



CORPORATE PERFORMANCE IMPROVEMENT

COVID-19: Pivot to Recovery, Thrive in the 'New Normal'

As companies transition out of Lockdown, there will be a small window to reset and prepare unique recovery plans to thrive in the 'new normal.'

Now is the time for companies to reset strategies, business models and cost structures to adapt to the 'new normal.' During this reset period, leaders must act decisively to develop their recovery plans in order to emerge stronger following the crisis.

To successfully pivot to recovery, 'business as usual' will not work. Companies must shore up weaknesses and redefine the business with a 'clean sheet' mentality, while monitoring and adapting to changing landscapes.



Key Actions

Reset

- Unrelentingly evaluate company's strengths and weaknesses to identify opportunities to redefine the business and operating model.
- Calculate and plan for working capital needs during ramp up.
- Accelerate execution of improvement initiatives.
- Prioritize customers / products suited for Recovery and evaluate options to rationalize portfolio.
- Determine optimal fixed and variable cost structure for varying levels of demand. "Bend the fixed cost curve."
- Be innovative with remote / in-person work and customer interactions.
- Identify leading indicators to know when to switch from Reset to Recovery.
- Leverage corporate development to identify opportunities for M&A activity.

Recovery

- Develop a plan to maintain measures that are working and shed those that are not; test and iterate to find the right solution.
- Monitor external environments, refresh scenarios and adapt to changes.
- Focus on customer retention.
- Increase market share where competitors leave openings.
- Communicate and execute revised strategy, improvement initiatives and capital allocation.
- Access capital markets to fund acquisitions / new assets.
- Anticipate impact of viral resurgence over next 6-24 months.

Key Considerations in all Phases of Recovery

Managing all phases of the Recovery requires strong leadership, clear communication, cross functional alignment and accountability.



Anticipate and embrace the 'new normal' and develop bespoke ramp up plan for customers and suppliers.



Realign resources to support enterprise changes.



Focus on digital. Increase online sales and embrace digital tools used in crisis response.



Determine structure and processes to support new work environments (e.g., employee back to work / remote workforce).



Reduce leadership structure complexity.

Why A&M?

For over 35 years, A&M has been helping clients tackle tough business issues, boost operating performance and maximize stakeholder value.

Our experience serving clients in crisis situations uniquely positions us to help companies plan for and manage Recovery – all without wasting precious time.

Contact A&M Today

We can help your company develop and execute actionable recovery plans:



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ABOUT ALVAREZ & MARSAL

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