



## **HFDA Academy: New View**

### **Business development in a changing environment**

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The coronavirus epidemic has caused unusual, unprecedented and difficult life situations for everyone, including placing businesses in previously unknown situations even in a commercial sense. Due to the changing economic environment, all economic actors need to be up-to-date in order to overcome the obstacles they are facing. The question is, what can SMEs do in the current situation to remain viable?

#### Showing Attention & Communication

A flow of continuous communication with employees is now more important than ever: employers should handle this as a priority and should make it understandable with their employees how the virus situation affects them. When possible, companies should provide assurance to employees about what type of support they can expect from the company during this difficult period. In times of crisis, the biggest commodity is trust – and nothing reflects this better than the attitude of consumers, who now have an even greater need for information, which should include measures taken to combat the virus and - last but not least - proposals on resolving the situation.

Social media can be an excellent platform for this, which is also suitable for gathering customer ideas. It is important for companies to know if their consumers are actually buying - and if so, what can be sold to them. After gaining this information, you may want to consult with suppliers, who may be prone to making too many promises which they might not be able to keep. Another issue we must not forget in these times is the substitutability of cash: keep in mind that not all transactions are completed in cash - barter, for example, were created by products and services! In the event of a cash shortage, it's something worthwhile to remember.

#### Preserving liquidity

Reviewing daily and weekly liquidity plans are required to keep a business up-to-date in the currently changing economic situation. This can be facilitated by companies in a number of ways - by requesting shorter payment deadlines from customers, or to request the easing of payments from suppliers, and by ensuring that liquidity is maintained by securing incoming items. On the positive side, by rescheduling investments and rethinking available resources, the situation the business is in can be exactly seen, and also what steps can be taken to keep operations running.

## Preparation and implementation of entry into the international market

Entering the international market requires special expertise, knowledge and a network of contacts. Obtaining these assets can be difficult for most SMEs, as well as setting up the organisational and operational processes required for export on their own. Connecting to global creative platforms can provide a solution to this problem. Due to the high cost and significant risks of entering the market, SMEs need external support services, however, due to the positive economic, technological and social effects of their success in foreign markets, State involvement is also justified in creating measures to support the steps of international expansion.

## Making downtime productive

“Observing, thinking, evaluating, and testing - this is the key to spending downtime productively. There is a greater need now more than ever to forget old routines and instead look for new possibilities. Future winners don't want to continue their past operations in a linear way, but instead formulate new visions and new goals with divergent thinking, i.e. they are brave, and dare to step out of their usual business process. It's worthwhile to think about developing new services or processes involving employees that there was no time for previously.

## Changing consumer habits

In the state of an emergency, many different changes have to take place, including in the area of shopping habits. In times like these, it is not only recommended - but also in the common interest of everyone - to go out on the streets as infrequently as possible and to try to make only absolutely necessary purchases in the shortest possible time. If possible, orders should be placed online to avoid personal contact.

## What kind of help can SMEs expect?

The Government's multi-stage economic action plan seeks to mitigate the negative effects of the current virus situation in various ways, covering several areas at once - reducing administrative burdens by extending tax filing deadlines, helping businesses by tax and levy reductions, and supporting those affected most by the pandemic with favourable loans and capital programs. The sectors most affected include construction, transport, logistics, tourism, the creative industries, the health industry, and the food industry. The current situation requires companies to constantly monitor the measures announced by the State and to learn in detail their rules in order to adapt to them in their operations.

## Finding an advantage in the disadvantage

The winners of the upcoming period will be those who don't want to continue their previous operations in a linear way, but after the crisis, instead set a new vision and new goals for themselves. Those, who dare to step out of their usual business process and don't just contemplate on these measures but actually take action. The winners of the future will rise from those who can carve an advantage from the disadvantage, and an opportunity from the risk.