COVID-19 response: Companies can draw on seven sets of immediate actions.

1. Protect employees
   - Follow the most conservative guidelines available from leading global and local health authorities (eg, CDC, WHO)
   - Communicate with employees frequently and with the right specificity; support any affected employees per health guidance
   - Benchmark your efforts (eg, some companies have started to curb nonessential travel)

2. Set up cross-functional response team
   - Overall lead should be at the CEO or CEO-1 level; team should be cross-functional and dedicated
   - Create 5 workstreams: a) employees; b) financial stress-testing and contingency plan; c) supply chain; d) marketing and sales; e) other relevant constituencies
   - Define specific, rolling 48-hour and 1-week goals for each workstream based on planning scenario
   - Ensure a simple but well managed operating cadence and discipline that’s output and decision focused. Low tolerance for “meetings for the sake of meetings”
   - Present minimum viable products: a) rolling 6-week calendar of milestones; b) 1-page plans for each workstream; c) dashboard of progress and triggers; d) threat map

3. Test for stress, ensure liquidity, and build a contingency plan
   - Define scenarios that are tailored to the company. Identify planning scenario
   - Identify variables that will affect revenue and cost. For each scenario, define input numbers for each variable through analytics and expert input
   - Model cash flow, P&L, and balance sheet in each scenario; identify input-variable triggers that could drive significant liquidity events (including breach of covenants)
   - Identify trigger-based moves to stabilize organization in each scenario (A/P, A/R optimization; cost reduction; portfolio optimization through divestments, M&A)

4. Stabilize the supply chain
   - Define extent and timing of exposure to areas that are experiencing community transmission (tier-1, -2, -3 suppliers; inventory levels)
   - Immediate stabilization (ration critical parts, optimize alternatives, prebook rail/air-freight capacity, use after-sales stock as bridge, increase priority in supplier production, support supplier restart)
   - Medium/longer-term stabilization (updated demand planning and network optimization—solve for cash, accelerate qualification for alternative suppliers, drive resilience in supply chain)

5. Stay close to customers
   - Immediate stabilization (inventory planning, near-term pricing changes, discounts)
   - Medium/longer-term stabilization (investment and microtargeting for priority segments with long-term growth)

6. Practice plan with top team through in-depth tabletop exercise
   - Define activation protocol for different phases of response (eg, contingency planning only, full-scale response, other)
   - Key considerations: clarity on decision owner (ideally a single leader), roles for each top-team member, “elephant in room” that may slow response, actions and investment needed to carry out plan

7. Demonstrate purpose
   - Support epidemic efforts where possible

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