

What's After PPP? A Bank President's Guide to Restructuring Your Business to Survive and Thrive in the New Normal

- Various governmental stimulus programs will provide much needed support, but this is only a *temporary* solution, particularly loans that have to be paid back
- Conserving Cash needs to be your first, second, and third priorities
- Various levers can be pulled to free up cash
- A bank President's Do's and Don'ts for starting the discussion with your lender and other creditors
- Developing a plan based on accurate cash flow projections is absolutely critical to gaining the confidence of your creditors
- Hope for the best, prepare for the worst-- How to model business performance when everything is unknown
- Range of restructuring options available
- Show the bank data that they are better off financially providing concessions than exercising their formal legal rights
- Turning around a business is about confronting reality and selecting amongst unattractive choices
- Utilize zero-based budgeting to reduce or eliminate any non-essential expenditures
- Furloughs and staff reductions should be a last resort, but may be necessary
- Don't forget risk management (supplier risk, customer credit risk)
- Success requires rapid change-- Leadership and positivity are critical
- Be patient and generous with employees.
- General consensus from top business leaders and economists is we will exit to a deep recession, whose recovery will be lengthy-- This likelihood needs to be prepared for
- What will it look like when we overcome Covid-19? How will the "New Normal" impact your industry?
- In crisis there is always opportunity!