

# COVID-19 BEST PRACTICES PRINCIPLES



Together with members of the Holland Fintech ecosystem, we convened a digital roundtable discussing the effects of COVID-19 on business practices for those in the financial value chain. Below are some best practices recommendations and flowed forth from the discussion and presentations, created as a general guideline or reference for others in the ecosystem.



## Define your Normal

### 1. Address your immediate challenges

Make a plan of what your most pressing challenges will be – and which different stakeholders face which challenges. This can be in liquidity management, HR, customers, partners and technological requirements. Make sure that this mapping does not only highlight challenges – but also look at ways to mediate their effects, and make sure people come first.

### 2. Set goals for the future

Compliment your challenges plan with a plan on how you want to emerge from the COVID-19 pandemic period. Set milestones on how you want to use this time to accelerate innovative or digital offerings that you may have been working on already.



## Risk/Effect Mitigation

### 3. Near term Challenges – Cash Management

Define scenarios that fit within your company's context. Identify your critical variables that will impact your revenue and costs, and use financial modeling to identify triggers that could adversely affect your position. For each trigger, you should look at a stabilizing factor to help your situation.

### 4. Near term Challenges – General Resilience to knock-on effects

The way that the COVID-19 pandemic will play out remains unclear on many fronts. One thing that is certain is that the business and economic environments will look very different. Ensure that you are able to pivot quickly to meet a completely new market.



## Return to normal

### 5. Have a plan ready on how you will scale back to normal

Define scenarios that fit within your company's context. Identify your critical variables that will impact your revenue and costs, and use financial modeling to identify triggers that could adversely affect your position. For each trigger, you should look at a stabilizing factor to help your situation.

### 6. Have a plan ready on how your normal will need to be adjusted according to several different scenarios

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## Rethink your angle

### 7. What will the new regulatory landscape look like? Will I still fit into it?

Stay abreast with regulatory developments and political statements. Shifts in demand, surging popularity of technologies that float to the top will elicit a regulatory response – meaning you may be less able to offer products and services that you are used to. Map out what extra compliance burdens you may have to contend with.

### 8. What will the new competitive landscape look like? Will there still be a level playing field?

We are likely to see consolidations in the Financial Technology Market. Use your business and market intelligence to determine which competitors might M&A and become super-competitors, or which left field players might partner with an existing provider to offer the product or service from a completely different angle. Determine if your company should remain independent, or leverage on new partnership opportunities and act accordingly.



## Transform yourself

### 9. Have an idea of what you think the new normal could look like for you.

Be creative – determine what it would take to lift your product or service to the next level, build in a test track for new technology or processes where possible.

### 10. Create a roadmap for institutional change – not necessarily what, but how. Become agile.

All sectors, especially those heavily reliant on technology, are going through unprecedented acceleration within the 4th industrial revolution. Make sure your company is able to keep up and can continue to react, adapt and lead with swiftness and ease. Invest in agile business models and work models that allow resources to be deployed quickly and effectively. Do not silo workers, but concentrate on units that provide specific skills that can be deployed to assist in project management.