



## Crisis Management Action Plan including Scenario Planning

Answer the following questions based on your own what you know today. Do not try to solve any problems, you just need to identify what you truly believe are the most important items of concern for your recreation business. The main objective of this exercise is to get you thinking about the strategic direction of the company in light of the Covid-19 Coronavirus. There are no right or wrong answers. It's more about getting your creative juices flowing.

1. If your revenue ends today, how much cash do you need to survive monthly, for the year, to avoid bankruptcy? This begins with you completing a "Burn Rate" schedule (see example). You must also complete scenario based revenue projections (see example).
2. List all your key banking, vendor, contract, and landlord relationships. Create a list of questions to ask them for their assistance, and find out what their policies are going to be to assist customers.
3. List the possible other sources of cash generation you might be able to create. Be inventive here, it isn't about pride, it's about survival.
4. Consider these key strategic survival questions:
  1. Should I refund customer deposits or defer them to future services?
  2. Given my burn rate, should I shut down, and if so when and for how long?
  3. What employee commitments do you have, and how long can you afford to carry them, what are your alternatives, and have you discussed options with them?
  4. In worst-case scenarios, you will suffer loss of assets, list in order of first to go –last to go, your assets so you can strategize how to protect.
5. What other sources of family or friend assistance can you turn to?
6. Is everyone on the ownership/management team on the same page? If not, describe the resulting impact.
7. What is the competition doing?
8. List all the people you know and respect that can advise you during this troubled times. Determine how each can guide and direct you to make good decisions for your business and family.



9. Based on what you know today, prepare a scenario plan based on the example below, and flesh out different projected outcomes based on the various scenarios you have identified for your business, adjust scenarios as to what you see as realistic for your business:

<b>Key Strategic Impacts</b>	<b>Scenario #1 25% Revenue Reduction</b>	<b>Scenario #2 50% Revenue Reduction</b>	<b>Scenario #3 100% Revenue Reduction</b>
Sales			
Expenses			
Cash Generated			
Employee Count			
Key Contracts			
Competitive Positioning			
Others			