



# Understanding the impact of COVID-19

**A Checklist for your organisation**

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Due to the fast changing situation please refer to [kpmg.ie](https://www.kpmg.ie) for most up to date information

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[kpmg.ie](https://www.kpmg.ie)

# Crisis management & business continuity planning

As the business world learns to adapt with constant changes, the next chapter is being written. The impact of COVID-19 (Coronavirus) is affecting global supply chains, disrupting financial markets and the workings of day to day businesses.



# Actions

The most critical immediate requirement for any business is to **identify and value the risks/scenarios, model the financial impact of those and assess the liquidity / headroom position through a short term cash forecast**. Businesses are facing existential risk here and if they can't make the next few weeks without running out of cash, everything else may be irrelevant.

0-4  
weeks

- Understand key risks across operations and supply chain
- Mobilise teams to firstly navigate crisis response and secondly focus on supply chain assessment and risk management
- Ensure your governance is in place to rapidly make key decisions
- Conduct business and financial scenario planning for a quick recovery, a global slowdown and a global pandemic and recession

1-3  
months

- Plan mitigating actions across operations and supply chain, assessing impacts on sea, air and land transport
- Ensure communications are made with principal customers and stakeholders
- Review and assess what impact this will have on workforce planning and management
- Review phasing impacts depending on your sector

4+  
months

- Create an agile and visible global supply chain
- Understand and deploy digital and process automation to mitigate the impact of disruption.
- Develop and implement enhanced risk management practices



**Actions we are seeing clients undertake include:** contingency planning and scenario modelling, operational and supply chain risk management, financial risk assessments, business resilience, and digital and supply chain transformation.

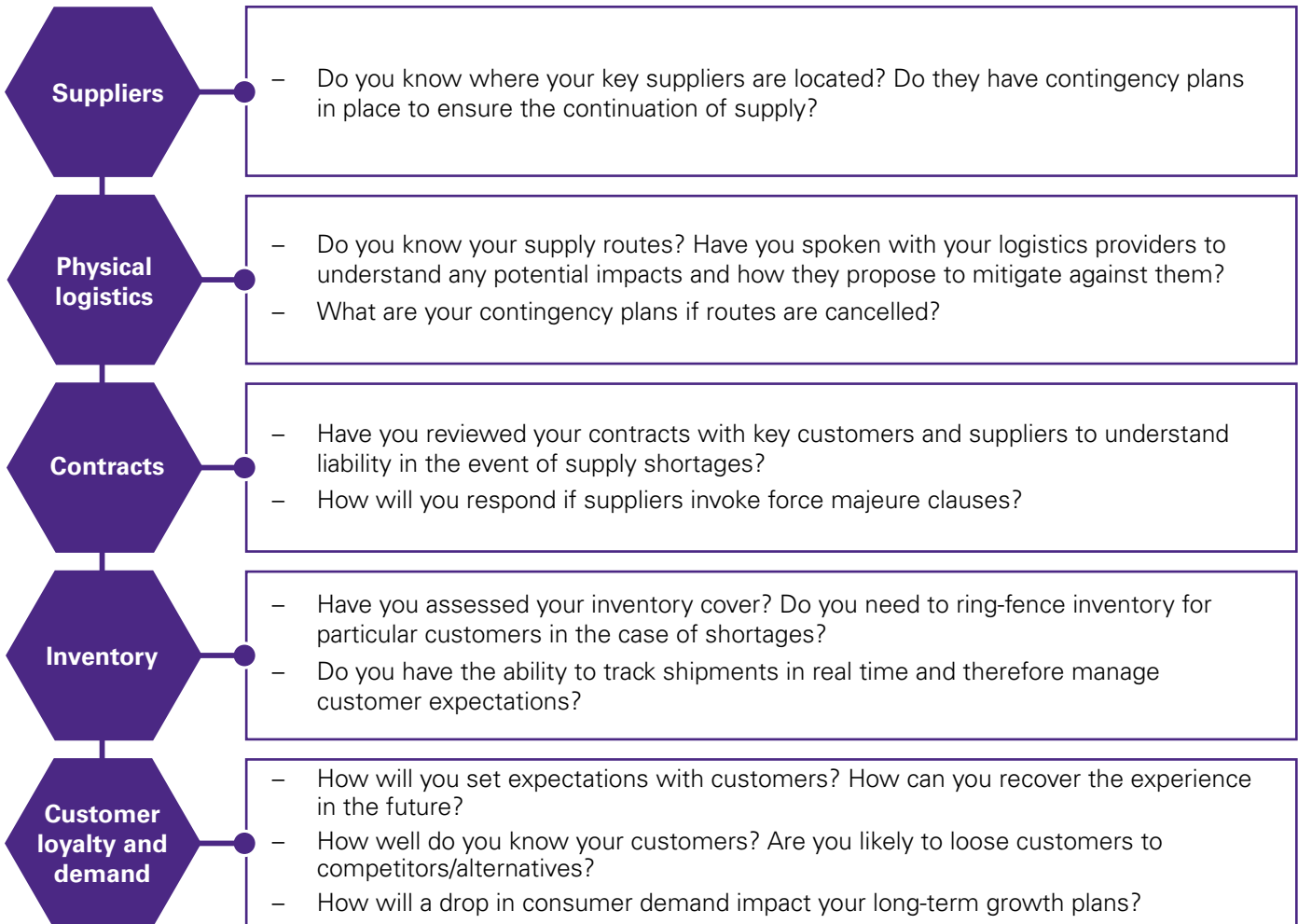


## Observations

- Manufacturing closures in China
- Increasing public health requirements
- Suppliers invoking force majeure
- Additional border checks resulting in delays
- Congestion at seaports and airports, with busy sea routes from Asia to Europe being cancelled
- Reduced outbound capacity from China with increase in prices
- Labour shortages impacting productivity and land transport

# Supply chain & operations

## Checklist



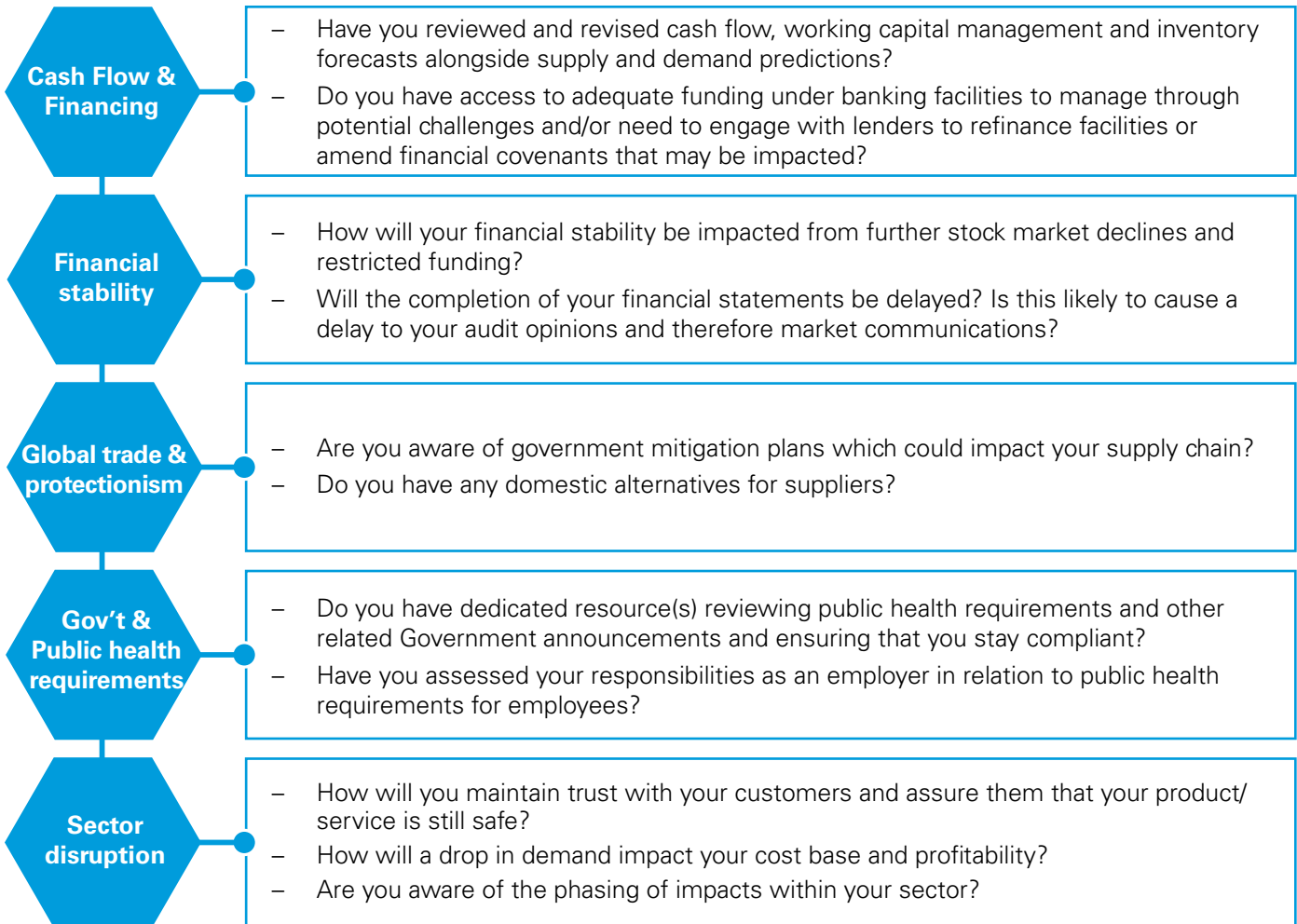
# Business impact

## Checklist



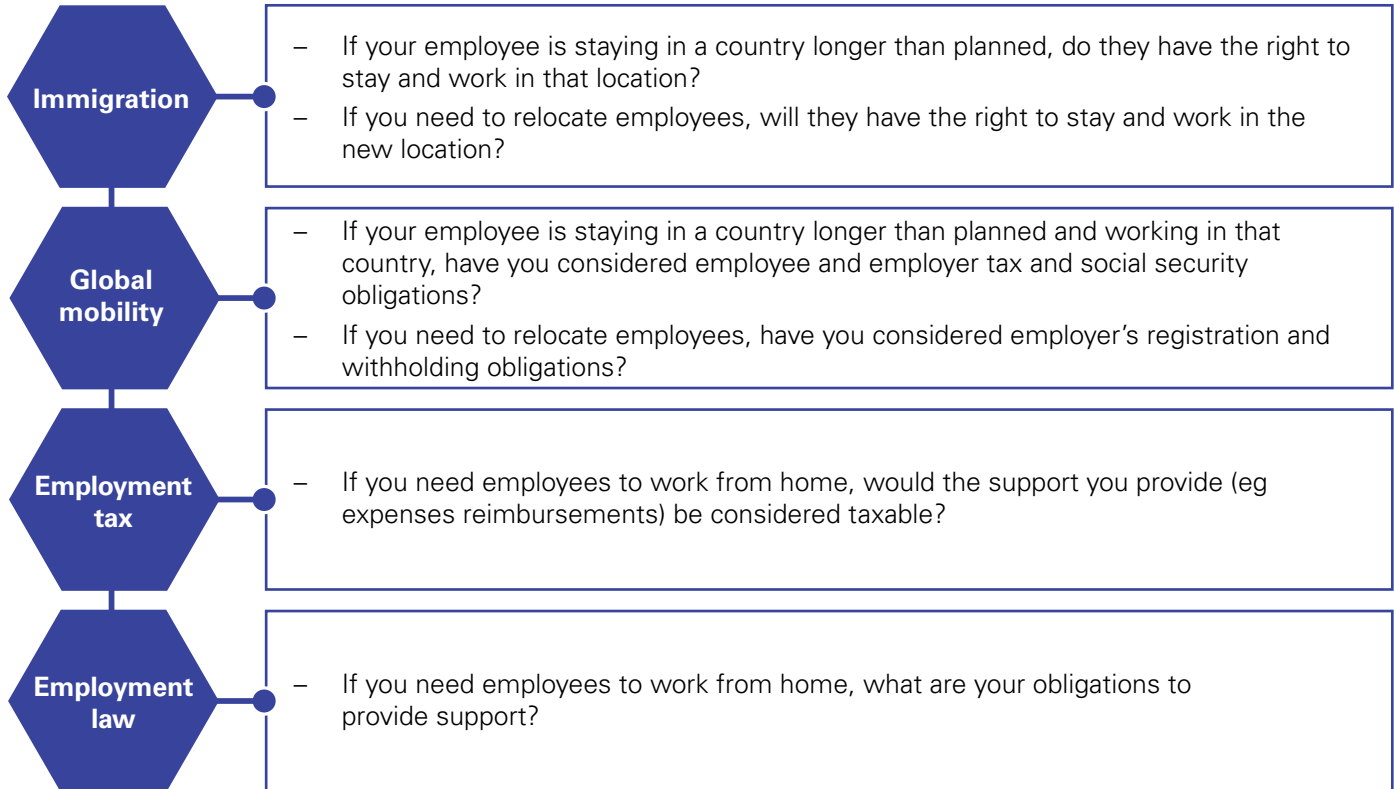
# Financial & external factors

## Checklist



# People

## Checklist



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