**What Do I Do Now?**

As an entrepreneur, two streams of thought may be running through your mind. First, what do I do if this virus hits me, or hits my loved ones? Second, how do I survive in business during this uncertainty? I'll address the second question first. The business cycle and the corresponding cash flow have slowed down or come to a halt. Your customers have shut shop, or they have cancelled orders. You may have closed your shop, or no customers are coming in. Your existing customers may not pay you for the invoices that you have already raised. Inventory may be lying in your warehouse and you are unable to get new orders. You vendors may be chasing you for payment. How do you meet your salary commitments? How do you meet other expenses like Rent, Electricity, Bandwidth, etc.? What should you do now? This situation is not one where a “strategic move” is required, or will help. This is not an occasion for “smart thinking”. This situation is not unique, one that is only for you. This is affecting the whole world, big and small, from the Boeings of the world, to the daily-wage earners. This is a situation for sincerity and honesty, combined with mental strength. Talk to everybody – customers, employees, vendors, landlords, bankers and others. Seek payments from customers (I know, they may not answer the phone or respond to your mails/messages). Some may respond or provide you an indication. Talk to vendors to whom you owe money, before they call you. Explain the situation and seek time. Share with them with honesty that when you receive, you will pay. Call them again if you have not been able to meet a due date. Many would understand – they will appreciate you since you are at least one person who is not ducking their calls, but calling them and keeping them informed. Talk to your landlord, seek postponement of rent, or partial payment, for a few months – you may get some relief. Talk to your bankers – seek more funds, lines of credit, postponement of EMIs – they probably will need to come up with some scheme very soon. Same with utility companies – they will need to be accommodative. By talking to everybody you will get more answers. Employees are a different group. You have always been responsible for their livelihood and you know the difficulties that they will go through if salary is not paid on time. Yet, talk to them, with honesty, sharing the current business scenario. Genuinely ensure that they are your priority and as and when any cash flow comes in, you will allocate in an equitable manner. (A friend of mine met his employees - he has five - and told them that for the first Rs.1 Lac that the company receives, each can take Rs.20,000 home, and if the company receives more, then each would receive more, a percentage of their remaining salaries, in an equitable manner). Share with them other avenues that you are pursuing to tide over the current situation. And truly stretch yourself and reach out to all your contacts to find ways to pay employees. Openness and transparency will keep them committed to you. Tighten your belt. Let go of all non-essentials. Become Spartan (for example, fans instead of air-conditioning) in both your personal and business life. Nothing is more powerful, in this
scenario, than the strength of your own mind. You are not in this alone. The government may step in and come out with relief measures. Banks and other institutions may announce schemes to support business entities. Don’t lose heart, ride it out. Like someone said, this is a “Covid-19 Test” – a test of our strength and character as individuals and as responsible citizens in society.

1st question will be answered shortly...

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