

Nineteen for COVID-19: essential insights for better resilience to a second wave (PART 2)



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The best of our thinking around how business should respond to a second wave of COVID-19.

(CONTINUED FROM PREVIOUS EDITION)

9. Boost cybersecurity

Cybersecurity has been a major technology concern during COVID-19; particularly as the rise of remote working gives potential cybercriminals exponentially more points of attack. An effective employer response requires everything from fresh assessments of its expanded digital footprint, to implementing new security analytics processes, and even new training for employees.

10. Understand remote working

One of the most visible changes to business-as-usual has been the global implementation of remote and home-working practices. This brings its own organizational and emotional strains. Make the most of these unique working conditions by learning how to engage, support and listen to remote workers.

11. Rethink the payroll

Payroll - simply getting paid - is critical to keeping employees engaged and secure. But COVID-19 threatens this, even without considering the hard choices around redundancies or furloughing staff. From new, rapidly-evolving government legislation to remote payroll workers not being able to access physical assets like paperwork, confronting these difficulties requires identifying challenges ahead of time.

12. Automate effectively

Along with remote working, automation technologies like robotic process automation and artificial intelligence have helped accelerate responses to the pandemic. They're even helping the fight against the virus itself: we worked with one organization to automate COVID-19 test administration, allowing it to minimize time-consuming manual work, enabling more timely and effective treatments by doctors, and better data to help analyze the disease.

CHAPTER 3 Resilient operations

Maintain business-as-usual in unusual times.

13. Enhance supply chain visibility

Closed borders and mass quarantining of workforces dealt a body blow to global logistics operations. More than ever, real-time visibility into supply chains has proven critical to enabling operational resilience. Yet only 6% of respondents to a recent EY webcast poll were confident in this capability, making addressing it a business imperative.

14. Rethink how factories function

Unlike many white-collar offices, factories have not had the luxury of shuttering their doors and moving to remote work. Making sure these facilities remained safe places to work across the pandemic has meant everything from revising safety procedures for on-the-ground workers, and communicating them effectively, to forecasting future demand accurately, so that adaptive procurement, logistical and financial steps can be taken.

"By putting people first, organizations can build and maintain trust with their employees, their customers and their stakeholders."

Mike Bertolino, EY Global People Advisory Services Leader.

15. Find new sources of liquidity

Cash flow keeps businesses alive in the best of times. In the worst of times, it's even more critical they take action to make sure they stay, well, in business. Governments around the world have leveraged a wide range of strategies to keep companies afloat - in the US alone, \$20 trillion has been made available in more than 140 jurisdictions. This complexity led us to create a tracker to help businesses to understand the lay of the land.

16. Consider financial reporting challenges

The impact to financial reporting is not the first priority when a crisis hits - but with one on the scale of COVID-19, there were several substantial challenges for anyone responsible for preparing financial statements, audit committees and auditors. From maintaining liquidity and assessing impaired assets and fair value to modifying contracts and seeking government assistance, such a large-scale crisis required a significant rethink of some of the fundamentals of reporting and effective compliance.

17. Identify potential tax breaks

Among the tools being rolled out by governments have been tax responses - particularly as slowing economic growth before the crisis limits the range of options open to them. More than 120 jurisdictions had introduced emergency economic stimulus measures as of April 2020. This has included a range of approaches, from direct tax credits and relief to administrative relief in the form of rolling back filing and payment deadlines. As governments continue to adapt their policies as the crisis and its aftermath unfold, information about local tax incentives can be found on EY tracker (visit: https://www.ey.com/en_gl/tax/how-covid-19-is-causing-governments-to-adopt-economic-stimulus--)

18. Keep closing your books in a crisis

Another challenge to day-to-day operations posed by COVID-19 is closing books at the end of the month - tough at the best of times, but a potential nightmare during a pandemic. Leaders need to focus on two areas: developing effective, technology-enabled teaming strategies, and setting priorities to address high-risk items in a timely manner.

EY Capital Confidence Barometer

87%

of companies are either actively changing or re-evaluating their supply chains.

19. Learn from others

We know what companies should be doing. What have they actually been doing? The EY Capital Confidence Barometer reveals 87% are either actively changing or reevaluating their supply chains, 48% say M&A is a priority and as many as 71% are already undergoing a transformation program to prepare for what comes next.

Summary

The arrival of COVID-19 forced a rapid evolution in how businesses operate. As we move to the next phase of the era of the pandemic, there is still much to be learned from the challenges and responses of the early stages of the crisis. At the heart of these changes was an enhanced focus on resilience - from leadership strategies to the way businesses operate through their people and technology. This transformation - reframing the future of organizations, industries, and society - has put adaptability and operational resilience at the very top of the agenda. ■

Leading through the pandemic

Our purpose is building a better working world. It starts with better questions. The better the question. The better the answer. The better the world works. The Enterprise Resilience tool is a simple way to assess your business preparedness. For access, please send an email to robin.mccone@gh.ey.com and copy in kofi.akuoko@gh.ey.com.

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