

It's time to rethink strategy to realise your ambitions

Tough events such as the pandemic and Brexit might need firms to take a new approach

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The uncertainty about the virus, coupled with the complexities of Britain's departure from the European Union, leaves business leaders spinning a number of plates as we approach the end of the year.

With positive news about vaccines, a slim majority of the 500 mid-sized firms we polled in November said they felt more optimistic about the economic recovery, but current tier restrictions designed to prevent a third wave of Covid-19 infections were their most immediate business concern.

Some in the highest tier find themselves back in the position they had been in late March: unable to trade and placing staff on furlough.

But others are in a better place. Many of these companies used the summer to plan their response and rethink their commercial assumptions, operations, routes to market and cost base. In acting decisively, they moved from survival mode into putting their best foot forward, deploying new ways of working and doing business that made them more resilient.

For owner-managers, black swan-style events such as the pandemic can be particularly challenging. A threat to their business is a threat to them personally. And when it becomes personal, thinking strategically can be more difficult.

Seeing this happen during the first lockdown, we created a model that helps owners and management teams map out a practical response: moving



Logan Plant of Beavertown (No 65) at the brewery's new site in north London

from simply surviving to building resilience and then on to future success.

We call it our "rethink" model, and it has three phases: react, resilience and realise. All the companies on this year's Fast Track 100 will have gone through the first phase in March as well as, more recently, for the local restrictions and national lockdowns.

Management had to focus on employee wellbeing, customer retention, stabilising operations and protecting their infrastructure. Finance teams quickly assessed liquidity and cashflow, and then acted to ensure that businesses did not run out of cash as revenues fell.

Decisions had to be made quickly. For example, Susie

Ma, founder and chief executive of Tropic Skincare (No 49), ran a community of 30,000 brand ambassadors that sold her beauty and skincare products at in-person "pamper experiences". Social distancing made this model unworkable, so she had to pivot. Tropic quickly provided its ambassadors with the tools to start selling

to customers online, while investing more in its own e-commerce and marketing on social media.

Her pivot will be used for the foreseeable future while the pandemic unfolds, with e-commerce providing an important new route to market for both her ambassadors and head office, and moving Tropic to our next phase: resilience. Here, companies embed the changes they have made, and are focused more closely on productivity and fine-tuning their operations and offer to customers to match market conditions.

Like Ma at Tropic, Logan Plant, founder and chief executive of Beavertown Brewery (No 65) had seen his most important route to market – pubs and bars – vanish overnight. Such sales accounted for 85% of his £35.2m revenues in the year to March.

His response was to open up new long-term sales channels, by selling direct to consumers and by expanding

his base of retail partners. Both moves will make Beavertown more resilient.

Underlining his renewed confidence, he opened the company's 129,000 sq ft Beaverworld brewery in north London in August – the capital's largest. It will see up to 150 jobs created and allow the brewer to deliver 90 million pints a year, 10 times more than before. Logan said: "We could not be more excited that it's now up and running. With Beaverworld we're expecting to create our own lasting legacy."

Plant is changing his business to succeed, and that is at the heart of our third phase: realise. Few firms responding to the pandemic have reached this level yet, but it is about succeeding in the "new normal". To do so, companies will need to focus on improving their employees' skills, securing growth financing and further adapting how they acquire customers.

Such structured thinking

can be applied to any challenge, not just the pandemic. Take Britain's exit from the EU. A deal is on the cards – but companies that trade overseas need to act, whatever the outcome. At a minimum, they need to register as a British economic operator, to appoint a customs intermediary to make declarations on their behalf, to be able to classify their goods correctly using the new UK tariff, and to understand what licences they need to trade in EU countries. There is a huge range of tax and cashflow issues, and our experts can provide specific advice – because the first six months are going to be difficult.

Indeed, while the road will be full of pitfalls, we are confident that for every obstacle, Fast Track 100 companies will seize opportunities and continue to grow.

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