

COVID-19:
Moving business
forward in times
of crisis

ATB

listens in



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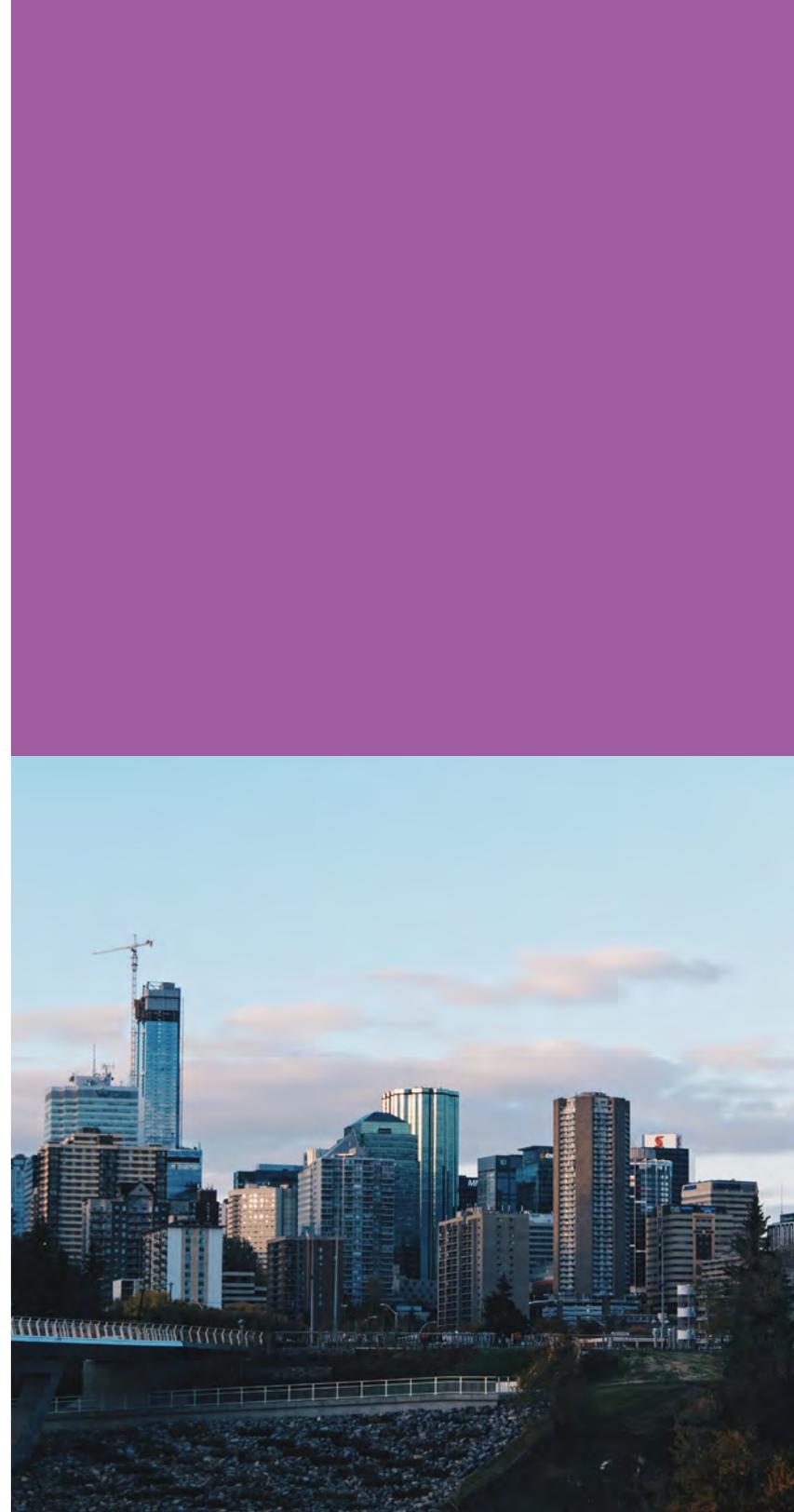
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The COVID-19 pandemic has reverberated across every business sector, forcing many business leaders to make hard decisions about how they pivot to face this new economy head on.



As many industries begin to reopen across Alberta, we recognize how integral it is for businesses to seriously consider how to recover and rebuild effectively. While each business is unique in how it seeks to solve key problems, every Alberta business is united by the hunger to thrive in this challenging environment.

At ATB, we've created this new workbook to provide guidance to business leaders on the many channels of their business requiring immediate attention, from cash flow to staffing to supply chain management. With advice from our expert thought leaders, you can reassess the shifting reality we now live in to properly diagnose and solve critical issues the pandemic has created for your company.

"We aren't sugar coating anything in this workbook," says Mike Brown, Director of Advisory Solutions at ATB. "We want business leaders to seriously consider the many different areas where their business has been affected by the pandemic and spur them on to take the right steps forward."

There's no better time than now for business owners to shift their attention towards recovery efforts, strengthening their companies to be the market leaders of tomorrow. It may be difficult, considering the future is so uncertain. But this actionable workbook

isn't meant to be a crystal ball to offer specific visions of what will be—instead, we want to encourage you to apply the advice offered in each section.

By mapping out the many scenarios that could play out for your business, you can be proactive instead of reactive, which is essential in such an anxious era for business owners across Alberta. For example, as Brown explains, "A company's supply chain may look very different now, so how can business leaders successfully negotiate payment terms and address cash flow concerns?"

This workbook is designed to provide you with the questions you'll want to address to help your business recover and become more resilient going forward.

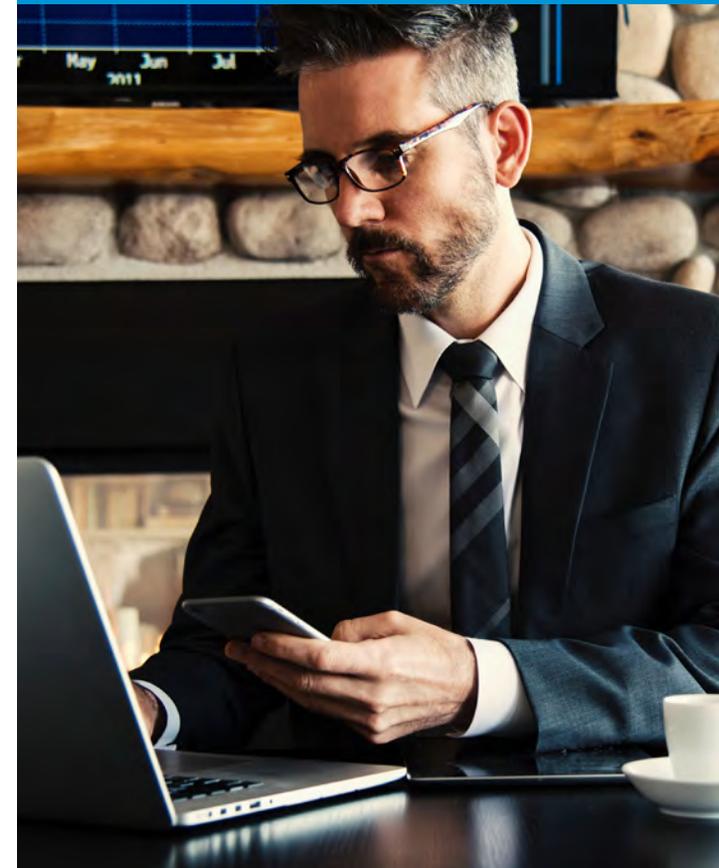
To make work easier, this workbook is fully interactive and fillable, but make sure to save your work by downloading the PDF. Opening the workbook in a new browser will result in lost changes, and you've got enough disruption on your plate as is.

Getting started: Identifying the unexpected

What's likely top-of-mind for you now, is how significantly your business has been impacted since the pandemic began. It's ideal to take the first step in this process by recognizing what has happened to your revenue in 2020 compared to what you had expected for this time period.

Revenue impact

- Slight increase or neutral impact
- 10-25% reduction
- 25-50% reduction
- 50-75% reduction
- 75-100% reduction



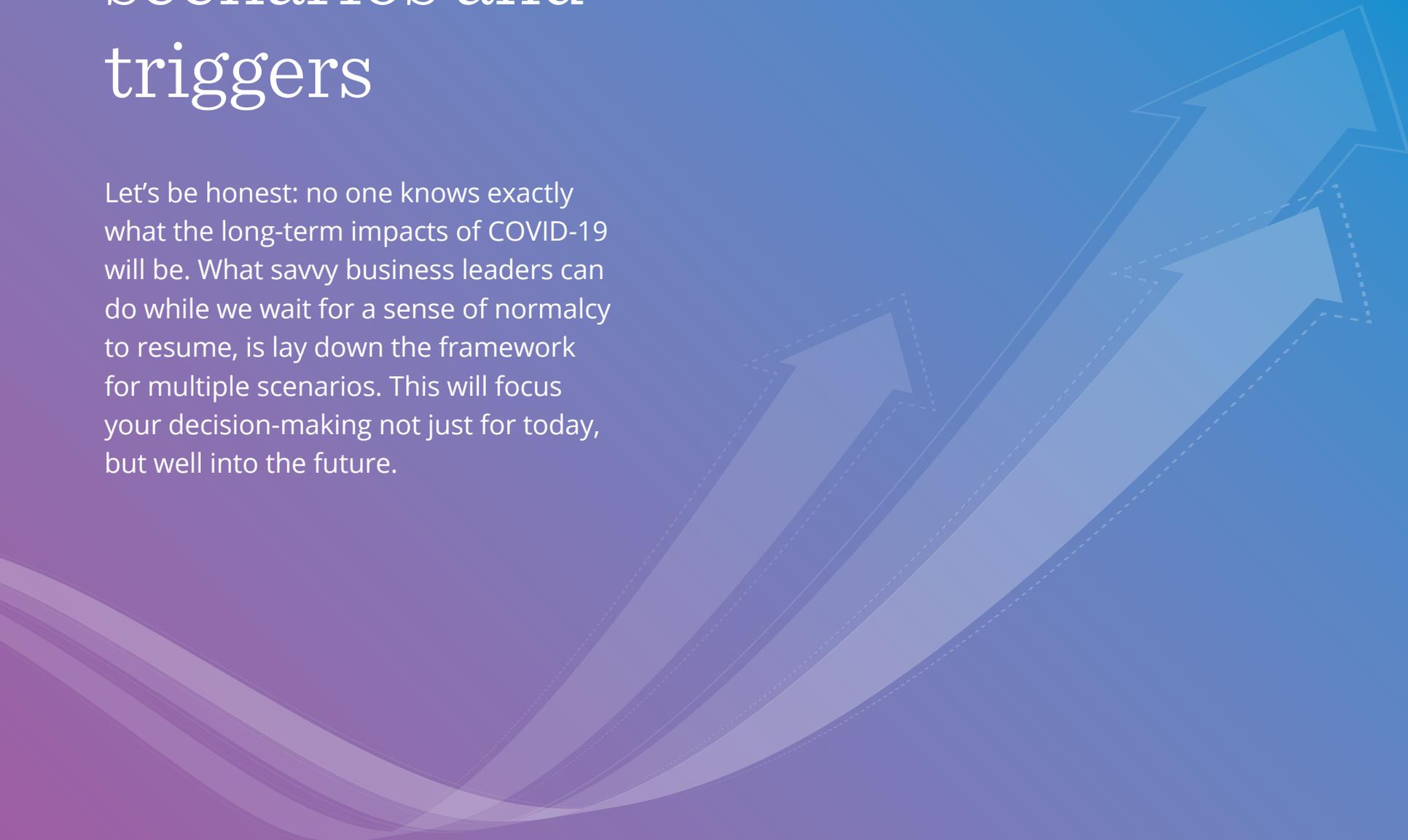
Running a business is more complicated than just identifying revenue gains and losses. Take a few moments to write down several ways you, your team and your customers have been impacted by the lingering effects of the coronavirus.

Employees	Customers	Suppliers

Regulations/Restrictions	Other

Business recovery scenarios and triggers

Let's be honest: no one knows exactly what the long-term impacts of COVID-19 will be. What savvy business leaders can do while we wait for a sense of normalcy to resume, is lay down the framework for multiple scenarios. This will focus your decision-making not just for today, but well into the future.



Scenario mapping is a useful tool for businesses that want to plan ahead, instead of planning on the fly. It's not about rewriting your business plan, but instead, investigating the various ways a crisis can influence your business and industry. This will allow you to better prepare responses to those scenarios and figure out the best possible action to take to steer your business into steadier waters.

Brown identifies a key ingredient to effective scenario mapping: being open-minded to adapting. "A lot of companies will have to learn from the tech space where pivoting is the norm. Every business will figure out the right pivot for these possible realities they're laying out in their scenario mapping. When mapping, it's best to establish critical priorities for the next 12 to 24 months."





These possible future outcomes for your business work as a playbook, so you can make calculated decisions related to every channel and unit. You'll need to plan scenarios related to, say, varying levels of financial support, such as relief programs, while also predicting various ways your customer base may or may not come back to buy what you have to sell.

Given the unpredictability of the next several months, try rephrasing the uncertainty into questions such as, "How will various phases of Alberta reopening to consumers affect my business? How can management equip themselves with the right tools, both technological and strategic, to handle potential waves of COVID-19 striking our communities in the coming months?"

When you frame possible scenarios, some situations could be directly connected to specific triggers. These triggers can range from Alberta reopening under its "Phase 3" [relaunch strategy guidelines](#), the return of regular international travel, your business shifting many resources to online initiatives, and much more.

Take a moment and identify a few specific triggers central to the recovery of your business:

Trigger description	Source/origin	Date range of when anticipated
E.g. My regulatory body outlines the requirements for my business to re-open and operate safely.	Governing professional association	June 1 - June 30

Now, envision two or three scenarios that you see as possible for your business and industry. If possible, connect the scenario to possible dependent triggers, considerations and a likelihood of that scenario occurring.

Scenario description	Related triggers	Primary considerations	Likelihood (%)

Managing cash flow during uncertain times

The global economic crisis has strained the cash flow operations of many Alberta businesses. If cash flow struggles feel all too familiar, you're not alone. We're here to advise you, guide you and give you the help you need to move forward.





The first step is to position cash flow management as a front-burner priority. “So many businesses only look at revenue and not at the profit they are making, or not making,” says April Pyne, Manager, Advisory Solutions at ATB. “Financial planning has to include a forecast of what profit may look like on a monthly basis or [even] weekly and daily... scenario mapping is more important now than ever.”

Beyond forecasting how the financial ground may shift in the coming months for your business, you may also want to consider potential contract negotiations that could better set you up for success. Due to their own cash flow challenges, some of your clients and vendors may not be able to pay you according to the contractual terms laid out pre-COVID-19. So, think about what kind of extensions you can offer your partners, and discuss them clearly and openly to maintain those working relationships.

Pyne recommends taking a close look at [fixed and variable costs](#). Some fixed costs can shift to variable to lighten the expense load on the business owner, she says. “Areas such as selling assets and leasing them back, contract manufacturing or fleet leasing are all items for consideration.”

Financial planning during this period of turmoil and uncertainty requires a new, systematic approach—one that will allow the CFO and finance team to quickly alert the company to options emerging as a result of the pandemic.

Opportunities can also be found for more forward-thinking businesses. Pyne cites the example of restaurants turning to not just delivery but also creating new products, such as meal kits filled with raw ingredients for customers to cook at home. Finding new revenue streams, or pivoting strategically to add delivery technology to your business, can be the silver lining amid the economic storm the world is facing.

Consider how your company functions as a whole around cash management in order to develop a culture of communication, transparency and common goals. Is the business in alignment on expenses? Give thought to the different segments your teams may have such as sales, marketing, procurement, etc. Make a list of the connections they have to cash flow and what steps you may need to take in order to directly tie them to your business objectives.

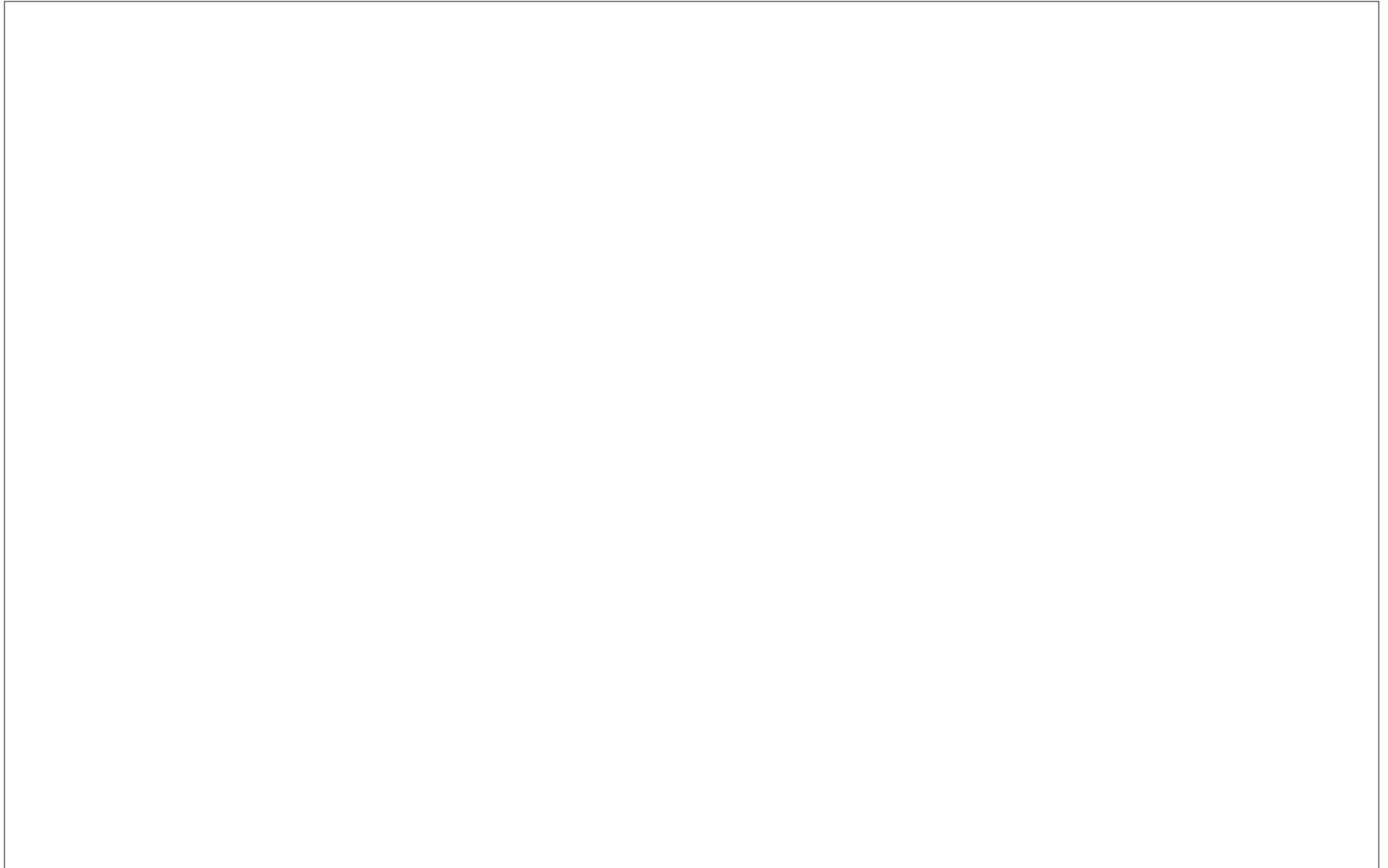
It's crucial to explore these decisions from all angles. "Cash flow is as much operational as it is financial," Pyne says, "with business pivots, recognize what type of investments you are making and if and how they are benefitting your business for the short term or long term, and if those are smart decisions to make."



In order to maintain control over your incoming cash, it may be helpful to engage customers regarding your current accounts receivables, and the expected timing. Some of your customers may be looking to extend the timing of those receivables, while others may be willing to pay quicker if you offer a discount. What are some key things you can do to help stabilize your incoming cash?



With current and upcoming expenses (including items like rent, supplies, etc), be proactive in engaging and discussing options to defer or extend terms associated with these items. What are the top expenses that you should be proactively managing to help minimize outbound cash?



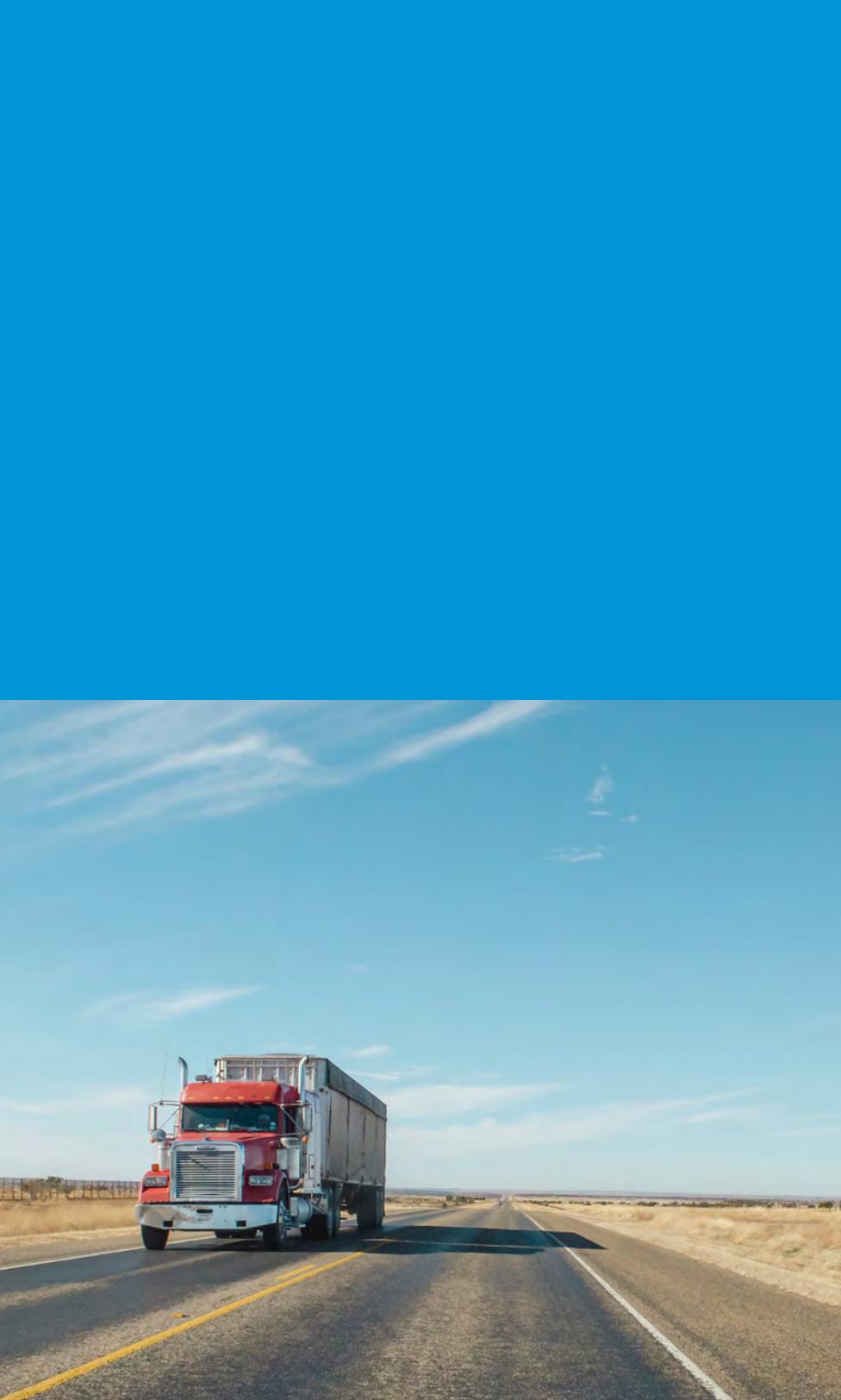
Recovering from a crisis requires you to manage a significant number of moving parts, as quickly as possible. Maintaining this continual balancing act can be overwhelming. The encouraging news is that by effectively communicating with your partners and finding variable costs among your fixed expenses, all of this time, work and effort will help you get your cash flow management aligned with your short and long-term objectives.



Getting your supply chain on the road to recovery

COVID-19 has impacted every aspect and area of business, and supply chain is no exception.





A recent [Deloitte survey](#) found that more than half of US businesses work with suppliers that couldn't continue to supply goods if they suffered a disaster in one location. The survey also reported that 20 per cent of businesses would go bankrupt within 24 months of a moderate-to-severe supply chain disruption.

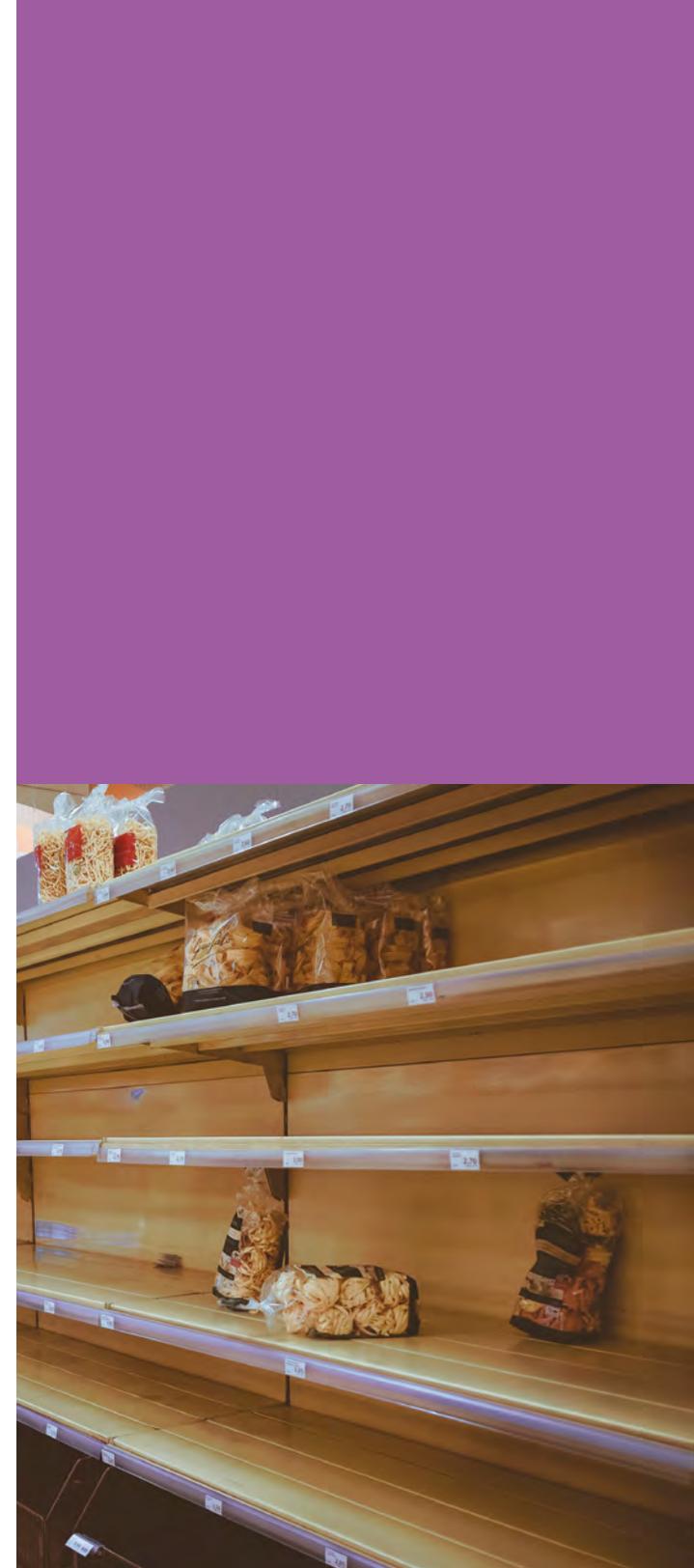
The disruption in the supply chain for Alberta businesses has been multipronged, explains Q Rasi, Director, Advisory Solutions at ATB Financial. He characterizes those challenges as ranging from unexpected supply and demand shocks to distribution constraints, resulting in "market misalignments on the demand side which impacts the supply side. And it gets worse when coupled with global trade restrictions, layoffs and business closures."

Recovering from the supply chain shake-up

Alberta businesses have a chance to recover from the pandemic in a strong way, though, says Tom McCaffery, President and CEO of Supply Chain Canada, Alberta Institute. Here's how.

Diversifying your supply chain can be a smart move. Procure more than one supplier, in different regions of the world. If an emergency strikes one area, you can source materials and goods from the second unaffected supplier.

Consider going domestic or even local by finding an Albertan supplier. It's not as expensive as you may think, McCaffery says. "You have to look at a contract through a total installed cost lens. That means not just considering the number on the invoice, but also factors such as transportation and delays that might occur from sourcing things internationally. Delays can cost you money, but if you find a local supplier, you can avoid those delays."





Supply chain managers have to be ready to scale quickly and effectively, in order to compete with American supply chain professionals who often attract business thanks to their scalability solutions. “Canada didn’t lose business to just China when globalization ramped up, but also to the US. But we can compete by ensuring we can get enough access to resources,” McCaffery adds.

Rasi points out an ATB resource that could benefit businesses struggling to manage their supply chain challenges. [Nexus](#) is a platform that helps Alberta businesses “identify new business partners, rebuild their supply chain with a strong Alberta focus and showcase Made in Alberta capabilities globally.”

The day-to-day processes that keep businesses humming impact every link in the supply chain. You need to make hard and decisive choices when you encounter obstacles such as delays on orders or distributor closures due to outbreaks. You can decide, for example, to immediately switch transportation strategies, as ATB noted in this [report](#): “Air cargo routes may have been grounded so forward-thinking businesses should consider trucking options, even if the delays may upset customers and partners. What is integral is clearly communicating to customers any delays brought about as a result of opting for new transportation strategies.”

Taking a deep look into your supply chain

When you consider the various factors that may impact your business, take a moment and identify the critical key inputs to your business that are currently, or may become, impacted.



Then for each item, note the current suppliers, source locations and shipping methods. In the alternatives column, identify various options to explore.

Key input	Supplier	Source location	Shipping method	Alternatives

Strengthening the backbone of your supply chain processes will mitigate the challenge of running your business in the coming months and years.

Now that you're caught up on how to face supply chain disruption head-on, let's focus on some of the predominant issues surrounding staffing and human resource planning, along with key considerations when selling or transitioning from your business.



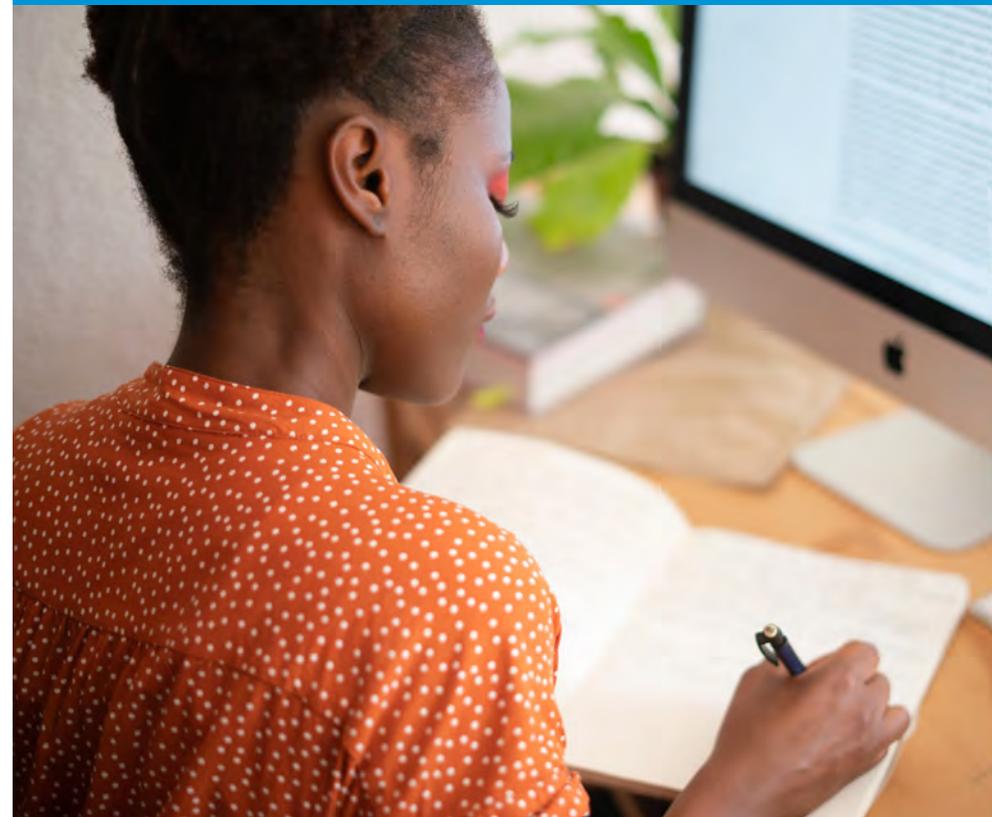
Human capital: execute the right staffing decisions during a crisis

HR processes and personnel have been greatly affected by the COVID-19 pandemic, so much so our workplaces may never look the same. Alberta businesses should consider the many nuances to staffing in order to not just recover from today's crisis but to thrive and prove themselves resilient in the years ahead.



What's readily apparent to Canadian businesses is the rise of work-from-home policies made more prevalent starting in March 2020. As Statistics Canada [reports](#), around 4.7 million Canadians who don't usually work from home did so during the week of March 22 to 28.

While some staff may appreciate cutting out their daily commutes and being closer to their families during the week, others may feel overwhelmed by their dual roles as parent and worker, and may also miss the face-to-face time and networking they enjoyed while working at an office. What's crucial here is that business managers frequently check in with staff to ensure everyone is being heard and feels valued.





Workforce strategies have to be laid out in a planned and prepared manner. Deloitte [offers](#) this five-pronged outlook that could apply to your business during various phases of the province reopening:

- **Reflect.** Make the time to recognize what's next and consider what has worked, what you learned and what has been missed in the response.
- **Recommit.** Strengthen your commitment to well-being via a focus on physical, physiological and financial issues.
- **Re-engage.** Redeploy the workforce and maximize its contribution and potential, while preparing staff with the skills and capabilities for their return.
- **Rethink.** Leverage new business priorities to rethink and reconfigure the business, workforce and workplace, while also balancing ongoing and evolving business needs.
- **Reboot.** Realign HR operations with the most crucial business and workforce priorities.

You don't want to stick with one plan going forward, since we can't yet visualize how the new normal will play out. What you could do is engage in scenario mapping to forecast various outcomes based on how you bring back employees to work, deploy them on site and in-store (if that's applicable to your business), and the communication strategies you intend to bring to HR processes. Apply real time monitoring of any changes you implement, learn what consequences they bring to the business and adapt as you go.

There are many questions business owners should be asking themselves when they consider how to reconfigure their staffing policies. They include:

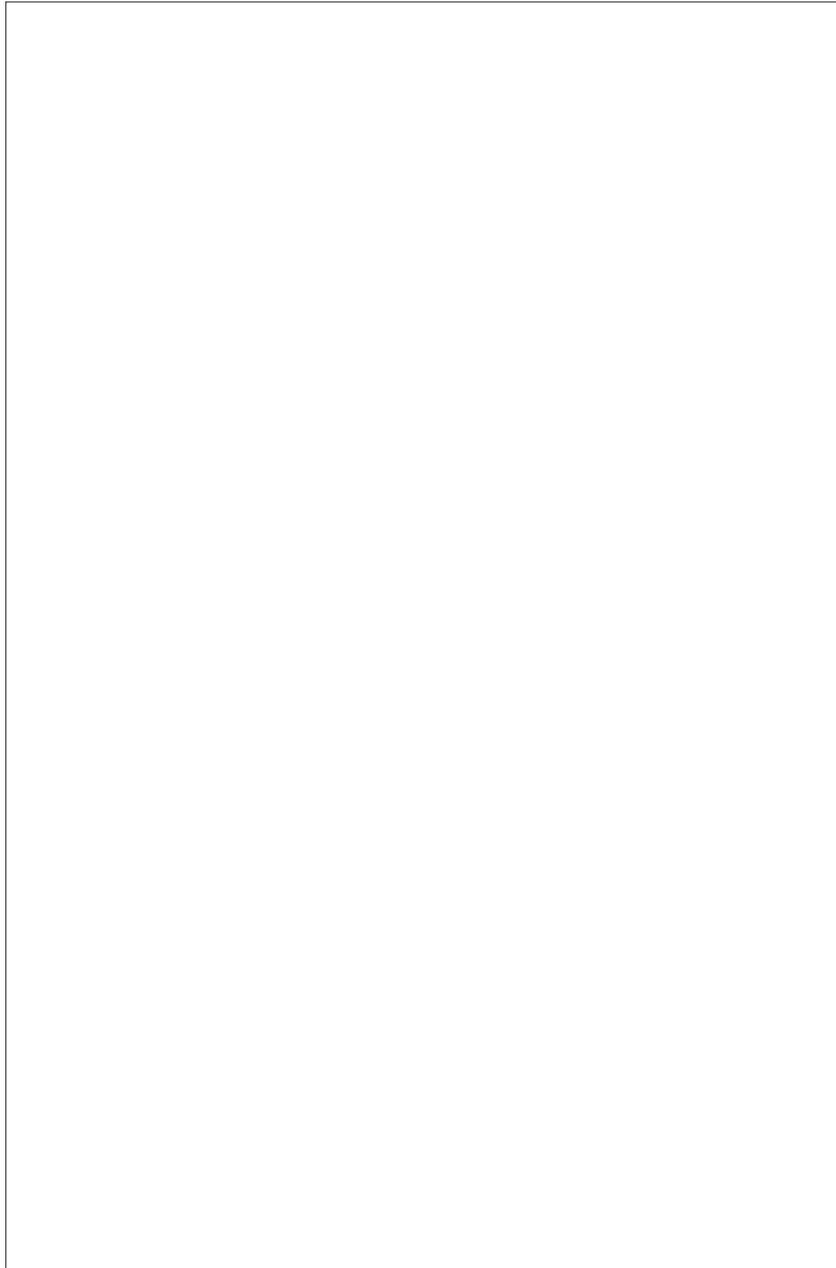
- Do you retrain, hire, downsize? What are the pros and cons of each outcome, and what will you need to do to support such scenarios?
- Do your HR practices line up to support your critical business needs? Should you overhaul your HR practices and processes for the short term or take a more long-term approach?
- Have you applied to [government relief programs](#) to assist you in payroll and retaining staff?
- What safety measures do you have in place to make returning employees feel comfortable in their work environment? Do you have enough PPE, sanitation areas and documents/signage outlining the new safety protocols?
- Have you onboarded additional support programs to assist staff with their health and other well-being issues, such as providing mental health resources and daycare services/assistance?



Now it's time to take a hard look at the HR side of your business.
Below, write down some ideas on how your workforce has been impacted as a result of the pandemic.

Staffing level impacts:	Programs accessed to address changes in staffing:
Modifications to workplace:	Other staffing impacts you've dealt with:

What does success with your staffing look like over the next six months?



In order to achieve success with your staffing, review some of the linked resources below and identify a checklist that works for your business needs to address the following:

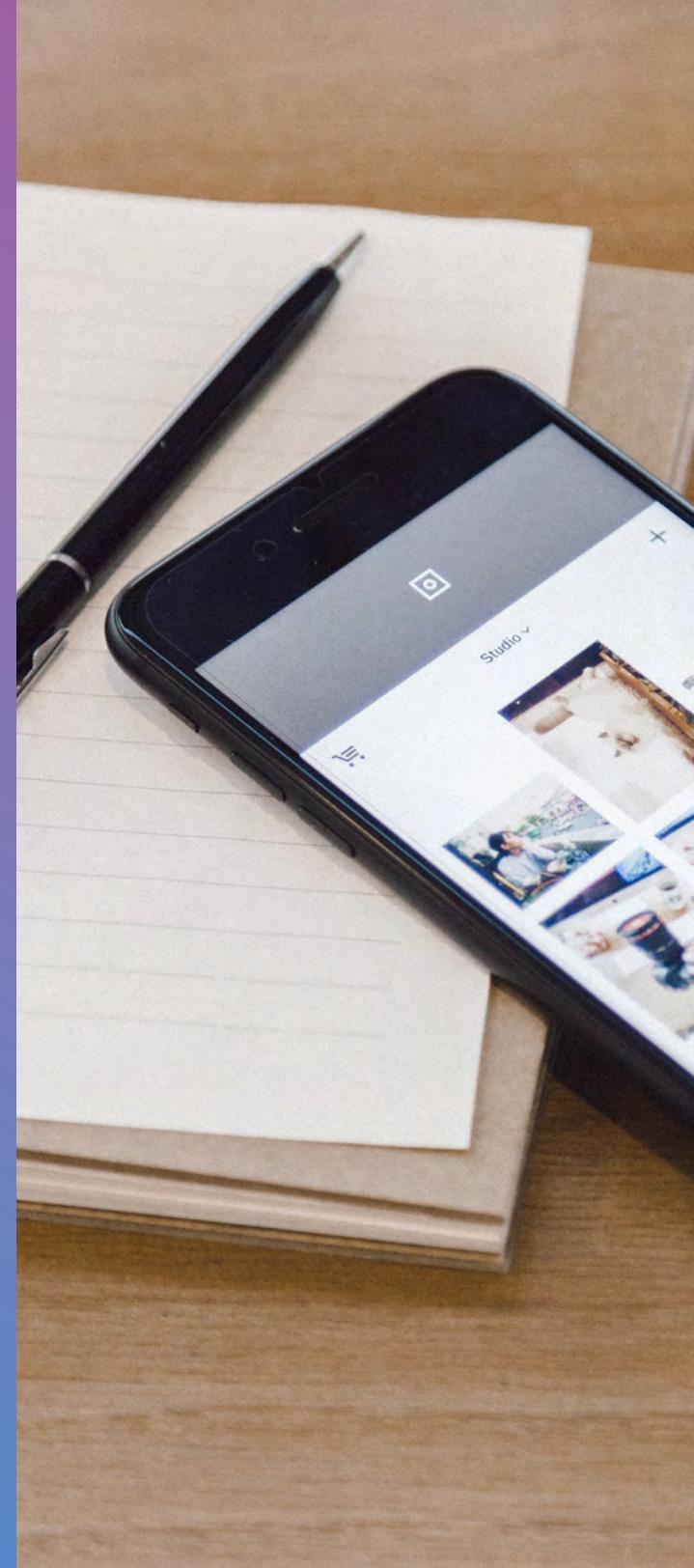
- Hiring / re-hiring
- Training
- Workplace modifications
- Workforce supports
- Employee communications

Resources to consider:

-  [Alberta COVID Guidance for workplaces](#)
-  [Cushman & Wakefield on workplace readiness essentials](#)
-  [Deloitte's workforce strategies for a post-COVID-19 recovery](#)

Connecting with your customers through marketing and communications

If you've been running a business through COVID-19, you've likely been juggling so many responsibilities at once, you may not have felt able to prioritize a key aspect of your operations—marketing and branding. In these unpredictable times, maintaining relationships and building trust with your audience are the building blocks to understanding today's shift in consumer behaviour.



“Customers are evaluating brands based on their employee support and community connection during this time of uncertainty,” says John Pieri, Vice President, Marketing, Brand at ATB. “As everything around us is changing and we rapidly re-invent our business models, products or services, anchor yourself in purpose and the brand promise you’ve been making to your customers,” Pieri adds.

Global [research](#) from PR firm Edelman, conducted in April 2020, echoes Pieri’s sentiment—71 per cent of survey respondents said if they perceive a brand is putting profit over people, they’ll lose trust in that brand forever. Also, just under two-thirds of respondents said a brand’s response in a crisis will have a major impact on purchasing in the future.

As consulting agency Jackman Reinvents [puts it](#), “Customers are telling us that businesses have a role to play in helping society navigate this pandemic beyond what they do functionally, and they will pounce on any missteps, opening the door to reputational risk.”



Thoughtful communication is key

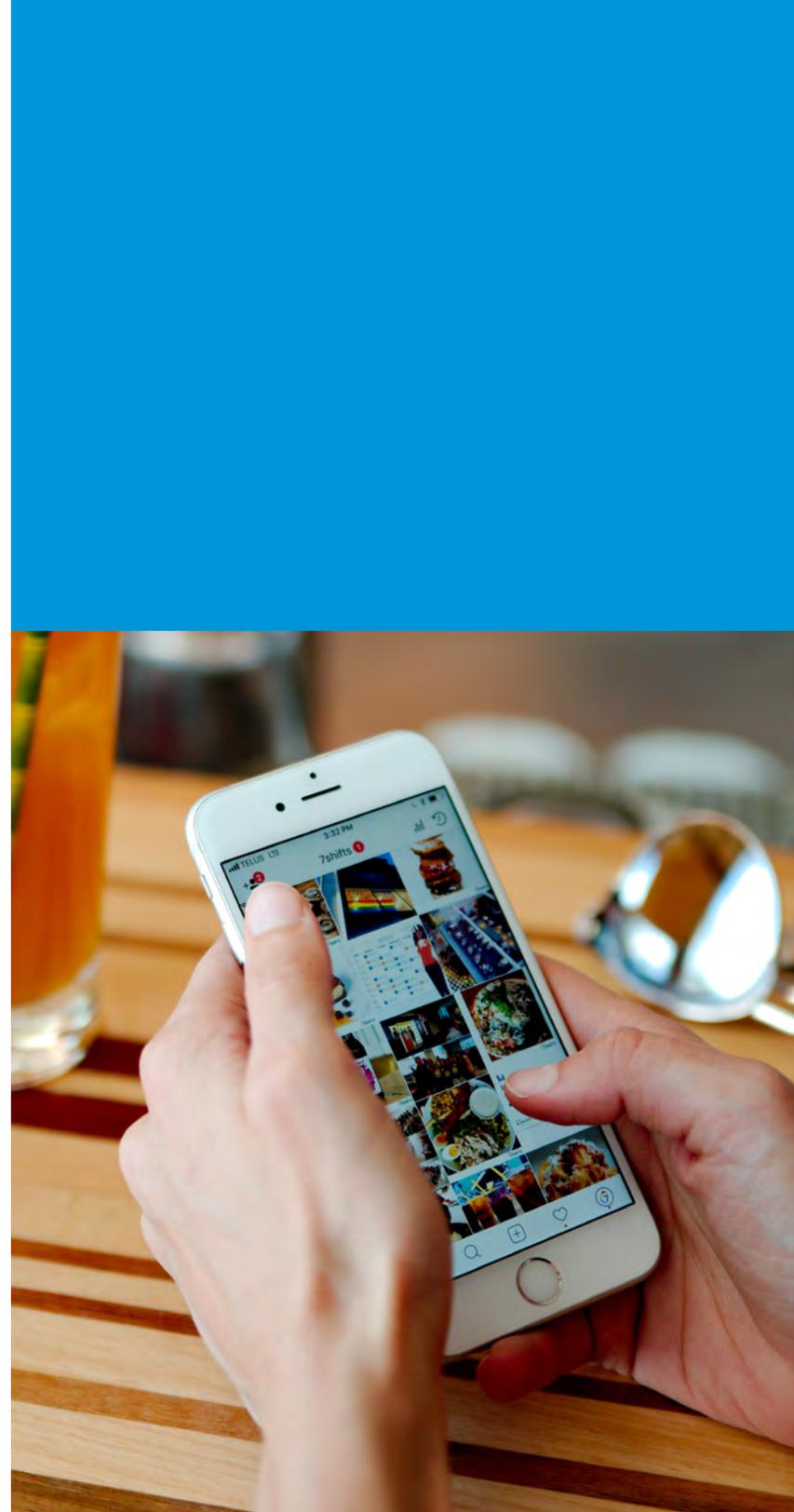
Pieri stresses how business owners should be communicating as often as possible with customers, whether that messaging focuses on how the brand is assisting their own staff, front-line workers, the community or supply chain issues. "It's okay to be transparent about delays in products or services during the pandemic, because your customers will be sympathetic to what the pandemic has done to your business," Pieri adds.

Some business owners may consider pulling back their advertising plans and turning marketing initiatives into a variable expense. Pieri says that may be the only option for some cash-poor businesses, but if there's a budget available for marketing, don't turn that tap off completely. "We've seen how brands that continued their marketing spend, or increased it, did much better in the market than their competitors who pulled back their advertising and messaging."

Don't rely on the traditional route of ad campaigns and press announcements. Pieri cites developing content marketing portals as a viable option for businesses that want to invest in a more engaging and helpful initiative. Additionally, social media channels are an effective way to communicate frequently with customers. Businesses can look to rapidly establish a presence for their brand and engage with customers and prospects alike through thoughtful messaging across social media networks.

It's also always a good idea to check your motivations. "Think about helping, as opposed to convincing your audience. Taking the time to understand what your customers and prospects are going through today and tomorrow, and in turn, what they truly need from you during this time is key to ensuring your marketing and communication messages are well received," shares Pieri.

Looking forward, businesses should understand customer behaviour in order to align communications and branding strategies to the shifting buying landscape. For example, a new McKinsey [survey](#) found the growth for curbside pickup, telemedicine and remote learning is high among consumers but the intent to continue is low. Such insight can inspire marketing managers to better tailor their messaging for the upcoming month or quarter.





Bring employees in the loop

In the midst of such difficult times, your employees will also want clear communication on policies and protocol moving forward, so now is the time to be as transparent as possible with staff. Communicate expectations with your team, and update them on new safety and sanitation regulations that may be in place at brick-and-mortar sites. Ensure your staff relationships are bolstered on the usual channels (email, messaging apps) but also on the new streaming hubs central to many work-from-home staff, such as Zoom or Google Meet.

If your employees feel respected, heard and protected, you'll be fortifying your business by helping your team navigate the crisis with a proactive and engaging approach.

Connecting with your customers through marketing and communications

In the workspace below, let's explore some of the approaches you've taken in the past to connect with your audience, and what opportunities or changes you may integrate to meaningfully engage with them moving forward:

What channels have you historically used to communicate with your customers?

- TV
- Radio
- Print
- Online
- Social media
- Other: _____

Going forward, what channels would be most effective to reinforce your brand and reach your customers?

- TV
- Radio
- Print
- Online
- Social media
- Other: _____

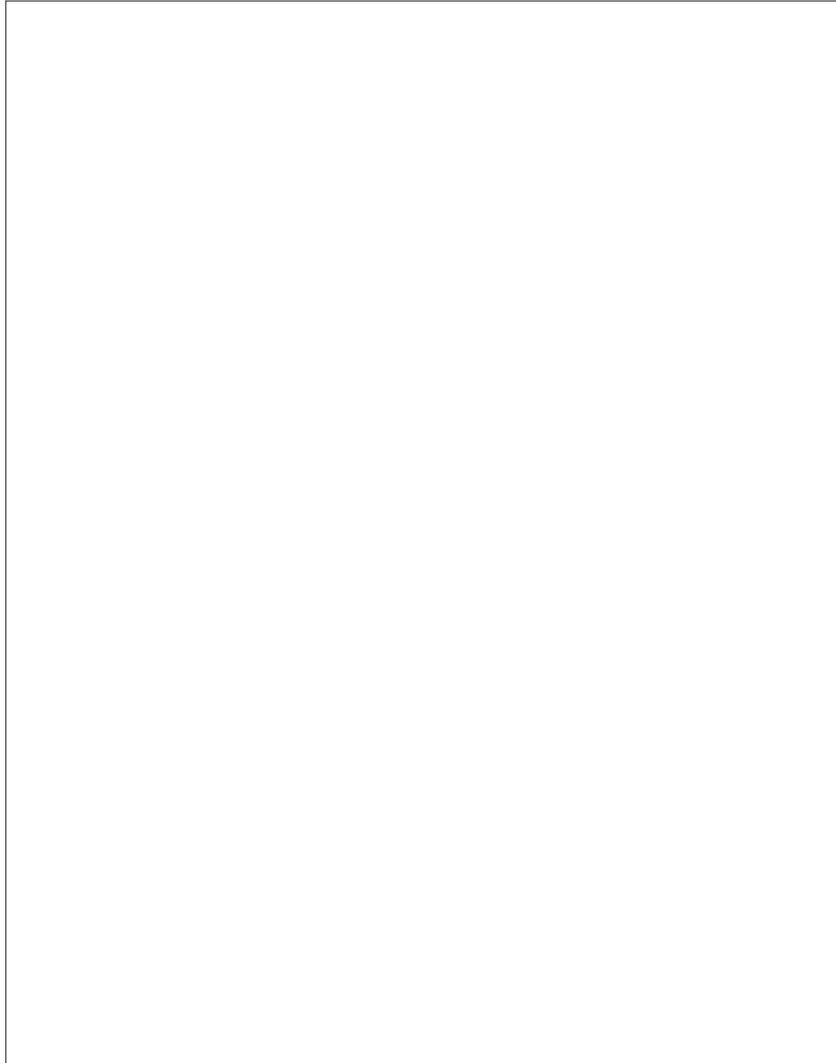
How have you currently responded to the pandemic by making changes to your marketing and communications?

- Cancelled all
- Reduced activity
- Kept at the same level
- Increased activity
- Kept messaging as it was
- Updated messaging to reflect our business response to COVID-19

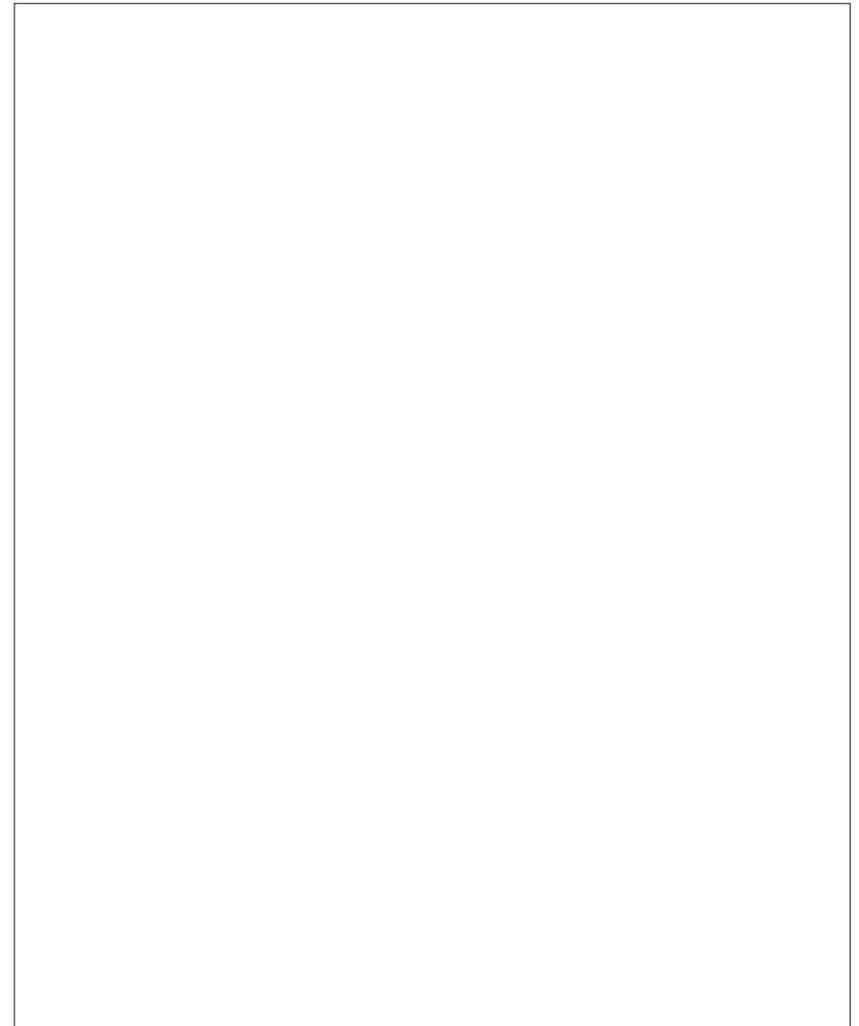
What are the top messages you would like your customers to know about how your business has been affected by and/or responded to this crisis?

1. _____
2. _____
3. _____
4. _____
5. _____

What changes have you noticed in communications from your competitors?



Has your business model or products/services changed as a result of the pandemic and how have you communicated these changes to your customers?



Today's marketing and communications playbook should be building trust for customers across all channels, while also investing (when possible) into advertising that could maintain that relationship you established with your audience long before the pandemic. Bringing empathy and agility to your marketing plans will instill confidence among your customers—and staff—that your business prioritizes community building and relationships over profits and wealth.

Rethinking the fundamentals of **selling your business** is the next area of focus in this workbook, where you'll learn about responding to lowered valuations, how to recover from a stalled sale and taking advantage of a brimming talent pool.



Identifying opportunity as you exit your business

Even in less turbulent years, transitioning your business can be overwhelming, especially if it's your first transaction. Today's muddier economic reality carries a slew of new challenges business owners should consider if planning to exit their business.





The unknowns brought on by the pandemic usher in an era of adversity requiring businesses to mobilize strategically if once-solid transactions are beginning to look less certain. But there can be opportunities for businesses choosing to capitalize on sagging valuations and transaction slowdowns, namely by using this time to plan ahead, focus inwardly on efficiency and innovation, and find top talent in a previously saturated job market.

“With valuations depressed, and with hardly any transactions being announced, transition planning should be more top-of-mind for businesses who might have delayed this process,” says Amanda Vella, Senior Director, Business Advisory, and Transitions Consultant at ATB.

Only about 20 per cent of businesses are sold in the desired timeline of the business owner with the majority of businesses being sold as a consequence of death, disability, partner departure, dispute or divorce. Therefore, having a plan in place in case of emergency is critical.

Even uncertain times call for strategic planning

That kind of planning should ideally be at least five years out. However, even a year of planning can have significant positive outcomes on a transition, Vella explains. This planning includes ensuring you have adequate financial resources to meet your needs in retirement, maximizing the value of your business, implementing strategies to minimize taxes on transition and planning for your life after business. A [survey](#) from the Exit Planning Institute found that 75 per cent of business owners profoundly regret selling their business after one year, as this is often the result of too little time in pre-sale planning.

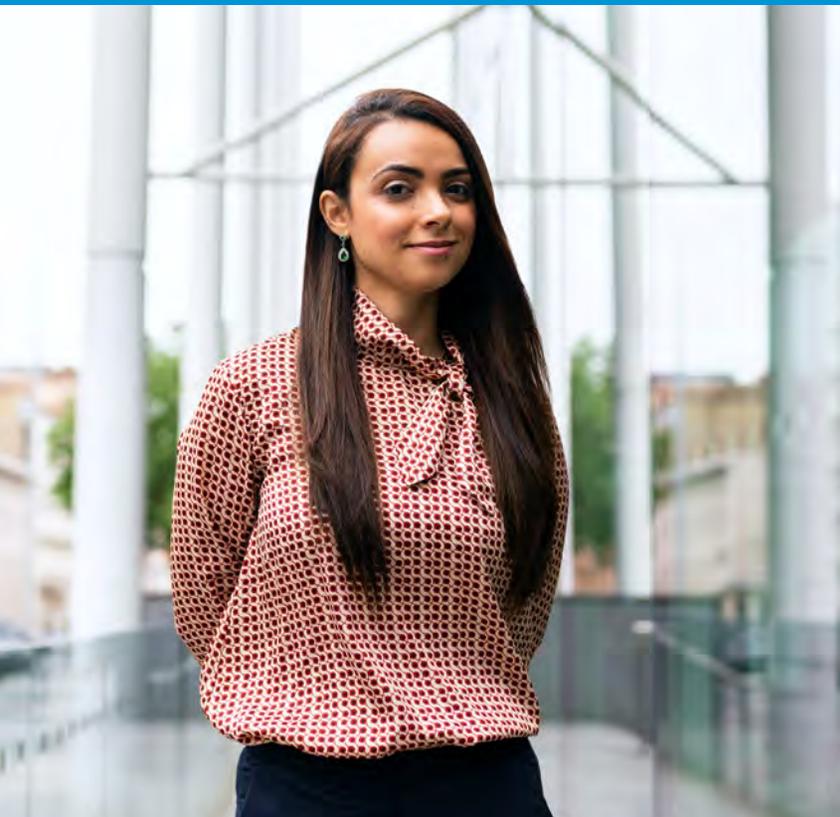


As ATB noted in this [report](#), in this environment your first priority should be developing a detailed cash flow management system that will sustain your business into the foreseeable future, even if no one can predict the outcome of the next quarter. Begin with a thorough review of your working capital as well as predicting the timing of your inflows and outflows.

If a potential sale stalls, why not make yourself look more attractive to that buyer, or other potential suitors if the current transaction fails to materialize? Vella recommends business leaders consider using this time to focus inwardly on their business and “not just worry about putting out day-to-day fires. By having a strong business strategy and good governance in place, you can effectively pivot to capitalize on new opportunities that result from the crisis.”

An HR opportunity amid the crisis, which can help boost a company’s valuation if [cash flow](#) permits, is securing standout new employees from the swelling talent pool in Alberta, Vella says.

“There’s so much talent right now in the marketplace,” she adds, “such as finding a missing piece to your C-suite, or a really great general manager that could be your successor to run the business.”



The world of M&A in times of crisis: A brief look

And if you're in a position to enact a merger or acquisition, be aware of how the pandemic could influence your chances of pulling off a purchase. As PwC writes, "An economic downturn tends to impact marginal players—those that haven't taken action to realign their business, shore up their balance sheet and address other key areas—and turn them from prospective buyers to potential sellers."

Early April 2020 findings revealed Canada's mergers and acquisitions activity dropped almost 57 per cent in the first quarter from a year ago, its lowest level since 2015.



Prioritizing mental health as you plan your transition

Finally, it's important to realize how a business transition can take an emotional toll on you and your staff. Today's crisis is unprecedented in scope and scale, so ensure you're on solid emotional footing to participate in a transition that has far-reaching implications for not just you but your team and their well-being.

If you need help managing your mental health during a difficult process such as transition planning or finalizing a sale, you can research the various mental health [resources](#) provided by the federal government that address mental health in the workplace. Alberta Health Services also provides a list of resources and toolkits via [Access Mental Health](#).



Key considerations around transitioning your business



If you feel transitioning your business ownership may be a consideration during this time of uncertainty, take a moment to consider some of these items, as they relate to the possible scenarios you've identified.

- Do you have a current or recent transition plan?
- Have you had discussions with mergers or acquisitions in the recent past that would be worth re-exploring?
- Do you have a guide with experience in planning?
- Are your balance sheet and cash flow forecasts up to date?
- Who would be possible partners to engage in discussions (e.g., industry peers, family, employees)?

Take a few moments to analyze how effective you would be when approaching transition readiness. Explore some ideas addressing transitioning your business to a sale, and identify how prepared you are to align with those areas:

Emotional readiness to sell or transition from your business:	Life plans or goals for after the sale or transition of your business:
Amount of money required to support your needs post-transition:	Financial planning in place to achieve your long-term objectives:
The current value of your business:	Data or insights this valuation is based on:

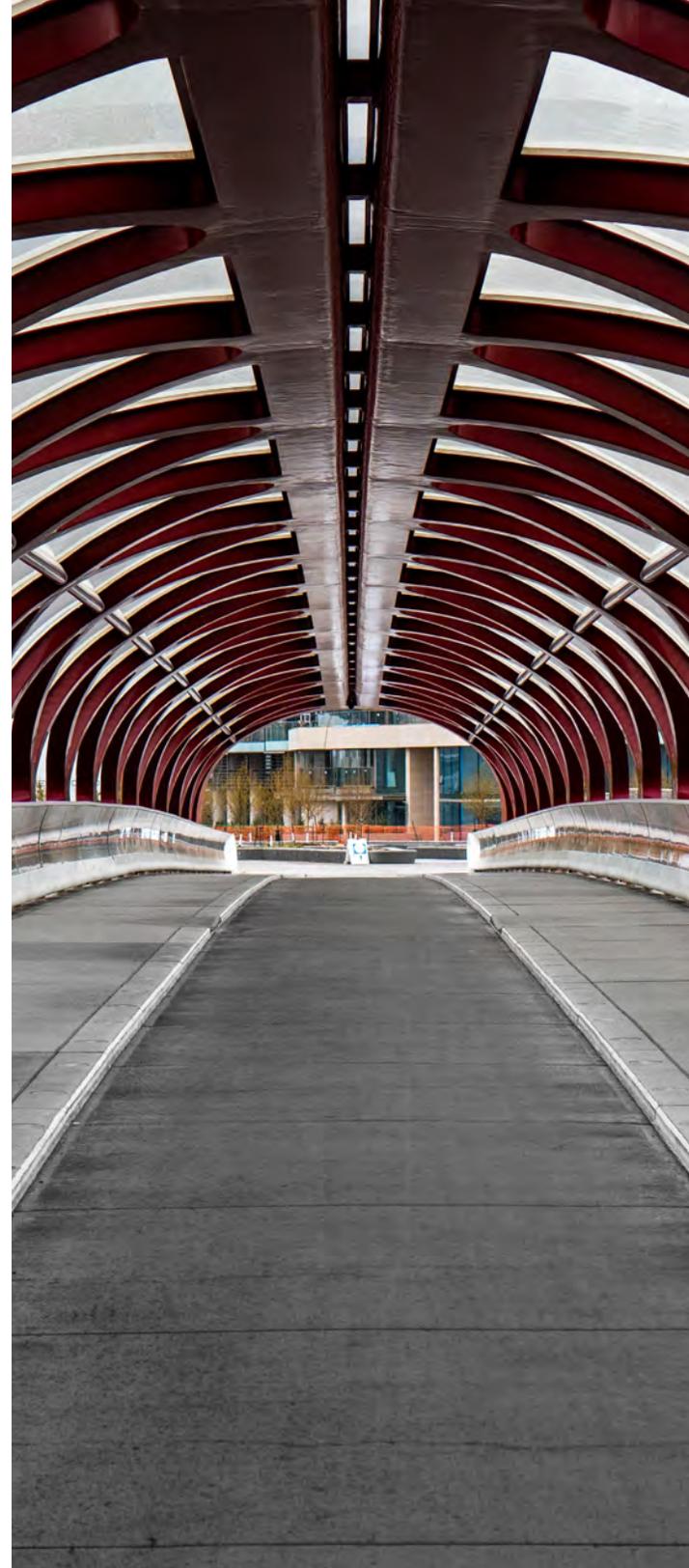
As part of your preparation for a sale or transition from your business, it's also important to examine the attractiveness of your business. Consider the following:

<p>Will a third party feel confident that in your absence the business will achieve the financial forecasts?</p>	<p>Areas of business that are reliant on your involvement and how you would transition them to your management team:</p>
<p>Will your management team impress a potential purchaser?</p>	<p>Challenges or changes you may need to address in order to best position the team in place:</p>
<p>Are your customers loyal to your business?</p>	<p>Steps you could take to increase or ensure customer loyalty through a transition:</p>
<p>Business systems in place (CRM, accounting, production, policies, procedures, etc.):</p>	<p>Business systems that may need to be enhanced, documented or updated in order to increase the attractiveness of your business, and the cost of these changes:</p>

You put the work in workbook: now it's time to start looking forward

The first part of this workbook focused on helping business owners recover from the recent pandemic crisis by providing advice and ideas in areas such as scenario mapping, cash flow, supply chain management, staffing and transitioning your business. By adding actionable exercises to each section, we hope you've gained deeper insight into assessing today's new reality and forecasting the strongest strategies to not only recover from this crisis but also thrive.

In the second part of the workbook, we'll take an in-depth look at the unique challenges and opportunities that have arisen for industry sectors across the province. Our economics team will also provide some perspective on the future of business and we'll include considerations to keep front of mind as we all work together to move business forward.



A tough road ahead: Alberta's economy after COVID-19

by Robert Roach, Managing Director of Research, ATB Economics

With the economy reopening, business owners are asking how the new environment will impact their operations. Some of the outcomes are unknowable as the ground is still shifting. But there are a few things we do know that may be helpful going forward:

It's clear we live in strange times when a Bank of Canada estimate showing the national economy will contract by 10 to 20 per cent in the second quarter is considered good news. But, it is only good in the sense that the previous estimate was 15 to 30 per cent.

This sentiment also applies to the Alberta economy.





The long road to recovery

The Alberta economy began to relaunch in mid-May, but the damage inflicted by the pandemic will take a long time to repair.

Added to this are challenges linked to tense relations between China and the United States, the ongoing Brexit saga, rising trade protectionism and the fact that COVID-19 continues to rage through much of the developing world.

As of mid-June, the virus was in check and the provincial relaunch strategy was moving forward faster than expected. At the same time, a Canadian Federation of Independent Business (CFIB) survey showed that 46 per cent of Alberta's small businesses were not fully open as of early June and only 15 per cent had sales at or near their normal level.

The CFIB also found that, as of the end of May, 36 per cent of small business owners in Alberta were behind on major bill payments and that 16 per cent were considering bankruptcy/winding down their business as a result of COVID-19.

Those businesses that are open face higher operating costs, ongoing physical distancing restrictions, potentially hesitant customers, broken supply chains and a generally sluggish economy both here and around the world—all of which could threaten their viability.

After a burst of pent-up spending due to the reopening, the economy will likely experience recessionary conditions well into next year (if not longer) as we work to repair the damage caused by the lockdown, adapt to the new environment, absorb the inefficiencies caused by trade disputes and protectionism, and reduce the high level of uncertainty that comes with all of this.



The other shoe to fall

It's important to note that, unlike most other jurisdictions, Alberta needs the oil sector to recover and start growing again before we'll see our economy surpass its pre-pandemic levels.

On the bright side, oil prices have improved after temporarily going into negative territory in April. The problem is that the stronger prices—which, as of mid-June, were still not high enough to keep Alberta's oil patch healthy—are largely due to unprecedented production cuts rather than rising demand. Slow global growth could, in fact, keep oil consumption below pre-COVID levels until the end of next year.

As a result, a significant rise in the currently low level of oil and gas investment in Alberta is unlikely in the near future and Alberta's road to recovery will be longer than in non-oil producing provinces.

The big picture

While the overall economy will be sluggish, the post-COVID environment will create opportunities for the businesses that can seize them, as consumers, businesses, non-profit organizations and governments adopt new behaviours and spending patterns. The Alberta economy is still one of most productive in the world and, while it will take longer than we want it to, it will recover.



Alberta's industry considerations





Rethinking the fundamentals of how businesses can maintain continuity while also continually working to identify and leverage opportunities based on market changes or disruption weren't significant priorities for many business owners in an era of slow change and stable markets. In the wake of COVID-19 and unparalleled change to the business landscape, Alberta businesses are being called upon to be more agile and resilient than ever before.

Consequences from the crisis and its global lockdown policies have impacted industry sectors across the province, from retail to travel to oil and gas to real estate. Owners and operators in each industry must address their own unique challenges by gaining a deep understanding of the operational vulnerabilities COVID-19 has exposed within the sector.

But the pandemic has also brought with it some opportunities, inspiring businesses to adapt throughout these uncertain times by pivoting in remarkable ways.

In the following section of the workbook, we'll explore several of the challenges and opportunities impacting major industries across Alberta, and provide insights from several of ATB's industry and business experts around how businesses can address these factors.

Industry considerations: manufacturing

The manufacturing industry in Alberta has been uniquely challenged in the face of the COVID-19 pandemic. From a macro view, for the first time in modern manufacturing history, demand, supply and workforce availability are being impacted globally at the same time.

The Business Barometer, the Canadian Federation of Independent Business's index of levels of confidence among small businesses, [found](#) that confidence in the manufacturing sector fell by more than 50 per cent in March 2020 compared to the month prior.

April's job numbers looked stark for goods-producing sectors such as construction and manufacturing, which combined lost 621,000 jobs for a decrease of 15.8 per cent, after being virtually unchanged in March, CBC News [reported](#).

Turning to the provincial perspective, Alberta's reliance on the oil and gas industry, as well as a strong position in the food manufacturing space, has hurt many small and medium-sized enterprises (SMEs) as well as larger players.





Ryan McGregor, Director of Small Business for Edmonton Metro at ATB, notes how the economic ripples of the pandemic particularly hurt the manufacturing sector tied to the oil and gas industry. “That area already saw many manufacturers struggling or going under, so COVID-19 just added insult to injury,” he says.

Unlike other industries, most employees at assembly lines or ground-floor operations can’t work from home, McGregor adds, ushering in another challenge for managers who need their staff on site as the province reopens.

A key priority for manufacturers in Alberta is to harness technology as soon as possible. Long-term, digital transformation can give manufacturers real-time visibility into the supply chain and offer them the ability to be more flexible in times of crisis.

Some manufacturers have pivoted in order to create new revenue channels while also addressing demand for an emerging segment: protective gear. McGregor recalls an Alberta manufacturer in the oil and gas space shifting production lines to add 3D-printing technology to produce PPE supplies.

“But it’s a short term move,” he cautions, “and that business may not be able to stay in that area continuously, so there has to be plans to get back to the normal line of business.”

SME owners should also be aware of the anticipated changes coming to the industry, as listed by a recent Accenture [report](#):

- A more elastic workforce and digitally enabled workplace
- Differentiated and resilient supply chains by customer segment
- Resilient and distributed IT infrastructure and systems
- Digital channels and ecommerce platforms

While leveraging technologies such as AI and IoT (Internet of Things) can be capital intensive, inviting those innovations into your business can provide impressive efficiencies in predictability, capacity, availability and flexibility of supply chain and manufacturing operations. As a McKinsey report [found](#), businesses that embraced these technologies early in their operations saw a seven per cent revenue growth advantage over their peers.





Industry considerations: agri-food

Labour shortages, shifts in demand and lack of digitization are among the major challenges facing the agri-food industry in Alberta as it aims to weather the storm brought on by the COVID-19 pandemic.

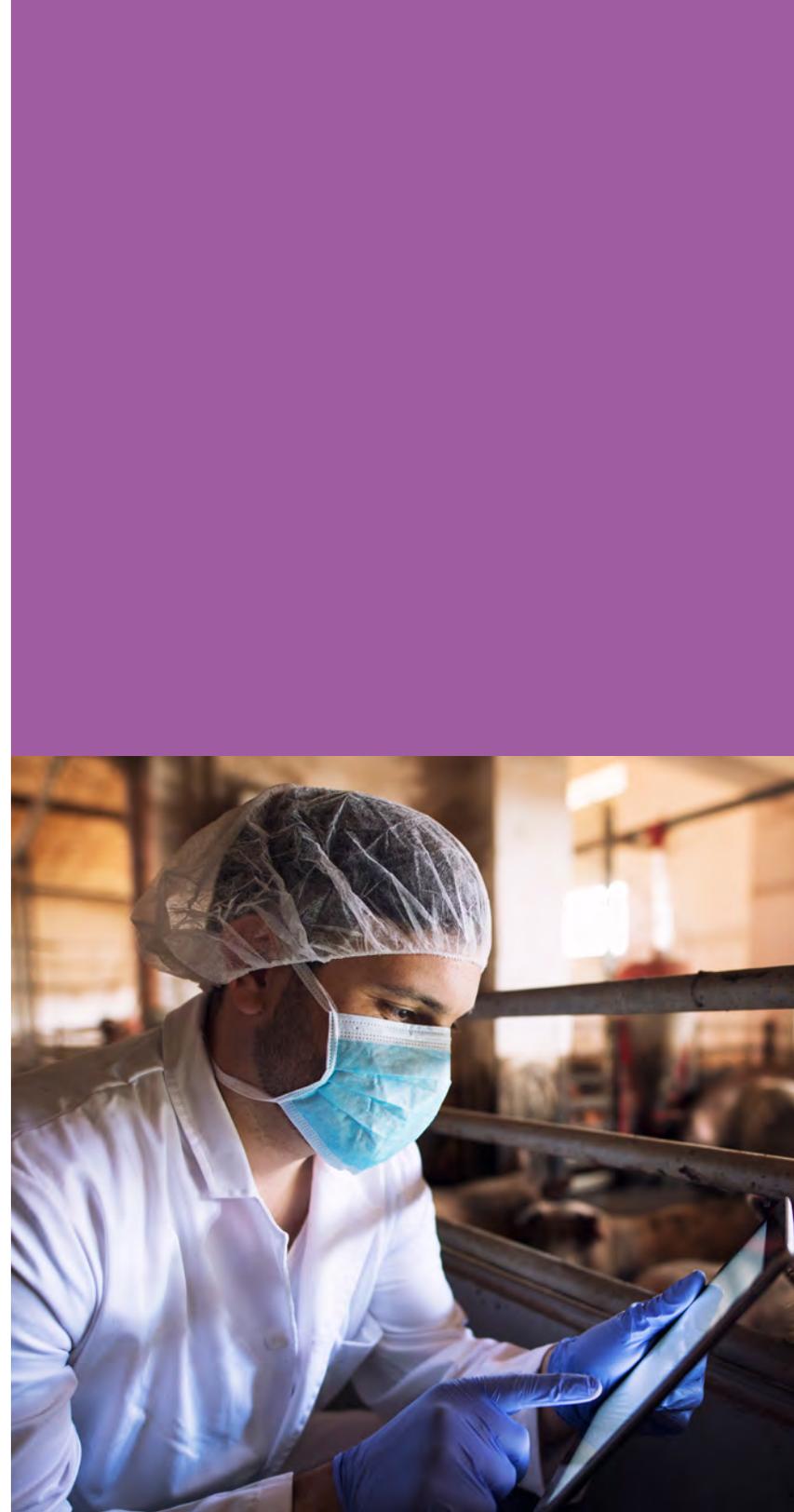
Due to the agriculture sector's reliance on temporary foreign workers, many agribusinesses face hurdles surrounding entry complications for those workers. Also, these businesses face a bottleneck caused by mandatory 14-day quarantine periods required for the workers who manage to make it to Alberta. Those delays can have rippling consequences for production lines and output.

Coupled with that labour loss is the anxiety among domestic workers about their safety on the floor, since this industry can't rely on work-from-home policies common in other sectors.

"What we have also seen is a shift in demand for food products, moving away from hospitality and quick-service restaurants to retail or direct-to-consumer, and such a change means the supply chain has to be managed differently, as well as supplementing staff efficiently," says Sasha Musij, Director of Agribusiness and Agri-Food Market Development at ATB.

Addressing these issues can bring about creative solutions, such as what Musij saw with one Alberta food producer that hired out-of-work hospitality employees to fill in the labour gaps.

"Also important is how employers are engaging their staff on physical distancing guidelines and what they want in terms of plexiglass dividers or avoiding common areas like the kitchen," Musij notes.





Details on how to offer safer working conditions can also be gleaned from guidance issued by the Canadian Food Inspection Agency ([CFIA](#)) and Agriculture and Agri-Food Canada ([AAFC](#)), which issued extensive lists of resources for the agribusiness industry.

Large parts of this business are still digitally disconnected or heavily reliant on high-touch, manual processes, but it doesn't have to remain that way, Musij stresses.

An opportunity he views as potentially game-changing is how the pandemic has accelerated the need for agri-food businesses to digitize their operations. "Agriculture and food manufacturing have traditionally been some of the least automated industries, but the pandemic is speeding up the process for many of these companies to digitize, automate and optimize what they do," he says.

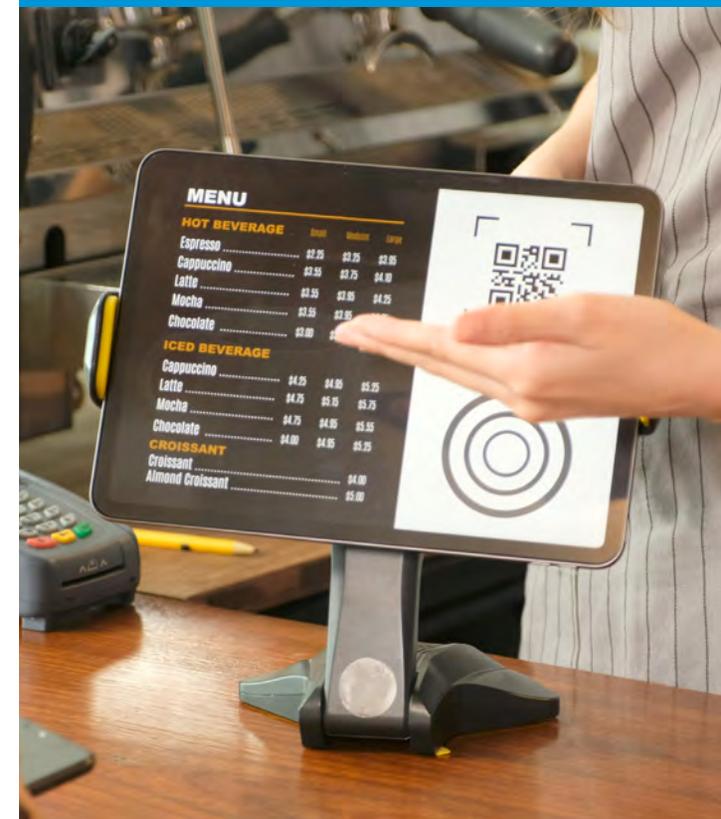
He goes on to highlight the importance of trackability and traceability for agri-food suppliers, which will assist in allaying any concerns over food security and safety.

What may also come out of the pandemic is consumer preference towards local food, which was a hot trend to begin with but will only intensify in the coming months. "This will give Albertans the opportunity to support local businesses, who need all the help they can get right now," Musij says.

Industry considerations: restaurants

Contactless menus with QR codes, glass dividers between dining booths, limits on table seating and many other changes are throwing curveballs into the restaurant experience, both in Alberta and across Canada.

The challenges brought by the pandemic have shaken the province's restaurant owners and staff, so much so that six in ten accommodation and food sector businesses in Alberta said that they had to lay off half or more of their staff, with about a quarter of businesses forced to let go of everyone.





The hardest hit in the restaurant sector

While fast-food stores and chains could keep up with the delivery demand, other restaurants weren't so fortunate, explains Ranice Macyk, Senior Manager, Entrepreneur Capital at ATB. "The restaurants that have been most impacted are the fine dining and pubs, which have a heavy reliance on in-person dining, and some of their menu items are not suited for delivery," she notes, adding that buffets will undoubtedly face the toughest path to success due to the food and customer safety issues the all-you-can-eat dining format presents.

In addition, because restaurants and bars have to limit capacity to 50 per cent and six people maximum per table, cash flow could remain an obstacle for many owners, which could encourage a thorough reexamination of fixed versus variable costs.

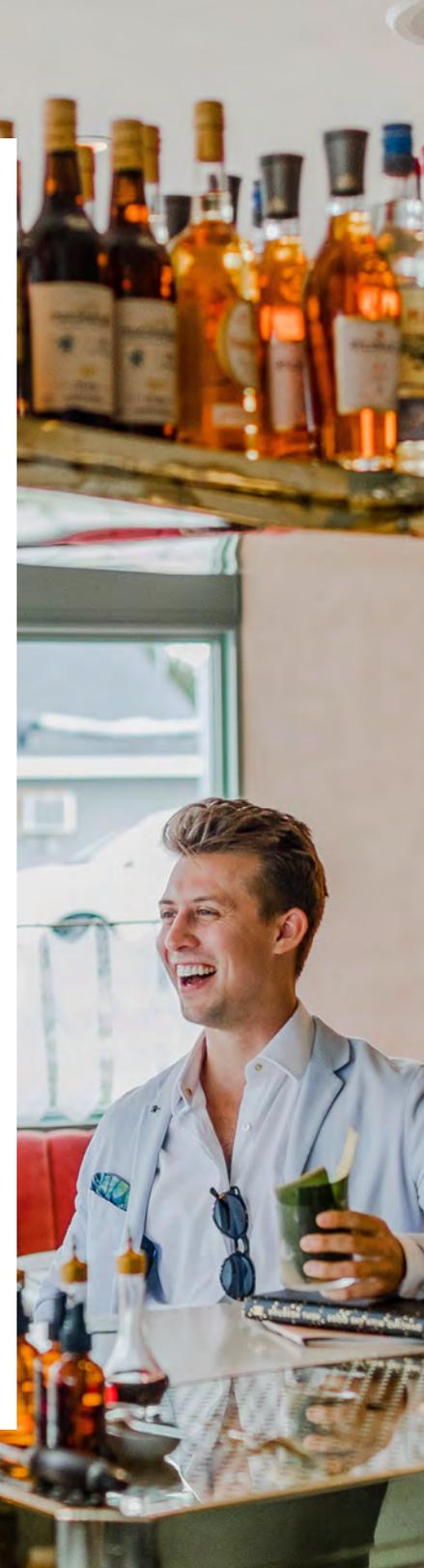
Opportunity at the table

With the late April [news](#) that half of Alberta restaurants may be forced to close their doors due to the pandemic, are there opportunities for these businesses to seize? Macyk recommends strengthening the ecommerce backbone of the outlet, while also delving into product development. There's no better time to be creative, she says.

Look at the rise of restaurants introducing meal kits to their customers. "They have all of the ingredients to let you make their specialized meals and also include beverage pairings. These food packs allow people to enjoy the same great meals but in the comfort of their homes," Macyk says.

Business owners could also look to technologies and materials that can be integrated into restaurant operations to assist with the transition to this new normal of pandemic-influenced in-person dining. Contactless menus coupled with QR codes have been introduced in [Vancouver](#), and plastic partitions are popular across Alberta pubs that need to separate booths and tables if they're already spaced out by at least two metres.

Financial planning plays a role in how restaurateurs adapt their operations in the coming months, Macyk says. Otherwise, you won't have the capital to usher in both necessary and innovative ideas as more food sectors reopen across the province. "Conduct sensitivity analysis on business financials and revamp your business plans to allow for more agility," Macyk advises.



Industry considerations: retail



As if Alberta's retail industry wasn't already hard-hit enough from the dual fallouts from struggling oil prices and high unemployment (translating to less spending money) the recent pandemic pulled the rug out from many retailers. Widespread lockdowns led to an increasingly challenging March turnout—Statistics Canada [reported](#) 40 per cent of Canadian retailers closed their doors in March, leading to a 10 per cent slump in retail sales that month, the worst the country has seen since February 1998.

Especially hit hard were segments such as fashion and home furnishings, two high-touch areas consumers feel more comfortable purchasing in-person than via ecommerce. Also, some retailers faced cascading effects of lockdown-related decisions. For example, when sports events were cancelled for teens and young adults, demand for those products from athletics stores also decreased.



In crisis, some areas see increased demand

Still, not all retailers faced the same challenges. Butchers, for example, were often deluged with customers, requiring business owners to add trained staff immediately and develop online stores. As one butcher told CBC, he would increase his capacity if he could, “but it’s hard to find qualified workers, and there’s no time to train them.”

As every Albertan has seen, grocery stores attracted consumers interested in stocking up on staples, but what may not have been apparent was the boost in demand for cannabis and alcohol products also in March, with Canadian cannabis sales [rising](#) in that month by 19 per cent compared to February.

Getting back to business: predicting the unpredictable

What is difficult to forecast, as for other industries, is consumer behaviour once Alberta announces phase three of its reopening process, promising all businesses will be open to the public albeit with strict social distancing restrictions. Retailers should be aware of the difference in consumer sentiment, though, when a store reopens in a mall compared to an open-air strip mall or off-street outlet—customers may not be ready to go back into malls, and stores within those sites can't yet offer curbside pickup, a widespread retail trend during COVID-19.

As we've seen in the US, when states have reopened to retailers, people aren't returning to outlets in droves, as safety concerns are still paramount for many consumers. So, expectations should be tempered for the many retailers with stores looking to reopen in malls and closed indoor spaces.





Key considerations for returning to business “as usual”

Some retailers are finding opportunities in the fact that many companies have adopted work-from-home policies, says Ranice Macyk, Senior Manager, Entrepreneur Capital, at ATB. “With many consumers having to create home offices and having extra time to finally get to their DIY projects, industries such as home office furnishings and organization, and technology have done quite well.”

Forward-thinking retail businesses could view the COVID-19 situation as a trigger to consider the many ways they too can become more agile, Macyk notes.

“There have also been situations where a number of different brands have come together to reduce the seasonality of purchasing and reassessing the supply chain, for example,” she says. “There is also a shift to produce goods locally as manufacturing overseas has proven to be very challenging if the borders are to remain closed for the foreseeable future. This situation has also given companies a chance to reassess their workspaces, allowing them to dive deeper into their backend costs, distribution centres, and seeing if brick-and-mortar businesses are really necessary.”

Alberta businesses can also leverage the buy-local and community-cares movements Macyk has seen.

“Many businesses have been giving back to their communities by assisting health care workers and donating to food banks, and consumers have also realized just how important it is for these local businesses to have local traffic and support.”

A useful resource to help businesses during the pandemic is The Retail Council of Canada’s Recovery Checklists-Templates [document](#) featuring checklists and guidance related to staffing, sanitation and safety, store signage and much more.



Industry consideration: personal services

Business leaders in the personal services sector—which include massage therapists, dentists, gyms, salons, hairstylists and barbers—have been met with a host of setbacks due to the pandemic. Chief among them is how its high-touch setting doesn't allow for many ecommerce options.





Massages and haircuts can't go online, relegating practitioners to the sidelines as other sectors—such as food and beverage sales—can shift to digital delivery or curbside pickup in Alberta. Also, as the province reopens, services such as massage therapy are eager to accept customers but they are beholden to guidelines and policies laid out by their respective associations.

It's worth noting there are multiple associations in Alberta for massage therapy, which are all likely to have subtle compliance differences. Operating clinics with therapists from each may face additional challenges in creating alignment to ensure all association requirements and policies are met.

Other areas that have reopened, such as barbers and dentists, have to ensure they have sound cash flow management because they'll have to invest in materials and signage focused on safety and precautions. PPE gear such as masks, plexiglass separators, and new signs and directional notes to help with traffic flow are all embedded in the new reality for personal services businesses in Alberta, notes Koizumi.

While opportunities to diversify revenue channels in personal services during the pandemic isn't readily apparent, there are a few ways business owners can excel in this space and hopefully continue to grow and scale:

- Staggering client scheduling to limit store capacity and traffic and assuring customers your clinic or site is taking the necessary safety measures can ease consumer anxiety. Communicating often with customers via email and social media channels is integral.
- Fitness and yoga classes are easier to take online, as many instructors have brought guided classes to video services such as YouTube and Zoom.
- Do you have ancillary products to sell? Some massage therapy clinics, for example, can recoup lost revenue by selling oils, balms or lotions, while hair salons could market hair and waxing products, available via curbside pickup or delivery.
- Apply scenario mapping to forecast consumer sentiment in the coming quarters. What would your business's cash flow statements look like if customers return to personal services at a high rate, or a cautiously low rate? Are there certain customer demographics (old vs young, new vs returning) that are reshaping the new consumer base of your clinic or store?

Business leaders who want to be proactive in the personal services sector have to approach their reopening phases with the same kind of close attention to safety and sanitization details as sectors such as food services and hospitality. Bringing that kind of reassurance to Albertans could give these businesses a foothold in an industry in desperate need of assistance.





Industry consideration: travel and tourism

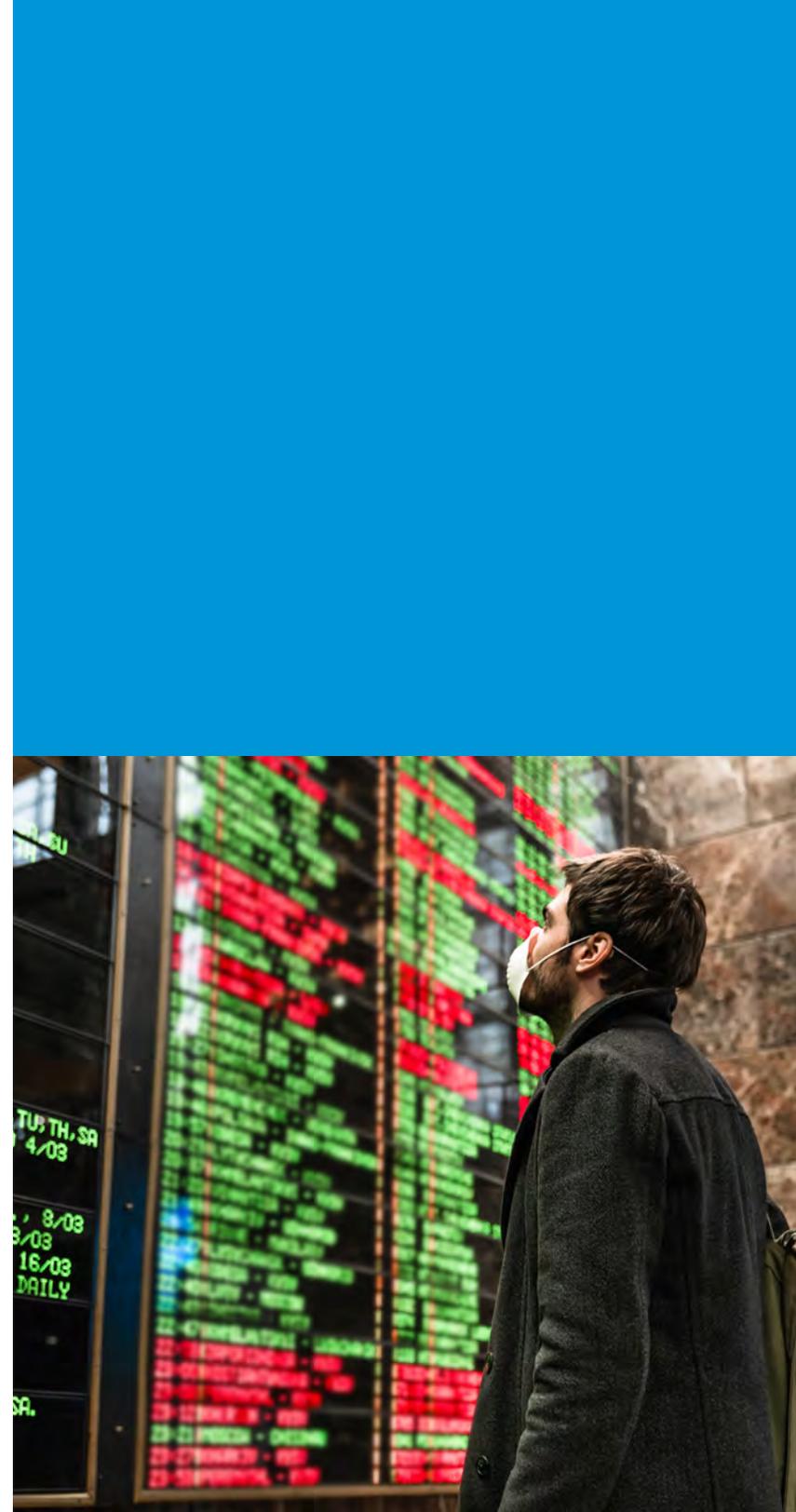
Few industries in Alberta have been impacted as greatly as travel and tourism. The numbers are staggering—global airline capacity was [down](#) 70 to 80 per cent in April 2020, compared to April 2019, and Canadian airlines have made drastic cuts with Air Canada limiting their destinations by almost half and Porter suspending all flight until late July.

Westjet [laid off](#) 7,000 employees and cancelled practically all planned capital investments for the year. As expected, international travel has decreased significantly in Alberta, with a spokesperson at the Edmonton International Airport telling [reporters](#) in late May they are “currently averaging fewer than 20 international travellers per day, with passengers only arriving from Minneapolis.”

The travel downturn has a rippling effect on tourism in the province, as museums, stadiums and attractions have seen significant drops in attendance, which also has hurt businesses surrounding those events, says Wayne Kryzalka, Head of Small Business at ATB.

Regions that rely on tourism, such as Canmore and Banff, are facing a crisis unlike anything that has befallen the province before, he adds. Cities like Drumheller, drawing visitors to the [Royal Tyrrell Museum](#), are also in the middle of a steep tourist slowdown.

Customer behaviour in this new normal is difficult to predict, making reopening decisions difficult for business owners in travel and hospitality. Still, they have to plan and prepare for the quarters ahead.





“The questions they should ask themselves these days are how they can market themselves now and how they can change in new innovative ways,” says Alexis Nelson, tourism development officer at the Government of Alberta.

She has seen several museums and national parks leverage technology to offer people “virtual tours” of sites, which may not drum up revenue but keeps the attractions top-of-mind for potential visitors down the road.

Both Kryzalka and Nelson are realistic about how business owners will have to tailor their offerings to visitors who will chiefly be Albertans. “We’ll be seeing more increases in the rubber-tire market as road travel increases within the province because people feel safer travelling by car than plane this season,” Nelson says.

Owners can feel hopeful that once travel restrictions lift across the province and country, the tourism and travel industry will rebound in Alberta, albeit not at the pre-pandemic levels, at least not yet, says Kryzalka.

In the meantime, resilient business leaders will look at opportunities to use technology and online tools to stay relevant for their customers while also pivoting their services and messaging to an increasingly regional visitor base.

Industry considerations: real estate

Sinking home prices, fractured construction financing, and uncertainty surrounding commercial properties are among the major challenges facing the real estate industry in Alberta due to the pandemic.





On the residential brokerage side, home sale volumes and prices have been slumping steadily since March 2020, with many sellers realizing they don't want to move right now. "We've seen this market shift away from open houses and towards scheduled viewings by appointment only or virtual viewings," says Michael Hoffman, Managing Director, Calgary Real Estate Group at ATB.

Many Albertans are also struggling to meet their mortgage payments, as this news report found, [writing](#): "Preliminary figures indicate that about 10 per cent of homeowners across Canada have chosen to defer their mortgage payments, although the rate seems to be higher in parts of the country that rely heavily on the oil and gas industry."

Commercial real estate has endured several pandemic-driven blows, such as financing construction projects for commercial tenants whose own brick-and-mortar future remains unclear, says Hoffman. He's seen how retail has been hit the hardest in Alberta, raising concerns among developers about who will fill newly constructed outlets if tenants break their lease agreements.

Such unevenness in the commercial market should encourage property managers to communicate clearly with their tenants about their financial footing and future plans, Hoffman recommends. "Being proactive with your tenants and keeping those relationships strong is important right now," he adds.

A window that's opening for some property managers is attracting ecommerce businesses to spaces that could be ideal to stock inventory. As an investment manager recently [said](#), warehouse space could become an increasingly attractive investment because e-retailers need more warehousing capacity than traditional chains.

"You need three square feet of industrial space for an e-retailer compared to every one square foot you need for a store," he says. "If you buy something in a store, there's an 8 per cent likelihood you'll return that item to the store. If you buy something online, there's a 30 per cent chance you're going to return that item to the warehouse."

Weathering the storm wrought by COVID-19 will be arduous for many Alberta business owners involved in real estate, as some experts predict the market will right itself at least [two years](#) from now. But savvy executives will recognize they can't just make a one-size-fits-all broad-based decision, but instead place each tenant and situation under the lens and make decisions for specific situations. It means more work for operators, but today's new economic climate asks for that kind of effort and resilience to succeed.





Industry consideration: oilfield services

The tremors felt within the oilfield services industry in Alberta are directly linked to the province's exploration and production (E&P) sector in light of low oil prices and the pandemic significantly limiting oilfield activity. The response to lowered demand and a glut of supply has made oil and gas a depressed and stagnant market, impacting all sub-sectors in the space. But there's an opportunity for oilfield services to bounce back.

Consultants such as PwC [pointed out](#) several ways for oilfield services companies to recover from the pandemic's consequences:

- Ensure staff are safe, healthy and productive to keep service delivery going
- Manage supply chains carefully because virus-related restrictions may impede supplier delivery timing
- Cut producer/customer spending and consider order cancellations
- Strengthen liquidity planning and secure capital

It's time for these businesses to also be as agile as companies in other areas.

"What I've seen is how some oilfield services companies are shifting what they do to reclamation and other environmental work," says Tyler Malden, Managing Director, Energy Services at ATB.

"Currently, there is more demand on the environmental side of things," he adds, noting how certain oilfield services firms can also look to transmission and distribution as another area to break into during the pandemic.





For example, a Taber company that spent 41 years in the oilfield and plant construction business is now “diversified into environmental [projects by] reclaiming leases and general maintenance,” as Global News [reports](#). His business may also take part in cleaning up orphan wells, an initiative supported by the Trudeau government. The Prime Minister announced in mid-April there would be money available for those working on orphan wells in British Columbia, Alberta and Saskatchewan to keep people working during the pandemic.

Malden also sees potential in how oilfield services businesses can digitize their operations, as long as they have the capital to do so.

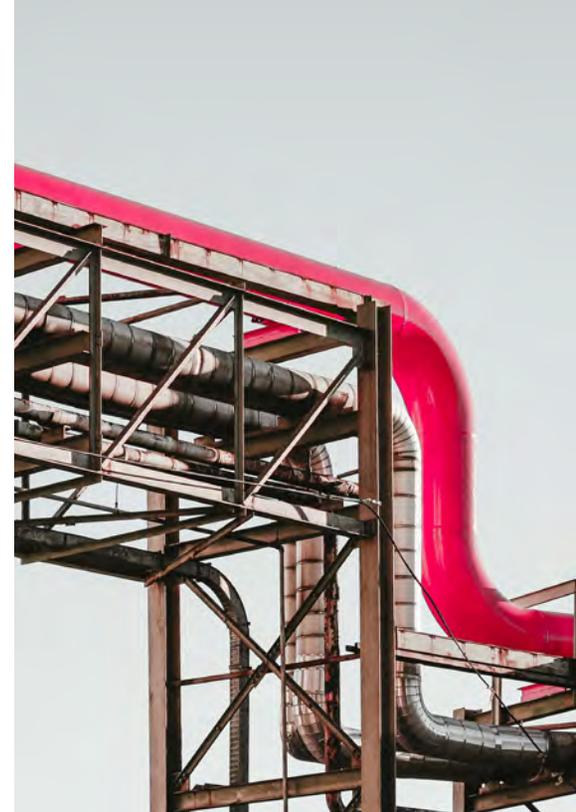
“Companies can use technology to remotely monitor their rigs, and we might see more of that automation going forward.”

Engineering experts have [found](#) that opportunities in the oil and gas industry will likely favour those who comprehend and leverage Big Data analytics and machine learning in their business.

“In moments like these, oil and gas companies, and businesses associated with them, have proven to be resilient and are known for adapting quickly to shifting environments,” Malden says.

Industry considerations: energy (exploration and production)

The pioneering spirit of the West is under attack, as [noted](#) by Viewpoint Research's Mac Van Wielingen. Alberta has been pounded by the double black-swan crises rocking the oil and gas sector—the price war initially launched by Saudi Arabia and Russia, and the COVID-19 pandemic that has throttled back oil demand in a short period of time by an unprecedented amount.





Businesses in exploration and production have been struggling to stay afloat, with some shutting their doors for good, and other energy players acting quickly to materially reduce capital spending.

“Oil rigs are idle, where possible production has been materially reduced or shut-in entirely, and there’s a possibility that oil demand may not fully recover until a vaccine for the virus is in place and has been distributed,” says Kevin Kynoch, Managing Director, Energy Group, Corporate Financial Services at ATB Financial.

Stinging this sector are the aftershocks still being felt from the steep downturn five years ago coupled with ongoing market access issues, which other jurisdictions like the US may not have experienced as sharply. Ultimately, a recovery in the Canadian energy sector requires a return to normal activities around the globe. As one of many examples, a recovery in oil prices is in part linked to a return of normal travel and tourism activities, because when fewer airlines schedule flights, there’s a material drop in the associated demand for jet fuel, which may keep oil prices lower for longer and have an ongoing impact on energy producers.

“With trailing industry challenges and an unclear path to full recovery, we’re likely to see an acceleration of company consolidation in the energy industry,” Kynoch says, “where producers focus on increased size for economies of scale in order to further reduce costs, especially if a producer has already reduced its existing cost structure as much as possible. The only option left is to get bigger and spread fixed costs over a larger production base.”



Some necessary questions leaders in this space should be asking themselves now include:

- Do we have enough financing/cash flow to see this company through to the end of this downturn?
- How do we ensure our long-term assets are maintained (oilfields, plants, refineries, etc.) and continue operating in a safe environment where our employees do not feel at risk?
- How can we mitigate supply chain risks, and what steps can we take to be proactive in replying to a severe disruption to our supply chain?
- How do we retain the talent that we currently have, or attract top talent once Alberta further reopens along with global markets? What new support programs should be in place for employees?



The opportunities in Alberta's energy sector may seem slim now, but some experts point to a few areas emerging as positive and hopeful. Due to the drop in demand, Canada will cut back production by about one million barrels per day, which reduces pressure on pipeline capacity. This pipeline issue mainly drove a discount as much as \$40-to-\$50 per barrel in 2018 on Western Canadian Select, the heavy oil produced in Alberta composed of bitumen. But, that discount is presently very low given current room in pipelines.

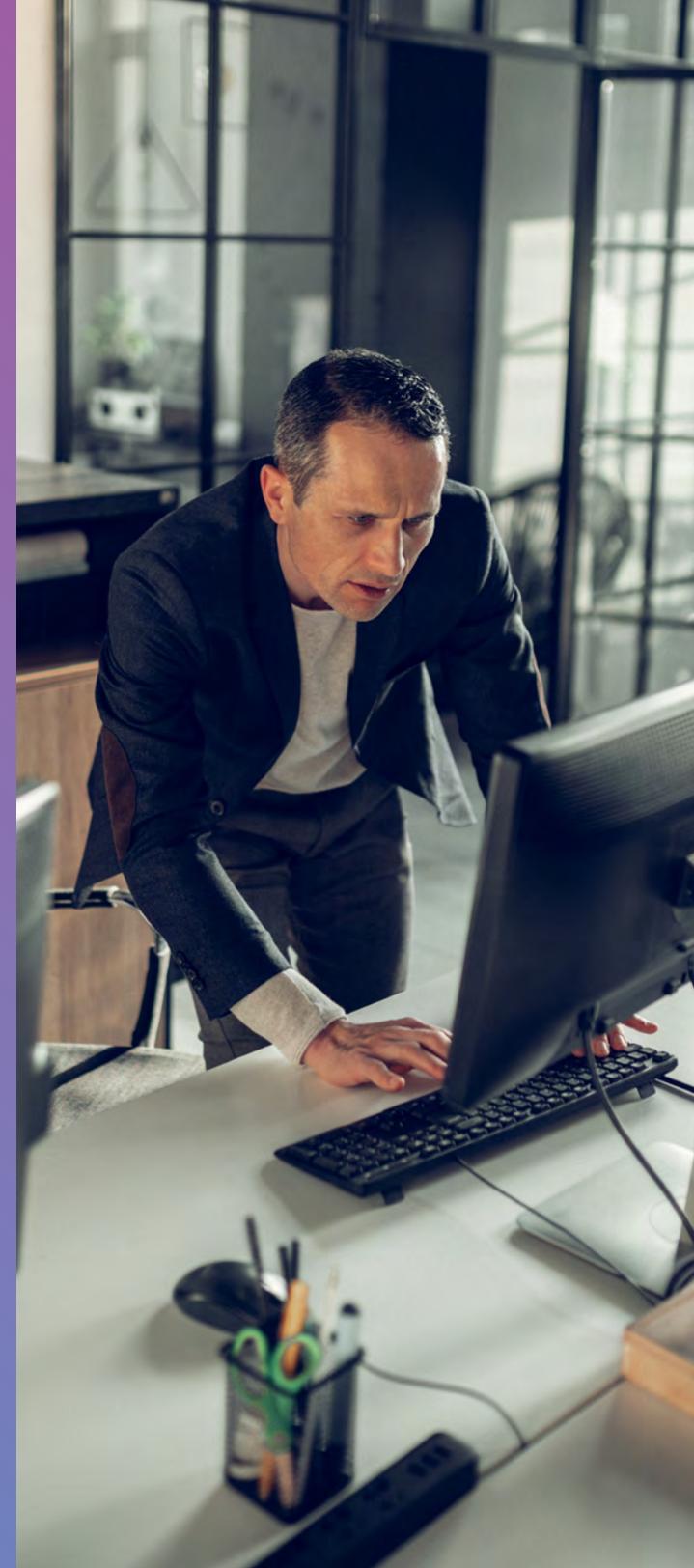
Also, Alberta's petrochemical sector has enjoyed boom times as the hunger for plastic soars. Alberta's oil patch of ethane crackers used to make polyethylene film are among the only facilities that are busier today than before the pandemic, as the Financial Post [writes](#). "Demand for plastic packaging is currently extremely high and could climb as additional businesses reopen and service workers such as barbers and retailers begin using masks and gloves and more disinfectant in their workplaces," the report goes on to say.

These bright spots may not soothe the short-term hurt brought on by a glut of supply combined with a severe demand downturn, with the path to recovery difficult to forecast in the coming months. But as provinces reopen gradually, there could be more positive times ahead for Alberta's energy sector, which has been known to weather its fair share of crises.

Future considerations

The ever-evolving realities emerging from COVID-19 and global shutdown have revealed how important it is for business owners and leaders to ask themselves many difficult questions around how to strengthen and shift their operations during such uncertain times. For this reason, businesses may find it incredibly beneficial to develop scenario mapping tools that allow them to prepare for a range of outcomes.

This workbook provided insight into the complex problems cropping up in a wide range of sectors, ranging from retail to manufacturing and energy to real estate. It was designed to help you not only strategically recover, but also thrive in today's challenging economic environment. To confront the challenges brought on by the pandemic, three key considerations should remain top-of-mind, as outlined by Mike Brown, Director of Advisory Solutions at ATB.



Three considerations for the future of business

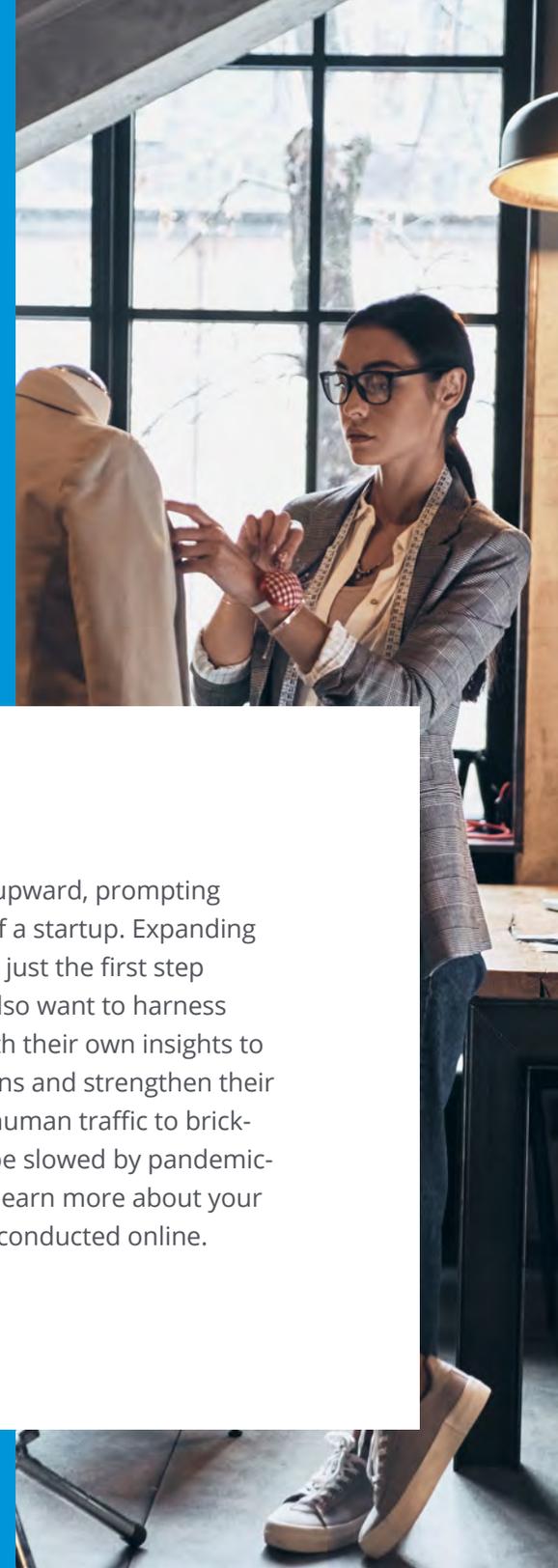
Consideration one

Remote work won't disappear anytime soon in Alberta, he notes, pointing to a Statistics Canada [survey](#) that found that 39 per cent of Canadians worked from home during the crisis. While not every job in the province can be accomplished remotely, some businesses may rethink the traditional workplace and consider how to prepare for a socially distanced reality, Brown says.

Also, going remote may not hurt productivity as much as you might think. Sixty per cent of US businesses surveyed by McKinsey in early April [said](#) their new remote sales models were actually as much (29 per cent) or more effective (31 per cent) than traditional channels.

Consideration two

Expect online adoption to trend upward, prompting businesses to mirror the agility of a startup. Expanding on established digital channels is just the first step for some businesses; they may also want to harness advanced analytics combined with their own insights to make sounder and faster decisions and strengthen their relationships with customers. If human traffic to brick-and-mortar stores continues to be slowed by pandemic-related measures, you'll need to learn more about your customers through transactions conducted online.





Consideration three

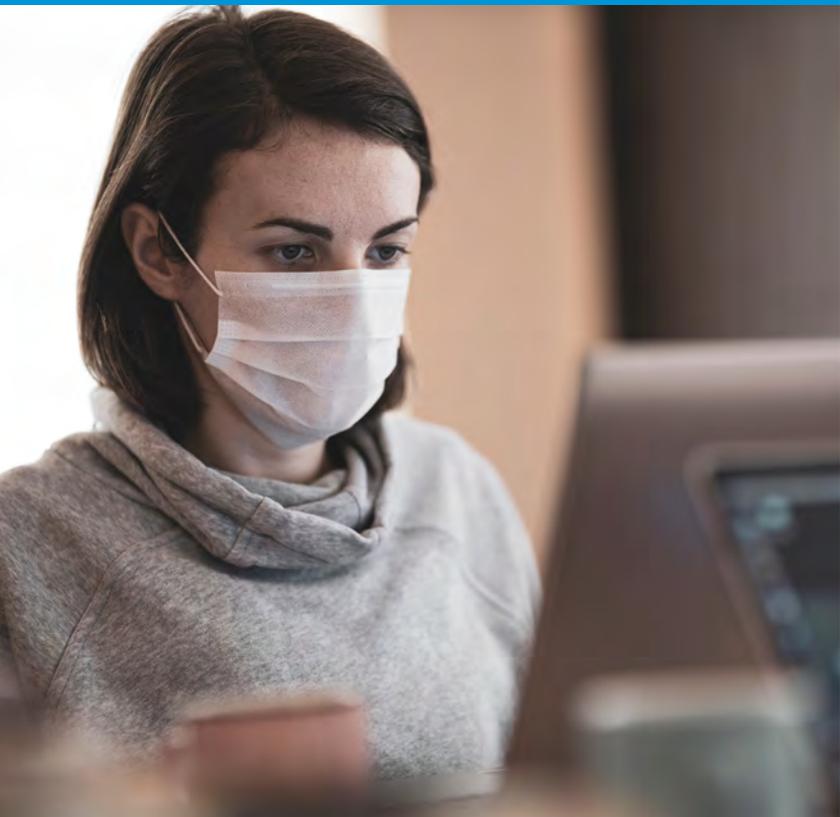
We're all aware how unpredictable the next year will be, let alone the next quarter. This disruption has dismantled the expectations we held in how our business operations run, from supply chain management up to customer relations. Where businesses can succeed is iterating quickly and making the "pandemic pivot" work for their product offering.

Brown has noticed how several Alberta companies have shifted to manufacturing PPE and sanitizer after years spent in completely separate lines of work.

"Agile business leaders will see opportunities even during this kind of crisis, and those that pivot to meet an immediate need our society demands will do well to adapt quickly to this changing market," Brown says.

There isn't one cure-all recipe for addressing the myriad of setbacks brought on by the pandemic. But if forward-thinking and well-prepared businesses re-orient their outlook to remain resilient and iterate creatively, they may find themselves better equipped to respond to future disruption.

Moving business forward



We've compiled this comprehensive workbook with actionable exercises to prepare Alberta business owners and leaders for a future as uncertain as it's ever been. We want to help you emerge from this crisis with ideas on how to thrive with agility, resilience and creativity.

From supply chain management to cash flow considerations, from marketing strategies to working through acquisitions/sales, this workbook investigated the key concerns the pandemic has brought to businesses across Alberta. It also provided guidance on not just recovering from the pandemic but also taking action in ways you might have never thought possible before.

Throughout the workbook, we've seen the concept of VUCA emerge. Developed by the US Army, this idea asks practitioners to reflect on the accelerating rate of change (volatility), the lack of predictability (uncertainty), the mix of cause-and-effect forces (complexity) and the high potential for misreads (ambiguity).

You can prepare for an unknowable future by understanding the many ways you can compete in this difficult new reality. In several chapters of this workbook, our business and industry leaders have consistently stressed the importance of planning for multiple scenarios so you can lean into change when it begins to take root.

We all might be struggling to see what's in front of us as we continue to navigate the unknowns brought on by COVID-19, but if you take a step back to assess the many branches of your operations, you may be able to better position your business to overcome the challenges ahead and find opportunities to succeed well into the future.



If you have any questions or are looking for strategic advice around any areas of the workbook, please reach out to us directly at:

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