the same. They will never be back to the “old normal”. It will be the “Next Normal”. There will be endless possibilities and Awesome Success to be pursued.

You can break this down into **12 modules** or focus points:

1. Ground Zero → where we are at today
2. Where and What You Want to Be → what is your “New Vision” Statement
3. Strategic Reboot → what you want to be and do
4. Business Health Check → Balance Sheet, Cash Flow Plan, and Sources of Capital
5. The Numbers and What They Are Saying → are you focusing on the right measures and what are they telling you
6. The “Awesomely Successful” Plan → your “Quantum Leap”
7. Leadership Reboot → who do you need to be as The Leader
8. People Realignment → what are the attitudes, beliefs and behaviors needed for success
9. Sales and Marketing Reboot → the right message for the right markets combined with the latest technologies in selling: i.e. Neuro-selling, EI
10. Operations → Excellence in Execution
11. Finances → making the numbers, both financial and non-financial
12. 100 Day Mission → basically a 14-week Business and Cash Flow Forecast

**BASICALLY, BUILDING YOUR BUSINESS AS A STOOL STRONG ENOUGH
SO THAT AN ELEPHANT CAN STAND ON AND NOT BREAK IT.**



A FOUR STEP PROCESS TO GET STARTED

Hope:

We are all in the same boat - looking for answers and solutions to the challenge we are in. Hope is not optimism, rather it is dealing with the realities and believing that you will ultimately prevail (“The Stockdale Paradox”). Part of Hope is in the ability and determination to building a support network inside and outside of your company for use as a sounding board.

Survival:

It is the basics of keeping the lights on, managing your team when income is lower than expected, engaging your customers and suppliers, upping your invest and emphasis on technology (no matter where you are on the technology spectrum) and keeping your own spirits up and positive. The Leader always sets the pace.

Shifting:

This could mean different things for different people but begins with refocusing and should encompass looking at your customer base and your supply chains in a different way. Embracing various technologies, changing your inventory, your delivery systems, and your staffing – needs, abilities and behaviors. Testing out refocused or shifted opportunities with existing customers is a useful and time-tested step in arriving at a viable solution.

Pivoting:

This is a structured Innovation process that will identify unfulfilled needs. Tear down all your assumptions. Brainstorm ideas is a way which validates identified solutions and helps design a new roadmap for your success. “Who needs us?” This focus is on the fact that crisis is a true opportunity to grow your business. “Never waste a good crisis.”



Planned outcome: A Relevant, Re-Focused & Re-Energized “Post COVID Business”

Keep the same inventory volume:

Audit your inventory management strategy and double down on products that are most lucrative. Get rid of inventory that has reduced demand and is taking up shelf space. Run a GMROI on each item in Inventory.

Cost Expansions:

Avoid adding new products or costly expansions that will further burden your bottom line. Today's crisis climate forces businesses to operate as lean as possible. Investing in goods and services you believe will turn a profit is not enough and too high risk in the current business climate. Be as agile and lean as possible.

Increase Marketing Efforts:

Historically, many businesses reduce advertising and promotional expenditures rather than slash fixed costs during hard times. However, studies show that businesses that maintain or increase marketing and advertising outlays during slowdowns wind up outselling competitors who cut back. Those who continue to market can boost sales and market share, even if the industry in which they compete is in a slump by tailoring messaging and advertising to respond to the volatile economic climate. With much of the country working out of the comfort of their own homes, social media marketing is particularly effective right now

1) Tell the Truth and Communicate the Facts - Transparency, consistency regular and relevant are the themes of the times to 10X. In any crisis it's essential for the leader to be honest and transparent about the situation. Explain the challenge you are facing. Communicate the facts. This is what we know. This is what we don't know. This is where we are as a team, company or organization. These are our numbers and forecasts and while they don't look good, we must confront the reality of the situation. Even if you communicate bad news it's still better than the negativity and uncertainty that comes with poor communication.

Remember, where there is a void in communication, negativity will fill it. And whatever you do, don't sugarcoat the situation or lie. Speak with compassion, share the facts, be truthful and earn their respect.

2) Lead with Faith and Belief that you Will Prevail - Even when you are in the middle of a crisis and your circumstances are not positive you must stay positive and lead with conviction. After all, pessimists don't change the world, and neither will you if you let your circumstances define your attitude. This doesn't mean you ignore the reality of the situation. It means you believe you will find a way to overcome your situation. Leadership is a transfer of belief and the conviction and belief you share with your team plays a big part in how you work together to overcome adversity.



Remember: *"When something bad happens you have three choices. You can either let it define you, let it destroy you, or you can let it strengthen you."* — Dr. Seuss

3) Share the Plan - Everyone must know the plan, embrace the plan, and relentlessly work towards the plan. It's essential that, as a Leader, you share the plan and explain why the plan will work and how it will be executed. This brings clarity and clarity leads to focused action. Thinking about what our country is going through, we need a comprehensive plan that explains how we will restart the economy while saving lives. The same is true for your companies.

4) Point Towards a Positive Future - After you tell the truth and communicate the facts, share your conviction, determination, and passion for your plan to succeed. You then want to share a vision of what success looks like in the future. "Yes, this is where we are now. This is our situation. But here is where we are going. This is what we are working to create."

What success looks like for each team and organization is different. The key is to define it and share the vision with your team. We all need something to hope for and work towards and when you share a positive vision for the future it engages, ignites, and rallies your team to create the vision together.