

22nd May 2020

Coronavirus Pandemic

Planning for Recovery,

incorporating

Leadership, Motivation

and Resilience for NI

Businesses

 InterTradeIreland



OVERVIEW OF PLANNING FOR RECOVERY, INCORPORATING LEADERSHIP, MOTIVATION AND RESILIENCE (Sharing the PKF-FPM Experience)

- Context
- Planning for Recovery
- Brief Reference to Covid-19 Finance Supports in NI
- Leadership
- Motivation
- Resilience
- Polls

Presented by:
Feargal McCormack
Managing Director
PKF-FPM Accountants Ltd
www.pkffpm.com

CONTEXT

Webinar 3 follows naturally after Webinars 1 & 2

Webinar 1: 6th May

- Insights on NI Covid-19 Supports

Webinar 2: 15th May

- Cashflow Management and Funding for NI Businesses

COVID-19

- The evolving Coronavirus pandemic, means that we are currently living and working in unprecedented and extraordinary times.
- The commencement of easing of the Covid-19 restrictions on the island is welcome, but the prospect of social distancing continuing in some form or other for the foreseeable future is the reality and there is no doubt that the economic implications across the island are going to be very challenging, but they pale in comparison to the public health and human cost, that we are observing around us.
- It is acknowledged that both Governments South and North have brought in business supports to help businesses, employers and employees on the island, which will help, but our business environment remains very uncertain and challenging.
- In recent weeks, with regard to Covid-19, there has been a change in business confidence / sentiment, with businesses now getting over the initial shock phase and starting to plan, create and design the future recovery, albeit in an acknowledged uncertain and extraordinary environment.



COVID-19 Cont....

- Thus, in order to manage the inherent risks and fear that COVID-19 presents, we need to quickly move past the shock of the pandemic to active leadership and control measures, and the most important leadership/employee control is how we behave.
- Now more than ever, we need empathetic and compassionate leadership, which engages, listens, connects with others, and displays flexibility, understanding and sensitivity, to get people through the crisis and lead them through this current uncertainty to a new reality.
- Right now, to alleviate workplace fear, it is paramount that leaders focus on being objective, transparent, effective and authentic.
- The Harvard Business Review reports that “***Crisis are more often over managed and under led***”.
- Avoid the urge to jump in and fire fight at the operational frontline. Leadership decisions today can be the difference between having motivated staff or not, when operations resume.



PRESENTATION CONTEXT

- Through this Webinar Presentation, we hope to make successful leaders and businesses even more successful – by sharing with you proven best business practices.
- No performance is good enough, we have to set the bar high, and embark upon an ongoing journey of continuous improvement towards business improvement, business excellence and organisation excellence.
- We need to think globally about our business – look at the opportunities and threats and be prepared to change, with changing circumstances – agility and embracing change are key to survival.
- Successful leaders have a hunger for success, an eye for an opportunity, are good team players and have huge reserves of confidence and persistence.
- Leaders must urgently embrace lateral thinking, to help their businesses sidestep, survive and perhaps even capitalise from turbulent economic times.

PANDESSION

PANDESSION

I would share the views expressed by Economist David McWilliams recently that we are not living through a recession. Nor are we witnessing an economic depression caused by policy failures like the 1930s Depression or a traditional economic shock like the 1970s Recession. Rather we are suffering from something new, something he termed as a **“Pandession”, which he described as a once in a generation event, which causes huge global economic, social and political destruction.**

Given what we are hearing from the medics, we should perhaps stop thinking of the world **after** Covid, and should think of the world **with** Covid. In this context, we need to reframe the discussion towards a phase like **“living with Covid”**, rather than the up-to-now preferred **“post Covid world”**.

So from an island perspective, one of the biggest opportunities could lie in the area of supply chain management, and what can we do. Ireland has proved itself to be one of the most successful cogs in the global supply chain, as evidenced by the huge presence of multinationals, e.g. 24 of the top 25 pharmaceutical companies are located on the island.

PANDESSION

PANDESSION

However, the Pandession has profoundly affected the supply chain environment. In the past the key metric for supply chain management was price. The cheaper the location the better. No one thought about security or trust. Put simply it is unlikely that the West will ever allow itself again, to be dependent on China for essential manufacturing goods.

We now have to recognise and negotiate the new reality, in which supply chains are truncated dramatically as businesses opt for security over price, trust over efficiency and relationships over algorithms

Although some may be arguing that the Pandession isn't just a new economic term, it demands a whole new way of thinking, **I would argue that it reaffirms the core culture that business is all about people and relationships, with an emphasis on connecting, empowering, and evolving to deliver a value response which reflects: Relevance, Sustainability and TRUST.**

NAVIGATING A PATHWAY TO RECOVERY

The Pandession is an opportunity to deploy unconventional thinking to navigate a pathway out of the current economic mess and to re-engineer a risk management strategy of the 3Rs: Reset, Refocus and Rebound faster incorporating a range of actions to allow the business to respond as effectively as possible to the evolving Covid-19 pandemic environment.

In terms of Reset, identify goals to align your business model to the New Normal

In terms of Refocus, encourage the power of the right mindset to ensure mental wellbeing and personal wellness in order to remain strong, focused and empowered

In terms of Rebound, re-engineer the business through simple strategies to rebound faster, better and stronger during and after the Covid-19 crisis has passed



CONTEXT cont...

- A business can't just open its doors and start again, it will need a business continuity plan.
- Liquidity will be the key to re-opening for businesses. Research reaffirms that planning for and implementation of an appropriate level of liquidity will be crucial in defining the success of businesses' recovery during and in post pandemic Ireland and the island of Ireland.
- Naturally, anticipating future market conditions and customer behaviours and attitudes will be pivotal to success, as will be labour resource and talent management.
- A new business landscape is evolving with expected changes in market and consumer behaviour and attitudes. We will all have to learn to do business in different ways. As a result we must focus our attention on re-engineering (which may involve re-sizing), our business model going forward.
- An economic crisis is a good time to take a holistic look at our business and reflect on what we did before, that we could do better, and what we didn't do before, that we should go for now in terms of products and services, pricing, staff mix, processes and policies. But across all of this, if the business does not have strong financial planning and liquidity, it is destined to fail.

CONTEXT cont...

- There is no doubt that things will be different living with, and post Covid. Some behaviours and attitudes will have changed. Social distancing will be prevalent, Remote working will become much more common, staff flexibility arrangements will probably increase, with perhaps greater emphasis on the 24/7 clock and there will probably be a combination of remote and non-remote working, with far less business travel and video conferencing and webinars etc becoming far more popular.
- There will be a greater demand now to accelerate digitalisation, cloud computing, outsourcing and the paperless office.
- Environmental/Green/Sustainability issues; Health and Lifestyle; profiling of customers/clients including age, supply chain management and hopefully value and above all TRUST will come to the fore.
- Brexit has not gone away.



**“OUR PRESENT CIRCUMSTANCES
DON’T DETERMINE WHERE WE CAN GO;
THEY MERELY DETERMINE WHERE WE START”**

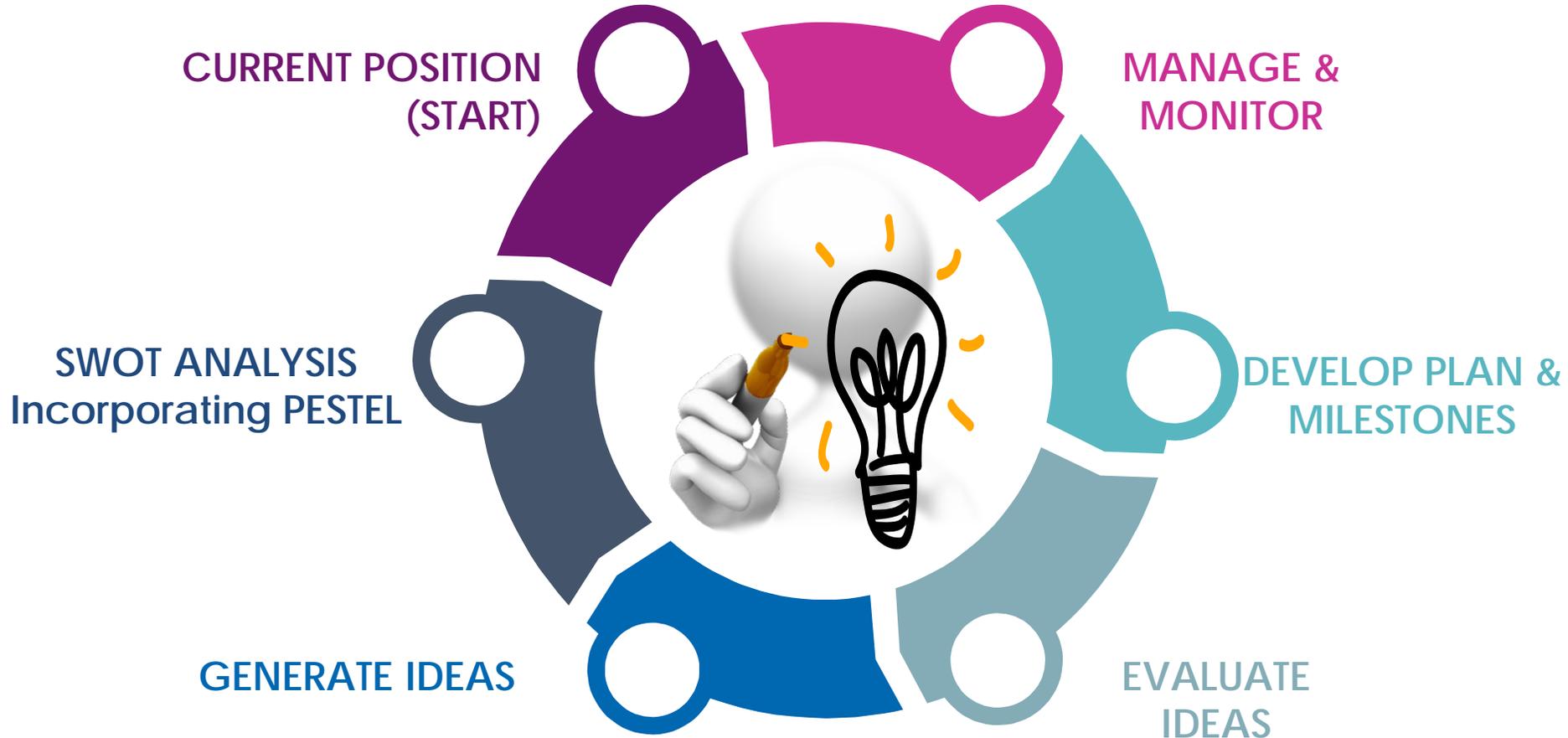


STRATEGY

*“Strategy is about making choices, trade-offs;
its about deliberately choosing to be different”.*

Michael Porter

THE STEPS IN DEVELOPING A BUSINESS STRATEGY



“I don’t care how much you know,

Until I know how much you care”.

LEADERSHIP

“What distinguishes great leaders from merely good ones, isn’t IQ or technical skills – it’s emotional intelligence”

Daniel Gilbert

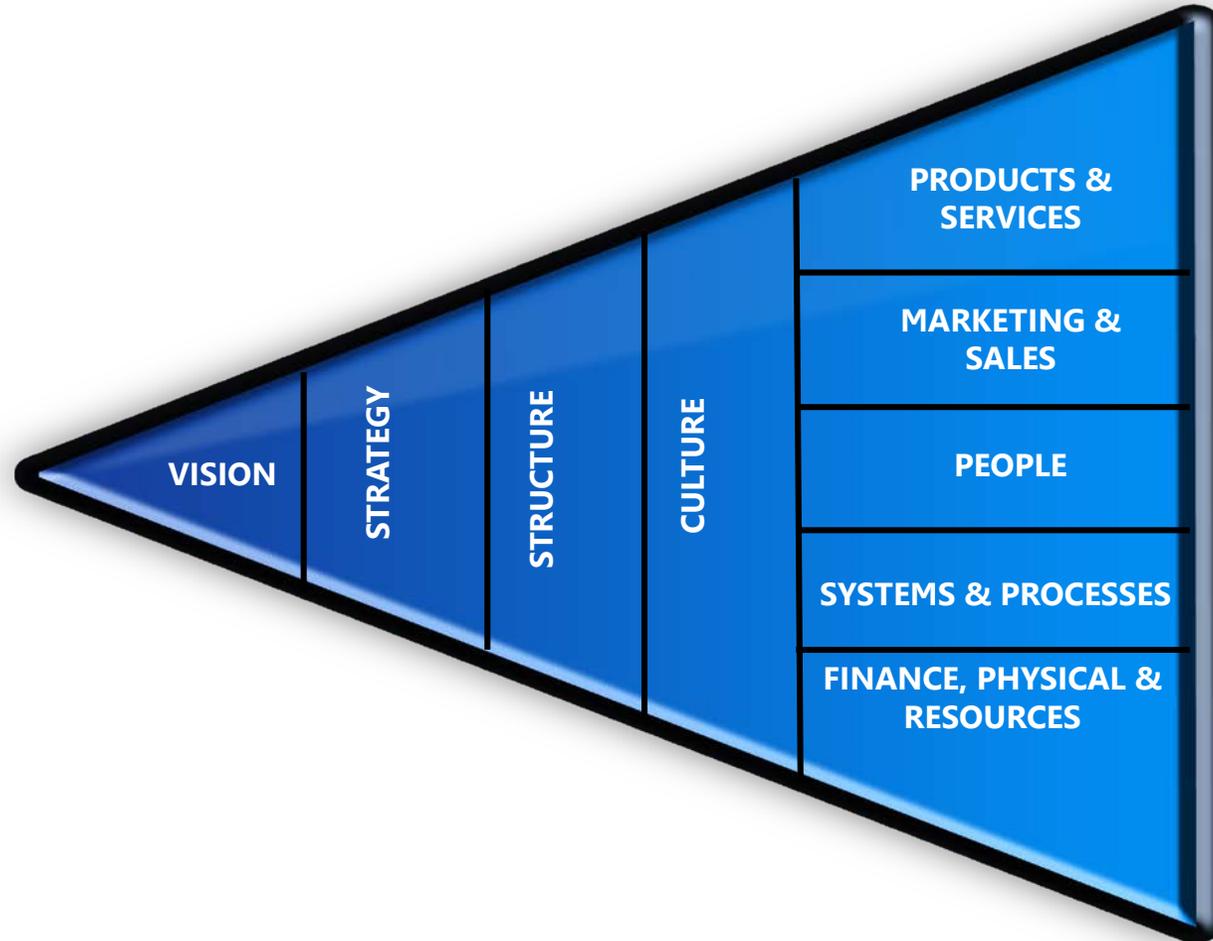
“The most important attribute of an organisation, is the way it treats its people”

Bill Walsh

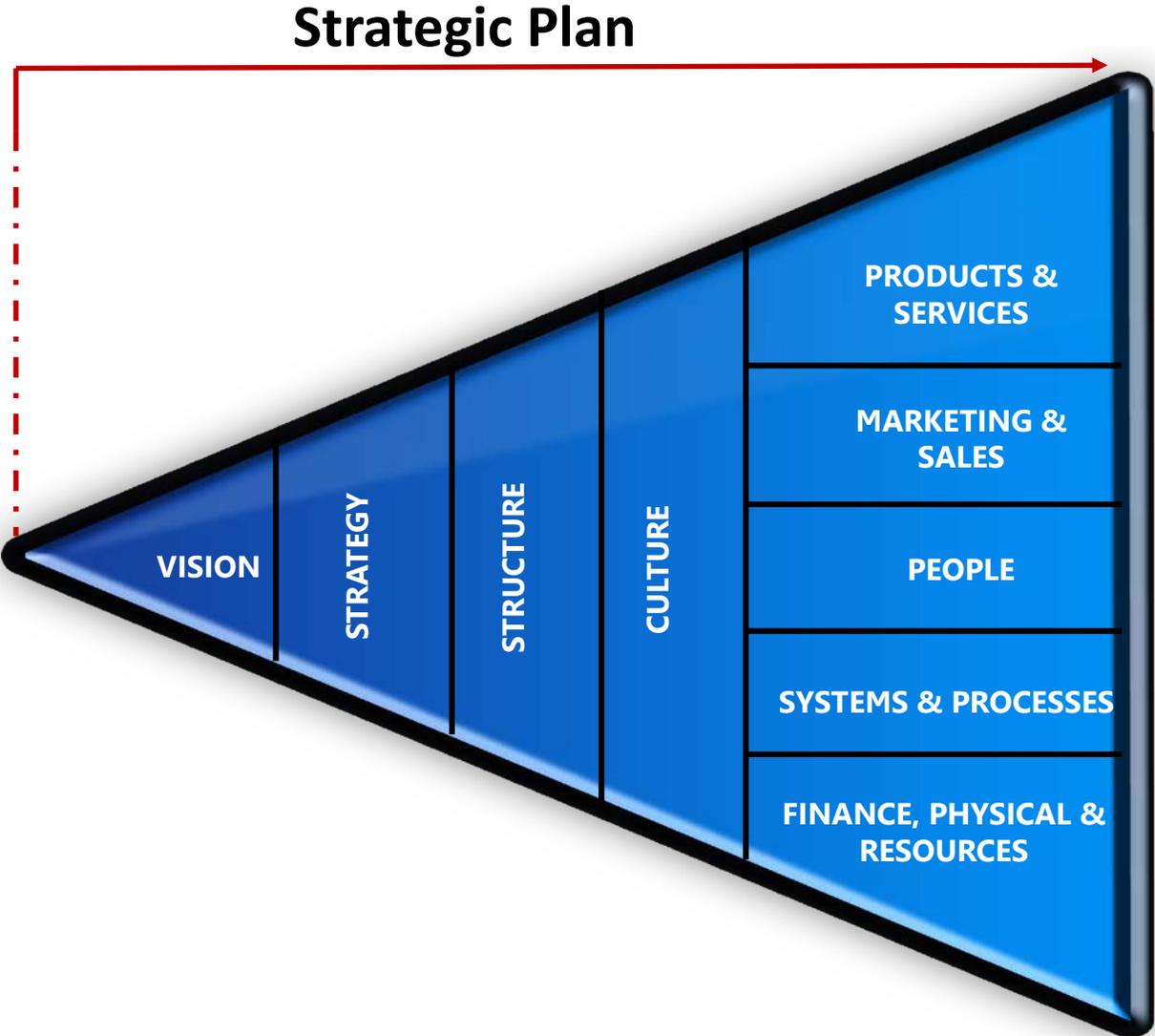
- Leadership is all about having the ability to influence
- The most important thing is Purpose – that is, the WHY?
- Without a vision, you can’t get high performance on a consistent basis
- Values are pivotal and cultivate performance – its all about servicing and caring (earning Trust)

A BUSINESS NEEDS DIRECTION

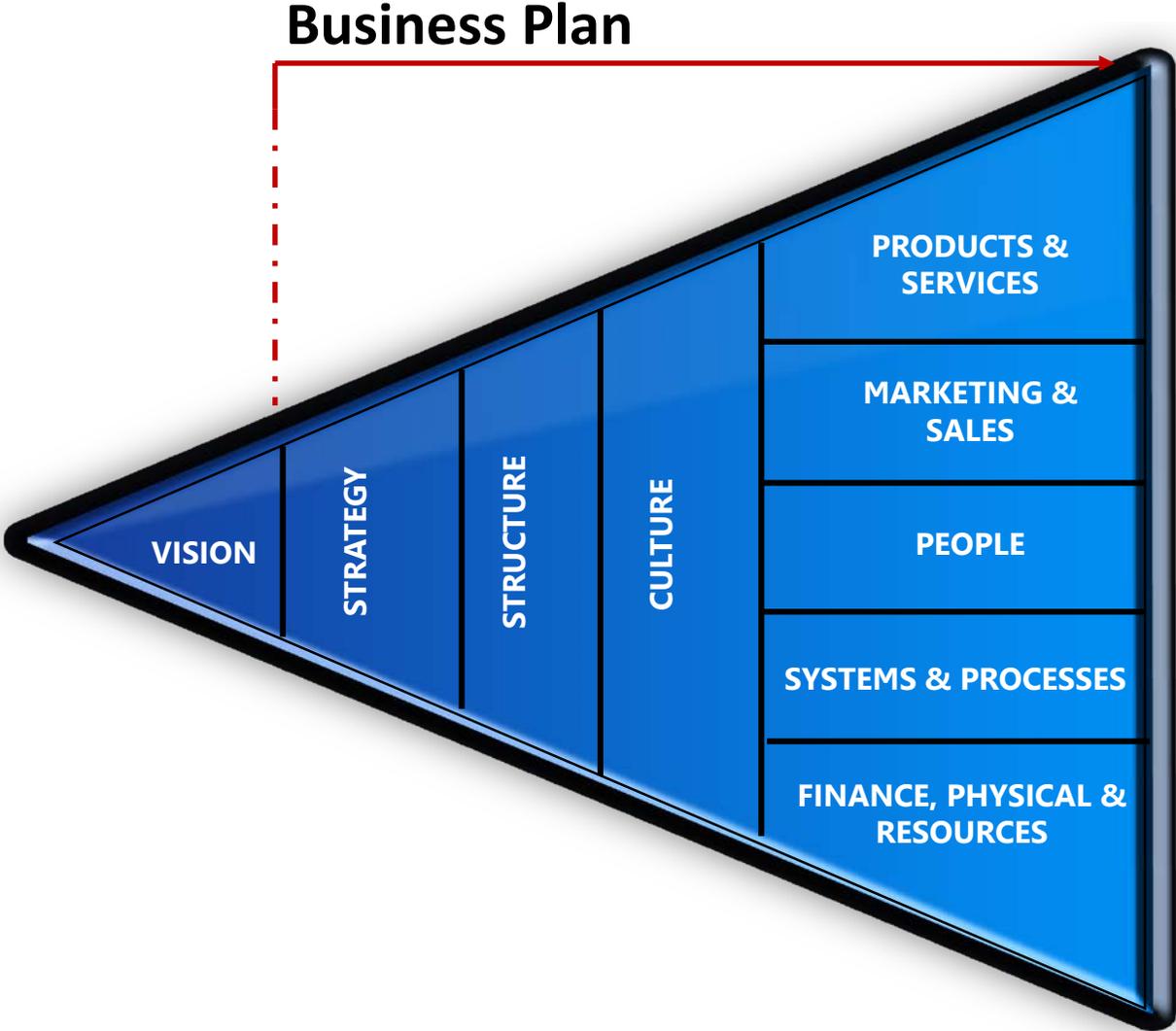
- A business needs direction, structure and processes. To facilitate Business Planning, we have developed a strategic management holistic tool, which we call the PKF-FPM Rocket.



STRATEGIC PLAN DETERMINES THE VISION



BUSINESS PLAN ACCEPTS THE VISION AS IT IS AND REVISITS THE BEST WAY TO ACHIEVE IT



POLL 1

Have you prepared a Business Continuity / Recovery Plan?

Yes or No

OVERVIEW OF COVID-19 FINANCIAL SUPPORTS

- Cash Grants
- HMRC TAX Deferral Schemes
- Coronavirus Job Retention Scheme
- Self Employment Scheme
- NI Micro Business Hardship Fund
- Coronavirus Business Interruption Scheme
- Bounce Bank Loan Scheme
- Invest NI
- InterTradeIreland COVID-19 supports
- Other (e.g. Fishing, Charities & Community Sectors)

POLL 2

Have you accessed Covid-19 Financial Supports (Grants or Loans)?

Yes or No

LEADERSHIP

- The quality of leadership more than any other factor determines the success or failure of an organisation. Leadership is not about position or hierarchy, but is about attitude, definite characteristics and behaviours such as vision, passion, culture, people skills, resilience, team building and inspiring others. It is appropriate for real leaders to stand-up and deliver.
- Avoid complacency, past success, does not guarantee your future success.
- The principle remains:

Leadership first, then management.



AGILE & FLEXIBLE LEADERSHIP

It is important for a leader and an organisation to remain flexible.

Remember...



**The only golden rule is...
there is no rule**

George Bernard Shaw said:

We need to stay flexible and adapt to changing circumstances

DIFFERENCE BETWEEN LEADERSHIP AND POWER

Leadership comes from within and is recognised by others

Sometimes business leaders need to lift themselves out of mundane tasks and “work on the business, rather than in the business”



Do not engage in negativity, have the courage to tell your work colleagues to disengage from negativity

The success of a leader, is determined by the outputs of his/ her team, and not his / her personal inputs

If you can't delegate, you are a nuisance

LEADERSHIP



Leadership in the corporate setting, is centred on the ability to deliver change. Only adaptive organisations endure in today's rapidly changing business environment.

Ethics should be embedded at the heart of the organisation. Take responsibility and hold yourself accountable and expect the same from others. Focus on asking questions, including "Should I?"

Treat people with respect and dignity. Build strong trusting relationships (internal and external) and inspire confidence among your stakeholders.

We all must be prepared to be agile and to change with changing circumstances. There are no shortcuts. With the will you can do almost everything, without the will you can do nothing.

CORE EMPHASIS

Effectiveness and Efficiency

- Business thrives when both effectiveness and efficiency are aligned and complement each other.

- **Effectiveness** – Doing the right things

(Strategic, working on the business)

- **Efficiency** – Doing things right

(operational and tactics, working in the business)

INTEGRATED MULTI-DISCIPLINE LEADERSHIP

7 MOST IMPORTANT FACTORS IN DEVELOPING & RUNNING A SUCCESSFUL BUSINESS

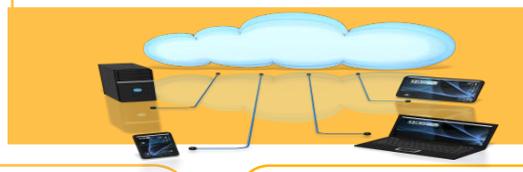
- Leadership and shared responsibility management, with a strong emphasis on internal communications. Getting the teamwork and attitude right – TEAM.



- Becoming more proactive with the selling process, i.e. customer led and sales driven.
- Staff can be either your ambassadors or your assassins.



- A commitment to innovative and efficient IT systems.
- Embracing the digital revolution.
- Growing awareness of Artificial Intelligence (AI).



- Differentiating your business from its competitors, by creating a competitive edge and establishing a reputation for lateral thinking, innovation and organisation excellence.
- Website, Social Media Platforms, Webinars and live streaming from PKF-FPM TV.



- Cost control and working capital management.
- Profit Improvement Strategies and Gross Profit



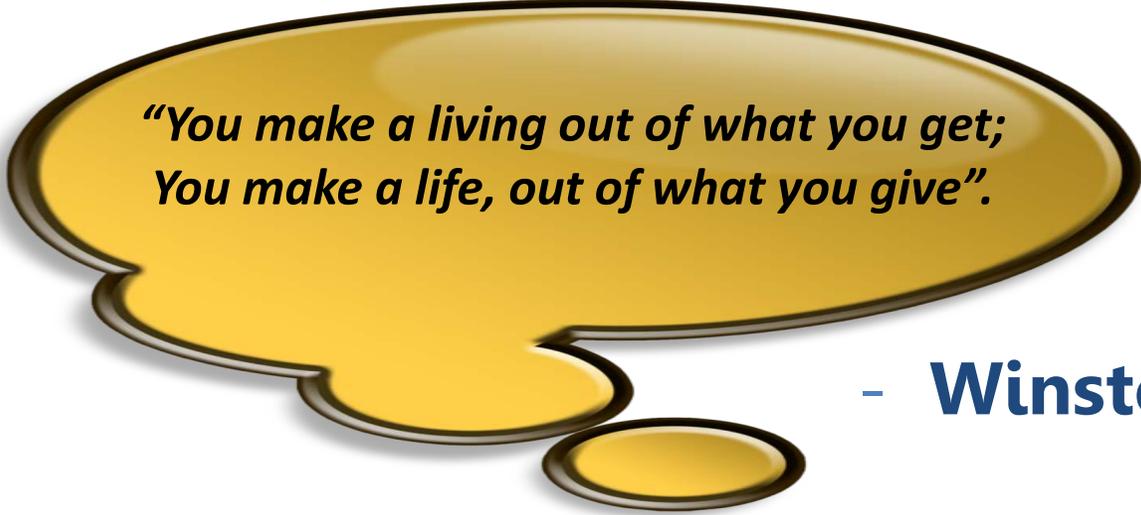
- Manage change in challenging circumstances.
- R&D - Innovate or evaporate
- Brexit
- MTD
- PAYE Modernisation
- Cloud Accounting



- People management and staff retention.
- Attracting the brightest and best and ensuring the team works well together.
- People Analyser – GWC.
- Employee brand.

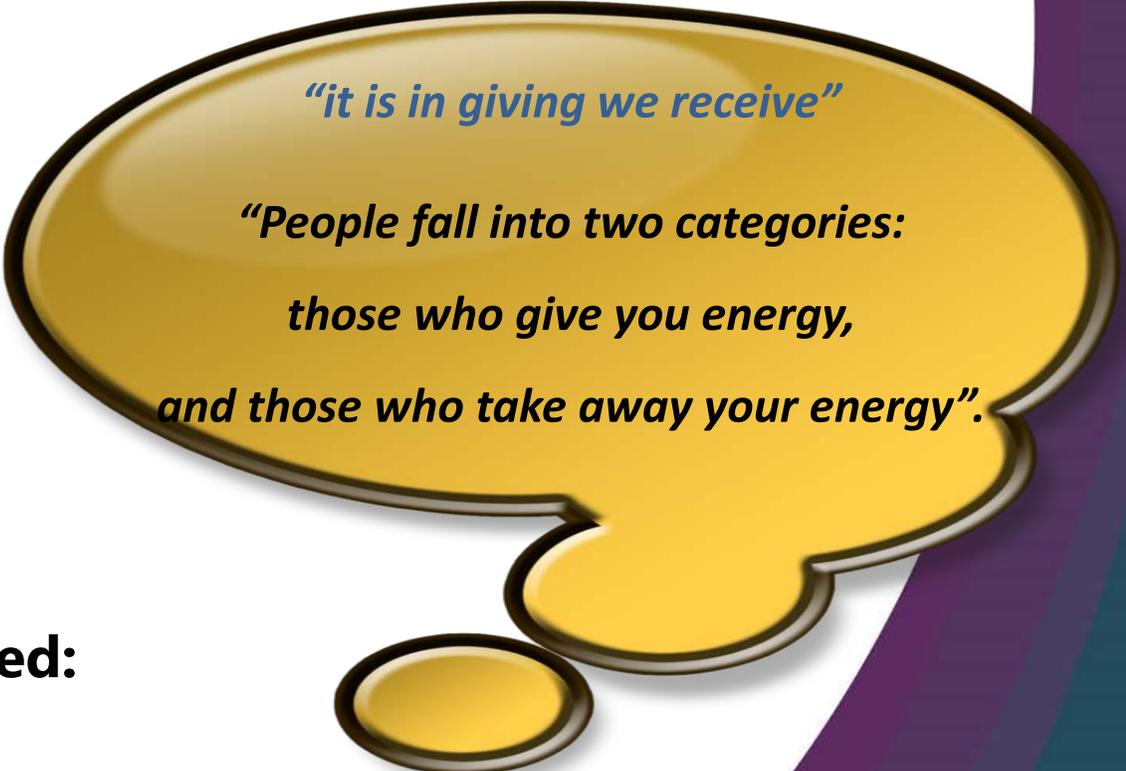


LIFE FULFILMENT



*"You make a living out of what you get;
You make a life, out of what you give".*

- **Winston Churchill**



"it is in giving we receive"

*"People fall into two categories:
those who give you energy,
and those who take away your energy".*

Remember St. Francis stated:

BEHIND EVERY SUCCESSFUL BUSINESS THERE ARE GREAT LEADERS

- It is the leaders, who give a company direction, who motivate and inspire the workforce, who, even in the face of adversity, see opportunity.
- There are certain traits that are common among the greatest leaders.



PERSONAL SUCCESS



Success often depends on the oldest things in life:

- **Courage;**
- **Character;**
- **Commitment.**

DIFFERENTIATION & TAKING RISKS

- We encourage our people to endeavour to be different and unique – and to think outside the box – this entrepreneurial spirit is consistent with our firms clients, many of who are business owners with unique products and services.
- Intelligent failure, must be acknowledged in a mature society.
- Many people are afraid to fail, but we discourage this culture, because we think the person who has never made a mistake or failed, has never got anywhere.
- It's true that we don't like to lose, but we are not afraid to lose, there's a difference. We don't like it, but hopefully we have won more than we have lost.
- We have definitely learnt from our mistakes.



MAKING EVERYTHING BENEFIT DRIVEN



TALENT

- A recent international business survey confirmed that 80% of businesses today believe that talent is the main threat to growth – I share that view.
- We endeavour to recruit and retain the brightest and best, because in our experience, a small team of A+ players can run rings around a large team of B&C players.



MANAGING TALENT

- **TEAM PKF-FPM**

- In managing talent PKF-FPM believes that it is vital to connect with people, create conversations, give people confidence and empower people. There is a conscious attempt to adapt the old Indian saying,

*“Show me and I may not remember, tell me, and I may forget,
involve me, and I will understand”.*

- All staff need to demonstrate a desire to be “warriors” and to “mind their jobs” and to make a super effort to improve in individual and team productivity efficiency.
- It is believed, the recognition by staff of a happy workplace, offering favourable employee benefits and the firm’s continued investment in training, development and IT is evidenced in a staff absenteeism rate of 1.54% for the year ended 31 March 2020.
- Learn from others, because, the success of others, should be a source of inspiration, not a source of fear.

RELATIONSHIPS

TRAINING

"Winning Teams do the ordinary things with extraordinary consistency, commitment, passion and focus"



COLLECTIVE CHARACTER

Collective character is vital to success.
At PKF-FPM, we believe that by focusing on getting the culture right, including diversity the results will follow. We seek to encourage and deliver leaders at all levels throughout our practice, recognizing that the being of team begins from inside.

High standards must come from within.
Leadership works best when our team takes the lead.



PERSEVERANCE & RESILIENCE

We're not perfect. Our commitment and perseverance will not be perfect. We're going to have setbacks and stumbles in pursuing any goal we set. The important thing is, not that we have these setbacks, but how we react to them.

Perseverance and resilience doesn't mean perfection. It's not often constant, unwavering adherence to a commitment. Instead, it is usually a series of quick course corrections when you get off track.

Running a business is like navigating a ship, it may go slightly off course, but with small corrective actions we can redirect the business back on its desired direction and forward journey.



CHANGE MANAGEMENT (INTERWOVEN AGILITY)

- You can't do today's jobs, with yesterday's methods or mindset.
- *"What got you here, won't get you there"* – Wall Street Journal Author Marshall Goldsmith

Remember Charles Darwin stated:



"It is not the strongest of the species that survives, nor the most intelligent, it is the one that is most adaptable to change".

UNITED TEAM

- The practice believes that a united team with a common vision and purpose, excited by what lies ahead is invaluable, and for this reason great emphasis is placed on interweaving, reconciling and integrating personal career development plans into the overall practice training and business development plan.
- Staff can either be your ambassadors or your assassins.



- Without motivation and attitude you get mediocrity – staff who do not have the appropriate PKF-FPM DNA, should move on.

LEARN TO RIDE LIFE'S BIG WAVES

- However difficult, the business environment may be, however stressed we might feel, as we reflect each evening, all these things will pass.
- These are not the challenges that we have to rise to. These are life's big waves – we have to learn how to ride them. Therein lies the only real challenge.



PERCEPTION DICTATES REACTION

- Our perception dictates our reaction, so we better make sure, that we perceive what's real.
- If we can look in the mirror at home in the evening and say, I gave it 100% today, we can have no regrets.
- A big part of any team effort is personal ambition – we need highly motivated and ambitious individual winners, to create team success, but no solo runs.
- However, perceived challenges can cause distress or can motivate – its all down, to how we see it.



HOPE AND CONFIDENCE

- For recovery, growth to take hold, confidence must replace fear and we must convert natural anxiety, into a passion to deliver positive results.
- We must approach the future with great hope and confidence in our own ability – to offer best practice, because:

**The fittest will survive and evolve much stronger
from our current difficulties**



PASSIONATE LEADERS

- I share Steve Jobs view that:

“the only way to do great work, is to love what you do”

- Success, starts with passion, and successful passionate leaders are a living example of their vision, and don't just talk about it.

SUSTAINABLE BUSINESS IS LIKE RIDING A BICYCLE



- We have got to keep pedalling, because if we stop, we will fall off – thus we must keep moving forward and never be complacent with people and talent management – retain a constant state of nervousness and focus on: **Relevance, Sustainability and Trust.**

COVID-19

- The current COVID-19 pandemic is temporary.
- Our individual mindset is crucial, and will affect the outcome success of our Vision. We must individually buy into the strategy and have confidence in our individual and collective ability to deliver the desired outcomes
- **Yes the current situation is fluid, staff availability is not guaranteed, and the future is uncertain, BUT BE IN NO DOUBT, through connecting, empowering and evolving, we will be very energised and committed to trying our best to deliver for our staff colleagues and clients / customers.**
- As a species, we are vulnerable but thankfully also innovative, resourceful and capable. By staying positive and strong, we believe working together with a united determination and vision can overcome any challenges that arise and ultimately succeed, because the fittest will survive.



POLL 3

**What percentage, if any, do you expect turnover to fall by
in 2020?**

CONCLUSION

- Collective character is vital to success. **High standards – the 3 P's (Purpose, People and Practice) must come from within.**
- Sometimes we can NOT control the events around us, BUT we do have the ABILITY to CHOOSE our RESPONSE.
- As sure as night follows day, individuals make **CHOICES** everyday. **Individual actions matter and can be a force for change.** Let's try and make **every moment count.**
- In the recent past we have demonstrated a resilience and an ability to overcome centuries of political instability and "the Troubles", and to become a world role model for conflict resolution and working together in partnership.

ONWARDS and UPWARDS

– “the time is always right, to do what is right”

Dr. Martin Luther King

DISCLAIMER

We have made every effort to ensure that the information provided in this seminar is accurate, but we cannot accept responsibility for the consequences of any action you take in reliance on its contents. If following the seminar you have any matters which you would like to discuss, please contact Feargal McCormack at f.mccormack@pkffpm.com



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Email info@intertradeireland.com
Office 028 3083 4100 (048 Ireland)
Text Phone 028 3083 4169 (048 Ireland)

intertradeireland.com

InterTradeIreland, The Old Gasworks Business Park,
Kilmorey Street, Newry, Co. Down BT34 2DE