

Business & Management

SEE YOU SOON?

THE EFFECT OF THE
COVID-19 LOCKDOWN
ON RETAIL BUSINESS

STAYING STRONG

HOW TO REMAIN
RESILIENT DURING
THE PANDEMIC



FRESH START

The route to restarting the economy after the coronavirus pandemic



Accelerate your career with our BAM resources

WHAT DOES MY FACULTY MEMBERSHIP PROVIDE?

Here at the faculty, we want you to have access to the best value CPD, plus resources to help progress your career and improve the performance of your organisation.

Do you make full use of everything available to you as a member of Business and Management?

Don't forget your:

- Regular magazine with topical and practical articles to help you perform at your best
- In-depth quarterly reports on business topics chosen by members
- Webinars that can be watched live or on demand to keep you up to date on relevant subjects
- Events where you can learn and network with your peers
- Quarterly summaries highlighting our best articles, reports and webinars
- Monthly eBulletin giving you easy access to magazine articles and other resources
- Opportunity to network through our LinkedIn group

Plus, new for 2020

Six online hubs focusing on these key areas:

- Strategy, risk and innovation
- Finance transformation
- Business performance management
- Financial management
- Economy and the business environment
- Leadership, personal development and HR

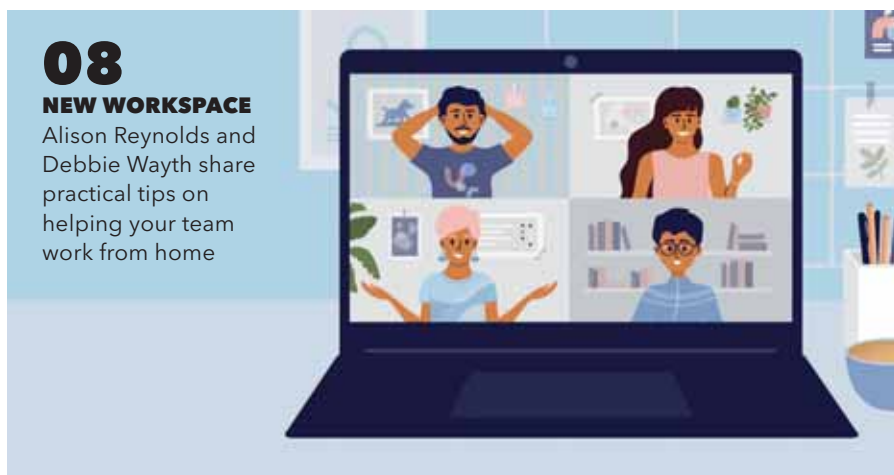
June 2020 Issue 285

16**THE REBOOT**

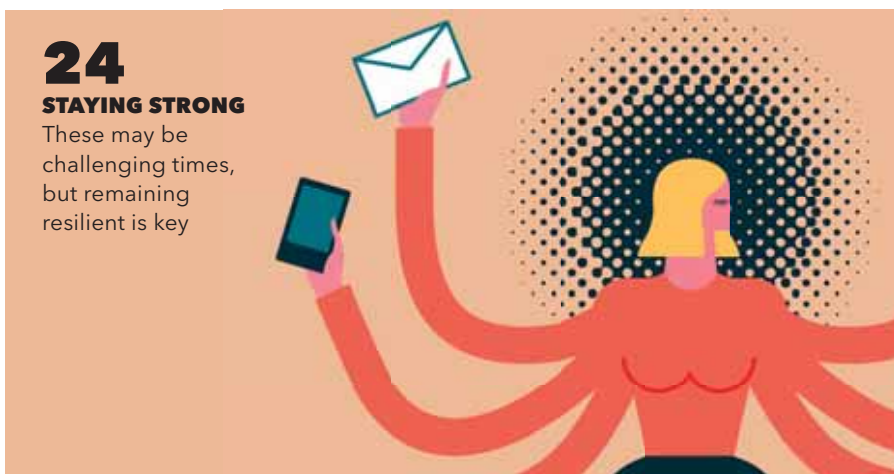
Alison Coleman looks at the paths being taken to restart the economy after COVID-19

**08****NEW WORKSPACE**

Alison Reynolds and Debbie Wayth share practical tips on helping your team work from home

**24****STAYING STRONG**

These may be challenging times, but remaining resilient is key

**22****BREXIT EYE**

Another deadline day approaches for Brexit negotiators, and there's still a lot that needs to be done

04 Editor's letter

Dipak Vashi introduces this month's issue

05 News and events

Faculty and world news

10 Top tips

Expert advice on managing the boundary between work and home during lockdown

12 High street blues

How COVID-19 is accelerating the reinvention of retail

26 In case of emergency

Nick Wildgoose explains how to reinforce your supply chain to avoid disaster

27 Technical updates

Regulatory bulletins

30 Book ends

Two digested reads that could make a real difference to the way you work

Learning to cope



Hello and welcome to another lockdown issue of your favourite magazine, coming to you during week 15... or is that 16? I imagine many of you share a similar feeling of weeks rolling into one, having lost count long ago while you slipped into a new routine. Luckily for you, we at BAM have been working hard to keep things fresh. Of course, we are leading with the COVID-19 pandemic; how could we

do anything else? But the angles we are taking are designed to help you thrive during this period.

We have long heard stories about the death of the high street and how smaller businesses cannot compete against the sheer might of the big boys. But, like everything else, the lockdown may have changed this. On page 12 we take a deep look at the future of retail, and see if the time for it to shine again is now. There is, no doubt, a new model of retail ahead. But who will benefit from it?

Trying to shine while under duress is not a problem unique to the high street; it's something we can all learn to do - I'm sure I don't need to reiterate that to you in the current circumstances. However, page 24 has some real-life tips on how to be resilient. These practical and easy-to-understand points will help you in both your professional and personal life.

Talking of professional lives, how is everyone coping with working from home now? Loving it or loathing it? Either way, we have to get used to it. And to this end, our top tips special this month, starting on page 8, focuses on how to make the best of the situation with your virtual team. There are many stories of employees' and businesses' working practices becoming much more efficient - necessity does breed invention sometimes, so maybe you can benefit from this too.

So, as I sign off for another month, I hope that you and your families stay safe during this unprecedented period. I am sure that brighter times will come. As always, we genuinely love to hear feedback at BAM - either good or bad. It's the only way we can improve. Any comments would be appreciated and welcomed.

Dipak Vashi
Technical Manager



ICAEW

Business & Management Faculty

THE TEAM

Dipak Vashi
Technical Manager
+44 (0)20 7920 8587
dipak.vashi@icaew.com

Caroline Wigham
Services Manager
+44 (0)20 7920 8508
caroline.wigham@icaew.com

Rick Payne
Finance direction programme
+44 (0)20 7920 8451
rick.payne@icaew.com

THE COMMITTEE

David Carr
Chairman

Steve Bastian, Emily Brooks, Laura de Poitiers, Chris Ford, Amy Griffith, Emily Mackinson, Rashad Shamim, Helen Stevens, Nick Wildgoose, Martin Wheatcroft

Subscriptions
Annual membership of the faculty costs from £106 for the whole year. Discounts are available for group membership, please enquire

Faculty events and webinars
Events and webinars are listed in this publication; details can be found on page 7, or go to icaew.com/bamevents

Contact details
Chartered Accountants' Hall
Moorgate Place, London, EC2R 6EA
+44 (0)20 7920 8508
@icaew_finman
bam@icaew.com
[LinkedIn.com/groups/2823647](https://www.linkedin.com/groups/2823647)
icaew.com/bam

Business & Management is produced by Sunday
207 Union Street
London SE1 0LN

Advertising enquiries to:
commercial.partnerships@icaew.com

To comment on your magazine, please email us at publishing@icaew.com

ISSN 2515-4583
METCAH20194

Printed in the UK by
Geoff Neal Group

Repro by F1 Colour



NEWS



BUSINESS WORLD

SUPPORT YOUR LOCAL CHEESEMAKER

Makers of Britain's only trademarked cheese, Stilton, are at risk of going bust due to COVID-19.

Stilton is a blue cheese and can only be classified as such if it is produced in Leicestershire, Nottinghamshire or Derbyshire. Sales of the cheese have fallen by 30% since lockdown measures were put into force in Britain, according to the Stilton Cheesemakers' Association (SCMA), which represents producers in the UK.

The SCMA has linked the drop to shoppers opting for foreign produce, and encouraged cheese lovers to pivot from foreign cheese to Stilton in order to support the British Stilton makers and, in turn, British dairy farmers.

AIRLINE PASSENGER NUMBERS FALL IN WAKE OF PANDEMIC

The COVID-19 pandemic has continued to wreak havoc on the airline industry, with Ryanair warning that it expects its passenger numbers to halve in the current financial year. The Irish carrier has predicted that it will lose €200m in the three months to the end of June.

Despite this, shares in the airline increased in value by nearly 16% in mid-May. The near total shutdown of

the global industry has hit the airline industry hard, with the International Air Transport Association predicting a 48% fall in global airline passenger traffic would result in revenue losses of \$314bn back in April. A gradual return to flying is planned for July, but a return to normal levels may not be seen until well into 2021.

EXTENSION OF CORONAVIRUS FURLOUGH SCHEME

The government's Coronavirus Job Retention Scheme (CJRS) has been extended to October 2020 by Chancellor Rishi Sunak. Initially due to end in June, the scheme allows employers to furlough their staff while the government covers 80% of wages, up to £2,500 per month.

However, the government has indicated that there are plans to reduce the amount it pays in August, allowing employees to return to work on a temporary basis as businesses begin to open up again.

This would, according to the government, allow for greater flexibility. According to government statistics, 7.5 million jobs have been furloughed, with 935,000 employers using the CJRS. In total, £10.1bn has been claimed using the scheme. For more information on the scheme and to see if you qualify, please visit tinyurl.com/BAM-CJRSCheck

MASTERING HOME WORKING



The current lockdown situation could be leaving many senior managers

micromanaging their staff while worrying that they aren't being productive enough at home, says Andrew Johnson, MD at popular meeting provider PowWowNow.

He adds: "Where you can, ensure all staff are clear about who owns which areas of a project or task, and who is supporting. If everyone has specific areas of ownership, people will then feel they have autonomy and will likely be more satisfied and productive as a result."

He recommends scheduling regular remote meetings to discuss problems and ideas openly with the team.

You can find more on managing homeworking in our top tips special, starting on page 8.



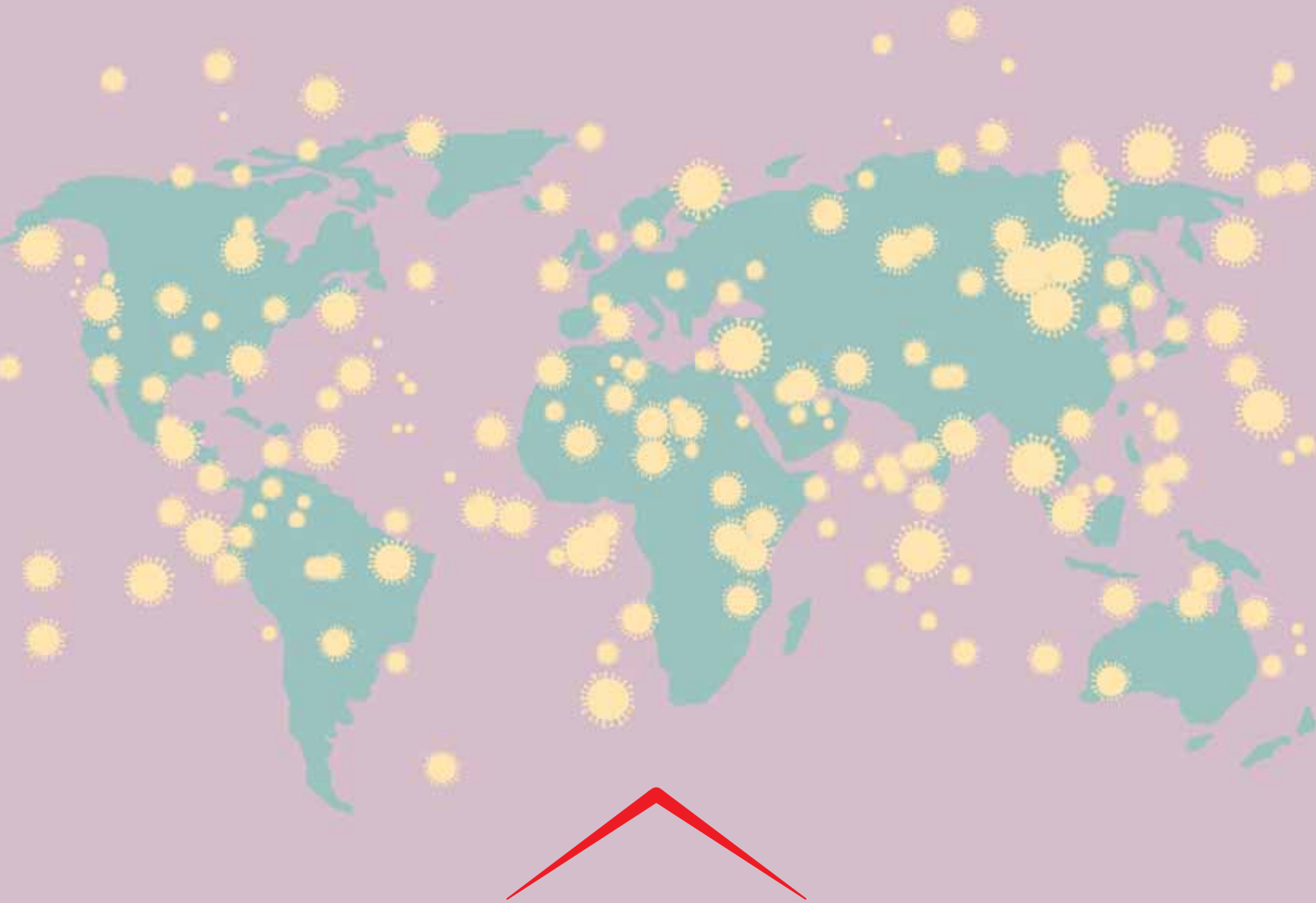
AROUND ICAEW

WELCOME TO THE BAM BOARD

From July, BAM welcomes four new members to its board. They are Jenny Jones, a business consultant and former COO; Craig Stirk of Sarcul Consulting; Richard Morris, Head of Service Improvement at HM Treasury; and Will Holt, Dean of Pearson Business School

BUSINESS LIFELINES

Don't forget to check the ICAEW Coronavirus Hub regularly for updates on business support packages including lending facilities for larger firms and loan schemes for smaller and medium-sized businesses. Visit icaew.com/coronavirus



COVID-19: stay up to date

ICAEW is closely monitoring the COVID-19 pandemic and its impact on the economy, business and accountancy, with daily updates for members.

WEBINAR UPDATE

ALL WEBINARS AND EVENTS ARE FREE FOR FACULTY MEMBERS

A NOTE ON OUR EVENTS: COVID-19

Following government announcements for the public to self-isolate during the COVID-19 outbreak, all ICAEW face-to-face events have been postponed. We don't yet know when these will resume.

However, our library of webinars will remain online for you to dip into at your leisure. New webinars being recorded remotely by their hosts will also continue to be uploaded as scheduled, unless we confirm otherwise.

We look forward to seeing you again in person in due course.

WEBINARS: YOUR LIBRARY

[ICAEW.COM/BAMWEBINARS](https://www.icaew.com/bamwebinars)

A summary of webinars you may have missed in the past year. Recordings available on demand.

60-MINUTE WEBINARS

● COVID-19 impacts on the supply chain



Nick Wildgoose explores the current situation for businesses

during the pandemic and offers suggestions for how you can protect your organisation as the situation evolves. See Nick's article on page 26.

- Managing change effectively;
- New skills for accountants – data science;
- What does the gender pay gap tell you?;
- Do more in a day than you do in a week;
- What happens when everything generates data?; and
- How to network your way to success

20-MINUTE WEBINARS

● Learning for your future



Ever thought of changing your approach to learning to get the

career and future you want? Former ICAEW president Hilary Lindsay shares a new learning framework, developed from research she carried out with ICAEW members. See tinyurl.com/BAM-KeepLearning

● Secrets of a successful CV



Join one of the most prolific and successful recruiters in history, Reed

CEO James Reed, to shape up your CV for your next chapter.

- Influencing and persuading;
- How to choose the right NED;
- GDPR update;
- Anti-money-laundering update;
- How accountants become digital leaders;
- Marketing for finance;
- Key questions about fraud;
- Powerful presentations; and
- Top tips for securing board-level support for counter fraud

10-MINUTE WEBINARS

- Equality, diversity and inclusion;
- Recruitment;
- Contracts of employment;
- Managing absence;
- Managing discipline;
- Ending the employment relationship; and
- Networking for serious thinkers.

WEBINARS: NEW 2020

Stay tuned to our webinar homepage for confirmation that the following new webinars will go ahead. To book, go to [icaew.com/bamevents](https://www.icaew.com/bamevents)

60-MINUTE WEBINARS

Economic update

3 June 2020, 10:00-11:00

Speaker: Dr Stephen Davies

An unmissable update on the state of the economy. Watch live or view the recording.

Better people management

8 July 2020, 10:00-11:00

Speaker: TBC

Consider how your style affects those you manage.

Strategic thinking for senior professionals

30 September 2020,

10:00-11:00

Speaker: TBC

Leading resilient teams

7 October 2020, 10:00-11:00

Speaker: TBC

Learn how to recognise the signs of stress in yourself and others, and design a plan to help support your team.

Practical Excel tips

7 December 2020, 10:00-11:00

Speaker: John Tennent

Up-to-date and ingenious tips for saving time while using the ever-popular spreadsheet software package.

20-MINUTE WEBINARS

Simple techniques to improve communication

22 June, 12:30-12:50

Speaker: Melanie Coeshott

The net present value of happiness

23 September, 12:30-12:50

Speaker: Andrew Salkeld

Common online frauds and how to avoid them

14 October, 12:30-12:50

Speaker: National Cyber Security Centre

The role of a leader during this global pandemic is filled with dilemmas and tough decisions. Whole sectors will be affected, possibly for years to come, as a consequence of COVID-19, so there is a complex picture ahead. Leaders must somehow respond to the needs of multiple and diverse stakeholders in a context of high uncertainty.

What can they do to support their teams during this period of working from home? Here are five practical aspects to consider based on our experience of working with teams.

1

LEARNING OUR WAY THROUGH UNCERTAINTY

Most of us haven't experienced this level of uncertainty in our lifetime. We may have team members furloughed, others doing the jobs of several, and most wondering what jobs will be left at the end of this. To help navigate this uncertainty, one approach is to recognise that this is about learning.

First, we have to unlearn well established habits and routines, let go of practices that have served us well,

and open ourselves to experimenting with what might work better in these new circumstances. And it isn't just relearning once. As things are changing each week in how we work and how we feel, so are expectations on us in our family environments as we learn how to juggle multiple roles. Facing this uncertainty in the spirit of learning, however, gives us space to reflect, adjust and try again.

We all respond to unpredictability differently. We have individual circumstances that shape our experience of this situation. One of the most powerful things you can do with your team is to

Shaping the new reality of work

Consultants **Alison Reynolds** and **Debbie Wayth** share five practical ways to help your team while working from home during lockdown



honour people's individual experiences. Collectively help each other to make sense of this time and how it feels as you experiment, unlearn and relearn.

For those looking to share their own learning process, ask yourself: what have you learned about yourself through this period? What has surprised you? What has been particularly hard, or easier than you had anticipated? Sharing your experience of learning as a team will help with letting go, sense-making and future-building, as well as strengthening the social fabric of your team.

2

FOCUS ON SHARED ACCOUNTABILITY ACROSS THE TEAM RATHER THAN ON INDIVIDUALS

Accountability across teams can be hard at the best of times. Are you still on track for year-end results? What has driven the drop/peak in sales? How are we managing our risks? Even understanding who is doing certain tasks can prove problematic in everyday organisational life. All of this is made more difficult when we work remotely. So, what can we do?

We need to loosen our grip on the primacy of individual accountability and hold accountability at a collective level across the team. This requires being clear on what's needed from the team jointly, agreeing priorities together and getting out of the way to allow the team freedom to determine where the work is best held.

Give the team responsibility to manage themselves and hold each other to account for joint delivery. High anxiety can stoke our fears, leading us to depend more on ourselves or our trusted allies, but the complexity of this situation means leaders need to engage teams differently - to look outward, to push decision-making down and work to a greater extent collectively.

3

SHAPE YOUR FUTURE THROUGH YOUR DECISION-MAKING

Most teams will be experiencing significant hardship and an uncertain future in the years to come. With decreased revenue comes tough choice. What do you and your organisation stand for when the chips are down?

The process of decision-making is as important as the decision itself. Decision-making is emotional and subject to biases and subconscious

Collectively help each other to make sense of this time and how it feels as you experiment, unlearn and relearn

criteria. Your team will remember not just the outcome but how the decision was made. Who was involved in discussions and using what criteria?

Decision-making when working remotely risks becoming even more opaque but it is an opportunity to open up the process and revisit your shared purpose and values, debate the dilemmas this period brings, and share your philosophy.

When the stakes are high it is critical to pause and consider: what will we wish we had done differently when we look back on this time? Recent data from London Business School reinforces how important this is: when asked what outcome leaders would most value for their organisation as we emerge from the crisis, more than half (51%) of leaders cited "being known for having done the right thing". Decisions during this period will form your personal and professional legacy for years to come.

4

HUMANISE THE EXPERIENCE - WE NEED MEANING AND CONNECTION

We have a need to feel valued and that our work has meaning. This period of home-working and uncertainty challenges our sense of self as we worry about the future and deal with the newness of the present.

There is a need for leaders to focus on what we can do together to continue to contribute to something important as we navigate the present and as we build toward whatever the new normal will be; to engender a healthier human workplace, more capable of sustaining.

To help your team find their own meaning and connection during this time, leaders can do two things. First, ask (and ask again) rather than making assumptions about what people need. Second, be aware that this period of

crisis increases the risk of unproductive patterns, bias and exclusion.

Working from home can exacerbate this by decreasing transparency. Be wise to who might be advantaged or disadvantaged during this period and in decisions about the future. Be aware of your own unconscious biases. Notice which voices are making it to the (virtual) room, and which are being heard.

Some patterns we see already:

- Women are more likely to be managing and leading home-schooling/childcare.
- Men are more likely to be able to work uninterrupted for longer periods.
- Those who are furloughed are more likely to be junior.
- Those who aren't furloughed are working harder to cover those out of the business.

We have a duty to pay attention to these patterns and watch for where we might inadvertently perpetuate them.

5

REFRAME SUCCESS

We have to let go of the metrics we had for 2020. This is tough, but targets were one of the first casualties in this global pandemic. How will you redefine success for 2020 in a way that you will look back on with pride? Number of customers retained? Staff retention rates? Community outreach schemes?

For many organisations the future will look very different. Work with your team with your purpose at the fore and figure out what outcomes to aim for. Only then establish measures and targets.

We may not be able to flourish financially in such a time of crisis, but we must not lose sight of the need to do everything we can to flourish as humans. Aristotle wrote extensively on human flourishing and three things stand out as paramount: to pursue a fulfilling purpose; to utilise our abilities; and to take responsibility for our decisions.

Let's do our part in helping our own (home and work) teams flourish. ●



Alison Reynolds and Debbie Wayth are consultants researching organisational issues at Ashridge Executive Education, Hult International Business School. Alison is co-author of *What Philosophy Can Teach About Being a Better Leader*

THIS WORKING LIFE

With the COVID-19 lockdown in full swing, Britain has become a nation of home-workers. But how might we draw the line between home and office when the physical boundaries have gone? BAM spoke to a range of experts for their tips on managing this situation



ROUTINE MAINTENANCE

You may not be missing the traffic or packed trains, but our brains might miss the subtle signals of our old routines to transition between home and work mode. So you might need to recreate a getting to work routine: a walk around the block, putting on work clothes (or shoes instead of slippers!), using a designated work coffee cup, or setting up your work space and packing it all away when you're done for the day.

Having a brainstorming workshop or want to inject a bit of playfulness into your team meeting? Get people to source their own props at home (think arts and craft supplies, Lego sets, music, kitchen utensils) or have fun playing with your Zoom backgrounds. Humour is a great antidote to stress and can get us thinking more creatively too.

Breaks can help us to reset our focus and refresh our brains, as well as give us the opportunity to move our bodies. A quick stretch, a bit of yoga, running up and down the stairs, jumping on a trampoline, a few quick star jumps or even putting on some music and having a little dance all work. The beauty of working from home is that you have the freedom to do this instead of worrying what those in the office might think - although you might get some strange looks from your kids.

Grace is the author of How to be Really Productive (FT Press), a CMI Management Book of the Year 2017. Her new book Struggle will be published by Pearson Business in 2021.

Grace Marshall

Productivity Ninja at Think Productive



MINDFUL MEETINGS

Research by US academics in 2015 suggested that face-to-face chats (not necessarily in person) lower your risk of depression. So, schedule short daily team catch-ups that have no work agenda. Make this simply a chance to check in on your teammates and think of it as a virtual water cooler moment.

Free time doesn't have to be dead time. Give teams with smaller workloads some time to work on creative projects of their choosing. Google has long encouraged employees to devote 20% of their time to side projects.

Chris is a remote-working expert and developer of an app where teams manage meetings, build plans and action tasks.

Chris Griffiths

Developer of ayoa.com

**NO 'I' IN TEAM**

Check in on your team – ask them if they are OK. If they respond that they are fine, but you strongly sense that they are not, then ask the question again. It's often the second question that opens the floodgates. Insist that they get help from family, friends and professionals. And reassure them throughout the period of isolation and beyond that they remain a valuable asset to the team. Encourage others to set up their own 'head office'. Where appropriate, why not organise a Zoom session where each of the team can give their colleagues a virtual tour of their homeworking space or ask each person to post photos on WhatsApp?

Mark is the author of Breakdown and Repair (Trigger). He can be found on YouTube and Instagram @mentalhealthmark

Mark Simmonds

Creativity, insight and innovation trainer

**BOSS THE BOUNDARIES**

Making a commitment to at least a semblance of work-life balance during the pandemic will not only improve your physical and mental wellbeing but serve you in good stead through lockdown and beyond.

Putting in some boundaries between work and other aspects of life is paramount. Without boundaries we risk a situation where work is dominating our lives and that can lead to exhaustion.

According to psychologists people have finite (physical, mental and emotional) resources and when these become depleted both our performance and our wellbeing suffer. We can replenish our resources by switching our attention. How often have you taken a break from work to go for a run or cook a meal to find you're way more productive when you return to the work task?

If you're struggling to put in boundaries some experts recommend thinking in terms of microboundaries, such as switching off your phone while you eat your dinner.

Anna is the author of #Upcycle Your Job, published by Practical Inspiration Publishing.

Anna Meller

Coach/consultant and chartered CIPD fellow

**COMMUNICATING BETTER**

Body language is useful on conference calls. When on video calls, use your hands in a natural way to help people understand you. Gesturing is proven to help us be more articulate. Let your gestures paint pictures – describe size, movement, shape and much more.

Graham is the author of The Speaker's Coach: 60 secrets to make your talk, speech or presentation amazing (Pearson)

Graham Shaw

Speaker and coach

**CULTURE CLUB**

When my office went remote, we had to create new meeting protocols. How, we wondered, could we set up those exchanges as quickly and effectively as possible? Now, we always start meetings on time, end early and narrow the agenda to one or two main topics. By including the right people, making sure they have the right information, we increase the odds of our meetings being worthwhile with positive outcomes.

Chris is the author of The Power of Company Culture (Kogan Page)

Chris Dyer

Leadership speaker, performance and company culture consultant

**LEADER OF THE PACK**

Keep up with your staff one-to-ones; you may even want to do them a little more regularly. Ask questions to find out what's going on. Set shared agendas in advance and make sure you know what you're going to be covering. Set time aside when everyone knows you are available online or over the phone to provide feedback or insight. Be the leader who creates a culture of open, positive friendship. Encourage people to have informal calls so they stay connected.

Kevin is author of the book Competitive People Strategy (Kogan Page)

Kevin Green

Former CEO of the Recruitment & Employment Confederation and HR Director of Royal Mail

**EASING ANXIETIES**

Ten minutes of daily paced breathing is a great technique to combat anxiety because it helps keep cortisol (stress chemical) levels under control.

Breathe diaphragmatically, in through the nose, out through the mouth, with a steady count in and out. In and out counts don't have to match (eg, 5 in/7 out or 7 in/7 out). A longer out-breath helps dispel CO₂, which increases cortisol if it builds up in the base of the lungs (CO₂ is heavier than oxygen). Paced breathing with a longer out-breath is called recovery breathing, and is especially helpful if you're feeling panicked.

Long hours spent hunched over screens (computer or phone) with jutting chin and a curved spine limits the space for our lungs to expand, also raising our CO₂ levels.

This can affect the quality of our cognitive function and emotional performance. So place/hold your screen at eye level. If you can't invest in an adjustable desk or laptop stand, improvise with a stack of books.

Find an open, expansive posture and alternate between sitting with your back against the chair with sitting at the edge of your chair with your feet grounded on the floor.

And, if your work is unstructured, help to remain focused and energised by planning key tasks the evening before, so that you know before you wake up what your focus will be.

Make complex decisions and focus on the most challenging priority tasks during the first two hours of your day. After the first two focused hours of work, get up every 45-60 minutes to stretch and drink water; rest your brain for two minutes, then dive back in.

Claire and Patricia are the authors of Physical Intelligence (Simon & Schuster)

Claire Dale and Patricia Peyton

Directors of Companies in Motion



BYE BUY?

Years of decline had left the UK's high streets in a perilous position – and then COVID-19 happened. David Adams charts the fate of large and small retailers in lockdown, and the continued swing towards online while bricks-and-mortar outlets are out of action

The COVID-19 pandemic transformed the retail sector within just a few days – much like the rest of the economy. On 16 March, the government issued advice about avoiding non-essential travel and crowds. This was followed by instructions for schools, restaurants, pubs, entertainment venues and leisure centres to close on 20 March. Then, on 23 March, most businesses, public amenities and places of worship were also closed, in addition to non-essential travel being banned and people being asked to practise social distancing by keeping two metres apart in public.

Retailers were already facing difficulties before the lockdown caused further damage to the sector (see *Going down*). Sales of food, alcohol and goods such as DIY equipment rose during the first few weeks of lockdown. Online sales also experienced a rise, going up by 8.3%

in March to account for a record 22.3% of all sales that month, according to S&P Global Intelligence. But due to online sales still only being a small proportion of most retailers' balance sheets, these gains were generally nowhere near large enough to make up for lost sales in bricks-and-mortar stores.

Some of the country's best-known retailers were forced to use the government's Coronavirus Job Retention Scheme. John Lewis furloughed 14,000 staff, while Arcadia Group - which owns brands including Topshop and Miss Selfridge - put about 14,500 of its 16,000 staff into furlough and was seeking £50m in funding. WHSmith, which has also furloughed most of its staff, has said it expects its revenues to fall by 85% between the start of April and the end of August. The crisis has also forced other high street retailers into administration or insolvency, and the latest figures from Barclaycard indicate that consumer spending dropped 36.5% year-on-year in April (see *Lockdown in numbers*).

Smaller retail businesses have also had to act quickly, taking advantage of support provided by the government, including the furlough scheme, business rates holidays, grants and loans. Additionally, they've also had to adapt operations, usually by selling more goods or services online.

"We've seen many of our members repurpose their businesses to stay afloat," says Mike Cherry, National Chairman of the Federation of Small Businesses. "Some are providing takeaways, opening up online stores for the first time, or even doing Skype personal shopping. But some businesses haven't been able to adapt."

Despite consumer spending declining by 36.5% in April, some retailers saw continued growth in spite of social distancing measures. Data from Barclays showed that UK food and drink specialist stores - including off-licences, greengrocers, independent convenience stores, butchers and bakeries - saw a 37.7% growth in sales in April. The same research found that more than half of Britons (57%) agreed that the current situation had made them realise how

"I'm very concerned about the high street side of the business. I think it's going to be a long time until things are back to normal"

much they valued these stores, and were planning to spend more in local retailers including butchers (27%), cafés and restaurants (26%) and farmer's markets (23%) once restrictions are lifted.

A DIFFERENT APPROACH

One business that has been forced to alter its operations is Grind, which operates espresso bars, cocktail bars, restaurants and coffee roasteries across 11 locations in London. All its outlets are now closed and 290 of its 300 staff have been furloughed. Founder and CEO David Abrahamovitch says furloughing has been "a lifesaver" - but he condemns a government decision to remove staff earnings through pooled service charges (which are taxed via PAYE) from the basis for furlough payments.

The other major challenge for the business is paying rent at central London locations. "At the moment we're not paying any rent at all and all our landlords have been pretty understanding," says Abrahamovitch. "We'll see how long that lasts." He would like to see what some have called a 'national time-out', with commercial rents and debts suspended for six months or longer and leases extended automatically to cover that period.

In the meantime, the business is focusing on Grind at Home, an online store for coffee and other products. Before the crisis it only accounted for a tiny proportion of revenue, but now it must effectively carry the whole business. Demand for its products has "exploded" during lockdown, according to Abrahamovitch.

"The growth has been transformative: around 1,000% versus pre-lockdown," says Abrahamovitch. "We are now shipping about 4,000 parcels per week. It's great to have part of the business still working really well, but I'm very concerned about the high street side of the business. I think it's going to be a long time until things are back to normal."

For many retailers, the main focus has been increasing the capacity of online sales and fulfilment operations to meet rapidly increasing demand. "We are now despatching the same number of orders in a day that we would usually expect to send in a week," says Nicola Lando, Co-Founder of London-based Sous Chef, which sells ingredients, cookware and tableware online, direct to consumers and (prior to lockdown) to restaurants and other businesses. Its warehouse operation has switched from five to seven-day operations and the workforce there has doubled.

CASE STUDY: LOW COST GLASSES

Low Cost Glasses is an online retailer and manufacturer of prescription glasses, based in Altrincham in Greater Manchester. The onset of the COVID-19 pandemic led to a significant drop in sales and the business has had to adapt operations and strategy. CEO Sergio Weingarten says staff have responded brilliantly, even when some saw their part hours cut during the first part of the crisis - almost all are now working full-time again.

The company had to cope with two UK-based lens suppliers closing operations during the crisis, forcing it to scale up work with alternative suppliers. But the crisis has encouraged more consumers to consider buying new glasses online.

"We have increased the range of frames in our lower end price categories, to reflect the fact that new customers are perhaps trying online glasses for the first time, and that they are more conscious of their spending," says Weingarten. "We have reduced our free delivery charge threshold and also set up a special discount code for NHS and key workers, which has had fantastic take-up. New customers are seeing for themselves that their glasses are as good as, or better than, those from a high street optician. For us, that has to be a good thing."





CASE STUDY: TODD'S BOTANICS

Garden centres are among the retailers that have faced major challenges during the lockdown. Todd's Botanics, a specialist plant nursery based in rural north Essex, does not have a bricks-and-mortar retail arm: it sells plants direct to consumers online, but these sales only account for about 30% of its turnover. It makes most of its money selling plants at horticultural shows during the spring and summer. In 2020 it would have been selling plants at 35 such events - all but two have already been cancelled.

"Many of the shows are linked to the Royal Horticultural Society, so we lost two-thirds of our shows in one email," says Todd's Botanics' Co-Founder and Director Mark Macdonald. By late March, Macdonald, along with his wife and Co-Founder Emma, were wondering whether the business would survive, but they gambled on buying extra packaging, just in case there was an increase in demand for online sales during lockdown.

In the first three weeks of April, the business sold a year's worth of goods, taking about 1,000 orders per week during a period when the usual weekly figure would be 50. Only the fact that extra packaging had been ordered and that staff were ready and willing to keep packing customer orders allowed Todd's to process and fulfil all the orders received. Some other plant nurseries were forced to suspend online sales in the face of similar surges in demand.

Garden centres were allowed to reopen to the public on 13 May as the government took the first steps in easing the economy back into gear. The lockdown surge in demand has enabled Todd's Botanics to survive, says Macdonald, but if demand via mail order now drops lower the business will be in trouble again.

LOCKDOWN IN NUMBERS

67%

of retailers say the COVID-19 crisis has had a significant negative impact on domestic sales

39%

of retailers have shut down all UK activity under lockdown

8%

of retailers laid off staff

44%

of retailers laid staff off temporarily

96%

of retailers reported cashflow difficulties under lockdown

40%

of retailers said they would struggle to meet tax liabilities

"Although I expect online sales to fall post lockdown, supermarkets are likely to contract their ranges further, so our offer of more specialist, artisan or higher quality versions of a product will continue to meet customers' needs that cannot be fulfilled in physical stores," says Lando.

Other small retailers that have had to boost online order processing and fulfilment capabilities include Sigma Sports, which has been building and selling bicycles since 1992, from a bricks-and-mortar store in Hampton Wick, London, and via its website. Managing Director and Co-Founder Ian Whittingham says one major challenge during the early days of the crisis was a surge in demand from online customers for indoor training bicycles, putting pressure on supply chains in South East Asia and Europe.

"We've also seen a big uplift in sales of entry-level to mid-tier road and mountain bikes," he says. "In April we shipped a record number of bikes, with a 62% increase in year-on-year sales."

BUT WHAT COMES NEXT?

Other businesses that have changed the way they work include Jubel, a brewer founded by Jesse Wilson and Tom Jordan (who no longer works with the business) in 2018. In March, three-quarters of the brewery's stock was sold via the on-trade (in pubs, restaurants and bars), with Sainsbury's, the only retailer that stocks the beers at present, accounting for about 24%. Only about 1% of sales went direct to consumers through Jubel's website. With on-trade sales stopping virtually overnight when lockdown began, the business pivoted to focus on direct to consumer online sales. Jubel is now selling 10,000 bottles per week online.

"Online, there might be a drop-off in sales when people revert to normal behaviour, but I think we will have a new group of consumers who enjoy the convenience of having beer sent direct to their home," says Wilson. "Our hope is that the on-trade bounces back, but we have to plan for a slow 'getting back to normal' phase. But I do think people will be itching to get back into a pub."

That uncertainty over when or how the lockdown will end - or begin to end - overshadows the entire sector. Tom Holder, Spokesperson for the British Retail Consortium, expresses concerns about the impact that social distancing measures will have on shopping in physical stores when they begin to reopen in June. "It's unclear at the moment how long those measures will need to last," he says. "It's

SOURCE: CBI

“It’s going to be important for retailers to engage with customers, to ensure they’re bringing them the services that they need”

not that we don’t think they are needed but having them in place does limit numbers in stores.” Even a reduction of a few percentage points in footfall will lead to more lost jobs and store closures.”

The sector’s recovery from lockdown will depend in part on how long the government will continue to support the sector directly; and on its willingness to consider other measures, such as reform of the business rates system or of rent regulations.

But the lockdown will also surely have helped to accelerate the shift away from bricks and mortar to online retail. “The relationships between online and offline retail have changed a lot,” says Holder. “Today you may see people go into an electronics shop to try out a piece of equipment, then they go away and buy from the store online. That doesn’t make the store redundant, it just means the store has a different purpose.”

But it also makes it more likely that the number of bricks-and-mortar stores on many high streets will continue to shrink. Andrew Goodacre, CEO of the British Independent Retailers Association, thinks

the future prosperity of the high street may depend on leisure and office-based businesses playing a bigger role. If another consequence of the current crisis is a decline in the use of very large city centre office buildings, then high streets in towns, small cities and suburbs could become more attractive for office-based businesses to relocate, or for shared office spaces to operate - boosting the prospects of those retailers that do remain.

Just as retailers that have been able to adapt have been best-placed to survive the crisis, so it seems likely that only retailers with a truly flexible business model, able to provide and draw maximum value from online and/or bricks-and-mortar sales methods, will prosper post-crisis. National and local government support will be important but, ultimately, retailers’ destinies will be in their own hands.

“It’s about communities, local government and retailers coming together and finding solutions that work in different areas,” says Sophie Michael, National Head of retail and wholesale at BDO. “What’s going to be important for retailers is to engage with their customers, to ensure they’re bringing them the products and services that they need.”

Retail has always been about spotting opportunities, and many of those that arise during lockdown will fade again when ‘normality’ is restored. There will be opportunities for retailers to learn from their experiences and to continue to reinvent themselves in the post-crisis economy. ●



ON THE UP



Online sales of all consumer goods rose by **8.3%** in March, accounting for a record **22.3%** of all retail sales that month

Supermarkets saw an increase in sales of **14.3%** in April as Brits made larger shops and prepared more meals at home

Sales at specialist food and drink stores - including off-licences, greengrocers and independent convenience stores - increased by **37.7%**.

Online spend in home improvement and DIY increased by **26.5%** - accounting for **86.1%** of such purchases

GOING DOWN



Essential and non-essential spend declined **7.5%** and **47.7%** respectively in April

Clothing sales in non-food stores fell by **35.5%** in March

Consumer spending dropped **36.5%** year-on-year in April

High-street retailers out of business or in administration since March include: Debenhams, Oasis/Warehouse, Cath Kidston and Bighthouse





The road to revival

The COVID-19 pandemic has forced restrictions across the globe and the effects it could have on different sectors remain unknown. Alison Coleman looks at the paths out of lockdown being taken by some, while evaluating what the UK can do

As COVID-19 wreaked its path of destruction across the world, most countries decided that lockdown measures would be the best way to slow its spread. Their actions were swift and, in many cases, severe. Now, with outbreaks at different stages around the world, some of those countries are starting to lift lockdown measures, allowing businesses to reopen and people to return to work.

In all nations, the main concern about easing restrictions is the possibility of the virus resurging. But each individual country's lockdown exit strategy - the reopening of economic, educational and cultural activities - is dependent on several factors, including political, economic and governance systems and their cultural and social models, as Edgar Bellow, Professor of International Management at NEOMA Business School in France, explains.

"Each country is trying to balance the restrictions put in place to protect public health with the need to ease shutdowns to revive the economy," he says. "This is creating a cultural clash between the political decision-makers, who are advised by a team of expert scientists, and civil society, business leaders and political opposition. If we lift lockdowns tomorrow, the economy isn't going to rebound. It will continue to struggle because life can't continue as normal when the hospitals are full."

But with signs that the outbreak has peaked in many countries, including the UK, exit strategies are now being cautiously drafted, with one eye on those countries further along the pandemic timeline.

A STRONG RESPONSE

China first locked down Wuhan, the centre of the outbreak, on 23 January. It was one of the strictest lockdowns implemented, and its retail, leisure, entertainment, tourism and automotive sectors were among the hardest hit. Some 76 days after lockdown was introduced, restrictions were significantly relaxed.

Jeremy Shaw, Head of Asia for Intralink, a UK consultancy that helps western firms expand into China, Japan, South Korea and Taiwan, says: "Our team members are now back working in the office, along with most of China's business community, and meetings are happening once again, although people are being careful.

"The Chinese economy has experienced a short-term setback, but it has been less pronounced than many expected. The country's companies are amazingly

When it comes to easing restrictions, the concern shared by all nations is the risk of a deadly resurgence of the virus. But each individual country's exit strategy [...] is dependent on several factors

resilient, and many found ways to continue working despite the restrictions."

In light of a decline in demand for Chinese exports from the west, the government's next challenge is to stimulate domestic consumption. This will create an important market for international firms, especially with China's huge middle class, which was estimated to stand at about 400 million in 2018.

The automotive sector is just one of the areas that faces challenges as a result of the pandemic. According to KPMG, 80% of the world's auto supply chain is connected to China. The country suffered a 92% slump in car sales in the first half of February, according to a report released by the China Passenger Car Association.

But by the beginning of March, the China Association of Automobile Manufacturers said that 90% of over 300 automotive parts suppliers outside of Hubei, the province where Wuhan is located, had restarted production with 80% of workers present. But the production rates were low due to a scarcity in orders.

One thing that could boost car sales during the pandemic is a trade-in programme announced by the Shanghai government in 2019, which encourages owners to upgrade to new vehicles.

"In partnership with SAIC, China's largest car maker, it will provide a subsidy of RMB 10,000 (about £1,100), towards a new petrol vehicle and RMB 15,000 (£1,700) towards an electric model," says Shaw. "And, despite a dip in February sales, Tesla has bounced back quickly, seeing its highest-ever monthly China sales of over 10,000 vehicles in March."

Construction workers in Wuhan, China, resume construction on a utility tunnel



10,000

Vehicles sold by Tesla in China in March, their highest ever monthly sales

92%

The amount car sales in China fell by in February 2020



The tourism sector is being reinvigorated, with many attractions offering free admission. In Anhui province alone, the government offered free entry to 29 scenic spots. With the rigorous testing, contact tracing and early border closures deployed by South Korea, Singapore, Japan and Taiwan, the economically crippling lockdown measures employed by China were largely avoided. But, like China, South Korea is also heavily reliant on global exports and its government is working hard to boost domestic consumption as western demand drops away.

One of the hardest-hit sectors in South Korea has been the meetings, incentives, conferences and exhibitions (MICE) industry. However, the country demonstrated adaptability, for example, moving its BioKorea exhibition online. “The event will be held in a virtual mock-up of Korea’s National Palace and will charge ‘real’ fees, around £700 for participants and £2,700 for exhibitors with a basic stand,” says Shaw.

An early response to COVID-19 by the Japanese government, coupled with the introduction of various measures that relied on voluntary compliance, effectively slowed the early spread and, as a result, the death rate has remained comparatively low.

“The Japanese government doesn’t have the power to force businesses to close, or to compel people to stay in their homes, so instead it appealed to the population’s sense of citizenry, which appears to be working well,” explains Shaw.

Taking into account factors such as financial resilience, government and institutional capacity, sensitivity to low oil prices, and evidence of healthcare security, the likes of China, South Korea and Japan appear to be the best placed to emerge from the crisis at a reasonable pace.

“These countries are more advanced in the process of dealing with COVID-19 and we can judge their efforts successful: their economies will be on a path to recovery soon,” says Kim Catechis, head of investment strategy at Legg Mason affiliate Martin Currie. “The proviso of course is that these countries are highly integrated into global supply chains and will need their clients in other parts of the world to successfully navigate COVID-19 and be back at work in order to be able to get back to normal.”

A WESTERN OUTLOOK

Europe is reopening with great caution, and with governmental responsibility trapped between the principle of need and the principle of solidarity in developed countries and regions. Germany loosened its lockdown measures at the end of April and allowed many non-essential businesses to reopen.

Following this, however, the infection rate began to rise again. Italy and Spain, countries that had among the highest number of deaths in Europe and the longest and most rigorous lockdowns, are also taking tentative steps towards easing restrictions.

By contrast, in the US - the country with the highest number of deaths and no national-level lockdown order - the verbal sparring between President Donald Trump and state leaders has been fuelled by Trump increasing the pressure to lift confinement measures



COUNTRIES THAT TOOK A DIFFERENT APPROACH TO LOCKDOWN

Not all countries imposed lockdown measures to deal with the COVID-19 pandemic. Unlike almost every other EU nation, Sweden kept its schools and businesses open, while its public spaces remained as crowded as ever. People were expected to keep a safe distance but weren’t ordered to stay home. The goal was to emerge from the pandemic with an economy that still functions.

However, the death rate in Sweden has risen higher than neighbouring countries in Europe, reaching more than 40 deaths per 100,000 people by the end of May, according to figures from Johns Hopkins University. By contrast, Denmark has recorded just under 10 deaths per 100,000 people, Finland fewer than six and Norway fewer than five.

Denmark and Norway are now beginning to ease their lockdowns, with children returning to school, but with social distancing measures in place, and salons and other businesses with one-to-one contact allowed to reopen in Norway.

Belarus, another European outlier, kept its borders open, with factories, shops and restaurants conducting business as usual. President Alyaksandr Lukashenka described global concerns over COVID-19, as “mass psychosis”, insisting that vodka and saunas would cure the coronavirus. According to WHO the number of reported coronavirus cases in Belarus has been growing rapidly, with 38,059 cases and 208 deaths reported by the authorities on 28 May.



Above: A waitress takes orders in Franklin, Tennessee, United States. The state of Tennessee recently allowed some businesses to reopen

Below: A man waits in an empty subway station in Tokyo, Japan

and restart the US economy. But he had to concede defeat on his initial goal of opening up the US by Easter.

“Public opinion may see Donald Trump’s political strategy for his re-election campaign,” says Edgar Bellow. “As for reopening the country in the name of the economy, the virus sets the timetable, not us. Without national solidarity within the US government, the anxiety of losing everything will be stronger than the fear of the virus.” He fears that anxiety “will push for a brutal reopening of US economy”.

Lockdown exit strategies also vary by industry sector. Italy recently allowed some shops to reopen in some areas; Spain resumed manufacturing and construction activity. For the travel, leisure and hospitality sectors everywhere, post-lockdown social distancing will mean they are likely to suffer the longest restrictions.

Profitability in the airline sector, for example, would be significantly affected by the imposition of a 14-day quarantine for passengers, while lost revenues from ticket sales at sporting events may prejudice the sporting calendar even after fixtures are allowed.

Alastair George, chief investment strategist at the Edison Group, says: “Large gatherings of people are

“While bars and restaurants are a problem, the government should say that any business that can implement social distancing effectively should start to return to work”

unlikely to be permitted until there is confidence that sufficiently effective tracking technology is available that can mitigate a potentially major super-spreader event, without shuttering the economy. There are likely to be serious profitability issues in the service sector, most notably, bars, restaurants and other entertainment venues, for as long as social distancing remains in place. In the circumstances, many hospitality venues may choose to remain closed.”

LESSONS TO LEARN

In May the UK government released its exit strategy, a three-stage plan setting out how it will ease lockdown measures in phases over the following three months.

Stage one began with some businesses reopening in early to mid-May, including food production, logistics, construction, manufacturing, distribution and scientific research. Employees in these industries were asked to observe social distancing measures in the workplace and, where possible, avoid public transport.

Stage two was scheduled for early June and included a phased re-opening of all non-essential retail businesses, provided that new COVID safety measures could be implemented.

In the third and final stage, although not expected to come in to force before 4 July, the government would hope to reopen at least some remaining businesses.

Progression across all three stages was conditional on scientific and medical advisers being satisfied the previous measures had not caused a spike in infections.

Mike Hampson, CEO of Bishopsgate Financial, says: “As long as social distancing is implemented effectively, this will be good for the economy and, more importantly, mental health and wellbeing for many people. Everyone needs the end to lockdown; this is not a party lines issue, whoever may like to portray it as such. What is needed is a sensible and strategic way ahead.”

For many countries the acute phase of the pandemic may be almost over and almost all of the statutory lockdowns currently in place globally are expected to be relaxed over the coming months. However, for the foreseeable future, national economies will have to contend with the prospect of social distancing measures to avoid a second wave of infections, curtailing both spending and investment.

In the longer term, the expectation is for an acceleration of the trend to conduct business digitally, which has now proven to be effective, both from a cost perspective and for its enabling of social distancing and a reduced environmental impact.

While lockdown interventions have been effective in reducing infection rates, the economic cost has been enormous. More than 25 million jobs have been lost in

EASING THE PAIN

The government has made a number of schemes and grants available to support businesses negatively affected by COVID-19. These include the coronavirus job retention scheme (CJRS), the coronavirus business interruption loan scheme, business grant funding and bounce-back loans, and options to defer VAT and tax payments. So far they seem to be delivering.

"Furloughing staff keeps business costs down and allows work to potentially build up for when staff can return, while the business rates grants are putting cash back in to small businesses with premises," says Gary Green, principal at chartered accountancy firm Key Business Consultants. "The bounce-back loans offering zero interest and no repayments for 12 months seem so attractive that it's almost impossible not to consider getting one as long as you have the need and expect to be able to pay it back."

Philip Dawson, managing director at jewellery business Lily Arkwright, furloughed four of his

seven full-time staff through the CJRS and also received a government business grant for a fixed amount of £10,000, in line with the rateable value of his business premises. He says: "The furlough payments took less than five business days to land; however, the business rates grant took over three weeks and wasn't particularly well planned out."

Roger Kimber, managing director of engineering company Strata Technology, also claimed CJRS funding for April and deferred his VAT payment. "The cash allocated to that debt went into a separate account and was excluded from our cash-flow plan," he says. "But if we need to dip into that reserve, as many companies will have to do, we will face a difficult time come the end of the financial year, as we would not be able to meet that obligation."

In next month's *Business & Management: The UK's business coronavirus response - furlough and beyond*.

the US alone and unemployment is forecast to double in the UK to 10% by the end of the year.

"The recent PMI data for Europe and the US highlights the damage being done to the global economy during April, while projections from the UK's Office of Budget Responsibility indicate that UK GDP may decline by 35% during Q220," says Alastair George. "Nevertheless, in coming weeks investors are likely to welcome the flow of company news releases announcing the restart of operations as supply chains come back to life."

How and when national economies and industry sectors can be effectively restarted is a complex decision driven by economic, political and social factors. A successful outcome will also depend on business and party-political forces putting their different priorities aside and engaging in greater cross-border collaboration.

Agnes Cserhati, a leadership coach for public and private sector leaders across Asia, Middle East and Europe, says: "We are entering a new, unknown recovery period that could best be described as a 'low-touch economy'. This will be a complex collaborative process of defining what 'new' will look like. Leaders will need to recognise that going solo will simply not be enough to succeed in the face of an enormous global challenge."

It may be too early to anticipate the full economic impact of lockdown, but a global recession is almost a given, along with high unemployment and many organisations struggling to survive. Yet, the business world is also potentially looking at fast-forwarding digitalisation, with innovation at the forefront of strategy and new ways of business engagement.

There is no easy solution. Until an effective treatment can be developed the road ahead will involve a fragile balancing act between the interests of public health, society and the economy, with governments more reliant on each other than ever before. ●



Workers at a grocery store in Italy, which, at the time of writing, has begun a staged end to the longest lockdown in Europe

It may be too early to anticipate the full economic impact of lockdown; however, a global recession is almost a given, along with high unemployment and many organisations restructuring and struggling to survive



BREXIT EYE



THE LAST CALL

It's almost deadline day for Brexit negotiations, and there's still a lot that needs to get done. Peter Taylor-Whiffen assesses the impact of the pandemic on talks

June will see Britain's Brexit negotiators make the decision they promised: an announcement on whether or not sufficient progress has been made to keep them at the table or walk away from the EU without a deal.

The COVID-19 pandemic has turned four separate weeks of planned face-to-face talks into a mix of physical meetings, cancellations, illness that struck down both chief negotiators, and finally videoconferencing, with all the difficulties and tensions of nuance and tone that such remote communications bring - especially when the conversation involves 200 individuals.

The UK and EU negotiating teams, led by David Frost and Michel Barnier, came together virtually in mid-May for what was their penultimate week of talks

before the first cliff-edge date of 30 June - the latest point at which they can agree to extend the Brexit transition period beyond 31 December, and the date Britain has said it could immediately quit the talks if it felt that not enough had been achieved.

PRESSING PRIORITY

But there is still much to do, especially with COVID-19 diverting focus elsewhere and the two sides still seemingly so perilously apart. One of the EU's most pressing priorities is detailed talks on its access to UK fishing waters, which Barnier insists is the only basis on which other negotiations can proceed. But the EU is wary of Britain deliberately putting the fisheries settlement on the back burner while

rushing ahead with its own priorities, such as aviation and energy.

"We were very disappointed with [the UK's] attitude in the last round of talks," an unnamed EU official told the *FT*. "We need to progress in parallel in all areas, otherwise talks will slow down." A UK spokesperson hit back: "We do not recognise that we have not engaged with the EU in any area. We will continue to negotiate constructively."

While there is a combined will to make this work, there is a perception that both sides are struggling to compromise. According to *The Independent*, even coming to an agreement on videoconferencing software was contentious, with the EU accusing the British of slowing

things down by questioning whether the original suggested platform was secure enough.

Maybe it wasn't. After all, you wouldn't want the nation's top negotiation brains suddenly finding themselves beamed into the middle of a Joe Wicks workout or accidentally displayed as a team in a pub quiz, however seemingly excellent their knowledge of the EU fisheries policy.

However valid the reasons for the delays, Prime Minister Boris Johnson's government has continually and consistently refused to extend the deadline. As a result, Britain's business leaders fear this leaves a dangerously short time to agree a deal, even without the possibility that a second COVID-19 spike in Britain and/or around Europe could truncate or even wipe out the planned final negotiations in the autumn.

As one might expect, there is broad support across industry for the government to ask for an extension. The Freight Transport Association (FTA), which represents hauliers and logistics companies in the UK, said a delay was absolutely necessary while its members and wider industry battled against the impact of COVID-19.

"There is simply not enough capacity available to plan the major structural changes needed to implement a successful departure from the EU, as well as myriad other planned legislation changes on the horizon [and] dealing with unprecedented pressures caused by COVID-19," said FTA Policy Director Elizabeth de Jong.

"[This] has created a once-in-a-lifetime emergency situation which needs the full attention of the whole sector. Adding in a host of new legislation would place untold, unnecessary pressure on a supply chain that is already stretched."

Naomi Smith, CEO of the cross-party, pro-EU campaign Best For Britain,

While there is a combined will to make this work, there is a perception that both sides are struggling to compromise

agreed, adding: "Britain cannot fight a war on two fronts. That's why we support calls for the government to think again and give the country and vital services enough time to deal with one crisis at a time."

But Carolyn Fairbairn, Director-General of the Confederation of British Industry, an organisation that campaigned vociferously against Brexit before and after the 2016 referendum, raised eyebrows by opting to support the government's rigid timetable – for the time being at least.

"At the moment there is an argument to say just get on with it," she told *Business Insider*. "Unless there is a materially better outcome for business by delaying, then we'd really urge the government to get on with negotiating with the EU a strong, powerful deal with minimum border frictions."

However, she did suggest she might change her opinion as the 30 June deadline drew nearer.

EXTEND TRANSITION

Meanwhile, most of the few media outlets that have actually seemed to remember in these peculiar, other-worldly days that Brexit still needs to be done are ramping up calls for Johnson to extend the transition period to prevent a no-deal scenario.

Clare Foges, columnist at *The Times* and former speechwriter at 10 Downing Street, told readers that spurning an opportunity to extend the transition would be "suicidal", adding: "We approach the cliff-edge having already fallen off the cliff." *The Guardian* echoed the call, saying a deal that "looked fanciful before the present crisis [...] looks impossible now".

There was a different message from the *Daily Express*, which has blamed stalled talks on remainers, the EU, Emmanuel Macron, Angela Merkel, Tony Blair...

But the fact remains that if the UK is still at the table on 1 July, and has not asked for an extension, there's an awful lot left to cover before the end of the year – or possibly even October, which is the date some EU analysts are suggesting as the deadline for all parts of the agreement to be ratified before January.

Businesses in the UK will want assurance on imports, tariffs, VAT,

"Trading Scottish salmon for Stetson hats, we will deliver lower prices and more choice for our shoppers"

custom and excise duties; employment of EU citizens here and UK workers in Europe; supply chains and country-of-origin requirements; transport regulations; safety; eco-compliance; copyright and trademarks; data privacy; environmental standards; mutual recognition of qualifications and a million other things.

And then there's the question of the Irish border...

An EU trade deal is, of course, not the only one on the table. In mid-May, International Trade Secretary Liz Truss began formal negotiations with United States Trade Representative Robert Lighthizer for a post-Brexit trade deal with the US, a market that accounts for 19% of all UK exports and 11% of total imports.

Earlier this year, Truss claimed the right deal could increase trade between the UK and US by £15bn, which would help small businesses get access to the US market, reducing tariffs and red tape. In typical style, Johnson colourfully echoed her sentiments, saying in early March: "Trading Scottish salmon for Stetson hats, we will deliver lower prices and more choice for our shoppers."

But his bullish assertion that the US talks would "drive a hard bargain to boost British industry" seems less assured now. If a week is a long time in politics, the past two months has seemed like an aeon.

However the Brexit talks proceed in the next month, it's imperative that the government does not compromise its focus or energies on getting what it considers the best deal for Britain. Tragically, having the continent's highest COVID-19 death toll to date has already made us, literally, the so-called sick man of Europe.

The government must ensure its decisions and stance on Brexit in June – whatever they are – do not make our condition worse. ●

REMAINING RESILIENT

In these challenging times, resilience may be crucial. **Jenny Campbell** explains the keys to becoming a more resilient worker

With the COVID-19 pandemic bringing the world to a standstill, there is a lot out there about how you should be feeling right now. Whether it's your attitude towards people and yourself, thinking about how to protect your business, managing to work at home while schooling your children, going online for that yoga class... the list goes on and on. It can be overwhelming.

There is no doubt that coping with the situation is the minimum you could ask for. Better still, to take time to reconfigure yourself, your leadership, your parenting, and even your firm. The first - coping - will help you prevent failure. The second will set you up for more success. But how? Think resilience.

Resilience is your capacity for change. It's not just about coping or bouncing back; in fact, it's far more strategic than that. It's about being able to be proactive. In times of difficulty, it's about holding to very clear intentions that are truly the priority and letting go of everything else. It's about expecting to let go, to reconfigure, to re-evaluate, to fail and get back up. It's about investing in learning in order for you to adapt quickly.

Those with the highest resilience are not being hijacked right now; they are investing deliberately, daily, in enabling resilience in themselves and their people.

Your resilience will go up and down according to context or environment. Imagine this: you have just come off

another Zoom call, lacking in energy and motivation while yearning for a quiet coffee, only for your son to demand that you buy him another subscription for his online gaming, and the juxtaposition of these relatively minor events leads you to a meltdown. This is when you realise it's time to take a pause. It's a very demanding time. It is polarising us individually and collectively.

Consultancy The Resilience Engine, which has been researching resilience and wellbeing for more than a decade, sees many things at the moment:

- those who long for someone else to define a clear structure for how they should operate right now, versus those who love creating their own structure as they go;
- those who are rescuing, reaching for their superhero capes each morning and springing out to see what is needed, versus those who need to be rescued;
- those who are busy versus those who are bored;
- those who feel they are doing things worthwhile, versus those who have lost their sense of momentum; and
- those who feel under pressure to achieve something in this period, versus those who let themselves off the hook and go with the flow.

Investing in your resilience will stop you falling into one category or another. Resilience means embracing many different options, rather than getting stuck on "this is the way it has to be". The Resilience Engine's methods offer a very simple way for you to support your own and others resilience right now. We call it the Resilience River.

THE RESILIENCE RIVER

Resilience and rivers have a lot in common. A river is full of rocks, stones, pebbles, silt. It has a direction of travel, and the banks and the land define what the river is like, whether wide and flowing gently or narrow and flowing fast.

No matter the river, if the water is high enough, it will whoosh over the rocks. The river stays on course. It will lose a bit of momentum when it bangs into the rocks or when it needs to shift stones and pebbles out the way, but it still keeps going. You can see where it's going, you have perspective. When the river is low, the river bangs into the rocks, losing a lot

of energy in the process. It can be taken off course, it can get caught eddying, it can get split. Rocks, stones and pebbles are now out of perspective - they all seem huge, they all are part of the battlefield. Your resilience, the height of your river, defines so much how you see and experience things.

With a high river:

- you don't get hijacked by rocks that don't matter; you bypass them;
- you have enough momentum to shift rocks out of the way;
- you have enough energy to carry some of the long-term rocks that you need to, whether that's ill health, or caring for



older relatives, or a long-term issue in your work;

- even when the river is a bit lower than normal, you can use it to navigate the day, assigning the highest resilience to the highest demand, and building in rest and recovery times, so that the resilience drain is kept to a minimum; and
- a high river feels steady and good.

With a low river:

- things are out of perspective and you get hijacked by all sorts of things that don't matter;
- you don't have enough energy to carry heavy loads;

- you can get stopped by a large rock, preventing your flow altogether;
- the river can split or get taken off course or indeed run dry with all the effort;
- in the middle of losing perspective, you can decide to add more rocks of your own in! You can catastrophise the situation more; and
- bottom line? It can all feel quite overwhelming and draining.

The key to your resilience river is to attend to the important rocks, stones and pebbles in your river. You need enough resilience to meet their demand. To do that you need to increase the river level. The two key enablers of this are being

Getting to know what your river is like day to day will help you notice, connect with being present and help you figure out what brings you energy

able to help yourself, your team and your organisation be present and to raise your energy.

Being present means just that - being right here, right now. It means pausing and noticing. Slowing down. And noticing the truth of the situation, including the reaction of you and others. Not hiding, not acting on anything, just noticing. The effect is literally a rewiring of your brain and, in turn, a release of the negative stress reaction, which means a rebalancing of adrenaline and cortisol in your body. The result? You have more perspective and can see more choices of how to proceed. It is immensely releasing. Being present fosters all other conditions for supporting your resilience.

Energy, the second core enabler of resilience, means just that. Physical, mental, emotion, spiritual energy. How can you top up each day? Your sleep, your exercise, your food intake and hydration: they are all part of this. So is having a laugh with friends over a glass of wine. So is being inspired.

Getting to know what your river is like day to day will help you notice, connect with being present and help you figure out what brings you energy.

What is your river like today? What one thing might you do to raise the river? •

You can see the Resilience River in action on our YouTube channel at tinyurl.com/BAM-RRiverYT and find out more at resilienceengine.com



Jenny Campbell,
 CEO, Resilience
 Engine and author
 of *The Resilience
 Dynamic*



**LISTEN
ONLINE**

IN SHORT SUPPLY

Nick Wildgoose explores how to reinforce your supply chain in order to avoid potential disaster

The COVID-19 crisis has created challenges for many industry sectors in respect of how to deal with the demand, financial and supply consequences of our new reality.

As a senior member of the finance team you have a critical role to play in ensuring that your supply chain performance is optimised – you are in a key position to enable cross-functional collaboration. This includes ensuring there are enough resources available and that the key performance indicators are appropriately aligned across the different functions.

Set out below are some potential steps you may want to consider.

ANALYSIS

1. Assess your own likely demand and financial position as demand changes and we move into a post COVID-19 world. Note that you may not be able to rely on your historical statistical demand models.
2. Check that you understand who the suppliers are that support the provision of your most profitable product or service. You need to be aware that these could be service providers or suppliers that only provide a relatively low-cost component. Have you also thought about a potential subcomponent or material not from a direct supplier but lower down in your supply chain that could cause you issues?



Nick Wildgoose
FCA, Director,
Supplien
Consulting

To listen to Nick's webinar from 1 April, visit tinyurl.com/BAM-CovidSupplyChain

3. If you're not already in contact with your critical suppliers to understand their current situation, then you should do this to see how you can help each other. Encourage appropriate transparency and support for each other. If the supplier is a smaller entity, do they have adequate financial resources to survive in the post-COVID-19 environment? If they are a larger business, although they are strategic suppliers to you, do they regard you as a preferred customer? After COVID-19 they will be allocating their limited capacity to the customers they want to protect most.

ACTIONS

1. If you are at all concerned with a supplier, you should be looking for alternative options and ensure in doing this that you assess the relevant risks.
2. You and relevant members of your business team should have adequate access to the appropriate levels of data, including that related to risk. Without access to relevant actionable supply chain data you will not have the agility to operate. It's far more economic to invest in relevant data than inventory.
3. Consider the effect of potential risk scenarios on your overall supply chain in terms of financial effect on your performance. For example, what would be the impact of China going under lockdown again?

LONGER-TERM OPPORTUNITIES

1. Look at your overall supply chain risk management approach – how it is integrated into your overall business performance metrics and how these in turn are aligned with various functional and individual objectives.
2. As you look to provide your organisation with the relevant data and software solutions, to move to a more proactive supply chain management approach, treat this as one step in your overall journey to a digitised supply chain.
3. Ensure that comprehensive risk management as well as cost management is integrated into all aspects of your supply chain management process. It's no good just risk-assessing a supplier and a supply at the initial contracting phase; the risk must be appropriately monitored throughout the supply life cycle.

SUMMARY

Clearly because of the unprecedented and global nature of these disruptions, back-up sourcing plans in other geographies have not been so effective in this case. The international battle for personal protective equipment has illustrated the global challenge of placing too much of the global capacity for a material in one region. This lesson also applies to several corporates that do not adequately consider single points of failure.

As the saying goes: "Only when the tide goes out do you discover who has been swimming naked." It will clearly be shown which supply chains are most resilient as demand picks up and we navigate life after lockdown. ●

TECHNICAL UPDATES

Our regular roundup of legal and regulatory change

EMPLOYMENT LAW



THIS SECTION IS SUMMARISED FROM THE BULLETINS OF VARIOUS LAW FIRMS AND ASSOCIATIONS. NONE OF THE INFORMATION IN THIS UPDATE SHOULD BE TREATED AS LEGAL ADVICE

YOUTH UNEMPLOYMENT TO INCREASE BY 600,000 DUE TO COVID-19

The economic crisis brought about by COVID-19 could increase youth unemployment by more than 600,000 this year unless major new support is provided, according to new research by the Resolution Foundation.

The figures come from the *Class of 2020* report, which found that about 800,000 people aged 18-24 will leave education this year, entering the labour market at a time when the Office for Budget Responsibility predicts unemployment to rise by 6 percentage points.

Due to the exposure education leavers have to this surge in unemployment, a further 600,000 18-24-year-olds are at

risk of being unemployed this year, including recent education leavers.

In addition to entering a diminished labour market, the report also found that this year's education leavers were more likely to face reduced pay and employment prospects even after the economy recovered.

Furthermore, young people currently in work are also likely to earn less, with the pay of graduates expected to be 7% lower one year after leaving education, and 9% and 19% lower for workers who are considered mid- and low-skilled.

The Resolution Foundation has two recommendations for the government to help the "corona class of 2020": assist more young people to stay in education for longer, and target job support at those who are entering the labour market for the first time.

Class of 2020 highlights the benefits of staying in education for one more year, with mid-skilled young people being able to halve the risk of reduced employment by finishing education in 2021 rather than this year.

In order to support this, the Foundation has called for new maintenance support for young people across further and higher education. It

has also called for special arrangements to be made to fund short courses at university and college to make it easier for people to stay on for six more months to boost their education and skills.

"The 800,000 young people set to leave education this year amid an unprecedented economic crisis are facing huge immediate unemployment risks and longer-term damage to their careers," says Kathleen Henahan, Research and Policy Analyst at the Resolution Foundation.

"A new maintenance support scheme could help thousands stay in education and build up their skills, while those entering the labour market for the first time should be supported by a Job Guarantee offering critical employment experience."

You can read the *Class of 2020* report at tinyurl.com/BAM-ClassOf2020

CORONAVIRUS JOB RETENTION SCHEME EXTENDED UNTIL OCTOBER

The Coronavirus Job Retention Scheme (CJRS), which pays the wages of workers on leave due to COVID-19, has been extended to October.

Under the CJRS, employers receive 80% of their employees' monthly wages up to £2,500 from the government, allowing them to temporarily furlough those members of staff.

It was due to end in June and the Treasury was said to be evaluating options of scaling back the scheme, including lowering the 80% wage subsidy to 60% and lowering the £2,500 cap.

Chancellor Rishi Sunak announced the extension in mid-May, and confirmed that employees would continue to receive 80% of their monthly wages up to £2,500.

However, from August, employers will be asked to help cover the cost in order to maintain the 80% wage subsidy.

According to government statistics, 7.5 million jobs have been furloughed, with 935,000 employers using the CJRS to claim £10.1bn.

For more information on the CJRS and if you can claim for your employees' wages through the scheme, visit tinyurl.com/BAM-CJRSCheck

TAX



NEWS AND UPDATES FROM THE TAX FACULTY WEEKLY NEWSWIRE. VISIT ION.ICAEW.COM/TAXFACULTY AND CLICK THE SIGN-UP LINK TO SUBSCRIBE FOR FREE

COVID-19: SICK PAY REBATE SCHEME SET TO OPEN

Small employers and their tax agents will be able to submit claims for rebates of statutory sick pay linked to coronavirus from 26 May, HMRC has confirmed.

The Coronavirus Statutory Sick Pay Rebate Scheme (CSSPRS) enables small and medium-sized employers to recover statutory sick pay (SSP) payments made to their employees, or former employees, when the absence was related to coronavirus.

Employers can claim a maximum of £191.70 per employee under the scheme - two weeks at the current rate of SSP (£95.85 per week). For claims dating back to between 13 March and 5 April 2020, the SSP rate was £94.25 per week.

Claims must be made through the CSSPRS online portal, which opens on 26 May. HMRC has confirmed that digitally excluded employers can ask to claim in an alternative manner.

The Chancellor announced the expansion of SSP in the Spring Budget, as the pandemic hit, and it took effect from 13 March. The changes resulted in SSP payments being made to employees from the first day of illness (no waiting days applied).

As this represented an additional cost to employers, the CSSPRS is designed to help fund the cost of the first two weeks of SSP for smaller employers. This includes SSP payments made to those who were self-isolating for two weeks due to living with someone with symptoms and, as of 16 April, employees shielding from the illness on the advice of the NHS or their GP.

Alongside announcing the opening of the portal, HMRC has updated its guidance for businesses on whether they can claim back SSP paid to employees due to coronavirus.

To be eligible for a rebate an employer must have had fewer than 250 members of staff on its PAYE payroll on 28 February 2020 (taking connected employers into account) and, as of 31 December 2019, not be in financial

difficulty (ie, in insolvency or receiving rescue aid).

To submit a claim employers need their government gateway user ID - those employers that are not registered on the government gateway can enrol now.

To make a claim employers need:

- employer PAYE scheme reference number;
- contact name and telephone phone number (in case of queries);
- UK bank or building society details (where a BACS payment can be accepted);
- the total amount of coronavirus SSP paid for the claim period;
- the number of employees being claimed for; and
- the start date and end date of the claim period.

HMRC has also confirmed that claims can be made for multiple pay periods and employees at the same time, with the start date of the claim being the start date of the earliest pay period being claimed for, and the end date of the claim being the end date of the most recent pay period.

As the CSSPRS is being operated under the EU's Temporary State Aid Framework, employers must declare as part of the claim that it will not result in the amount of state aid received by the employer exceeding their maximum temporary aid amount.

HMRC has also confirmed that employers can make claims from both the CJRS and the CSSPRS for the same employee, but not for the same period of time.

COVID-19: UPDATED GUIDANCE ON DAC6 AND REASONABLE EXCUSE

Earlier this month HMRC expanded its guidance on appealing penalties to specifically consider coronavirus as a reasonable excuse.

As a result, HMRC has also updated information on DAC6 detailing how reasonable excuse will apply to obligations under the International Tax Enforcement (Disclosable Arrangements) Regulations 2020.

The guidance (IEIM800000), confirms: "Because of the COVID-19 situation HMRC accepts that any taxpayer or intermediary who makes a report late because of these difficulties will have a reasonable excuse (and so will not be liable to any penalties for that delay)

provided the report is made without unreasonable delay after those difficulties are resolved.”

HMRC acknowledges in its guidance the challenges “in developing and introducing the necessary IT systems, processes and procedures, training staff and identifying reportable arrangements for periods back to June 2018”.

However, ICAEW’s Tax Faculty reminds taxpayers and agents that it is still important that affected intermediaries retain information and documentation to evidence the reasons behind any failures, and to demonstrate that any omissions were corrected as soon as it was practical to do so.

Board minutes and more informal records of the general activities of management could all offer support, according to the Tax Faculty. Providing details of the commercial challenges that interrupted the ability to implement the rules will be fundamental to any case.

The existing guidance references the deadline of 1 July 2020, with the first reports being sent no later than 31 August 2020. However, the European Commission has published proposals deferring certain deadlines for filing and sharing of information under DAC6 by three months.

The Tax Faculty understands that HMRC will confirm how these proposals will affect the UK rules as and when they are final. It is therefore worth highlighting that the deadline currently referred to in HMRC’s guidance could change.

FINANCIAL REPORTING



YOU CAN FIND OUT MORE ON THE LATEST FROM THE FINANCIAL REPORTING FACULTY AT [ICAEW.COM/FRF](https://www.icaew.com/frf)

CORONAVIRUS

The impact of COVID-19 is still at the forefront of our minds and government, standards setters and regulators continue to respond.

GOING CONCERN

ICAEW, in collaboration with the Institute of Accountants in Scotland (ICAS), has published *COVID-19 and going concern – guidance for directors of SMEs*. This guidance is aimed at business owners and directors and highlights the importance of forecasting

cash flow and how to reflect the impact of COVID-19 when drawing up annual accounts.

MICRO-ENTITIES

In addition to the FRS 102 checklist published last month, the Financial Reporting Faculty has published a checklist on the implications of COVID-19 for the preparation of micro-entity accounts (FRS 105). There is also a short webcast on the accounting issues facing micro-entities, available on demand.

You can access all COVID-19-related resources on the dedicated hub at [icaew.com/coronavirus](https://www.icaew.com/coronavirus)

FRC

The Financial Reporting Council (FRC) has published several pieces of guidance in light of the coronavirus pandemic. It has updated its *Guidance for companies on Corporate Governance and Reporting* to cover interim reports. Together with the Department for Business, Energy and Industrial Strategy (BEIS) it has issued a Q&A on company filings, AGMs and other general meetings during COVID-19.

The FRC’s Financial Reporting Lab has also published a COVID-19 infographic and invites investors to complete a survey on what information they might want companies to prioritise given the current circumstances.

You can find out more at [frc.org.uk](https://www.frc.org.uk)

IASB

The IASB has published two COVID-19 related exposure drafts.

The first proposal is to amend IFRS 16 *Leases* to make it easier for lessees to account for COVID-19-related rent concessions such as rent holidays and temporary rent reductions. The proposed amendment would exempt lessees from having to consider whether particular COVID-19-related rent concessions are lease modifications, allowing them to account for these changes as if they were not lease modifications. The amendment would apply to COVID-19-related rent concessions that reduce lease payments due in 2020.

The second proposal is to defer by one year the effective date of *Classification of Liabilities as Current or Non-current*, which amends IAS 1

Presentation of Financial Statements.

The IAS 1 amendments were issued in January 2020, effective for annual reporting periods beginning on or after 1 January 2022.

However, in response to the COVID-19 pandemic, the Board is proposing to provide companies with more time to implement any classification changes by deferring the effective date to annual reporting periods beginning on or after 1 January 2023.

You can find out more at [iasb.org](https://www.iasb.org)

OTHER CHANGES TO IFRS

The IASB has also issued several narrow-scope amendments to IFRS Standards as follows:

- Amendments to IFRS 3 *Business Combinations* update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 *Property, Plant and Equipment* prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* specify which costs a company includes when assessing whether a contract will be loss-making.
- Annual Improvements make minor amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 9 *Financial Instruments*, IAS 41 *Agriculture and the Illustrative Examples* accompanying IFRS 16 *Leases*.

All amendments are effective 1 January 2022.

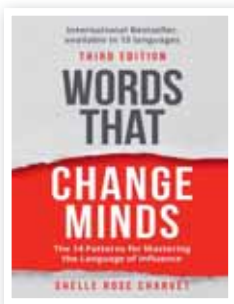
More information is available at [iasb.org](https://www.iasb.org) ●

BOOK ENDS



SPEED READ

Chartered occupational psychologist Lucinda Carney talks us through *Words that Change Minds: Mastering the Language of Influence* by Shelle Rose Charvet



How and when did you first come across this book?

About 20 years ago I was in an internal learning and development role, creating behavioural and leadership training programmes, and a fellow trainer recommended the book to me. This was at a time when neuro linguistic programming (NLP) was quite fashionable but was seen as something of a dark art.

This book takes a particular aspect of NLP – metaprogrammes – and distils it down into specific questions that we can use to identify them, supported by lots of practical examples.

As a chartered psychologist, what appealed to me about this book was

that it was both research-driven and practical.

I think it is still highly relevant today.

How has this book influenced your own work?

I am convinced that effective communication underpins success in all roles, both business and professional. It is critical to leadership, training and sales success but one size doesn't fit all. This book gives a helpful insight into the language people use to get motivated, process information and make decisions.

A simple example would be understanding that some people are what is termed 'away' motivated, and others are 'towards' motivated in certain circumstances. A manager is likely to use goal-orientated language because that is their preference, which may fall on deaf ears if they are talking to someone who is motivated away from pain.

I have used this and other examples in management and communication training, and also included a chapter on this in my recent book as it is also highly relevant to motivating and communicating change.

What do you think is the key lesson one can take away from this book?

The language patterns that people use give us a great insight into their motivations and preferences. Having awareness and flexibility around those can help us to be more influential and effective communicators.

How is the book still relevant today?

Language patterns are not just verbal, they are as relevant in the written word and possibly even more important to appreciate here in the absence of clues from intonation and body language. Equally, with much collaboration now carried out virtually with reduced face-to-face contact, the words we use may carry even more weight.

Who should read this?

It is accessibly written and suitable for anyone in a people-related role. It's particularly relevant for people professionals, sales and managers. ●

Lucinda Carney CPsychol, author of *How to be a Change Superhero* (Practical Inspiration Publishing), host of the *HR Uprising* podcast and CEO of Actus Software

BOOKMARKED

Yes, You Can Do This! How Women Start Up, Scale Up, and Build the Life They Want By Claudia Reuter (Wiley) £18.99



At 27, Claudia Reuter became one of the 43% – women who leave work to have a family and never return to the traditional workforce. Instead of joining the ranks who go back to a role lower down the ladder than the one they left, juggling the enormous cost of childcare and paying back student debt, Reuter started her own company. Her eventual trajectory may be unusual – she ended up at the helm of a \$1bn-plus firm – but the lessons she learned and shares in her book are accessible and relatable.

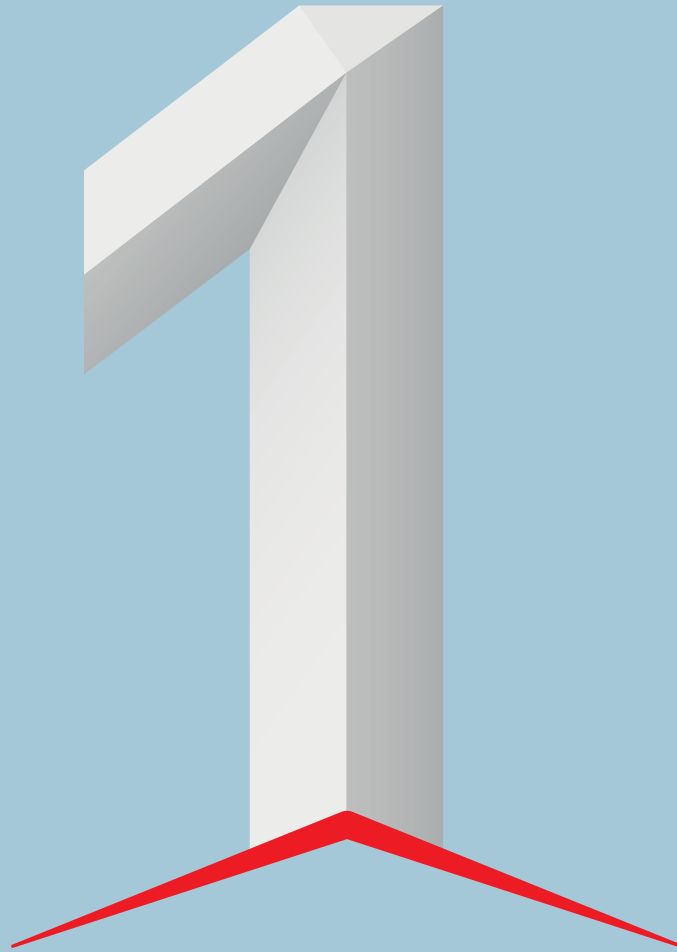
Although she sees merits in the lean in/lean out debate, Reuter advocates a third way to building new working cultures while still creating value in the economy. The old system highlights the outliers and token women at the top, pitching them into fierce

competition for leadership scraps instead of into a helpful alliance of similar minds.

While the first part of the book is devoted to getting ready, subsequent chapters include content for those who are already on the journey. It's packed to the gills with statistics – having a compelling message isn't possible without the backup, as Reuter points out. As a host of *The 43%* podcast she also knows how to be friendly and engaging without losing impact – although some of the sections where she includes characters speaking in conversation seem a little long.

This is a minor quibble that should not detract from the huge volume of common-sense advice on offer.

The overall message of *Yes, You Can Do This!* is definitely embodied by its title.



Put your professional development first with Faculties Online

As a member of the Business and Management Faculty, have you ever considered 'topping up' your Faculty membership with a subscription to Faculties Online?

Faculties Online gives you easy access to a wide range of information from all our Faculties, helping you towards meeting your CPD requirements.

As well as having access to hundreds of webinars from the Faculties, you'll also receive a fortnightly e-bulletin with the latest resources. Whether you're in business or practice, the e-bulletin is tailored for you.

Other benefits at a glance include:

- Technical and regulatory updates to keep you ahead of change
- Practical suggestions on how to provide quality services and grow your practice or business
- Access to forums to share issues with like-minded professionals
- Two suites of Excel online training, tailored to your needs

How to 'top up' with Faculties Online:

To 'top up' your Faculty membership and widen your professional knowledge, visit icaew.com/subscribefo



THE VALUE OF TOGETHERNESS



FIVE EXCLUSIVE BENEFITS, ONE COMMANDING SUV

We believe in the power of working together. That's why every detail of a Volvo, from its innovations to its design, is made to fit perfectly into your life. And also why we've partnered up with ICAEW to give you more. As a member, you can enjoy an exclusive saving on any of our multi-award-winning XC60 SUV models – including our T8 plug-in hybrid. Discover which is right for you.

AFFINITY
PARTNER
DISCOUNTS



ACCESSORY
OFFERS



FINANCE
PACKAGES



INSURANCE
OFFER



SERVICE
OFFERS



VISIT [ICAEW.COM/VOLVO](https://www.icaew.com/volvo) OR CALL THE VOLVO
CAR BUSINESS CENTRE ON **03333 204 147**



Fuel consumption and CO₂* figures for the Volvo Cars range, in MPG (l/100km): WLTP Combined 26.2 – 176.5 (10.8 – 1.6). NEDC CO₂ emissions 192 – 39g/km. Twin Engine WLTP electric energy consumption 3.4 – 4.1 miles/kWh. Twin Engine WLTP all electric range 22.4 – 36.7 miles. Figures shown are for comparability purposes; only compare fuel consumption and CO₂ figures with other cars tested to the same technical procedures. These figures may not reflect real life driving results, which will depend upon a number of factors including the accessories fitted (post-registration), variations in weather, driving styles and vehicle load. *There is a new test used for fuel consumption and CO₂ figures. The CO₂ figures shown, however, are based on the outgoing test cycle and will be used to calculate vehicle tax on first registration.