



As businesses begin to look at reopening and/or planning to transition to the 'new normal,' there are a number of factors to consider and decisions to be made. The Virginia SBDC recommends using the process below no matter what stage you are in to determine your next steps. This checklist is meant to help guide you through those important questions as you look to find success in the post-crisis world.

Visit www.virginiasbdc.org/locations for a list of local SBDC offices to speak to an Advisor near you.

Review

Initial Assessment	
	Have you fully considered whether to reopen, close, or sell/merge your business?
	Are you willing to change your current business model to make it more sustainable long-term?
	Are you prepared for the extra demands that recovering your business will place on you, both personally and financially?
	Will there still be a demand for your product/service during and after the current crisis?

Financial Assessment	
	Have you completed new cash flow and profit and loss forecasts for the next 12 weeks?
	Have you used these forecasts to run 'what if' scenarios to measure how your cash flows will be impacted by further unexpected events or limited revenue?
	Can you afford to reopen your business? If you cannot afford your recovery plan, have you considered exiting the business?
	Have you determined how much cash your business currently has available by creating a cash flow statement?
	Have you done financial projections and a cash flow strategy that incorporates the current situation? Will you be able to afford the debt payments?
	Will you be able to reopen using existing financial resources (from the business or your own)?
	Will you need to look for additional financial resources from investors, banks, lenders, or a mix?
	If you are seeking debt financing, have you determined for what reason you are seeking the money (i.e. replace inventory or buy equipment), the length of the loan term, and how much you will need?
	For existing debt financing arrangements, have these been reviewed to ensure that the finance facility and structure fit the new needs of the business? Can any term be renegotiated?
	Have you created a balance sheet and a profit and loss statement from the beginning of the current fiscal/calendar year?
	Have you spoken to your landlord about securing more favorable rent or mortgage terms?
	Have you evaluated where you can reduce or eliminate costs?
	Using these financial tools, have you analyzed the business's financial health? After reopening, how long will current financial resources last if revenue is slow?
	After all your considerations, should you reopen your business?

Reopen

Reopening Plan

	Is attempting to reopen without any changes possible? If not, what will need to change?
	Have you familiarized yourself with health/governmental COVID reopening regulations? Do you have well-articulated protocols to keep your staff and customers safe?
	Have you developed your reopening plan that reflects the current situation? Will you need to reopen in phases – ramping up staffing, inventory, etc.?
	Are your inventory, supplies, and equipment adequate? Do you have a sufficient, resilient supply chain in place to operate? Do you need to cancel/postpone current orders or delay purchasing new supply/inventory? Can you get better terms on previous/new orders?
	Will you have adequate staffing when you reopen?
	If other businesses in your area have closed, have you determined how that may impact you?
	Given the change in market conditions, does your business still need a physical location? Do you have an online presence in addition to a physical location?
	Is the size of your facility too large or small given the future potential of the business? What changed will you have to make to your physical location in order to open?

Staffing

	Have you created a staffing plan to reopen? Will it need to be set in phases?
	Will you need to lay anyone off?
	Will your staff be able to work fully or partially on a remote basis?
	Have you communicated with your employees about the plan?
	Have you considered what your new staffing model means in terms of your obligations, e.g., insurance, taxes, benefits, etc.?

Inventory

	Have you analyzed the potential demand for your products and/or services for the next 6 to 12 months?
	For inventory identified as slow-moving, have you considered removing it from your product lineup?
	Have you connected with each vendor, supplier, and member of your supply chain?
	Have you made an assessment of whether new market conditions will impact customer buying patterns?
	Have you asked your customers how they prefer to buy your product/service in this new environment?

Pricing

	Have you done an evaluation on what pricing the new market will tolerate/bear?
	Have you compared your pricing to your competitors?
	Have you undertaken a break-even analysis to determine whether the prices you charge are making the profit you want to achieve?

Recover

Marketing

	How do you intend to advertise that your business has re-opened? What is your communication plan?
	Have you analyzed your local, regional, and/or national competition?
	Have you identified your target customer and how to best reach them?
	Have you identified the key stakeholders and customers to target?
	If customer orders have been lost or you simply cannot support them on time, have you informed those customers?
	Have you re-evaluated what your customer is willing and able to pay for in this new environment?

Record Keeping

	Have you considered what accounting system you are going to use to continue to keep your financial records up-to-date? Do you need to upgrade to a QuickBooks or similar platform?
	If you've accepted a grant, are you clear on reporting guidelines?
	Do you have an offsite back-up of all of your records and important documents/information?

New Ideas for Moving Forward

	Have you documented lessons learned from your business recovery?
	Have you considered creating a business continuity plan in case you go through another crisis?
	Have you reviewed your insurance coverage to see whether it is adequate and whether there are any gaps in your coverage?
	Will you need to change your business model, either in the short-term or permanently?
	Will you need to adopt or add any new technologies or processes?
	Have you reviewed if any cybersecurity improvements need to be made?
	Are there new products or services you can offer to diversify your business? New distribution channels?

