

Business During World Crisis

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The world has not completely panicked yet, but the Corona Virus is bringing us close. The news media lets us know daily the number of Corona related deaths and illnesses. The geographic spread changes by the hour.

Our newscasters are telling us that many large companies around the world will see sales and profits completely eroded. Travel restrictions and reductions that are both government and self-imposed are crippling the travel and leisure industry. Big manufacturing companies like Apple cannot get adequate supplies of components to meet production needs. The stock market is falling at a rapid pace.

As horrifying as the virus is, the earth is a resilient planet. It is everyone's responsibility to minimize risk through hygiene, masks, and smart choices in where we go.

So, what can we as trusted business advisors do to help our clients through this perilous time? We must take an active role in advising our clients:

- Advocate the greater use of technology to help weather the storm.
 - Telecommunications including:
 - Emails
 - Skype and other video conferencing
 - Encouraging employees to work remotely
 - Promotion of greater hygiene at work
 - Send home employees who are coughing and sneezing or showing other symptoms
 - Providing easy access to hand sanitizers
 - Provide masks
 - Improve cleaning techniques such as sanitizing phone instruments and keyboards
 - Offer to lead a strategic initiative for the company dealing with these and other issues. Suggest involvement from key personnel from every level. The specific needs of each company are different. We need to help our clients identify and prioritize these needs. Decisive action is a must. Not waiting for the crisis to get worse and not feeling helpless are key elements to our client's well-being. Some specific steps for companies to consider are:
 - To the extent possible, consider increasing inventories
 - Obtain greater lines of credit to provide staying power
 - Reduce costs
 - Focus on the most profitable lines of business
 - Focus more energy on collecting old receivables

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We certainly don't have all the answers, but we have much in collective wisdom and experience. We are strategic thinkers and experienced problem solvers. While panic seems to be increasing, we should encourage our clients to positively change what they can and not focus on the negative things they cannot change.

We all know that our firms will not survive if we only do commodity work such as issuing financial statement and preparing tax returns. The time for talking about value added services is over, now is the time and this is the way we can move forward. I encourage you to take this initiative. Your clients will appreciate that you are thinking about what is in their best interest.

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