

Business survival tips for entrepreneurs

By [Lelemba Phiri](#)

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We could not have imagined nor foreseen the global Covid-19 pandemic and the ensuing health calamities, national lockdowns and global economic turmoil. All the polished strategic plans we had put together were effectively thrown out of the window in the last few weeks!



Lelemba Phiri

We had to go back to the drawing board both as investors and entrepreneurs as we try and navigate completely uncharted territories.

Business models have had to be reimagined; a new type of agile, innovative and bold leadership has emerged; and strength of character has shown through in spite of the uncertainty.

Of course, there is no guarantee that the new thinking and direction will win and yet, it is these very qualities that show why women entrepreneurs in Africa are extremely investable and why we as investors remain committed to supporting them through this storm.

If you are an entrepreneur trying to navigate these times, here a few tips that could help you and your business weather the storm. Whilst it is not an exhaustive list, it certainly could be added to your business survival toolbox:

Cash preservation

It is absolutely critical in times of uncertainty to preserve as much cash as possible and extend your business runway. Try

and plan for at least three months cover of business expenses. Things you could consider include:

- Collecting on outstanding invoices: Follow up on collecting on all outstanding invoices and try and get as many payments in as soon as possible. This isn't the time to feel shy to remind your customers to make payments.

- Renegotiating supplier pricing and terms: Try and renegotiate pricing and terms with all your suppliers to either pay less, extend credit or take a payment break during this time.

We are all going through this together and suppliers would rather have some payment or a promised payment later than no payment.

- Seek out financial support: Look out for any available financial support in form of grants, tax relief or subsidies that may be available for entrepreneurs during this time and apply.

Talk to your existing investors and find out their appetite for additional financing to enable you to weather the storm. Speak to your bank about the possibility of getting a short term lending facility like an overdraft in case you need it.

Rethink your business model

There is always the temptation to hold on to what was. However, as hard as it may be to imagine, we need to contend with the real possibility that business is unlikely to ever go back to the 'normal' we knew.

We then have to reimagine what our businesses could look like both during this lockdown time and in the future. Things to consider:

- Existing clients: How do we continue to support our customers virtually and maintain as much service provision and community as possible? For some businesses, it will mean thinking completely outside the box or throwing it away entirely!

Sometimes the best way to find this out is simply to ask your customers how they feel you can support them.

- New revenue streams: What new opportunities can you see that you could become new revenue streams for your business now and into the 'new' future? It's time to take out your creative hats!
- Repurposing existing assets: How can you repurpose existing assets to serve a new purpose? This is also a good time to think about what you need as the core for your business and what you don't and consider selling or giving away what you don't need.

Be transparent with your team

In addition to ensuring that your team is safe and healthy during this time and are equipped to work from home, it is important to be as transparent as possible about the potential challenges that lie ahead. Things to consider:

- Keep the communication flowing: Productivity suffers during times of uncertainty as people are often fearful and distracted. As the leader, you can help avert that by constantly communicating with your team about what you are planning and how they can contribute where possible.
- Ask for suggestions: It is ok to not have all the answers as the 'boss'. Ask your team for suggestions for business continuity and alternative revenue streams. Remember two or three fingers are better than one!
- Prepare for the worst: I understand that the lack of unemployment safety nets and insurance in a lot of African countries makes it quite complex for businesses to layoff people. Think creatively about how you could extend your ability to provide financial support to your team. Are there people who can take unpaid leave? Could your team be open to getting paid less to ensure salaries can be afforded for longer?

We don't know how long this crisis will extend and these are important conversations to have with your team.

Self-care

Remember that none of this matters if you lose your mind and health in the process of trying to 'save a business'. You need to stay safe as the business' primary asset and incorporate as much self-care into your routine as possible. Some suggestions:

- Pause: Yes just pause. The world as we knew it has changed. That alone is reason enough to pause and just breathe. Deep hearty breaths as we navigate the new!
- Get support: This is not the time to try and be superhuman. We are in this together and we can all do with support, a sounding board or just an ear. Stay connected and be open to asking for and receiving support.
- Gratitude: If you are reading this, it means you are still here. That's something to be grateful for. Write down 20-50 things you are grateful for when you feel like it's all falling apart and see your energy shift.

ABOUT THE AUTHOR

Lelenba Phiri is the founder and principal of the Africa Trust Group

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