



**MARRINER S. ECCLES INSTITUTE FOR
ECONOMIC AND QUANTITATIVE ANALYSIS**

THE UNIVERSITY OF UTAH

DAVID ECCLES SCHOOL OF BUSINESS

NAVIGATING COVID-19 **How to Save Your Business**



**Moderated by
Steve Alder, Ph.D.**

Health Ecologist, University of Utah

How Can You Get Your Business BACK TO WORK?

GEORGE S. AND DOLORES DORÉ ECCLES
FOUNDATION

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THE
CYNOSURE
GROUP



Taylor Randall

Dean, David Eccles School of Business
University of Utah



Mike Leavitt

Former Secretary of Health and
Human Services

Former Governor of Utah

Summary of Key Action Items

1. Start thinking about COVID-19 as a long-term risk that needs to be managed, not a short-term issue that can be solved
2. Our social distancing strategies are working. We are out-performing the models. We can't stop social distancing too early or too late.
3. Act promptly, even if not perfect – iterate as required
4. Utilize the resources available – CARES Act, Credit Partner
5. Communicate frequently with key stakeholders
6. Look for ways to adapt your business as you prepare for a new normal





Steve Alder, PhD

Health Ecologist
University of Utah

Agenda

Description	Presenter
Welcome	Taylor Randall
Summary of Key Action Items	Mike Leavitt
What do we know about how COVID-19 is transmitted?	Steve Alder David Eccles School of Business
What risks do I have bringing people back to work?	Dale Sanders CTO, Health Catalyst
How do I use the new color-coded health guidance system?	John Poelman Leavitt Partners
Panel Discussion: How has your business adapted to keep employees and customers safe? John Garff, Ken Garff Automotive Bob Nilsen, Nilsen Ventures, Sidecar Doughnuts/Cafe Rio Bryce Jolley, Jolley's Gifts, Floral & Pharmacy	Moderator: Andrea Thomas David Eccles School of Business
Audience Q&A	Steve Alder

Audience: Ask Questions Using Chat



COVID-19 Spread, Prevention and Response

- Close contact (< 6 feet) with an infected person
- Respiratory droplets from a cough, sneeze or even when someone is talking
- Touching a surface or object with virus – then touching mouth, nose or eyes
 - SARS-CoV-2 may live on surfaces for a few hours to even a few days
- Prevention
 - Social distancing – stay away or stay apart
 - Personal barriers – protecting others vs. protecting self (gloves, masks, PPE)
 - Environmental considerations – create a low-risk environment
 - HAND WASHING
- Business Response
 - Have a clear plan
 - Communicate regularly (and electronically when possible)
 - Rearrange – work location, workplace layout, schedules
 - Reduce exposure to risks – such as avoiding unnecessary travel
 - Know what to do if someone in the workplace is suspected of being infected



Dale Sanders

Chief Technology Officer
Health Catalyst

Return to Work: The Data of COVID-19 Risk Management

- A turning point in world-wide data awareness
- The data is confusing and messy... but it will get better as will your ability to make sense of it for your business
- My odd background, oddly fits this odd situation
- Health Catalyst is at the center of the COVID-19 data and analytics environment... Utah-based, 900 employees, serving healthcare systems in 47 states, caring for ~200 million patients
- Critically important, missing and/or unreliable data
- Testing data: False positives & false negatives
- Contact tracing data: Privacy vs. Social Good
- Google/Apple project
- **Risk = (Probability of Infection x Consequence of Infection) ÷ Effectiveness of Mitigation**

Return to Work: The Data of COVID-19 Risk Management

- Zero risk is impossible... what's acceptable Risk?
 - Probability of Infection: Differs by industry segment
 - Mitigators: Consumer PPE, quarantine of infected patients, social distancing, immunity, vaccine, medication
- Consequences of Infection: Differs by employee type
 - Death, long term or permanent disability, unemployment, financial expense of recovery
 - Mitigators: Therapies, vaccine, genetics/physiology, age, absence of underlying conditions
- We can lower risk to an acceptable level and get Utah back to work with industry-specific guidance for Mitigation, while we in the healthcare industry analyze data to develop vaccines and better therapeutics



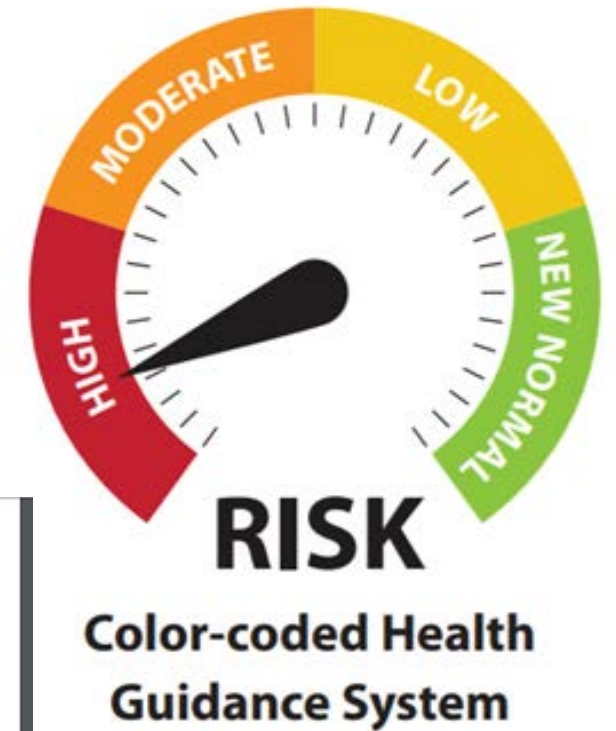
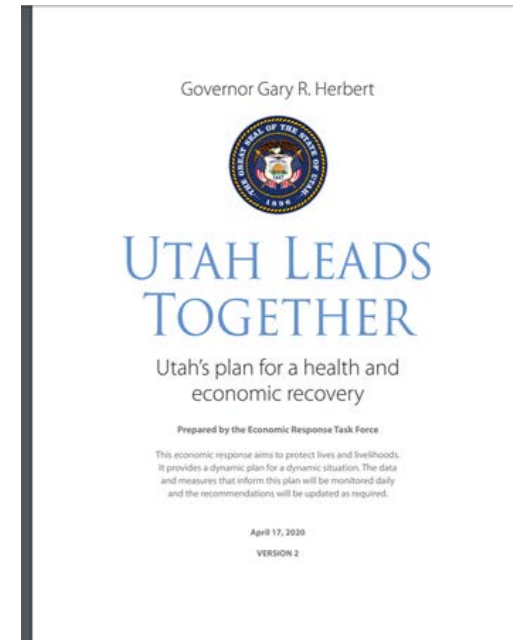
John Poelman

Senior Director
Leavitt Partners

Color-coded Health Guidance System

- **General guidelines for employers and specific industries**

- Restaurants and food services
- Retail
- Hospitality
- Events and entertainment
- Personal services
- Home repair
- Gym & fitness centers
- Construction
- Day care
- Healthcare
- Visitors
- Outpatient
- Surgery/procedures
- Coming soon: dentistry, veterinarians, other



Social Guidelines

- How to use it – Download the Phased Guidelines for Business Addendum
- Check your county website for localized guidelines

High Risk	Moderate Risk	Low Risk	New Normal Risk
• General public takes extreme precautions • 6 feet social distancing • Leave home for essentials only • Limit to groups of 10	• General public takes extreme precautions • 6 feet social distancing • Leave home infrequently • Limit to groups of 20	• General public takes reasonable precautions • 6 feet social distancing • Limit to groups of 50 • Limit travel	• General public takes reasonable precautions • No group limits

Download at [**coronavirus.utah.gov/Utah-leads-together**](https://coronavirus.utah.gov/Utah-leads-together)

General Employer Guidelines

High Risk	Moderate Risk	Low Risk	New Normal Risk
Employers exercise extreme caution, with employees working remotely, evaluating workforce concerns, and enacting strategies to minimize economic impact. Businesses that necessitate on-site work should monitor workforce for symptoms and well-being	Employers exercise extreme caution, with employees working remotely, evaluating workforce concerns, and enacting strategies to minimize economic impact. Businesses that necessitate on-site work should monitor workforce for symptoms and well-being	Employers encourage flexible working arrangements (rotating shifts, remote work, etc.) Comply with distancing guidelines. Increased cleaning regimen of high-touch areas. Monitor employees for symptoms and well-being	All businesses are open and operating under stricter hygiene and cleaning regimen. Monitoring health of workforce and customers

Download at coronavirus.utah.gov/Utah-leads-together

Industry Example: Restaurant & Food Service

High Risk	Moderate Risk	Low Risk	New Normal Risk
Takeout, curbside pickup or delivery only. Extreme caution taken in food preparation. Physical distancing maintained. Contactless payment encouraged. Create safe environment for staff	Takeout, curbside pickup, or delivery options encouraged. Dine-in services allowable with extreme precaution, following strict guidelines around physical distancing and staff monitoring. Contactless payment encouraged. Create safe environment for staff	Dine-in service opened, with tables arranged so there is appropriate distance between diners. Increased hygiene practices for customers and staff	Dine-in restaurants operating under proper safety precautions for staff and customers

Download at coronavirus.utah.gov/Utah-leads-together



Andrea Thomas

Professor of Marketing
Assistant Dean of
Undergraduate Studies
David Eccles School of Business
University of Utah

Panel: Adapting to keep employees and customers safe



John Garff

Ken Garff Automotive



Bob Nilsen

Nilsen Ventures

Sidecar Doughnuts/Cafe Rio



Bryce Jolley

Jolley's Gifts, Floral & Pharmacy

NOISE vs. CLARITY

NOISE

An incredibly fluid and dynamic situation (means that, by definition, discrepancies abound everywhere, so expect it!)

- medical experts, governments (worldwide, national, state and local), CDC, news, etc.
- UT vs. CA, NY, MI and other states

What news is credible vs. talk show / tabloid?

“Facts” vs. “Science”: in an environment where we are still understanding the “Science” means that there are very few or reliable “Facts”

Individual opinions, perceptions and expectations are constantly changing and difficult to manage

Data input overload...easy to get distracted

CLARITY

1. **Focus on what you can control**
2. **Err on the side of having an abundance of caution**

FOCUS ON WHAT YOU CAN CONTROL

1. Leadership Matters

- ✧ Two guiding principles communicated to 4,500 employees on March 3rd
 - ✧ Employee and Customer Safety #1
 - ✧ “Fight Like Hell to Keep the Doors Open” #2 (employee paycheck security; sense of normalcy; sense of focus and clarity)
- ✧ Optimism, Realism, Transparency, Certainty, Urgency, Clarity, Calm, Execution...

2. Daily Communication

- ✧ 9a-11a call with RVPs and VPs (7 days/wk); RVP calls with each general manager (1v1) - 7 days/wk (UT, MI, IA, NV, CA, TX)
- ✧ JIT Learning – to iterate successes and failures

3. Daily KPIs - measured by category and across 52 locations

- ✧ Sales, service, HR, opportunities, appointments, call center volumes, parts, used car values, cash, and 12 balance sheet metrics.

4. Manage Employee Perception and Expectation...adapt daily

- ✧ New Covid Policies: are the guide and new normal
- ✧ Max Flexibility: store managers are empowered to be additive (eg provide masks); to override to unique situations (adapt 1v1).
- ✧ Back-U-Up paycheck guarantee

5. Manage Customer Perception and Expectation...adapt daily

- ✧ Pick-up and delivery (service)
- ✧ Disinfecting and sanitization services for customer cars (service)
- ✧ Online transactions with multiple delivery options (sales)

How to Save your Business and Get Back to Work



ERR ON THE SIDE OF HAVING AN ABUNDANCE OF CAUTION WITH EMPLOYEE AND CUSTOMER SAFETY (PRIORITY 1)

Employee and Customer Safety: What **URGENCY** and **CLARITY** looked like during our weekly Executive Meeting held on Monday, March 2nd

Urgency Example #1 – March 2nd (CA- total 48 cases; No cases yet in UT, NV, TX, MI, IA)

- ✧ March 2nd Employee memo: wash hands hourly, social distancing, don't touch face, hourly store cleaning in high touch areas, hand sanitizer stations, gloves for employees, best practice for pens and other multi-touch items, etc.
 - ✧ Daily Accountability and Enforcement
- ✧ New or Adjusted Policy Changes (All distributed to employees by Friday, March 6th):
 - ✧ New Travel Policy: CDC foreign country watchlist and Cruise Ship travel
 - ✧ COVID-19 Paid Leave Policy
 - ✧ Relaxed Attendance Policy
- ✧ PPE Sourcing (both corporate and local store sourcing): hand sanitizer, gloves, masks, cleaning supplies, plastic shields.
 - ✧ PPE Memo – currently being researched are non-touch temperature checks & onsite testing

Urgency Example #2 – March 12th Work From Home Accommodations

- ✧ Governor Herbert's Press Conference Thursday, March 12 @ 1p - asking employers to offer work from home solutions where practical
 - ✧ by 4p...6-of-8 VPs had provided us a revised work from home schedule on a person-by-person and departmental basis
 - ✧ March 13th AM: All 8 VPs met with each department to implement the new work-from-home schedule - about 75% of our 200+ person corporate office working from home within 1 business day. About 90% @ home within 3 business days (and 90% still working from home as of today).

“FIGHT LIKE HELL TO KEEP THE DOORS OPEN” (PRIORITY 2)

Business Survival: What URGENCY and REALISM looked like for us from March 2nd - Present

- ✧ Hiring freeze, cap ex freeze, reduced advertising 60%, vendor discounts, Bank concessions (90 days of real estate principle amounts pushed to end of the loan, interest deferral to be paid by year end), etc.
- ✧ Daily KPIs measured by category and across 52 locations
 - ✧ sales, service, HR, opportunities, call center volumes, appointments, parts, used car values, cash and 12 balance sheet metrics.
- ✧ Financial modeling for worst case scenarios (started in mid-march);
- ✧ Financial modeling updated **daily** for March data; April Income Statement and Balance Sheet expectations; etc....compare with daily trends.
- ✧ Natural attrition (no FTE replacement) and volunteer furlough (employee option) to reduce headcount.
- ✧ Reduced shifts and reduced hours (last two weeks of March...ramping back up in April)

Panel: Adapting to keep employees and customers safe



John Garff

Ken Garff Automotive



Bob Nilsen

Nilsen Ventures

Sidecar Doughnuts/Cafe Rio



Bryce Jolley

Jolley's Gifts, Floral & Pharmacy

1 KEEPING OUR TEAM SAFE AND SOUND- PRIORITY ONE

- COMMUNICATION:** Daily Zoom meetings with managers, support center and teams. Phone hot-line to support center
- TOOLS AVAILABLE:** Up to date forms, regulations, mandates and talking points for staff via shared Dropbox folders
- PROTECTION:** Provide the staff with proper safety equipment to feel safe. Gloves, masks, cleaning equipment and plexiglass barriers

2 ADAPT TO THE NEW NORMAL- SUPPORT OUR LOYAL FANS

- OPERATIONS:** Diversify sales over multiple channels; Delivery Partners (Postmates, Uber Eats, Grub Hub) Express Pick-up and Phone in orders
- COMMUNICATION:** Multiple channels; paid targeted social media, app, website updates, partnerships with delivery, outdoor signage and banners
- OPERATIONS:** Bouncers, additional signage, hiring campaigns, FOH training to handle new volumes and segments

Thank you for considering the safety of others



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Future Workshops: Every Tuesday and Friday

Friday, April 24th 11am-12:30pm:

How to Save Your Business: Adjusting and Planning for the New Normal

Tuesday, April 28th 11am-12:30pm:

Non-Profit Leaders: Today's Difficult Decisions = Tomorrow's Stronger Future

To Register: [Eccles.Link/MikeLeavitt](#)

For More Info: navigatingcovid@Eccles.Utah.edu

For More Information:

University of Utah Executive Education

Online Classes Available:

- Growing in Uncertain Times
- Lean Six Sigma Green Belt Online
- Competitive Strategy
- Developing a Digital Marketing Plan

Download the At-A-Glance Calendar and Register:

- UtahLeaders.com
- 801-587-7273

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