



9 practical ways
to secure your
cashflow during
the coronavirus
outbreak

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These strategies will help your business cope with Covid-19

The coronavirus outbreak has escalated globally this year, and retail and hospitality businesses are bearing the brunt of the pandemic's economic impacts.

Many small to medium business owners have watched their revenue dry up almost overnight – and there are precious few resources available to help them deal with the repercussions.

We all know how important it is to wash our hands and practice social distancing where possible – but what practical steps can you take to secure your cashflow throughout the evolving crisis?



1. Take care of your people

Your team is your single biggest asset and it's important to include them in conversations around your ongoing success. They are certainly already feeling the pressure – whether it's because of reduced income or risk of infection – so offer them as much support as you can during this difficult time. Chances are they have plenty of insights to share that will help you get through the coming weeks.

2. Roster efficiently

One of the most powerful measures you can take today to ensure you don't waste a single cent is to make your roster as efficient and cost-effective as possible. Consider everything from overtime costs to individual staff pay rates, and make adjustments accordingly. Automated rostering software could be your secret weapon here – otherwise, an Excel spreadsheet will help you gain an understanding of exactly how much your roster costs.

3. Forecast cashflow

When the purse strings are tight, it's more important than ever to know exactly when you might run out of cash – and when you should consider closing sites or reducing trade. Work with your accountant or bookkeeper to forecast what the next six months might look like if you lose 30%, 50% and 75% of your income streams, then model out a complete shutdown. The results will help guide you when it comes to those tough business decisions that are so critical right now.

4. Know your entitlements

The New Zealand Government has announced economic stimulus measures, which could mean the difference between your business scraping by over the next few months or having to close your doors. Some small businesses may be eligible for payments to support cashflow, while others will receive a wage subsidy for apprentices and trainees. You can find out all the details on the New Zealand Government's website. There are also various state government initiatives available.

5. Seek financial help

If you've come to the harsh realisation that the only way you can continue trading is through an injection of cash asap, but there's no way you can afford loan repayments, there may still be some options available. Many banks are helping customers impacted by the coronavirus with decreased interest rates or deferred repayments. Remember, it always pays to seek professional financial advice to decide what the best option is for you.

6. Limit spending

You're probably already well ahead of the curve when it comes to cost-cutting on a day-to-day basis – but it's a good idea to refine and revise your approach as you go. Review all central costs every week, cutting anything non-essential, and try to renegotiate payment terms with suppliers. The worst they can do is say no! Now is not the time for expansion – if you've been planning to open a new location, it's almost certainly time to rethink your strategy.

7. Contact your landlord

If you haven't already done so, now is the time to pick up the phone to your landlord and ask them if there's any possible way to move to monthly rent, or even a rent-free period. Some retailers are even writing to their landlords requesting a three month payment break, and are being offered some reprieve. If you don't ask, you won't receive!

8. Think outside the box

Brainstorm with your team to identify new revenue streams or ways of working that could boost your cashflow and reduce your risks. Many restaurants are offering delivery within their local area, cafes are selling coffee beans to those self-isolating, and retailers are renewing their focus on online channels to boost sales. Tactics like these won't just help you through the short term, they could result in long-term improvements to your offering.

9. Stick together!

The silver lining of the Covid-19 crisis is that it's something we're all facing together. Everyone from politicians in Paris to bakery owners in Brisbane is taking measures to prevent the coronavirus from spreading further and impacting even more on the global economy. Rarely in the history of humankind has there been such a need – and an opportunity – to take a unified approach to stamp out a common enemy. Let's use this as a chance to build a better future for our businesses and our world.



Find out more

Want to learn more about how to secure your cashflow throughout the coronavirus crisis?

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