COVID-19: A guide to maintaining Enterprise Resilience

Due to the fast changing situation please refer to kpmg.com/uk for most up to date information

kpmg.com/uk
Foreword

These are uniquely testing times for us all. The speed at which COVID-19 has spread across the world and the severity of the disruption to the global economy are, unprecedented. At KPMG, our absolute priority is the health and well-being of our people, their families and our wider community – just as is the case for your business. But in the face of this unusually complex crisis, we’re also deeply committed to supporting our clients as they seek to safeguard their business on behalf of their employees, customers and the broader economy.

COVID-19 is affecting every element of businesses, from the robustness of supply chains, to the stability of the financial markets, the availability of the labour force and the threat of rapidly waning customer demand. KPMG is standing side by side with our clients across all industries and all sectors to ensure they receive fast, informed and highly practical guidance – drawing on the latest Industry Insights and learnings from our experts based right across our network around the globe.

In this unparalleled and unpredictable environment, the key to business survival – and to future success – is resilience throughout the entire enterprise. Including commercial resilience, operational resilience and financial resilience, all agile enough to evolve over time and in the light of changing circumstances.

This guide sets out KPMG’s perspectives on maintaining enterprise wide resilience and some practical ways in which we’re equipping clients to tackle not just the current global health crisis but a raft of other fast-moving trends set to shape the business landscape for years to come.

Melanie Richards
Deputy Chair
+44 7740 631850
melanie.richards@kpmg.co.uk
## Enterprise Resilience

### Financial resilience
- Financial stress testing and forecasting
- Liquidity and financing
- Financial crisis response and contingency planning

### Operational resilience
- Operational crisis management
- People
- Supply chain
- Technology and data
- Premises and property
- Cyber and fraud risk

### Commercial resilience
- Markets, products and services
- Customer experience and behaviours

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The COVID-19 pandemic is creating unprecedented disruption throughout our lives and the global economy. The speed at which events continue to evolve is unparalleled, the public health crisis, response of governments, changes to our daily lives and its implications for our economy. Customer demand, supply chains, financial markets, the labour force and every aspect of day-to-day business are affected. Businesses have faced crises before, but this one is uniquely complex and unpredictable. Many businesses will have their crisis management plans in place, the challenge now is how do you sustain a plan typically built for days and weeks to manage a period of extended uncertainty?

Businesses were already working hard to maintain resilience in the face of other fast-moving trends, including relentless technology innovation, extended supply chains and changing customer expectations, and of course, BREXIT. Facing COVID-19, businesses must now urgently assess all aspects of their resilience, hone in on the key issues and keep them under review to ensure survival and success.

Maintaining resilience will mean taking an organisation-wide view across three pillars: financial, operational and commercial.

These pillars are interdependent and underpinned by multiple factors, with horizontal trusses, such as management information and stress testing, providing the glue that holds the structure together.

Our guide sets out the challenges facing organisations, provides insight about best practice, and outlines our view of immediate, medium and long term actions organisations should be taking. We share our experiences and explore practical ways in which you can assess, strengthen and plan a phased response, bolstering resilience through to recovery.

Our approach to Enterprise Resilience is designed to be adaptable to the dynamics of your organisation and will evolve over time to reflect the changing nature of this crisis, enabling us to share the breadth of our insights rapidly and efficiently.

When you complete our online assessment, which has been tailored to the issues of COVID-19, you will receive a customised report providing practical considerations and potential actions to take. We believe maintaining resilience holds the key to protecting today and being ready for the opportunities and challenges of tomorrow.
The financial effects of the pandemic are reminiscent of the 2008 financial crisis, but with the stresses extended across every sector of the economy. Previously healthy businesses are suddenly coming under acute financial pressure. Without financial resilience, commercial and operational resilience cannot be maintained. Keeping this pillar strong requires firms to adapt existing financial frameworks to a more hostile, volatile environment in which profitability, cash flow and access to finance are coming under simultaneous pressure. The pillar is supported by three key themes:

1. Financial stress testing and forecasting
2. Liquidity and financing
3. Financial crisis response and contingency planning

Pressure is coming from all sides, as customers withhold settlement and suppliers demand faster payment. Managers unfamiliar with financial distress are struggling to shift their financial frameworks onto ‘a war footing’, with many struggling to forecast cash flows, to model their liquidity and to identify downside risks effectively. For some, the likelihood of breaching financial covenants or worse still, experiencing a funding shortfall in the near term, is a further source of concern. To make matters even worse, this may be a multi-phase crisis with finances coming under pressure repeatedly over the next 12-18 months.

In response, businesses are taking their own steps to preserve and generate cash. They are also exploring external financing options with new or existing lenders, and understanding how to access the range of support initiatives that have been announced by HM Government, e.g. the Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loan Scheme (“CBILS”) (for more information see https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses).

Despite these moves, many firms are facing imminent financial crisis and some are already contemplating insolvency. The support packages the UK government has provided is a major source of hope to many, but questions remain over eligibility and accessibility and most importantly, how quickly businesses will see the real cash benefit from these schemes.

KPMG’s Enterprise Resilience Framework can help businesses to identify and manage the threats presented by the COVID-19 pandemic, and in the next few pages we outline some of the key steps that we believe organisations should take to maintain their Financial Resilience, if they are not doing so already. They also provide examples of the practical, outcome-based support we can offer our clients.

Please get in touch with your usual KPMG contact to discuss your situation in more detail.

Gareth Williams
Partner, Financial Resilience Lead
+44 7825 608588
gareth.williams@kpmg.co.uk

Take our COVID-19 response assessment
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Financial resilience

Challenges and concerns
- Customers are hoarding cash, while suppliers – whose failure would be harmful – seek faster payment
- Disruption is slowing revenue generation, while costs like salaries and maintenance remain fixed
- Cash burn is accelerating, but regular financial management data does not provide adequate granular visibility of short-term cash flow
- Defensive cash preservation and generation tactics are of paramount importance, but the timing and prioritisation of individual initiatives and actions is difficult to manage effectively
- Firms want to approach lenders and funders, but can’t demonstrate a clear view of their ‘ask’
- Companies face the likelihood of breaching financial covenants and want to ‘get on the front foot’

Industry Insights
- Adapting cash flow models for uncertainty and disruption, revising them regularly – even daily
- Using short term cash forecasts to underpin resilience strategies and determine response priorities
- Using short term forecasting to engage with creditors and funders to seek forbearance and support

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Short term
- Set up robust 13-17 week short term cash flow (STCF) forecasts at business unit and group level, reviewing weekly against prior forecast and outturn
- Reconcile the STCF with monthly financial forecasts including P&L, balance sheet and funds flow
- Assess enterprise-wide cash flow risks to spot potential downsides to the STCF; analyse them by timing, quantum and probability
- Identify rapid, achievable ways to reduce costs and preserve cash and classify them as:
  - Green (‘no regrets’): e.g. maximising existing supplier payment terms
  - Amber (‘counter to BAU’): e.g. deferring capital expenditure on growth projects
  - Red (‘last resort’): e.g. closing or reducing operations
- Match cash mitigation initiatives to STCF risks, based on timing and quantum
- Assess the impact of cash flow scenarios on cash reserves, facility headroom and financial covenants, revisiting weekly
- Initiate early discussions with lenders or funders if necessary, supported by forecasting packages that combine monthly reports, STCF forecasts and potential risk scenarios

Financial crisis response and contingency planning

Liquidity and financing

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Medium term
- Forecast the full p&l, balance sheet and cash flow effect of hibernating then re-awakening parts or all of your business. Not only will it help you in the contingency planning exercise you should be undertaking, but your stakeholders will expect you to have done so
- Introduce the 13-week cash forecast and recent 4 week ‘actual’ cash flow history to management information packs, with analysis of variance against prior forecasts
- Put short term cash flow on the agenda of monthly Executive or Board meetings, allocating cash flow targets outside the Finance function
- Consider early discussions with lenders and funders if forecasts predict a funding shortfall beyond the horizon of the STCF

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Long term

- Assess the potential impact of short-term disruption on longer-term financial behaviour by customers and suppliers
- Reengineer customer journeys and processes to take account of altered behaviours

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**How KPMG is helping?**

- **Forecasts** – implementing robust short-term cash flow forecasts, including dynamic scenarios and consolidation
- **Stress testing** – sensitising forecasts to model cash burn rates, cash reserves and facility headroom
- **Workshops** - facilitating ‘brainstorming’ sessions on cash preservation and financing options
- **Diagnostics** – data-driven programmes to identify short and medium-term cash ‘win’ opportunities
- **Training** – providing coaching on tactical, strategic and crisis cash management
- **Finance requests** – helping firms to prepare applications to new and existing funders and lenders
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Liquidity and financing

Financial crisis response and contingency planning

Contact
Gareth Williams
COVID-19 Financial Restructuring Lead Partner
+44 7825 608588
gareth.williams@kpmg.co.uk

Jane Hurst
Partner, Restructuring
+44 7789 572248
jane.hurst@kpmg.co.uk

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Challenges and concerns

- Uncertainty over demand and supply chains is creating liquidity pressure across the business
- Previously healthy firms suddenly face running out of cash in weeks or months
- Managers without experience of business distress are unsure how to mitigate liquidity pressures
- Government support packages are evolving fast, but concerns remain over eligibility, accessibility and speed of delivery
- Accessing sufficient debt facilities to meet liquidity requirements

Industry Insights

- Firms are temporarily halting payments, with some seeking to cut costs - often by reducing staff – even before seeking clarity over funding options
- Best in class businesses are refreshing cash flow forecasts and looking at available mitigations
- Firms are drawing down available credit
- Businesses are assessing financing strategies / options and approaching lenders to access or amend debt facilities or participate in the Government-backed funding schemes
- Companies are engaging with HMRC to seek tax payment holidays, which are proving fruitful
- Smaller firms are finding it hard to understand and access UK funding packages fast enough

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Short term
- Draw down all existing funding lines to maximise available cash
- Take a holistic view of the full range of internal and external options to support your liquidity
- Identify and risk grade those levers which can be used to accommodate different scenarios. This will illustrate to lenders proactive identification of risks and steps taken to mitigate
- Assess baskets and triggers under existing financing documentation
- Evaluate funding strategies, options, markets, lenders and other sources of capital in order to meet your funding needs in the timescale available
- Approach lenders both on loan schemes supported by HM Government (CCFF and CBILS), and in connection with wider lending support they may be able to offer outside of those.
- Engage with other key stakeholders on interim funding and payment alleviation options supported by HM Government, e.g. Job Retention Scheme, Business Rates Relief, Grants, various Tax support offered by HMRC and Statutory Sick Pay cover
- Review VAT processes to maximise cash, ensuring claims for all tax reliefs and incentives that provide cash credits have been made
- Engage with other significant 3rd party creditors on payment deferral options, e.g. with landlords on rent
- Set up spending freezes and tighten authorisations to limit outgoings
- Brainstorm a “self-help plan” to preserve and generate cash, and initiate actions in conjunction with all key function
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Medium term
- Establish a cash-focused culture across the business, valuing cash over profit
- Develop financing and lender engagement strategies to support the business with the funding or flexibility to trade through and out of the COVID-19 crisis
- Engage with lenders or alternative funding providers to maximise total available headroom, if required
- Set up a central cash management team (or individual) responsible for embedding cash maximisation processes
- Establish an Executive level cash committee
- Work with suppliers to understand their funding pressures and how they may impact your operations

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Long term
- Embed robust 13 week and annual cash flow forecasts into budgetary and financial management cycles
- Consider ways to optimise funding arrangements for a less certain future
- Establish a sustainable strategic working capital programme to ensure that liquidity is optimised under normal and stressed conditions
- Put in place long term financing to support a return to normalised trading conditions, including investment and growth
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How KPMG is helping?
- Identifying options to meet funding requirements, including advising on how to access different government-backed funding programmes and approach lenders
- Structuring requests to lenders for funding or amendments to financial covenants succeed within timescales available
- Providing strategic, financing and legal advice to assist in the negotiation of terms, drafting and implementation of financial documentation
- Supporting financial stress testing, cash flow risk assessment and modelling of mitigation options to assist businesses in presenting the implementation of proactive self-help measures when seeking additional funding.
- Liquidity planning - supporting the design and execution of cash flow management plans, to demonstrate ongoing ‘liquidity grip’ to lenders including UK government loan schemes
- Negotiation - supporting firms’ negotiations with key stakeholders and funding providers
- VAT - identifying overpaid VAT on sales and non-standard transactions; under-recovered VAT expenses; and all available reliefs and incentives
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Contact
Mark Raddan
Partner, Global Head of Cash & Working Capital
+44 7810 854152
mark.raddan@kpmg.co.uk

Nick Dodd
Partner, UK Head of Debt Advisory
+44 7748 112691
nicholas.dodd@kpmg.co.uk

Melissa Geiger
Partner, Head of International Tax & Policy
+44 7786 688719
melissa.geiger@kpmg.co.uk

Nick Roome
Partner, Head of Legal Services
+44 7920 711970
nick.roome@kpmg.co.uk

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Challenges and concerns
- Despite taking all available actions to preserve and generate cash (such as delaying payments and accelerating receipts), some short-term cash flow forecasts are showing imminent funding shortfalls emerging.
- Support packages such as the Coronavirus Job Retention Scheme, the Coronavirus Business Interruption Loan Scheme and the COVID-19 Corporate Finance Funding programme may take too long to access for some and have eligibility criteria which not all firms will meet.
- Other refinancing options with lenders are becoming limited, will take time to arrange, or may already have been exhausted.

Industry Insights
- Businesses in immediate cash crisis are taking steps to preserve cash balances by restricting payments to only the most business-critical vendors as they mobilise contingency plans.
- Firms in a variety of sectors are considering solvent mothballing options, founded on support from landlords and the UK’s COVID-19 Job Retention Scheme, although businesses in acute financial distress continue to be challenged by the timescales involved in schemes such as JRS.
- Several businesses have already moved to appoint Insolvency Practitioners who are working to extend the mothballing options available using insolvency mechanisms. This may open up the possibility of implementing a strategy for some of those businesses unable to fully fund the hibernation period (even with Government help schemes).
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Short term

- Take legal advice on mothballing and insolvency options
- Model mothballing options (to preserve value for a future recovery, sale or exit). The key options are:
  - Limited trading in administration, e.g. with an online revenue stream
  - Closing down all activities for a period with a view to achieving an exit via CVA, or an accelerated sale
  - Shutting down fully, if mothballing or a solvent wind down are unfeasible. Possible insolvency regimes include administration and liquidation
- If insolvency looks unavoidable, carry out contingency planning to decide the strategy (i.e. administration or liquidation) most likely to protect value for creditors
- Directors should consider their duties in a financially distressed situation, for example:
  - The duties owed by directors’ shift from shareholders to creditors
  - Personal liability and disqualification risks should be considered
  - Wrongful trading or ‘trading irresponsibly’, a civil offence, should be avoided
  - The duty to ensure employee health and safety continues, including taking reasonable steps to control the spread of COVID-19

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Long term
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Financial resilience

Challenges and concerns
- Despite taking all available actions to preserve and generate cash (such as delaying payments and accelerating receipts), some short-term cash flow forecasts are showing imminent funding shortfalls emerging
- Support packages such as the Coronavirus Job Retention Scheme, the Coronavirus Business Interruption Loan Scheme and the Covid-19 Corporate Finance Funding programme may take too long to access for some and have eligibility criteria which not all firms will meet
- Other refinancing options with lenders are becoming limited, will take time to arrange or may already have been exhausted

Industry Insights
- Businesses in immediate cash crisis are taking steps to preserve cash balances by restricting payments to only the most business-critical vendors as they mobilise contingency plans
- Firms in a variety of sectors are considering solvent mothballing options, founded on support from landlords and the UK’s COVID-19 Job Retention Scheme, although businesses in acute financial distress continue to be challenged by the timescales involved in schemes such as JRS
- Several businesses have already moved to appoint Insolvency Practitioners who are working to extend the mothballing options available using insolvency mechanisms. This may open up the possibility of implementing a mothball strategy for some of those businesses unable to fully fund the hibernation period (even with Government help schemes).

How KPMG is helping?
- Contingency planning – advising on and modelling comprehensive contingency scenarios
- Supporting businesses implementing solvent mothball / hibernation strategies with key stakeholder support as a primary contingency option
- Working with Government agencies and regulators on additional support measures to help Directors of challenged companies implement other relevant contingency options, including insolvency, where necessary
Financial resilience

Challenges and concerns

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Contact

Blair Nimmo
Partner, Head of UK Restructuring
+44 7774 637982
blair.nimmo@kpmg.co.uk

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Operational resilience

The fundamental importance of Operational Resilience is understood by businesses that have faced crisis situations, whether they were major IT outages, cyber-attacks, geopolitical incidents or any number of physical events such as severe weather, fire or floods. Almost overnight, COVID-19 has become the single greatest threat to the continuity and existence of many businesses. The maturity of an organisation’s operational resilience now has the very real potential to dictate whether an organisation will survive.

COVID-19 is causing unprecedented operational disruption. Organisations are unable to deploy their people effectively. Supply chains are being tested to an extreme extent, and access to premises and physical assets is severely compromised. This disruption and the consequential reliance on remote ways of working are leading to knock-on impacts in terms of the resilience of technology, data, legal affairs, revenue and taxation.

COVID-19 is causing significant disruption to organisations’ workforces. Illness, and the need to self-isolate and care for others, will result in large numbers of people being physically absent from work. Supporting the health of an organisation’s people, both physical and mental, over the coming months will be urgent priorities for business leaders. They are already responding with flexible working arrangements and prioritising the direction of resources – to meet new and emerging operational needs. The best leaders are also thinking about their personal resilience and taking steps to secure and support deputies as well as protecting their own physical and mental wellbeing.

The resilience of supply chains, both upstream and downstream, will be critical to the continued and effective management of business operations. The impacts of COVID-19 will see contracts unfulfilled, with force majeure clauses being invoked. This will create broader consequences for the availability of goods and the provision of services. Managed Service Providers will come under pressure as call centres encounter staff absences and lockdowns, and data centre operations and engineering support becomes challenging.

Under severe operational stress, organisations will need to make important priority calls. Deciding which products, services and processes should be kept operational. In these circumstances, firms will need to understand their prioritisation criteria, what constitutes the minimum viable business model, and develop a viable recovery strategy. It will have implications for staff; involve potentially difficult discussions with customers and suppliers and the potential closure of sites and facilities. Legal and regulatory implications are also certain.

Add in the heightened threat of cyber-attack during the period of COVID-19 disruption, and exploitation by organised and opportunistic criminals, and the operational hardness of businesses will be roundly tested.

Please get in touch with your usual KPMG contact to discuss your situation in more detail.

Andrew Husband
Partner, Operational Resilience Lead
+44 7771 337960
andrew.husband@kpmg.co.uk

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Challenges and concerns

- How can we work through the future scenarios and make sure we can anticipate the implications?
- We must identify key customers and products, and likely demand changes
- We need to determine the minimum viable business model, its structure and financial viability
- We need to identify our resourcing approach, and how we flex staff from non-core to critical business functions
- Which parts of the business need to be temporarily closed for the business to survive and are there any work around for us and our customers?
- How do we communicate decisions and underlying reasons to shareholders, financiers, regulators and staff?
- How do we minimise reputational damage and financial losses?

Industry Insights

- Discipline is needed to operate a “gold” and “silver” crisis management model – keep the “gold” team focussed on strategic and longer term issues – empower “silver” to manage day-to-day, and to trust people
- Focus on what the core of your business really is that you need to protect – and be ready to flex resources, financial and human, to protect it
- Getting consistent communications out matters – internal and external. People need a trusted and definitive source of advice in these times of uncertainty
- Make sure everyone is working from a single version of the truth. It is easy to lose track of the actions being taken, and the decisions that are being made in a fast-changing crisis
- Beware of suppliers failing as liquidity pressures mount and movement restrictions bite. You may find yourself dependent on suppliers you don’t expect.
- Expect that you will burn people out, watch for it, designate deputies, and try to persuade people not to be superheroes, it is not sustainable for the long term
- Ensure feedback and continuous improvement mechanisms are in place. You may find yourself working through similar issues on a repeated basis, as the crisis unfolds
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Short term

- Review key risks, modelling impact on near term working capital and liquidity, and prioritise contingency planning
- Create a governance structure to allow senior executives and the board to maintain a strategic and cross-functional approach to crisis management and for an extended period. Consider how you would handle a second concurrent incident such as a cyber-attack during the pandemic period. Agree how crisis management teams will communicate across the organisation
- Identify your minimum viable business model, determining core processes, vulnerable customer groups, product and supplier
- Determine who are your key staff, who are their deputies and how they are supported
- Create communications protocols to communicate with customers, suppliers, media, employees, and regulators
- Determine the spokesperson and key decision maker for the organisation's response during the crisis
- Build channels for your employees and customers to raise concerns and use social media as a communications channel
- Establish an interim control set across critical business functions starting with people, crisis and incident management protocols, expand into cyber risks, and then focus on establishing the same for extenuating circumstances across finance, supply chain, IT and other operational areas
- Agree which sources of external information provide insight during the crisis

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Medium term

- Keep communicating information, decisions and actions to the key stakeholders and agree what communications and updates will be provided to regulatory bodies.
- Create situational reports of what has happened, what is happening and what might happen.
- Consider customer attraction and retention strategies.
- Develop rosters for core members of the crisis management team to handover to deputies.
- Analyse how suppliers and third-party providers such as call centre providers, cloud providers, and facilities managers are delivering their service and whether alternate suppliers need to be found.
- Log key decisions and actions, monitor status of information sent to key stakeholders and their responses.
- Continually review status of employee’s morale.
- Monitor social media messaging by internal and external stakeholders.
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Long term

– Don’t assume the crisis is over
– Continue developing multi-disciplinary approach as crisis evolves and ensure lessons learned/feedback lops are in place to further enhance your crisis management framework
– Consider impact of team members being pulled into tactical issues as time goes on
– Assess how to maintain staff morale and energy levels throughout the ongoing crisis
– Continue to engage the regulators and the legal team on regulatory reporting requirements
– Consider the design and implementation of an enterprise-wide resilience framework, leveraging leading practices from peer organisations and other sectors
– Manage the transition from crisis to normal business
– Recognise and embed the best practices you have developed during the crisis
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How KPMG is helping?

- Coaching organisations in crisis management practices
- Augmenting crisis management teams to provide extra capacity and specialist skills
- Providing crisis management tools including methodologies, toolkits and checklists
- Bringing communities together to share good practice and provide mutual support
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Contact

Paul Taylor
Partner, Crisis Management & Resilience
+44 7468 718728
paul.taylor@kpmg.co.uk

Caroline Rivett
Director, Operational Resilience, Corporates
+44 7990 574277
caroline.rivett@kpmg.co.uk

Ash Harris
Director, Operational Resilience, FS
+44 7775 817534
ashley.harris@kpmg.co.uk

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Challenges and concerns

- **Compassion**: First and foremost, organisations need to consider the impact of COVID-19 on individuals and families. The stress of working from home, cut off from fellow team members, can compromise physical and mental wellbeing.

- **Capability and Capacity**: It’s difficult to meet the operational needs of the business and deliver adequate bandwidth and remote-working capabilities when staff absences and availability are unpredictable and demand is shifting, resulting in a need to rebalance teams. Organisations need an effective workforce management capability to optimise resourcing options including flexible working, contingent and managed service provision.

- **Cost**: Many of the changes we are making to the way work is done now will be long lasting and, therefore, need to be considered strategically as an investment (rather than a knee-jerk reaction).

- **Connectivity**: Individuals need to feel connected, engaged and motivated in order continue working effectively, and this requires digital tools and applications that people know how to use.

- **Compliance**: Commercial and pragmatic business responses to this crisis situation need to be balanced against the need to ensure all decision making in relation to people is compliant with tax and legal obligations and that directors are aware of their directors’ duties.

Industry Insights

- Where appropriate, upskilling and redeploying teams to accommodate variable demand and shifts into new and critical products and services.

- Initially splitting the workforce and assigning duplicate roles so that teams operate on alternative days or at different sites, and moving now to closing physical sites and working from home or considering alternatives where working from home is not an option.

- Encouraging increasingly flexible working and helping individual employees depending on circumstances, e.g. extending access to private healthcare and reduced working hours for employees with children at home.
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Short term

- Check in with each individual employee on their personal circumstances through team leaders and managers

- Deliver leadership broadcast communications e.g. via WebEx

- Proactively drive lines of communications with people via email, intranet, chat rooms, etc. to provide reassurance and manage expectations

- Identify business-critical roles and ensure coverage planned

- Address immediate network and technology issues affecting individuals’ ability to work

- Provide access to HR specialists to answer personal questions

- Review HR and people policies in response to changing regulation and government guidelines

- Appoint a COVID-19 committee to support the board in responses and decision making

- Avoid any short-term “knee-jerk” decisions in relation to resourcing and costs without thinking through the impact on employee well-being and longer-term protection of jobs
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- **Encouraging increasingly flexible working and helping individual employees depending on circumstances**: e.g. extending access to private healthcare and reduced working hours for employees with children at home.

Medium term

- **Continue to check in with individuals and provide HR specialist support**: Implement a communication plan providing a regular rhythm of communications with established Q&As and help sites for all employees.

- **Implement team focused tools and techniques to improve communication and collaboration**: Understand where demand has increased or fallen and adjust workload across the workforce where possible or consider alternative options for change.

- **Monitor levels of sickness to pre-empt geographical trends and peaks**: Engage with sources of resource augmentation – contingent workers, SMEs and managed services to understand what can be delivered and associated cost models.

- **Consider ongoing impact of employee experience or customer experience**: Consider and manage operational and reputational risk, tax and legal implications of the people challenges raised by COVID-19 including home working and flexing resourcing.
Challenges and concerns

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Long term

- Follow the global trend from role-based to skills-based organisational design.

- Build internal workforce management capability.

- Invest in homeworking technologies and connectivity.

- Revisit employee experience design based on new normal of employment and work.
Challenges and concerns

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How KPMG is helping?

- Understanding and interpreting the implications of rapidly evolving government legislation and communications for business and individuals.

- Helping leadership and internal communications teams to plan and deliver engaging and supportive communications messages and channels/tools.

- Supporting organisations with peak resource augmentation / managed service provision.

- How to upskill employees rapidly to flex with demand.

- Support in the development of workforce management capabilities.

- Employer, Director and employee tax, legal and compliance advice.
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Contact

- **Mel Newton**
  - Partner, People Consulting, FS
  - +44 7584 884554
  - mel.newton@kpmg.co.uk

- **Donna Sharp**
  - Director, Solicitor, Legal Services, Employment
  - +44 7880 054983
  - donna.sharp@kpmg.co.uk

- **Minaho Shiraishi**
  - Partner, People Services
  - +44 7920 288403
  - minaho.shiraishi@kpmg.co.uk

- **Isabel Ost**
  - Director, Solicitor, Legal Services, Data Protection
  - +44 7818 568789
  - isabel.ost@kpmg.co.uk

- **Anna Marie Detert**
  - Partner, People Consulting, Corporates
  - +44 7825 434075
  - annamaria.detert@kpmg.co.uk

_Cyber and fraud risk_

_Cyber and fraud risk_

_Premises and property_

_Premises and property_

_Supply chain_

_Supply chain_

_Technology and data_

_Technology and data_

_People_

_People_

_Operational Crisis Management_

_Operational Crisis Management_

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Challenges and concerns

- Lost revenue and poor customer service due to failure of supply
- Limited understanding of who supplies the raw material or sub-assembly components
- Limited time and resource to develop contingency supply options, including cost, timings and manufacturing facilities
- Limited understanding of how much working capital stock may be tied up in logistics routes, impacting operations and liquidity
- Managing high risk contracts with suppliers/service providers
- Limited understanding of inventory cover
- Operations staff are stretched with the reduced workforce; back-office and fulfilment teams may be deprioritised with subsequent backlogs

Industry Insights

- Supplier risk assessments
- Undertaking end-to-end supply chain and supplier mapping projects
- A shift towards supplier partnerships
- Increased scenario modelling
- Continuous conversations with service providers and suppliers to ensure continuity of supply
- Many clients are dependent on suppliers they didn’t expect, often those providing niche services
- Need to review their supplier risk assessments and don’t assume they are the same as their pre COVID-19 assessments
- Check for managed service providers who are encountering security and capacity issues, as well as the impact of global travel restrictions on managed service providers (including call centre operations)
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- Limited understanding of who supplies the raw material or sub-assembly components
- Limited time and resource to develop contingency supply options, including cost, timings and manufacturing facilities
- Limited understanding of how much working capital stock may be tied up in logistics routes, impacting operations and liquidity
- Managing high risk contracts with suppliers/service providers
- Limited understanding of inventory cover
- Operations staff are stretched with the reduced workforce; back office and fulfilment teams may be deprioritised with subsequent backlogs

Industry Insights
- Supplier risk assessments
- Undertaking end-to-end supply chain and supplier mapping projects
- A shift towards supplier partnerships
- Increased scenario modelling
- Continuous conversations with service providers and suppliers to ensure continuity of supply
- Many clients are dependent on suppliers they didn’t expect, often those providing niche services
- Need to review their supplier risk assessments and don’t assume they are the same as their pre COVID-19 assessments
- Check for managed service providers who are encountering security and capacity issues, as well as the impact of global travel restrictions on managed service providers (including call centre operations)

Short term
- Establish a team to focus on supply chain assessment and risk management
- Communicate with critical suppliers and understand their plans to fulfil and prioritise
- Mobilise additional people as quickly as possible using capacity planning techniques
- Identify components and raw materials that have the highest impact on revenue stream and allocate scarce capacity wisely
- Prioritise your demand
- Communicate and collaborate with sector providers and local businesses
- Reconfigure global and regional supply chain flows
- Map criticality of sourced materials to high-value products and revenue streams
- Understand contracts with critical suppliers – liability (such as with supply shortage), contingency, operational continuity clauses, duty cost and other taxation liabilities.
- Aggressively evaluate near-shore options to shorten supply chains
- Take proactive action to address anticipated shortages
- Determine business exposure by identifying current and buffer inventory
- Review taxation impacts on changes to supply chain such as customs duty and VAT
- Focus and prioritise all available people to front line operations
Operational resilience

Challenges and concerns
- Lost revenue and poor customer service due to failure of supply
- Limited understanding of who supplies the raw material or sub-assembly components
- Limited time and resource to develop contingency supply options, including cost, timings and manufacturing facilities
- Limited understanding of how much working capital stock may be tied up in logistics routes, impacting operations and liquidity
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Medium term
- Work with critical suppliers to contractually agree necessary buffer stock, so as to reduce sudden price increases in the face of an event
- Assess risk factors that may escalate costs and impact service and inventory capabilities
- Establish integrated business plans to ensure synchronisation across all business functions
- Build a foundation of trust and transparency that leads to more collaborative relationships with critical suppliers
- Revise cash flow, working capital management and inventory forecasts alongside supply and demand predictions
- Continue to capacity plan operations and flex additional resources
- Review alternative suppliers assessing their distribution, capacity and taxation
- Consider implementing duty free chain within the supply chain by operating customs warehouses to store buffer
## Operational resilience

### Challenges and concerns

- Lost revenue and poor customer service due to failure of supply
- Limited understanding of who supplies the raw material or sub-assembly components
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### Long term

- Establish real-time supplier data to help manage performance and issue resolution
- Restructure supply chains to be more robust, including substituting suppliers
- Move towards flexible contracts and bring manufacturing closer to the point-of-purchase
- Create as much value as close to the customer as possible
- Implement robust sales and operational planning
- Advance your ability to model and predict consumer behaviour, especially in times of uncertainty and disruption
- Assess long-term need for additional operational capacity
- Identify activities to be transitioned from external operations back in house

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How KPMG is helping?

- Supplier risk assessment, including exchange-to-exchange supply chain mapping
- Support with supply chain reconfiguration
- Contract and legal analysis, development, drafting and negotiation
- Supply chain risk assessments
- Developing contingency supply options, including costs, timings, supply routes and manufacturing facilities
- Scenario planning and modelling, with working capital and inventory analysis
- Mobilising managed service operations to augment client teams
- Advising clients on taxation position and deferral payment opportunities from any changes in suppliers, inventory storage and locations considering customs duty and import VAT
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Contact
Iain Prince
Partner, Corporates
+44 7748 307934
ian.prince@kpmg.co.uk

Douglas Dick
Director, Financial Services
+44 7766 907932
douglas.dick@kpmg.co.uk

Usman Wahid
Partner, Solicitor, Legal Services, Commercial
+44 7903 388336
usman.wahid@kpmg.co.uk

Lorraine Mackin
Partner, Infrastructure, Government, Healthcare
+44 7965 980820
lorraine.mackin@kpmg.co.uk
Challenges and concerns

- Do collaboration tools and remote working solutions have enough capacity to cope with exponential demand driven by remote working?
- Can delivery teams adapt to this new operating model and adapt to dynamic changes in delivery priorities?
- Can businesses operate effectively and maintain continuity of operations, recover from large-scale technology failure, meet tactical business needs, and operate from alternative locations whilst still effectively governing their operations with reduced staff and remote working?
- What is the impact to companies as rapid changes are made with short term tactical solutions and as longer-term technology strategy initiatives are stalled?
- Validation of key suppliers’ and partners’ continuity planning and evaluation of changes to service agreements and the resulting risk to your business.
- Can you use your data to rapidly drive insights and react quickly to the current rapid changes whilst ensuring that this data remains secure and protected?
- Need to understand planned/scheduled maintenance activities and whether these should continue.

Industry Insights

- Ensuring frontline IT support staff are equipped to provide remote troubleshooting expertise, maintain core services and increase technology resiliency.
- Re-prioritising IT resources, to support frontline IT services – to increase organisational resilience and maintain core IT services.
- Mobilising hardware and workplace supply chains and support vendors to ensure remote workers have the tools and support they need for remote working and can manage peak volumes.
- Refocus discretionary activity such as projects, to focus resources and investment on supporting the wider business response.
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Short term
- Enable remote working and equip data centre, help desk and system managers with the capacity to meet revised business needs
- Review IT governance, risk and control in light of dynamic circumstances and ensure controls work effectively and weaknesses are identified
- Agree IT priorities with the business for rapid adjustment and flexibility
- Review and communicate implications for data security
- Check how suppliers plan to maintain priority service
- Review backlog of planned changes and re-prioritise for resilience, capacity and performance improvements and limit non-critical changes to the IT estate
- Extend self-service capabilities particularly in password resets, multi-factor authentication management, and application provisioning
- Implement enterprise social collaboration platforms to drive employee engagement.
- Prioritise operational support and contact centre capacity management.
- Test data centre recovery processes, ensure UPS systems and generators are serviced, tested and ready for use
- Review cloud arrangements and other critical third parties together with legal contracts, capacity, scalability and financial viability
### Challenges and concerns

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### Medium term

- Optimise data centres and cloud platforms to enhance performance and scalability and maximise investment
- Keep security threats under review to remediate risks
- Stress test your risk management protocols
- Monitor additional load on your system and adjust storage requirements
- Evaluate which customer experiences are most critical on an ongoing basis and prioritise your IT response
- Evaluate use of robotic process automation techniques
- Review and adjust spares inventory at data centre to ensure parts are available
- Develop close collaboration with vendors
- Enforce agile ways of working to deliver services faster to customers.
- Review IT investment value to ensure business outcomes for resilience and risk mitigation
- Enhance intelligent automated technologies to drive insights for large data sets
- Continue to focus on third party dependency monitoring and assurance
## Operational resilience

### Challenges and concerns
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### Long term
- Apply lessons learned during the pandemic to adjust the IT operating model as business returns to a new normal
- Review IT risks and control frameworks
- Review and reprioritise strategic technology investments and accelerate programmes that support ongoing resilience and emergent growth priorities
- Review cost optimisation plans to focus technology solutions on emerging business priorities
- Document changes to infrastructure, security and applications.
- Embed disaster recovery playbooks and scenario planning improvements
- Review and re-prioritise strategic technology investments and accelerate change programmes which actively support resilience
- Embed data-driven culture to adapt and provide insights into changing customer needs
- Review sourcing strategy and service performance of third parties and adjust for the emerging business priorities

### How KPMG is helping?
- Medium term
  - Technology and data
  - Premises and property
  - Cyber and fraud risk
- Short term
  - People
  - Supply chain
- Long term
  - Operational Crisis Management

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How KPMG is helping?

- Advising on rapid deployment of increased capacity and improved working practices in remote working solutions.
- Helping to identify requirements for new and different IT controls.
- Supporting organisations with Cloud transformation to improve agility and automation.
- Working with our own Cloud alliance partners to support the rapid deployment of solutions and data analysis capabilities to help spin up and support our clients quickly.
- Modelling and costing anticipated changes in technology requirements to focus resources and investment on critical resilience, service improvement and digital channels.
- Providing third party risk management support for reviewing key IT service providers.
- Automating and improving workflow of incident, change and service catalogue processes.
- Assessing architectural, security and IT process resilience.
- Providing Non-Functional Testing services to enable performant and secure systems.
- Using data to provide analytics/insights such as financial provision modelling, business and retail customer vulnerability predictions, operational effectiveness such as customer contact centre or IT helpdesk resource forecasting.
- Analysing performance and capacity issues on the network including bottlenecks and upgrade requirements.
- Using workplace analytics to understand the change in user behaviour and productivity and highlight resilience and performance focus areas.
- Providing secure data rooms for clients to share information and work together.
Challenges and concerns

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Contact

Heath Jackson
Partner, Head of IT Advisory, Corporates
+44 7800 962162
heath.jackson@kpmg.co.uk

Phil Crozier
Partner, IT Advisory, Financial Services
+44 7768 215886
phil.crozier@kpmg.co.uk

Take our COVID-19 response assessment
kpmgcovid19response.co.uk

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Operational resilience

Challenges and concerns

- Safeguarding buildings during periods of low occupancy or sustained lockdown
- Securing sites and valuable assets against opportunistic crime
- How to clean and deep clean occupied properties in response to the COVID-19 pandemic
- Supporting ongoing operations with a skeleton staff and providing a safe environment for on-site workers
- Meeting health and safety requirements and protecting company assets
- With all attention focused on COVID-19, other emergency responses and business continuity protocols risk being neglected
- Maintaining uninterrupted and back-up power supply

Industry Insights

- Review the service catalogue and identify those services which are critical to resilience, across building types
- Ensuring the capabilities of landlords, internal teams and service providers to monitor and safeguard building infrastructure and facilities
- Assessing and assuring the ability of facilities management providers to continue service provision during the current period
- Considering increasing security presence during the current lockdown period
- Providing remote monitoring for building management systems for closed sites
- Ensuring remote monitoring and management capabilities for data centres and technology facilities
- Developing plans for “mothballing” and “making safe” unused facilities
- Review provision in 3rd party contracts to scale back services and reduce costs
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Short term
- Where sites are still occupied, put in place robust plans for regular deep cleaning in all public areas
- Ensure sufficient supplies and equipment to maintain health and safety for all staff and visitors to the building
- Organise additional cover to maintain building security during periods of low occupancy or lockdown, and consider whether planned maintenance should be halted or delayed
- Ensure that building management systems can be monitored remotely
- Test and assure remote monitoring and management capability for all technology centres
- Check your insurance cover to minimise disruption in the event of loss or damage to an asset
Operational resilience

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Medium term

- Focus on maintaining the condition of your assets and equipment during what might well be extended downtime
- Maintain regular checks and testing of controls
- Identify a back-up facilities manager to maintain your properties given the economic uncertainty
Challenges and concerns

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Long term

- Where assets are reaching or have reached the end of their asset life, plan for replacement or renewal

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How KPMG is helping?
- Project management and resource augmentation advice
- Business continuity planning
- SME advice

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Contact

John Matthews
Senior Manager, Operational Resilience
+44 207 6946569
john.matthews@kpmg.co.uk

Anna Marie Detert
Partner, People Consulting, Corporates
+44 7825 434075
annemarie.detert@kpmg.co.uk

Take our COVID-19 response assessment
kpmgcovid19response.co.uk
Challenges and concerns

- Understanding the impact of COVID-19 on cyber resilience
- Dealing with COVID-19 themed cyber threats. As more meetings and agreements will be handled via phone and e-mail this increases the risk of phishing attacks and email frauds
- Managing escalating costs of IT security when budgets are constrained
- The absence of key staff in departments such as finance increases the risk that standard controls cannot be maintained, and widespread remote working may reduce the effectiveness of authorisation and existing fraud detection processes
- Financial and operational pressure increases the risk of accounting manipulation or financial misstatement as businesses seek to inflate or enhance their performance
- As businesses quickly flex their operations they may not have time to complete their usual integrity checks and may be exposed to supply chain fraud and misconduct

Industry Insights

- Organised crime has responded rapidly to the crisis by orchestrating large scale campaigns to defraud customers and businesses
- Organisations are rolling out new remote working and cloud infrastructure at pace, and being forced to implement new ad-hoc security models and approaches to secure that infrastructure
- Business can be willing to implement greater controls on email security and web browsing to deal with the growing fraud threat if it can be done quickly and cheaply
- CIOs and CISOs are worried about the security and viability of managed service providers as they come under pressure
- Urgent need for training and advice to employees on how to work securely from home
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## Short term

- Focus on embedding pragmatic remote working security controls to deal with COVID-19 themed threats, including education of employees
- Ensure you are prepared to deal with a ransomware incident if one occurs including testing backup and recovery procedures
- Act to secure cloud and other ad-hoc collaboration environments, including driving use of two factor authentication
- Review your dependency on managed service providers and seek assurances on security controls
- Ensure security operations teams are able to work remotely and that you can
- Undertake rapid due diligence on new suppliers where changes are made to the supply chain
- Run exception reports to identify irregular behaviours. For clients with real-time transaction requirements consider whether risks can be mitigated through enhanced data analytics to enhance detection of new fraud risks
- When the business operates remotely, maintain basic controls around segregation of duties, sign-off on expenditure, etc.
- Reiterate and remind your staff and counterparties of company fraud protocols including on phishing emails and whistleblowing procedures
Challenges and concerns

- Understanding the impact of COVID-19 on cyber resilience
- Dealing with COVID-19 themed cyber threats. As more meetings and agreements will be handled via phone and e-mail this increases the risk of phishing attacks and email frauds
- Managing escalating costs of IT security when budgets are constrained
- The absence of key staff in departments such as finance increases the risk that standard controls cannot be maintained, and widespread remote working may reduce the effectiveness of authorisation and existing fraud detection processes
- Financial and operational pressure increases the risk of accounting manipulation or financial misstatement as businesses seek to inflate or enhance their performance
- As businesses quickly flex their operations they may not have time to complete their usual integrity checks and may be exposed to supply chain fraud and misconduct

Industry Insights

- Organised crime has responded rapidly to the crisis by orchestrating large scale campaigns to defraud customers and businesses
- Organisations are rolling out new remote working and cloud infrastructure at pace, and being forced to implement new ad-hoc security models and approaches to secure that infrastructure
- Business can be willing to implement greater controls on email security and web browsing to deal with the growing fraud threat if it can be done quickly and cheaply
- CIOs and CISOs are worried about the security and viability of managed service providers as they come under pressure
- Urgent need for training and advice to employees on how to work securely from home

Medium term

- Rationalise ad hoc remote working solutions
- Continue to monitor financials and run exception reports to identify irregular behaviours, perform regular reconciliations
- Run reports of amendments to standing data, particularly focusing on bank account changes, payroll data changes, supplier/employee contact information
- Review existing fraud risk management frameworks and identify gap
- Manage the implications of IT supplier failures on business
- Maintain crisis management and incident management activities
- Enhance and develop your business continuity management protocols
- Test the robustness of your cyber resilience, including responses to phishing, ransomware, etc
- Optimise your security controls and reduce cost of ownership
- Create and run online workshops in relation to fraud and cyber awareness

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Operational resilience

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Long term

- Migrate to a security operating model that allows for greater use of automation
- Bolster Cloud and cyber resilience
- Consider cyber security as part of your post-pandemic acquisition and restructuring strategy
- Augment your cyber resiliency programme and fraud risk management framework
- Review your security protocols around remote access to ensure multi-level authentication is enabled for all users
- Re-perform fraud and business and integrity risk assessments identifying gaps against best practice

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How KPMG is helping?

- Supporting businesses with crisis management support
- Trusted advice on security control improvements and rationalisation
- Cyber incident response support
- Assessments of BIA and BCP robustness
- Legal reviews of companies’ data breach procedures
- Balance sheet integrity review
- Rapid response due diligence on suppliers and counterparties
- Undertaking fraud risk assessments
- Mobilising managed service operations to augment client teams and provide interim staffing
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Contact

Martin Tyley
Partner, Head of Cyber
+44 7748 111484
martin.tyley@kpmg.co.uk

Annette Barker
Partner, Head of Fraud Risk
+44 7748 816128
annette.barker@kpmg.co.uk

Take our COVID-19 response assessment
kpmgcovid19response.co.uk
As the COVID-19 pandemic takes its course, and as official responses evolve, customer behaviours are changing in ways that we have never seen before. For businesses, this is first and foremost a demand crisis, which determines large elements of the commercial challenge. Market access and demand for products and services is changing rapidly, as are customer behaviours, with material shifts in channel usage, often daily, and in several different ways at the same time. Commercial resilience is critical to every enterprise right now and is all about understanding and meeting rapidly changing customer demand, needs and behaviours at a time when patterns are highly uncertain. There are two key themes:

1. Markets, products and services

2. Customer experience and behaviours

To navigate uncertainty, businesses need to prioritise creating human connections across an unexpected, unfamiliar landscape. To make effective decisions, actionable customer insights are more important than ever, so leaders can rapidly pivot their support to meet different needs; especially amongst the most vulnerable. Best practice in customer and colleague experience has never been more important. Those that get this right will both weather the storm and lay the foundations for the future.

Direct interventions by local and national government, such as the closure of borders, regulatory measures like the enforced shutdown of pubs, cafes and restaurants alongside "non-essential" retail, and new legislation and policies, are having a huge impact. But that is only part of the story, with customers’ spending patterns also shifting at pace, seeing some areas of demand especially like food escalating, while others collapse. And, inevitably, there is huge pressure to shift core services onto digital platforms and channels, often for the first time.

Businesses in every sector of the economy are taking dramatic steps to respond to unprecedented changes in demand. Product lines are being streamlined; capacity is being switched to areas of high demand; resources are being redirected towards online channels, and meeting rapidly changing customer behaviours, needs and expectations has never been so critical. We’re even seeing increased collaboration between firms to share limited distribution networks.

KPMG’s Enterprise Resilience Framework can help businesses to identify and manage the threats presented by the COVID-19 pandemic, and in the next few pages we outline some of the practical steps that organisations can take to maintain and protect their commercial resilience.

Please get in touch with your usual KPMG contact to discuss your situation in more detail.

Ian Smith
Partner, Commercial Resilience Lead
+44 7887 632220
ian.smith@kpmg.co.uk

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“How do you monitor, measure and adapt to changes in demand in markets, channels, products and services?”
**Commercial resilience**

### Markets, products and services

**Challenges and concerns**
- The forced closure of retail outlets and physical self-isolation has dramatically, and rapidly, altered the pattern of customer demand and impacts the flow of products and services and affecting supply chains
- New regulations and policies may disrupt market access, demand and distribution
- Demand is changing materially, with many lines seeing dramatic falls while other "staples" and key services are experiencing rapid growth
- Demand for substitute products and services and new products and services aimed at helping customers will grow. We could see businesses being forced to pivot their focus to specific product lines

### Customer experience and behaviours

**Industry Insights**
- Product lines are being rationalised and simplified to best meet changing demand, most notably within food retail
- In many product and service categories we are seeing an accelerated shift to online, which is likely to remain a permanent fixture after the current health crisis abates
- Some financial service products, notably in credit, lending and insurance, are expanding as customer finances begin to feel the strain and government intervenes to support individuals and the economy
- Capabilities are being shifted to boost capacity in areas of high demand and meet new opportunities with heavy recruitment in fulfilment operations across online, retail and food
- Cooperation and collaboration between business are on the rise, with the aim of sharing capabilities, supply chains and distribution networks
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Short term

- Assess and monitor daily how current and anticipated travel restrictions, including border closures, and new regulation and policies will impact market access, customer demand, supply chains and distribution. Anticipate and plan for further restrictions in collaboration with key suppliers
- Identify which products and services are experiencing increasing or falling demand. Consider establishing additional management information flows and tracking closely emerging patterns to filter through the business
- Analyse and monitor changes in market, product and service and customer segment demand and behaviours, and review commercial arrangements - pricing, sales and service requirements - considering specific customer segments evolving situations, needs and expectations
- Decide which activities to stop, start and continue – and assess how resources and capabilities can be reallocated. Establish information, communication and decision lines through the business to ensure actions are coordinated and agile
- Identify and assess responses to any increased costs and risks
- Pivot existing capabilities to address overstock challenges
- Assess how broader industry or adjacent sector partnerships could match surplus supply with demand
Commercial resilience

Markets, products and services

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Customer experience and behaviours

Medium term
- Establish clear channels, communication, governance and control processes to monitor and assess evolving changes in government restrictions, regulations, customer demand and behaviour
- Identify where new demand is emerging and how existing resources and capabilities could be transferred to these areas while also assessing the impact on current business
- Identify and assess opportunities for collaboration and partnerships, in order to share resource and capabilities providing guidance and clear responsibilities with the business

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Commercial resilience

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Customer experience and behaviours

How KPMG is helping?

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Long term
- Review the product and service portfolio, assessing the implications of sustained demand disruption across markets, customer segments, products and services
- Assess the implications of material shifts in resource and capabilities according to new priorities, and the impact on core processes, governance and control
- Give thought to post-crisis commercial arrangements including sale, distribution and marketing strategies reflecting changes in customer demand and behaviours
- Revisit assumptions about customer relationships under the new paradigm
Commercial resilience

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Customer experience and behaviours

How KPMG is helping?
- Rapid assessment and diagnostics to identify critical impact points across the business
- Mapping and quantifying key implications and interdependencies
- Planning and assessing capabilities, capacities and the scope to reallocate them
- Review of commercial arrangements covering pricing, sales and service requirements taking into consideration specific customer segments evolving situations, needs and expectations
- Establishing sector specific C-suite (virtual) roundtables to share key issues, learnings and encourage collaboration
- Link up and share learnings from other KPMG member firms who are in a more advanced phase of the current situation
Customer experience and behaviours

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Contact
Ian Smith
Partner, Commercial Resilience Lead
+44 7887 632220
ian.smith@kpmg.co.uk

Julian Short
Partner, Corporate Strategy
+44 207 3112028
julian.short@kpmg.co.uk

Jo Stringer
Partner, Corporate Strategy
+44 203 3064698
joanna.stringer@kpmg.co.uk

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Commercial resilience

Markets, products and services

Customer experience and behaviours

Challenges and concerns
- Customer emotions, needs and behaviours are driving rapid changes in demand, buying patterns and channel use
- The rules of connecting with customers have seismically changed, with new best practices emerging daily. Customers are switching channels at pace, particularly to digital for key products and services
- To navigate this crisis of consumption, actionable insights are critical
- Innovative pipelines will need to be accelerated to meet new consumer needs

Industry Insights
- Businesses are rapidly changing operating procedures to reflect new customer behaviours and reallocating resource and capabilities towards tailored customer communications and sales and service models to reflect specific segment situations and needs
- A “back to basics” approach on experience, prioritising integrity, empathy and issue resolution
- Firms are rapidly redesigning journeys to incorporate new digital capabilities, online channels and fulfilment capabilities
- Firms are equipping and enabling employees to ensure they are able to navigate the new normal
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## Short term

- Identify and segment customers in response to immediate changes in demand and buying behaviours.
- Develop a joined-up COVID-19 customer plan. Build cross-functionality to ensure all aspects of the customer’s experience are covered.
- Use the Six Pillars of Experience as a checklist for ensuring the right bases are being covered and appropriate behaviours are in place.
- Empathetically understand your customers and their immediate needs.
- Include employees and front line staff in the planning so they can be rapidly equipped to provide the latest information to customers and respond flexibly as required.
- Ensure employee experience is treated with the same priority as the customer experience, and manage overlaps between the two.
- Identify and segment customers in response to immediate changes in demand and buying behaviours.
- Prioritise vulnerable customers and critical workers for additional support.
- Identify quick wins, those aspects of the business which are suddenly very relevant (e.g. collaboration opportunities).
### Commercial resilience

**Markets, products and services**

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**Customer experience and behaviours**

#### Medium term
- Audit customer journeys for crisis resilience – identify and resolve opportunities to automate and reduce costs. Make urgent immediate changes to reflect new channel behaviours and needs
- Mine behavioural, social and sentiment insights and establish leadership level reporting to fine-tune action
- Potentially pause initiatives that consume resource that can be deployed to meet immediate customer needs
- Seek to support emerging customer contact mechanisms such as neighbourhood WhatsApp groups and local Facebook pages
- Develop new digital marketing and communications platforms to engage customers directly and respond to their needs through personalised interactions at scale
- Initiate agile innovation teams to respond creatively to medium-term changes in customer needs and find new ways of solving emerging customer problems

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Long term
- Determine the new role for your brand as recovery sets in, re-setting all elements of brand and customer strategy to ensure long-term growth in a new environment
- Review channel strategies and develop plans and solutions to enable the business to adjust to new processes, IT capabilities and supporting resources, and governance and control processes across the business
- Develop new digital marketing and communications platforms to engage customers directly and respond to their needs through personalised interactions at scale
- Assess the potential impact of short-term disruption on longer-term patterns of customer demand and behaviour
- Re-engineer customer journeys and processes to meet altered needs and behaviours
- Establish robust MI and monitoring to track further changes in customer demand and behaviours and ensure to ensure visibility and control
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How KPMG is helping?

- COVID-19 specific checklists for customer experience, using KPMG Nunwood’s Six Pillars best practices
- Weekly social and behavioural insights, capturing emerging customer issues and needs
- Rapid mobilisation of new customer operations, channels and technologies to support specific clients
- Assistance prioritising short-term cost out, whilst maintaining ability for long-term growth
- Standing up a consumer behaviour monitor across multiple markets to understand changing consumption patterns
- Customer contract commercial and legal review and advice
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#### Contact

- **Adrian Clamp**
  - Partner, FS Customer Advisory
  - +44 7920 263676
  - adrian.clamp@kpmg.co.uk

- **Linda Ellett**
  - Partner, Head of Consumer Markets
  - +44 7798 572388
  - linda.ellett@kpmg.co.uk

- **Tim Knight**
  - Partner, Corporate, Customer Advisory
  - +44 7812 022538
  - tim.knight@kpmgnunwood.co.uk

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