

RE-OPENING TOOLKIT

If you have been following [Great Falls Development Authority's \(GFDA\) previous toolkits](#), you had the chance to strategize about your business's future. We have encouraged businesses to look at cash flow (Crisis Toolkit), strategic planning (Hibernation Toolkit), and tools to bounce back (Resiliency Guide).

This Re-Opening Toolkit is intended to help as you start to find a new normal. If you haven't been using previous tools, we encourage you to skim through them. Our goal is to build on those previous publications.

As you look to reboot your business, you'll want to address four primary elements:

1. Legal requirements
2. Human resources and facilities
3. Financial stability and liquidity
4. Market demand

1. Legal Requirements

Just as always, businesses operating within the marketplace are required to follow federal, state, and local laws and regulations. The current legal environment your business now faces may have changed in comparison to before the Covid-19 pandemic. In particular, federal, state and local authorities are exercising legal authority to ensure the preservation of public health and safety in light of the risks posed by the global pandemic.

It is important for businesses to become fully knowledgeable of the new legal environment they face and recognize there are federal, state, and local aspects of that new environment. Keeping abreast of the legal environment—outside of being a responsible citizen during this difficult time—is important to ensure, *inter alia*, customer satisfaction and safety, employee safety, ability to continue operating in a legal fashion, and protecting your general liability.

Consulting with your trusted business advisors (your BAIL team) such as lawyers and insurance agents can be key.

It is important to access primary government resources that have sound information. The following resources are not all inclusive, but they are a sound starting point for assessing the changed legal environment. If you are in doubt, reach out to trusted sources through phone calls or emails.

- Federal: Centers for Disease Control (CDC) Interim Guidance for Businesses and Employers
 - Within this guidance, the CDC provides guidance for preparing workplaces, reducing transmission of the virus, and maintaining healthy business operations.
 - The CDC also has some occupation-specific guidance that may be specific to your needs.
 - The CDC also links to the Occupational Safety and Health Administration’s (OSHA) publication, Guidance on Preparing Workplaces for COVID-19.
- State: Governor’s Coronavirus Task Force
 - In Montana, Governor Steve Bullock announced a three phased approach to reopening the state on April 22, 2020.
 - This Directive lifts stay-at-home orders, lays out Guidance Applicable to All Phases, steps through phases one through three, and indicates applicable dates.
 - Governor Bullock’s Reopening the Big Sky Phased Approach details areas of consideration, local jurisdictional considerations, preparedness, and guidance for individuals and employers.
- Local: County health offices
 - County health officials have the authority to create more restrictive guidelines.
 - To find your local county health department, [click here](#).

2. Human Resources and Facilities

As you begin to understand the changed legal environment, it is important to think through how the new reality affects your productive assets which were discussed in the hibernation toolkit. Given the concerns associated with the spread of Covid-19, it is important to focus in on your human resources and place of business.

New Policies, Procedures, and Training to Address Public Health Concerns

As you think about getting back to work, consider what safety controls need to be implemented to protect employees and customers. Take moment to reflect on your business operations:

- What do you do?
- How do you do it?
- Where do you do it?
- Does it make sense to install physical barriers, such as clear plastic sneeze guards?
- Do you need to install a drive-through window, or increase ventilation?

- Where would you purchase those items?
- How are you going to communicate that information to customers and employees?

What policies or procedures need to be implemented to minimize employees or customer exposure to COVID-19? Refer to the CDC's Interim Guidance for Businesses to help determine which policies and procedures should be implemented for your business.

Examples include:

- Actively encourage sick employees to stay home
- Identify where and how workers might be exposed to COVID-19 at work
- Separate sick employees
- Educate employees about how they can reduce the spread of COVID-19
- Identify a workplace coordinator
- Establishing shifts to reduce the total number of employees in your facility
- Maintain social distancing standards
- Providing information regarding use and care of Personal Protective Equipment (PPE)
- Frequency of disinfecting frequently touched surfaces

Cyber Threats

Now is also a time to acknowledge that malicious actors are using the Coronavirus crisis as an opportunity. If your business has not done cybersecurity planning, now may be the right time to do so.

On April 8, 2020, the U.S. Department of Homeland Security released this summary of cyber-attacks targeting businesses and governmental agencies.

Train yourself and train your staff on what to look for and how to mitigate it. The America's Small Business Development Centers (ASBDC), of which, GFDA's SBDC is a member, has a variety of Guidance Documents, Videos/Presentations, Laws/Guidance, and Awareness, Assessment, and Home Office documents.

Many small businesses that are hacked never recover.

Human Resources and Facilities Worksheet: Managing Public Health Requirements

Remember during the phased reopening it is important to keep abreast of federal, state, and local requirements. Be aware that local authorities may have the option to create more restrictive guidelines. The following is meant to serve as a guide in creating a plan for reopening in light of the changed legal environment. As you work through understanding the legal environment, we recommend breaking down each new requirement that has been issued to protect public health. First, identify whether it applies to your business. Second, if it applies, think through how to meet the requirement by mapping out what is needed.

EXAMPLE: Physical distancing of six feet must be maintained between non-congregate customers, this may require:

- *A reduction in capacity*
- *A reduction of seating in service and waiting areas;*
- *Management of waiting areas and waiting lines; or*
- *Systems that reduce the amount of contact time between customers and staff.*

How will you satisfy the new requirement?	<p>-Removing seating in waiting area. -Encouraging online ordering and set pick up times.</p> <p>-Preparing in advance for customer to limit contact time.</p> <p>-Create best practice sheet to share with staff regarding encouraging social distancing.</p>
Who is responsible for implementation?	Manager.
Documentation that implementation and training were completed	<p>-Share best practice sheet with staff and have them sign they received training.</p> <p>-Conduct routine assessments to ensure best practices are followed.</p>

<p>Are there further changes that are needed for your business practices and internal policies and procedures?</p>	
<p>What financial effect will these changes have on your business?</p>	

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Addressing Changing Market Dynamics & Business Operations Worksheet

Changes in business activity as the result of the economic downturn coupled with public health requirements has had significant ripple effects within the local, nation, and global economy. As you begin to grasp the need to adjust your business operations in relation to new legal requirements, it's also important to develop or recognize the need for business continuity plans that are not specific to public health requirements.

What is your business continuity plans to deal with...	
Significant Absenteeism	
Supply Chain Disruptions	
Future Health Department Restrictions and Closures	

Plan for Business & Market Disruptions Worksheet

How will you continue business operations if there are disruptions to the following? Is your team aware of and ready to act? This is about your specific businesses. We've started you off with an example.

Disruption	Key Team Member	Preparation.
<p>Example Scenario: need to reduce inventory from suppliers.</p>	<p>General Manager</p>	<p>Has list of supplier contacts.</p> <p>Has been trained on communications and what triggers those alerts.</p>
<p>Essential Employees (Example scenarios: unable to work, not enough business to support)</p>		
<p>Essential Business Functions (accounting, sanitation, day to day operations, policy and procedure creation implementation and training)</p>		
<p>Critical Inputs (raw materials, suppliers, subcontractor services/ products, and logistics required to maintain business operations)</p>		

Obstacles and Opportunities Worksheet: Obstacles

Change presents obstacles and opportunities for businesses dealing with new regulations. It’s important to look at both obstacles and opportunities with a new lens. Include your BAIL team to gather new perspectives.

Identify obstacles you face, how you will mitigate those obstacles and what you need for implementation. We’ve started you off with some examples.

Obstacle	Mitigation/Upside	Needs to implement
Seating Capacity	Use Parking lot as tented outdoor seating	Talk to City about regulations/ Additional Server
Limited space in store	Sidewalk Sales	Additional Employee
Extra Training Time	Better Trained Staff	Scheduled Training Time
Limited Working Capital	Limited menu or product offering Creative pre-sales to build working capital Short term capital injections – personal or family and friends Short term working capital loans – bank, credit union, community development financial institution	Identify new amount of working capital required Cash flow projections based on several scenarios

Obstacles and Opportunities Worksheet: Opportunities

Change also presents opportunities that may not have been present before. Identify opportunities, the risks involved, and how you can implement.

Opportunities	Risks	Implementation
To-go items Flexible Employee Work Schedule Job incentive	Liability Productivity/Oversight	Advertise Special/Cups Laptops

3. Financial stability and liquidity

Most likely 2020 hasn't started out the way you budgeted...if you budgeted at all. Perhaps you have taken on additional debt in the form of loans or additional income in the form of grants. Maybe you have deferred tax payments or are considering a tax credit. No matter what has transpired, now is the time to revisit and revise.

As we described in our March 20th, 2020 webinar, Control What You Can, we encouraged entrepreneurs to look closely to determine which levers in their business they could manipulate to ensure positive cash flow.

Review your business plan and adjust

- Have you cut expenses?
- How will reopening affect those expenses?
- What changes have you seen in revenue?
- As you reopen, how are you going to plan for revenue changes?
- Did you establish a new product or service line?
- Based on reopening requirements, how will your monthly sales figures change?

Four ways to impact net profit

- Sell more units
- Raise prices
- Decrease variable costs
- Decrease fixed costs

Monitor your financials closely and adjust as needed to stay on track. Now is not the time to wait until year-end and hand off your receipts to a tax preparer. The previous best practice was to close your books within the 10th day of the previous month and review financial statements. Now, it may be in your best interest to review daily or weekly to ensure cash flow is sufficient to meet obligations. Don't wait until two days before the electricity bill is due or payroll needs to be ran to figure out where the cash will come from.

Manage loan/grant requirements

Throughout the pandemic, federal, state, local, and private resources have come forward to assist in keeping businesses financially afloat.

- Review your loan or grant documents for reporting requirements
- Make sure to follow requirements for any loan forgiveness provisions

4. Market Demand

The dramatic and rapid change in consumer demand spurred by the response to the global Covid-19 pandemic has greatly affected industries and individual businesses. Consumer demand has changed, and changes will continue to occur. If you have not already done so, doing several of the exercises in our Hibernation Toolkit could be helpful to focus you in one how your customers have changed. Additionally, considering some of our recommendations in the Resiliency Guide could stimulate thinking as well.

As you prepare to reopen, be realistic and honest about the level of demand you will see. You have taken note of how you will be adjusting your business to comply with new public health requirements, but just because you may have decreased your seating does not mean you will fill all of your now available seats. Changes in market demand could still require you to dig deeper and address fundamentals of your business model. Many leading restaurant experts, for instance, are suggesting that restaurants will need to convert to a quick-serve instead of casual and formal dining because of changing consumer expectation.

Knowing your customer will help you create a marketing strategy to recapture old customers and acquire new ones. Without clear customer segments, promotional activities will be hit and miss. And given the likely tightening of your marketing budget, promotional activities need to return on your financial and time investments.

Final Thoughts

Now is not the time to “go it alone”.

Leverage the support of trusted advisors, including your local economic development organizations, and don't be afraid to ask for help.

GFDA offers no-cost counseling and training through our Small Business Development Center (SBDC), Procurement Technical Assistance Center (PTAC), and Food and Agriculture Development Center (FADC). For guidance with cash flow, strategic planning, customer identification, and marketing assistance, feel free to access our toolkits on our website or give us a call!

<https://growgreatfallsmontana.org/>

QUICK LINKS, TOOLS, AND RESOURCES

GFDA Toolkits

<https://growgreatfallsmontana.org/disaster-toolkit/crisis-toolkit/>

Montana Governor's Directive

<https://news.mt.gov/governor-bullock-extends-directives-issued-to-respond-to-Covid-19-pandemic>

Cascade County Health Department Directive

<https://files.constantcontact.com/3e765937001/47b30fea-003b-4519-a80b-f4b6f198b95c.pdf>

Small Business Development Center (SBDC) guidelines

<https://americassbdc.org/coronavirus-information/>

CDC Guide for Employers

<https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

OSHA Employer Guidelines for Preparing for COVID19

<https://www.osha.gov/Publications/OSHA3990.pdf>

Baker McKenzie – The Reopening Playbook

<https://www.bakermckenzie.com/en/insight/publications/2020/04/the-reopening-playbook>

Lindsay Blakely – What Not to Do When Reopening

<https://www.inc.com/lindsay-blakely/business-reopen-plan-reduce-liability.html>