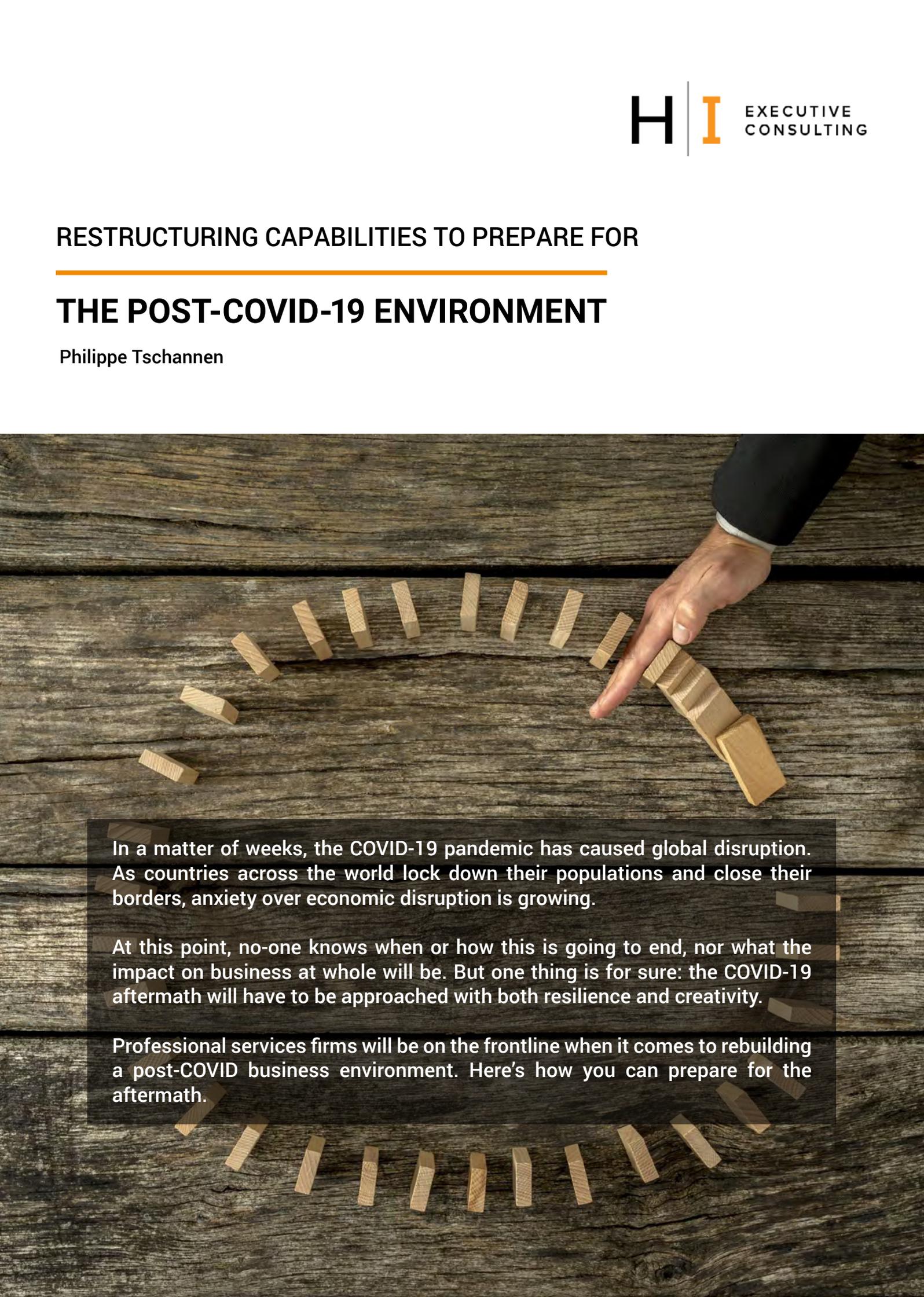


RESTRUCTURING CAPABILITIES TO PREPARE FOR --- **THE POST-COVID-19 ENVIRONMENT**

Philippe Tschannen

A hand in a dark suit sleeve is shown stacking several light-colored wooden blocks on a dark, textured wooden surface. The blocks are arranged in a semi-circle, with some already stacked and others being placed. The background is a close-up of the wooden surface.

In a matter of weeks, the COVID-19 pandemic has caused global disruption. As countries across the world lock down their populations and close their borders, anxiety over economic disruption is growing.

At this point, no-one knows when or how this is going to end, nor what the impact on business at whole will be. But one thing is for sure: the COVID-19 aftermath will have to be approached with both resilience and creativity.

Professional services firms will be on the frontline when it comes to rebuilding a post-COVID business environment. Here's how you can prepare for the aftermath.

Be Aware That Recovery May Come Along Earlier Than Expected

Two months after the initial outbreak, China appears to have the epidemic under control, with the national economy already showing signs of recovery. According to HBR figures, movement of both people and goods as well as production is slowly resuming, while real estate transactions are starting to bounce back.

While economic impact in other nations cannot be forecasted based on the Chinese experience alone, it should be taken as an indication that businesses need

to start planning for recovery now. Implementing new policies takes time, and recovery planning needs to be integrated into ongoing crisis management.

As the initial panic subsides, businesses are beginning to focus on long-term preparations, and it's here that consultation with advisors really comes into its own. Ultimately, expert advice will make the difference between a soft and a hard landing in the wake of the crisis.



Start Planning For Evolving Client Requirements



“ Diversity and ability to adapt will be crucial. ”

Airline safety procedures instruct passengers to put on their own oxygen masks before moving to help others, and for good reason. Firms that take steps to ensure they're ready to weather the storm will be ideally positioned to provide the best possible services to their clients.

The professional services industry has grown considerably in the 12 years that have passed since the last major financial crisis. Analysts estimate that

as with the 2008 crash, there will be considerable impact, with the European consultancy market slower to recover from this crisis than in the US one, and the Asian market likely to fare relatively well. But firms fearing a sharp drop in consultancy demand similar to that of 2008 will be reassured to know that recent research has shown that markets tend to rebound relatively easily following epidemic crises.

If this analysis is correct, clients are likely to delay large-scale transformation projects (but importantly, without cancelling them altogether) while implementing short-term crisis response measures. Consulting firms would do well to strengthen existing teams and build competencies in anticipation of evolving client requirements. Diversity and ability to adapt will be crucial.

Focus Competencies On Priority Response Areas

There are several areas in which businesses will be in need of expert advice in the midst and in the wake of the COVID-19 crisis. As a professional services firm, your expertise is most likely to be required in the following:

In the Short Term

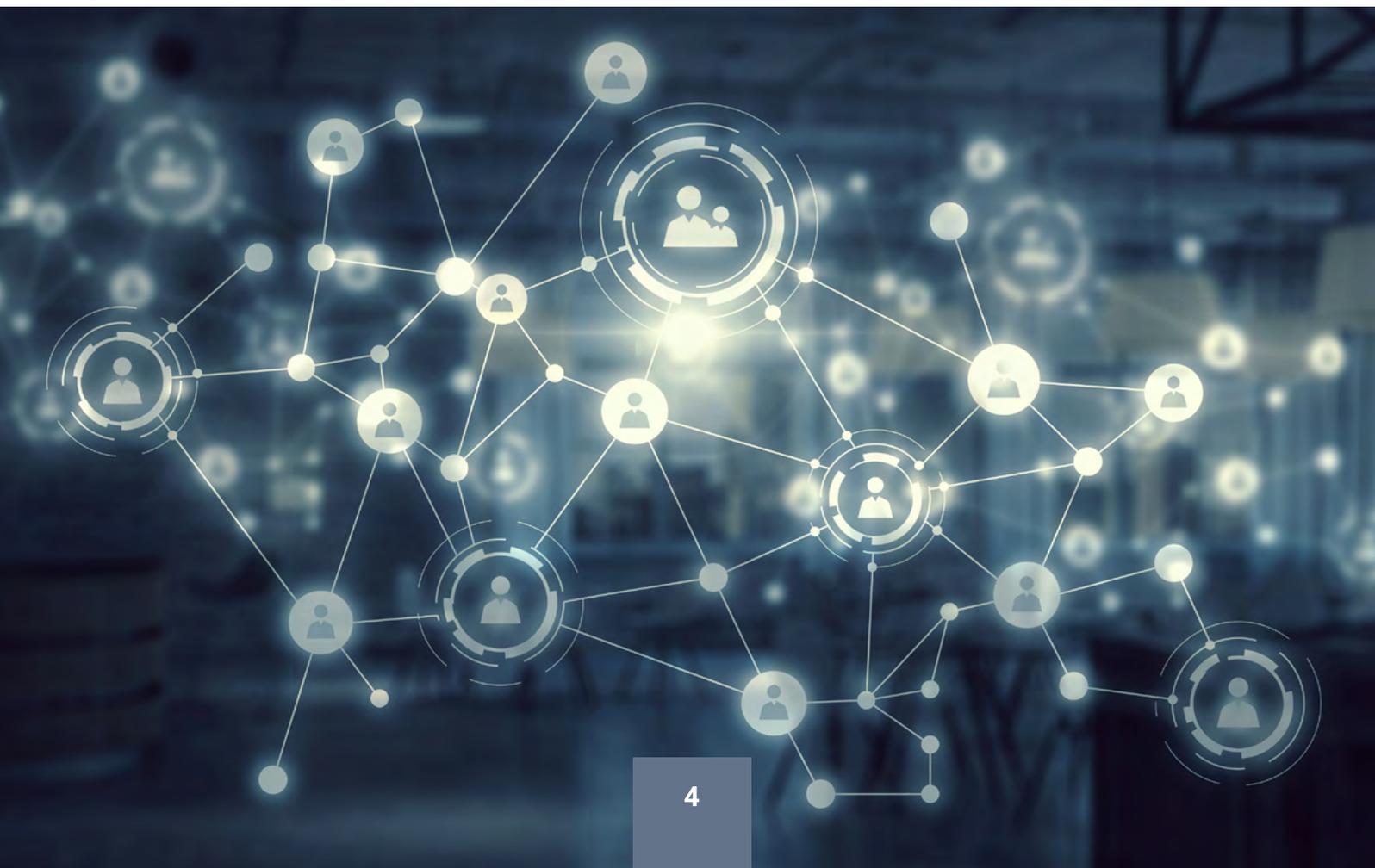
As the situation unfolds, companies are most likely to require expert input when it comes to task force development, and crisis management coordination, as well as contingency planning for supply chain disruption. Downsizing and layoffs are also likely to be a primary focus for companies at this point.

Consultancy firms can furthermore expect Boards of Directors to reach out for advice when it comes to the delicate art of balancing divergent stakeholder interests.

In the Mid to Long Term

The post-Covid-19 environment will most likely see PSFs be called upon to provide workforce coordination and design alongside business continuity planning services. Furthermore, digital is likely to become a driver for consulting spend, with businesses increasingly aware that digitisation is key for post-crisis survival. Digital transformation projects that were in the pipeline before the outbreak are likely to be infused with new momentum in the months following the end of the current crisis.

The Covid-19 crisis is likely to bring profound changes to both our businesses and our societies, but with companies asking themselves how to deal with the economic upheaval, consultancy services are likely to remain in demand. The ability of PSFs to weather the storm will reside in their capacity to plan ahead and adapt to evolving client requirements.



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At HIEC, we are devoted to connecting the world's leading corporations, Private Equity, and Venture Capital portfolio firms with the new wave of leaders to help our clients scale and win in the digitized economy.

Operating across 13 offices in North America, Europe, Middle East and Asia Pacific, unified by one global P&L and delivery model, we have cultivated a new professional standard that challenges the competitors in our field. Our agile, borderless team structure enables us to deliver bespoke services from an integrated group of consultants working as one team focused on one goal: to deliver exceptional services and outstanding results in our clients' best interests.



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