

# GETTING AHEAD OF THE CRISIS

**12 recommendations for action**

# RESPOND



# RECOVER

**01** Orchestrate actions and PMO\*

**02** Protect employees and customers

**03** Stabilize the supply chain

**04** Secure and plan financials

**05** Run cost reduction initiatives

**06** Start continuity management

**07** Craft recovery strategy

**08** Ramp up production activities

**09** Understand markets and habits

**10** Adapt business model and portfolio

**11** Start holistic sales offensive

**12** High-performance organization

# COVID-19 crisis mode

## RESPOND

Respond means creating transparency,  
protecting people, and taking action.

01

### Orchestrate actions and PMO

- Align leadership and run central PMO
- Communicate centrally with relevant stakeholders
- Create single source of truth for information
- Design the change story

02

### Protect employees and customers

- Define policies and rules (e.g., workplace conduct)
- Protect the customer across all touchpoints
- Enable work from home (e.g., VPN, laptops)
- Run incident support system and engage with authorities

03

### Stabilize the supply chain

- Define additional inventory capacities like after-sales stock
- Start to discuss and simulate winning ramp-up scenarios
- Maintain close contact with the top stakeholders and keep everyone else informed

04

### Secure and plan financials

- Run financial stress testing based on scenarios
- Monitor incoming and outgoing payments
- Initiate payment deferrals and request receivables
- Sell noncritical assets

05

### Run cost reduction initiatives

- Reduce overhead costs (e.g., initiate temporary salary and bonus waiver)
- Reduce investment and budget costs (e.g., investment freeze)
- Apply for credit extensions and conduct debt restructuring

06

### Start continuity management

- Set up supplier risk monitoring
- Conduct supplier risk assessment
- Identify/prequalify alternative sources
- Adjust sourcing and contracts as needed

# Restart early to win

## RECOVER

**Recover means switching at the right time  
from react mode to act mode.**

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**07**

### Craft recovery strategy

- Consolidate central lessons learned and derive action plan
- Evaluate impact on corporate and functional strategies
- Define strategic postcrisis goals for the company
- Adapt recovery strategy by market

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**08**

### Ramp up production activities

- Define ramp-up strategy based on most likely COVID-19 scenario with global focus
- Secure operational scenarios via resource planning and targeted employee onboarding
- Validate and adapt integrated recovery planning closely with supply chain and sourcing

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**09**

### Understand markets and habits

- Spot political, regulatory, and economic shifts
- Define focus markets, customers, products, and services
- Understand postcrisis customer needs
- Identify new ways for on- and offline customer interaction

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**10**

### Adapt business models and portfolio

- Adjust business models based on impact assessment
- Reevaluate strategic partnerships and alliances
- Innovate around new market needs and customer habits
- Streamline portfolio for margin optimization

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**11**

### Start holistic sales offensive

- Shift sales channel mix (e.g., stronger focus on e-commerce)
- Adjust pricing to postcrisis purchasing power
- Intensify marketing and run sales promotions
- Reactivate existing customers and loyalize "crisis customers"

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**12**

### High-performance organization

- Reallocate labor flexibly to different activities
- Restructure organization with a focus on efficiency
- Think about simplicity and agility concepts
- Strengthen future crisis resilience

# Systematic synchronization of all activities is crucial, especially in turbulent times

