

THE 3³ PLAN



You will have seen from many of the updates and guidance notes over the last 8 weeks, that we firmly believe in the value of a plan.

We know from our own experiences as well as considerable published research, that businesses with a clear written plan outperform those without one. In the last few years, a business could run at say a 6 out of 10 level and still make a profit and do ok. Unfortunately many of these were not in great shape when the pandemic struck (weak balance sheets, no cash, low margins and high overheads) and with a reactive approach to development and change. As a result, they may not survive.

Moving forward, businesses will certainly need to be more proactive and dynamic, adapting quickly to the evolving situation and driving activity and change. 8 or 9 out of 10 must be the new ambition.

To help with that we developed the detailed 'Recovery Business Plan' document, with a template to help business owners and managers address the critical areas of their business and develop an action plan for the short and medium term future.

If you haven't had a copy and want one, just e-mail marketing@markholt.co.uk and we will send one to you.

However, we know that this level of complexity is overwhelming to some smaller clients, who simply don't know where to start.

So as an alternative we have developed the '3³ plan - 3 x 3 x 3'. Like the general survival principle that people can do three weeks without food, 3 days without water, but only 3 minutes without air, this plan identifies 3 key stages in the survival of your business.

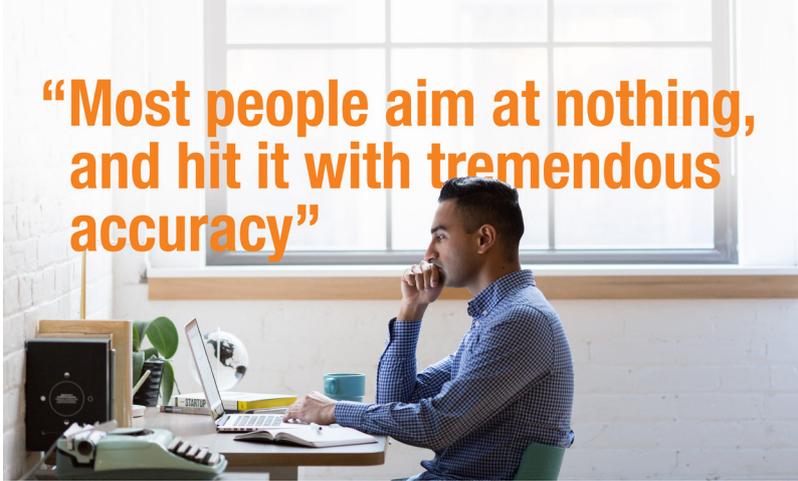
These are shown below with some examples of what may be included. The key is that these must be your simple actions to take within each of the three timeframes...

3 DAYS – WHAT IS BUSINESS CRITICAL AND HAS TO BE DONE NOW?

- Applying for funding from the Bounce Back Loan or CIBLS loan schemes?
- Deciding how much you can reopen within the updated government guidelines?
- Claiming the 'self-employed income support payment' if applicable
- Returning people from furlough or placing more on this scheme.
- Pick the 'low hanging fruit' in your sales ledger. Chase up all quotes and enquires

3 WEEKS – WHAT BEST PRACTICES NEED TO BE FORCED BACK IN TO OUR ROUTINES OVER THE NEXT FEW WEEKS?

- Debt and creditor management, keep the cash flowing effectively
- Customer re-engagement – talk to customers and assess their re-opening plans
- Initial marketing actions – say you are open for business and how you can help
- Targeted **PRO-ACTIVE** selling.
- People plan. Who works? Who's furloughed? Who may be a casualty of the crisis?
- Will job roles change and is training required? 'Specialists' Vs 'multi-skilled'
- Review your market. What are others doing? Where is demand? What is your USP



“Most people aim at nothing, and hit it with tremendous accuracy”

3 MONTHS – WHAT DO YOU WANT THE BUSINESS TO LOOK IN THREE MONTHS?

- What is your best estimate of the scale of the business over the next 1 - 2 years?
- What resources will you need to deliver that?
- What new products could you develop and what new markets could you enter?
- Do you have a financial plan to achieve this (projections and forecasts)?
- Are there structural changes needed (Holding companies, separated activities etc)?
- Do a risk assessment? What could go wrong? How could we react?

In business turnaround projects we often find that one of two things happen...

Some owners are focused solely on the issues right in front of them. They are firefighting and problem solving day by day, without dealing with the causes or underlying problems, or seeing fires that may flare up further down the line. Many survive for some time, but sadly fail later. Perhaps problems could have been identified and resolved if only they have looked further ahead, or perhaps failure was inevitable and they should simply have closed up sooner.

By contrast, some owners only focus on the big picture. Getting back to normal, chasing sales, and aiming for unrealistic (no-longer relevant) objectives. As a result they can miss key issues that are urgent and right in front of them, and can be caught out by an event that is catastrophic but could have been avoided. One common issue is reaching pay day and realizing they have insufficient funds, and then finding that their bank is unable to support them with a last minute panic request for funds.

The key is the balance. What is critical in the next 3 days, important in the next 3 weeks, and smart thinking for the next 3 months?

Whilst we think the detailed 'Recovery Business Plan' is the right answer. The '3³ plan' is a really good start.

THINK, PLAN, ACT

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