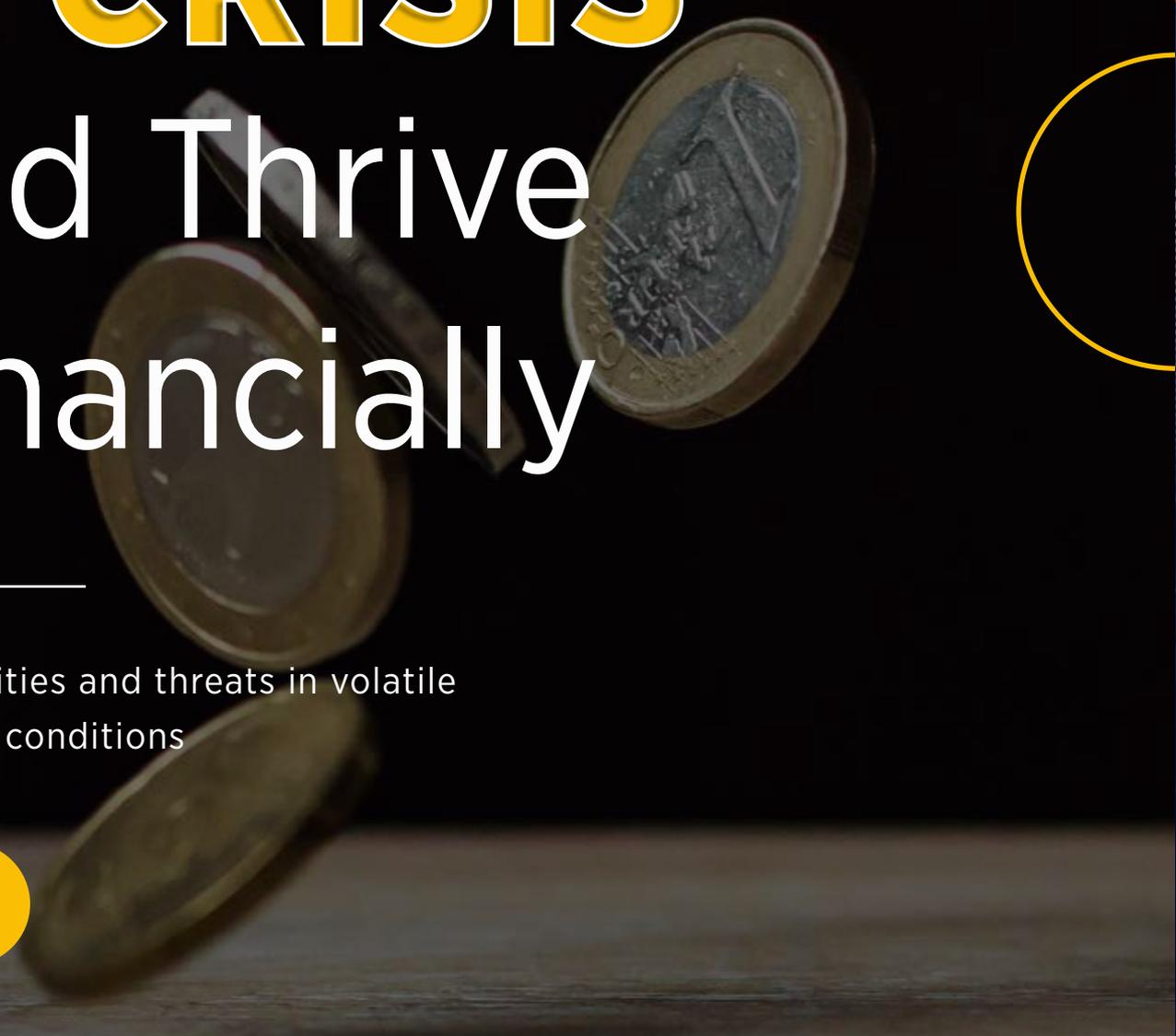


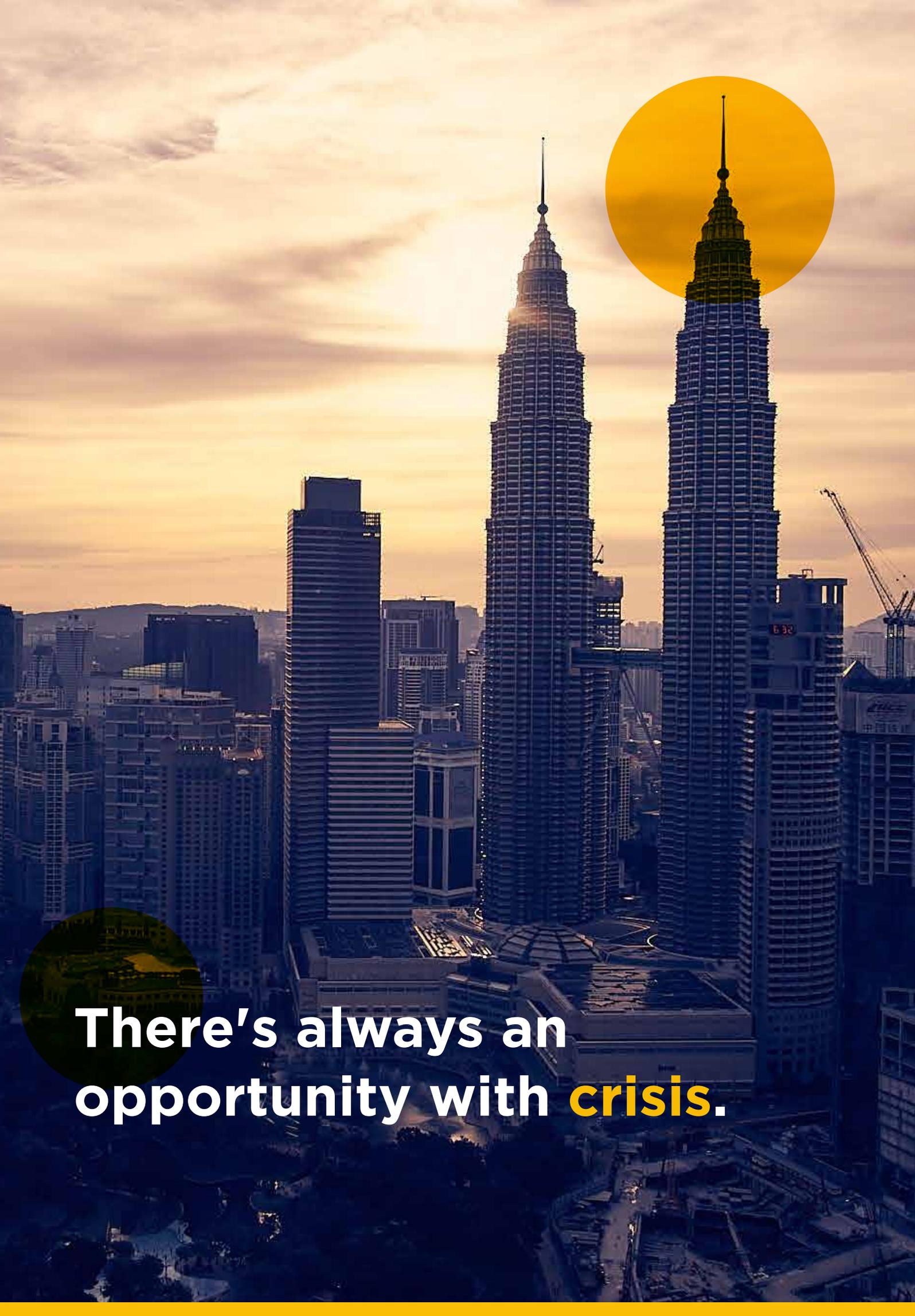


The Ultimate SME Guide to **SURVIVE A CRISIS** and Thrive Financially



Opportunities and threats in volatile
economic conditions





There's always an
opportunity with **crisis.**

Cash Flow Planning

The global outbreak of COVID-19 has led to a challenging time. Businesses of every shape and size face severe economic impacts. Here's what you can do to keep your money in your company and continue to thrive.

1 Review your finances meticulously.

- (a) Make sure you take time to calculate and collect overdue debts that may affect your business's cash flow.
- (b) Be honest with your clients and other debtors. Explain how it will impact your business if they further delay outstanding payments.
- (c) Offer incentives or rebates for clients for prompt or advance payment.
- (d) Discuss your outstanding payment terms with existing suppliers and vendors. (Remember that landlords get tax deductions if they reduce rent)

2 Embrace a change in your workspace.

- (a) Encouraging your staff to work remotely will save traveling costs and allowances. If managed well, it will also increase efficiency within your team.
- (b) Consider flexible workplace options. Coworking spaces and managed offices generally improve cash flow and reduce unnecessary capex
- (c) Digitize your organisation's work processes. Move your company's servers and files to the cloud, and automate as many work processes as possible.
- (d) Make sure to align all digital efforts across the team. Equip your staff with the right tools (i.e. Google Suite, Zoom, etc.) for them to be productive.

3 Apply for the available Covid-19 stimulus package funds and grants.

- (a) Check the website of the Prime Minister's Office of Malaysia to see what they are doing for SMEs.
- (b) The allocation for the wage subsidy programme is increased to RM13.8 billion from RM5.9 billion. This is to assist small and medium enterprises (SMEs) and their employees.
- (c) SME businesses who have seen their revenues decline by 50% or more since 1 January 2020 may apply for the wage subsidy programme.
- (d) Eligibility for the subsidy program will depend on the number of employees on the company's payroll:
 - (i) Companies that employ between 1-75 staff will receive a wage subsidy of RM 1,200 per local employee earning a monthly wage of RM 4000 and below. Companies that employ between 76-200 staff will receive a wage subsidy of RM 800 per local employee earning a monthly wage of RM 4000 and below.
 - (ii) Companies that employ more than 200 staff, will now receive a wage subsidy of RM600 per local employee earning a monthly wage of RM 4000 and below up to a cap of 200 employees (up from a previous cap of 100 employees).

4 Bank Negara Malaysia (BNM) is allocating financing facilities under BNM's Fund for SMEs to provide support for small-to-medium businesses in sustaining business operations, safeguard jobs and encourage domestic investments.

- (a) Full list here:

<http://smecorp.gov.my/index.php/en/initiatives/2020-03-31-00-53-27/relief-measures-for-smes-affected-by-covid-19>

5 The Inland Revenue Board has extended tax payment deadlines. Take advantage of this to better plan your company's cash flow. (Insert new deadlines here)

Business Model and Strategy

**“ With great power comes
great responsibility. ”**

Stay alert to emerging trends and patterns from the evolving situation. Consider these trends through the lens of your long term strategy.

1 If you've been looking to review or make big changes to your business, now is the best time to do so.

- (a) Align your corporation's priorities with investors and shareholders.
- (b) Increase your investment in selling online. If you are not selling online, you should immediately do so.
- (c) Reach out to your current and potential customers online. Establish your positioning within their mind.
- (d) Improve and optimise your website and digital channels.
- (e) Explore different ways to deliver your products or services to your customers. Reach out to your current and potential future customers.
- (f) Revisit your company's organisational structure and employee job scopes. Make adjustments as needed.
- (g) Brainstorm ideas and strategies with your team to keep the ball rolling. Lockdowns are temporary. Tough times don't last.



2 Strengthen relationships with your vendors, partners, and clients. Continue to expand your network.

- (a) While staying at home, take this time to reach out to your contacts that have been out of touch.
- (b) Everyone has a lot more time in their hands now and are eager to connect. Now's the best time to discuss new partnerships or collaborative opportunities.
- (c) Offer free consultations and a safe space for clients to have constructive discussions.
- (d) Leverage each other's resources by discussing future projects and collaborations.
- (e) Consider joining a coworking space. It's a great place to build your network with people from different career backgrounds.
- (f) Review existing resources such as your assets, skills, equipment, and team players.



3 Turn expenses into revenue.

- (a) Use technology to cut administrative costs.
- (b) Share your workspace and facilities by leasing your own office to other businesses.
- (c) Brainstorm creative terms with your suppliers.
- (d) Instead of paying raises, offer your workers value-adds. This may include flexible working hours or greater autonomy.
- (e) Divert employees who are unable to work to assist in other departments and/or job scopes.

If your business can still operate, explore adjacent markets that you can expand in.

Team and Personal Growth



Think of it as rowing a boat.

If everyone's in sync, you'll move forward smoothly and quickly. If someone moves too slow or even too fast, the whole boat would go off course.



Besides focusing on new business approaches, take good care of your team. This is a good time to focus on personal growth for you and your employees.

1 Becoming an effective coach can boost employee experience and engagement significantly.

- (a) Make time to train your employees on mastering new skills and capabilities. This is better than telling them outright what to do.
- (b) Allow room to learn and grow by providing learning materials.
- (c) Get everyone aligned with your company's vision and mission statement.
- (d) Set the right mindset for your team to adjust to corporate changes. Remind them to seize opportunities as they appear.
- (e) Allow room to learn and grow by providing professional learning materials.
- (f) Enhance cross-departmental collaboration. Give employees opportunities to learn about other parts of the business. Encourage empathy among teammates.

2 An employer oversees all the activities within the company. To get through the crisis, it is most important to stay calm and have an open mind.

- (a) Things will change after this virus outbreak. This includes people's behaviour, new economic demands, and the way that people work. Plan ahead on how this changes your business.
- (b) Have an open mind to observe new demands within the market and shape new business models.
- (c) You'll only be able to have a clearer vision and see new opportunities, insights and solutions when you're calm.
- (d) Managers who stay calm instead of being impulsive are more likely to inspire trust and
- (e) loyalty from their team. No matter the issue, their team knows they can always rely on their leaders to find a way forward.
- (f) Remember to meditate, be mindful and take care of your mental health at all times.



Alone we can
do so little;
Together we can
do so much.

Everyone's Responsibility

How you respond to your company's progress is important. But do not neglect your own responsibilities as an individual.

1 Know when to seek medical attention. If you develop emergency warning signs for COVID-19 get medical attention immediately. Emergency warning signs include:

- (a) Trouble breathing
- (b) Persistent pain or pressure in the chest
- (c) New confusion or inability to arouse
- (d) Increase in temperature
- (e) Chesty coughs
- (f) Bluish lips or face

2 Practice cleanliness precaution tips.

- (a) Clean your hands often.
- (b) Avoid close contact with other people.
- (c) Cover your mouth and nose with a cloth face cover when around others.
- (d) Clean and disinfect your house and belongings frequently.
- (e) Keep your supervisors and HR personnel informed of your recent travels and whereabouts. Respect self-quarantine measures.



3 Practice cybersecurity tips

- (a) Know your organization's telework policies.
- (b) Use Virtual Private Networks (VPN) when necessary.
- (c) Update your router's software, secured with a lengthy and unique passphrase. Think before you click. Avoid downloading or clicking on unknown links in emails.
- (d) Guard your devices by not leaving your laptop, tablet or cellphone unattended. Avoid entering passwords where others can see too.
- (e) Create strong passwords when you sign up for anything. Include a mix of upper and lowercase letters, numbers and symbols. Make them difficult enough that someone can't guess them.
- (f) Encrypt your email.
- (g) If you need technical support, contact your organization's IT department. Don't try to fix technical issues yourself.

4 Last but not least, remind yourself to always support everyone around you.

- (a) No man or woman is an island. Remember that a business is like an ecosystem. No business will thrive alone if the tribe's not doing well.
- (b) Often times, the solution to your problems lies in solving others' problems.
- (c) Focus on helping others solve their problems, and you will find your problems going away.
- (d) We are all in this together, and if we work together, we can weather this storm.



What We Do

We build **managed offices** that are fully equipped and catered from sourcing the property to the workplace's design, fit-out, and daily operations, all tailored based on your corporate's brand, needs and interests.

H Space believes in creating comfortable and healthy workspaces to increase your wellbeing and productivity. With a seamless user experience, we offer services from personalized managed offices, flexible coworking spaces and also event and meeting spaces.

We provide the exceptional service we'd want to experience ourselves. So contact us now; we'll be on standby to answer your questions.



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