

TOURISM RECOVERY WEBINAR SERIES

Strategic Planning for Business Continuity

14 OCTOBER 2020



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Canada



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du Canada





**World Health
Organization**

200 days

33.3 million cases worldwide

1 million deaths

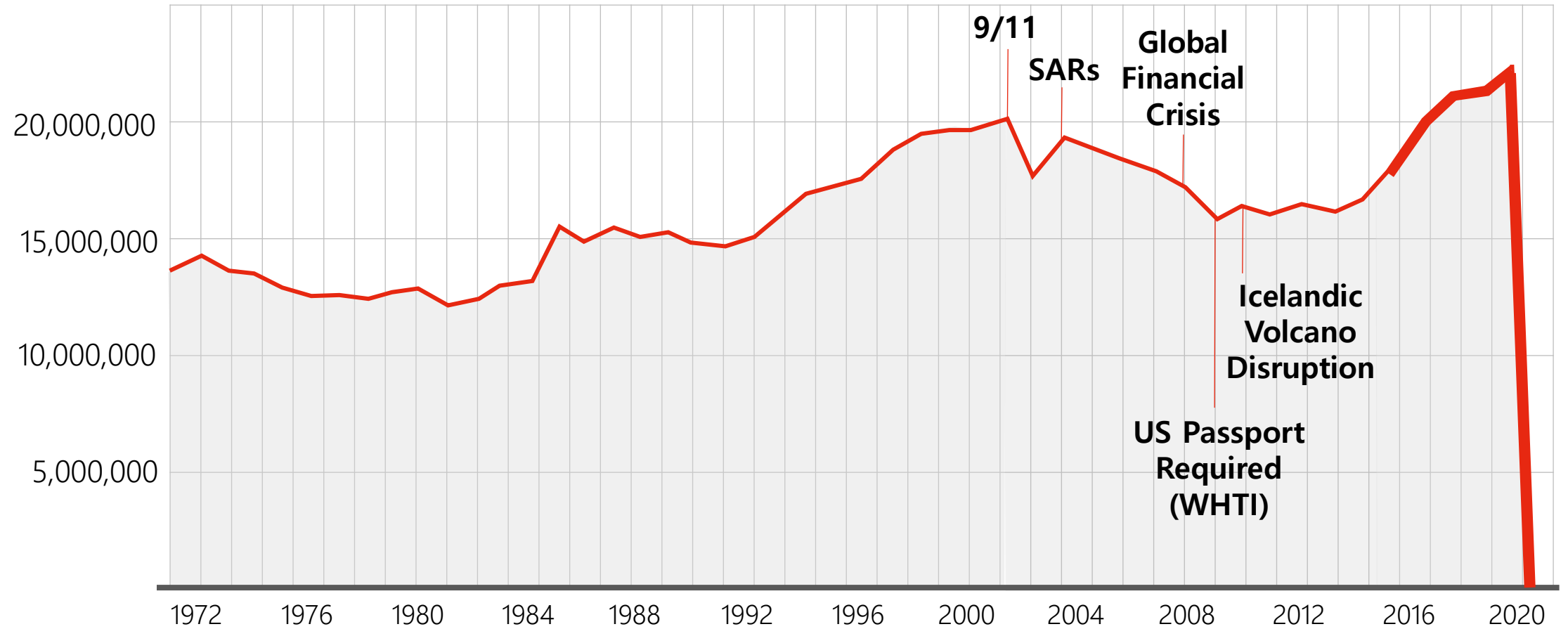
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Unprecedented Collapse



PRE-PANDEMIC PROFILE

Tourism Workforce

1.8 Million & Growing

2%



TRAVEL
SERVICES

9%



ACCOMMODATION

16%



TRANSPORTATION

22%



RECREATION &
ENTERTAINMENT

52%



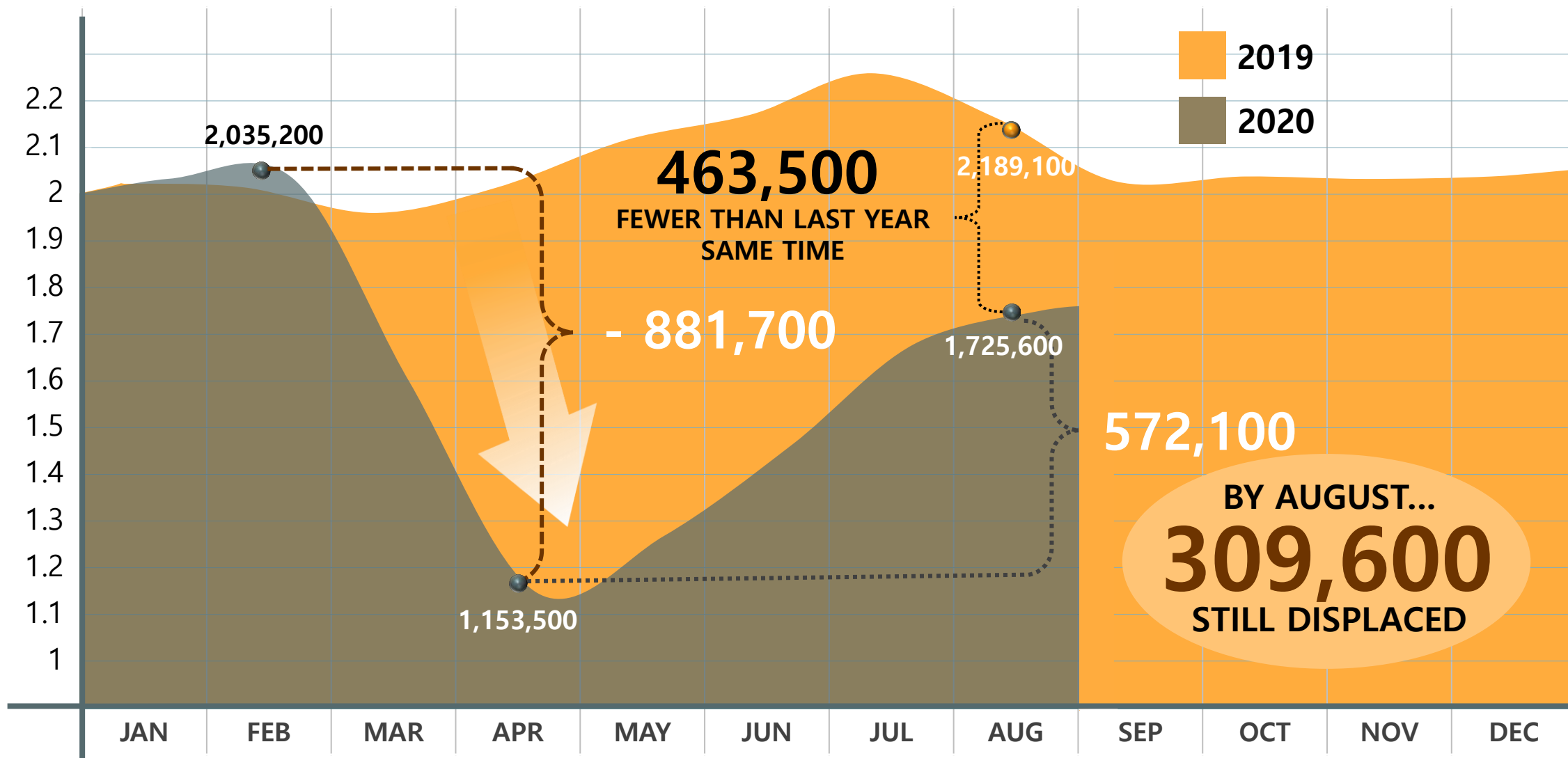
FOOD &
BEVERAGE

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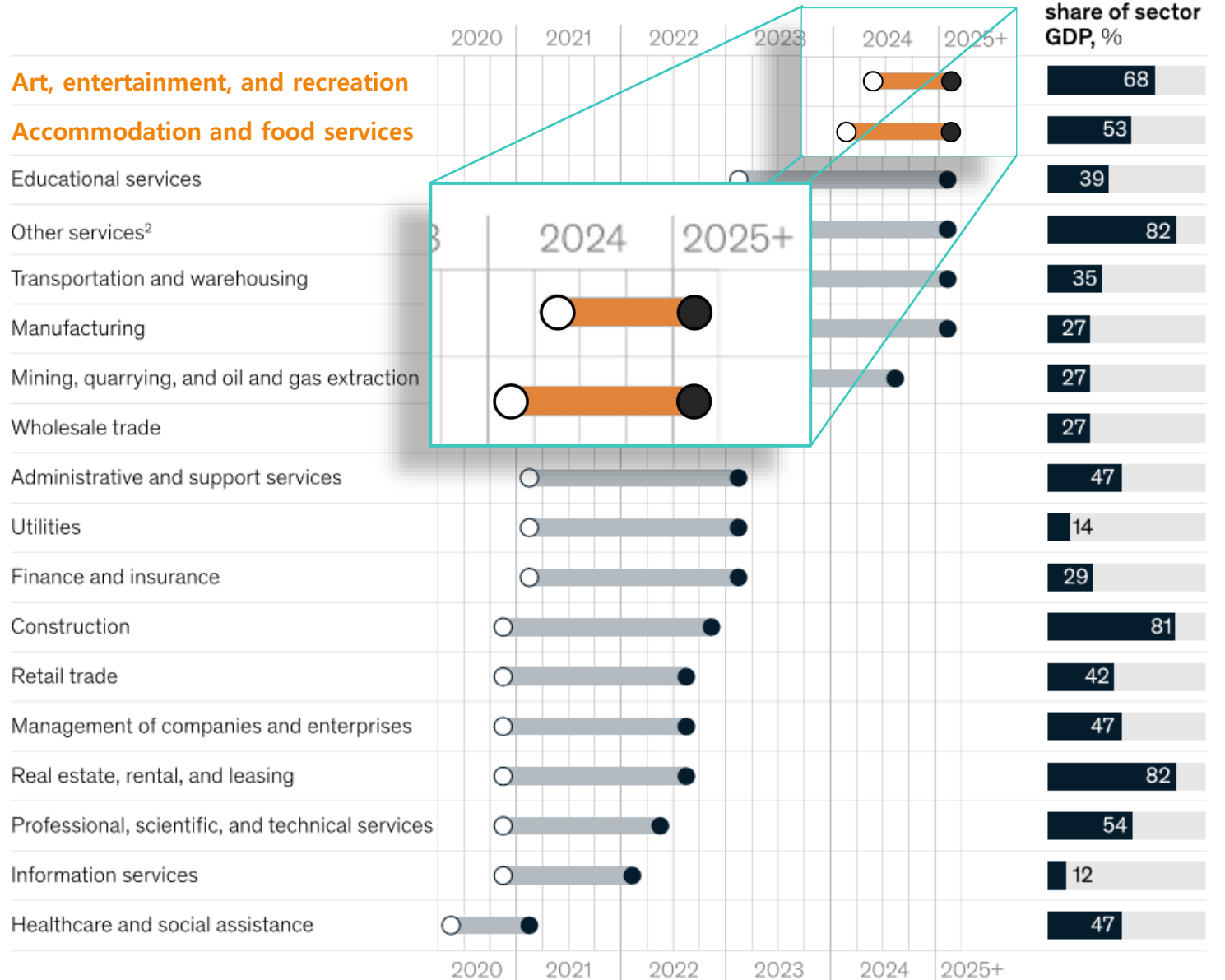
Total Tourism Employment 2019 vs 2020



“
COVID-19 recovery
in hardest-hit
sectors could take
more than 5 years.

Estimated time to recover to pre-COVID-19 sector GDP¹

○ Virus-contained scenario ● Muted-recovery scenario



¹Data as of June 15, 2020.

²Excluding public administration.

Source: Oxford Economics; McKinsey analysis; McKinsey Global Institute analysis

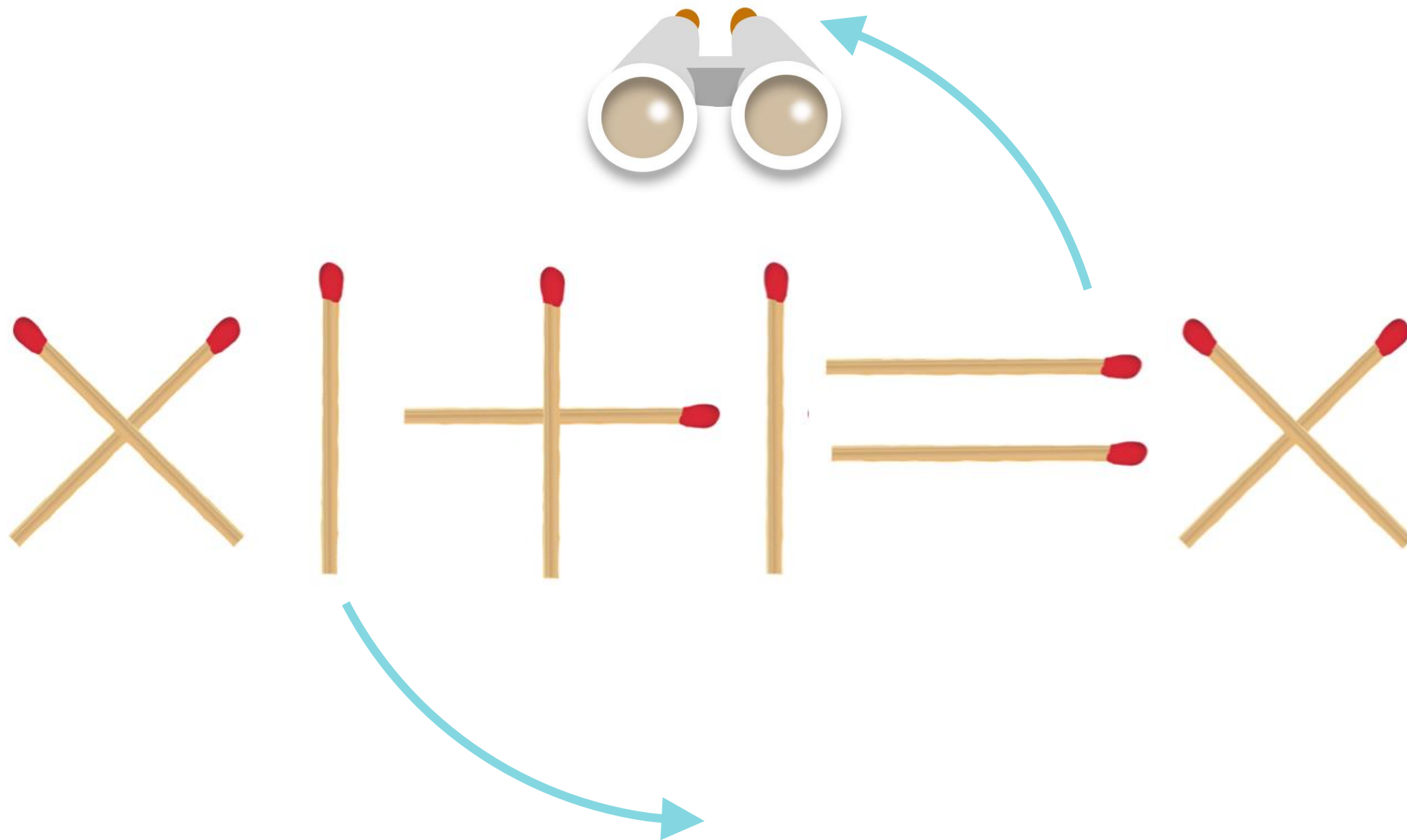
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THE CAT 

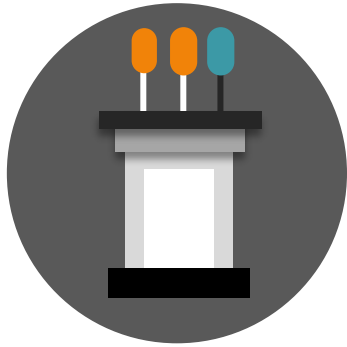
TAE CAT

TAE CHT 



HELPING YOU MAKE STRATEGIC BUISNESS DECISIONS

PESTLE Analysis



Political

Tax implications
Immigration policies
Industry regulations
Global trade agreements



Economic

Exchange Rates
Economic growth/decline
Labour costs
Consumer spending trends



Social

Consumer demographics
Workforce demographics
Lifestyle choices



Technological

Automation
Use of AI
Impact of disruptive technology
Data storage needs



Legal

Changing labour laws
Changes in safety and health regulations
Risk management



Environmental

Use of sustainable resources
Ethical sourcing of goods, procurement practices
CSR



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CASE
EXAMPLE

1

Watering Hole-in-One

Sports Bar and Eatery

1



POLITICAL

COVID policies, regulations
(& constant changes)

2



ECONOMIC

Access to international supplies.
Changes in lifestyle

3



SOCIAL / CULTURAL

Social distancing.
Fear of COVID

4



TECHNOLOGICAL

Contact tracing requirements
Online ordering
Supply chain management

5



LEGAL / REGULATORY

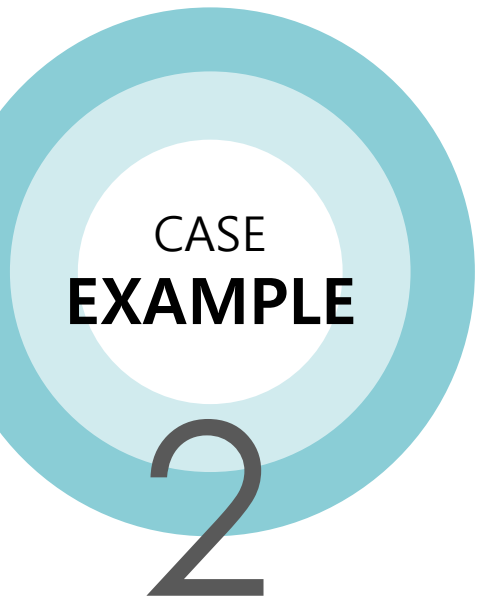
Increased Health & safety
requirements
Fines for non-compliance to
COVID (e.g. social distance)

6

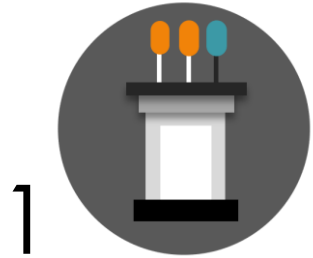


ENVIRONMENTAL

Ethics – demonstrating
caring about customers



Mi'kmaq Heritage Site



1

POLITICAL

Travel restrictions/bans
Gov't support for tourism



2

ECONOMIC

Labour limitations



3

SOCIAL / CULTURAL

'Stay at home' trend



4

TECHNOLOGICAL

Online reservations
Contact data bases



5

LEGAL / REGULATORY

Travel restrictions/bans



6

ENVIRONMENTAL

Travel requirements
Land stewardship

So what?



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Strategic planning

 [PLAN](#) / [STRATEGY](#)

Strategic planning for times of crisis

If you think of various scenarios that might play out in the back half of 2020 and beyond and build “what if” statements around those, a number of questions arise.

-  What will your business look like going forward?
-  Have the needs of your customers changed?
-  What can you do to fulfill these changes?

STRATEGY

Financial process improvement: Accounting and bookkeeping in the cloud

[View](#)

STRATEGY

Strategic planning models – Porter's Five Forces

Additionally, you can use Porter's Five Forces as a strategic planning tool to identify the economic forces that impact travel and tourism and determine your business's competitive position. The five forces include:

1. Competition in the industry
2. Potential of new entrants into the industry
3. Power of suppliers
4. Power of customers
5. Threat of substitute products



Strategic planning models – Visioning

Visioning is another strategic planning model and goal-setting strategy. It helps your organization develop a vision for the future and the outcomes you'd like to achieve.

Once you reflect on the goals you'd like to reach within the next five years or more, your business can identify the necessary steps to achieve your goals. This can be used to both bolster business resilience and inform your strategic planning. Visioning also provides a useful framework to merge your strategic plan with your innovation strategy so that it remains core to your overall strategy and not a “bolt-on” feature.



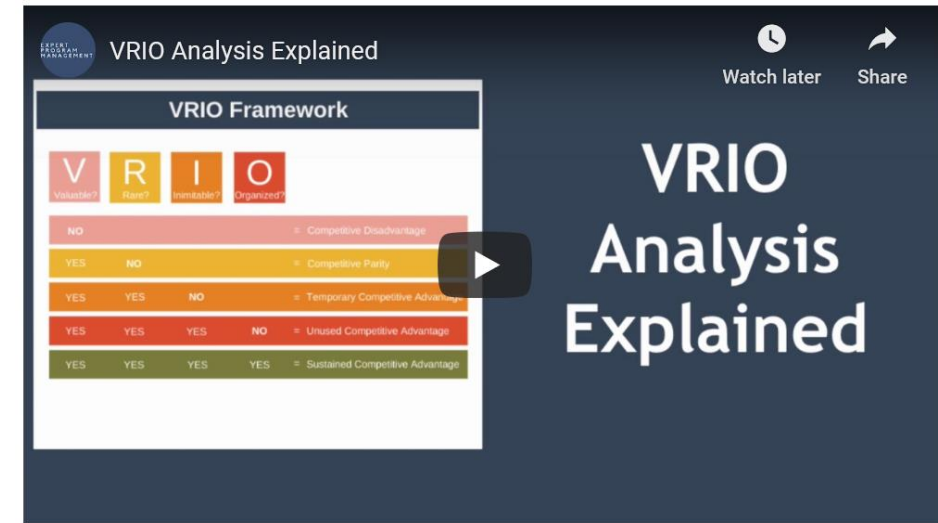
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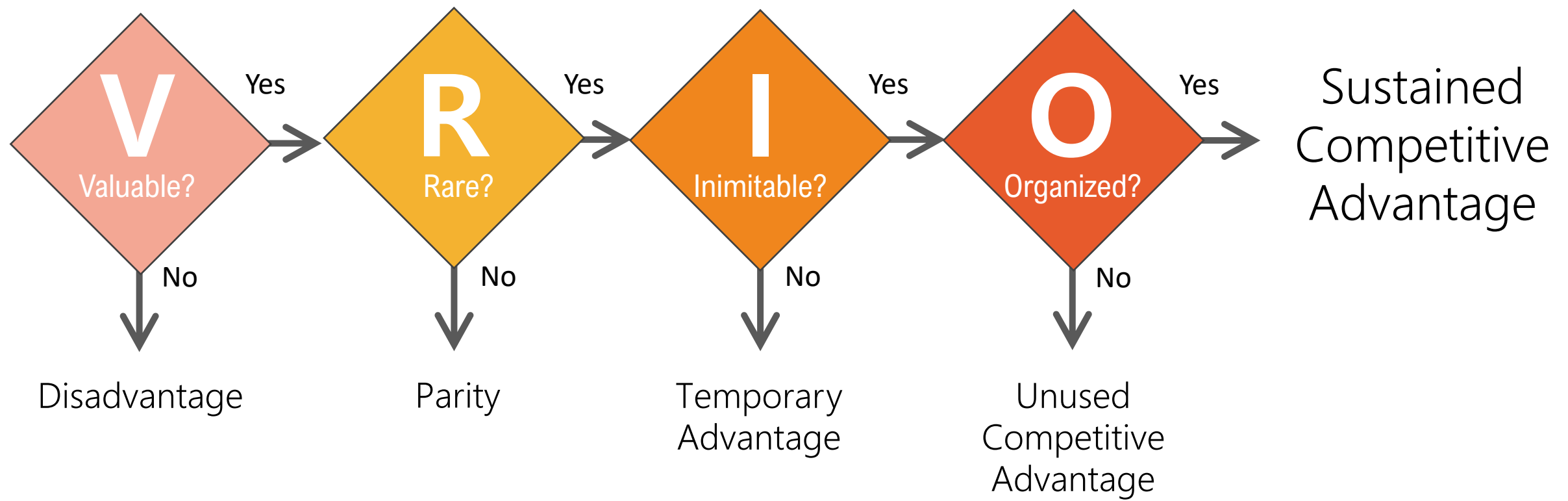
Strategic planning models – VRIO

The VRIO (Value, Rarity, Imitability, Organization) framework is another strategic planning tool that's used to identify the competitive advantages of your product or service. Specifically, the VRIO framework provides a means of assessing product/service viability. Given the importance of adapting to new market realities, particularly for travel and tourism products, this can provide a consistent means of assessing your business model in a comparable way. Many models have become unworkable or undesirable almost overnight with the onset of COVID-19, but how can you assess this within your own business?

VRIO is composed of four different elements:

1. Value: Does it provide value to customers?
2. Rarity: Do you have control over a rare resource or piece of technology?
3. Imitability: Can it easily be copied by competitors?
4. Organization: Does your business have the operations and systems in place to capitalize on its resources?





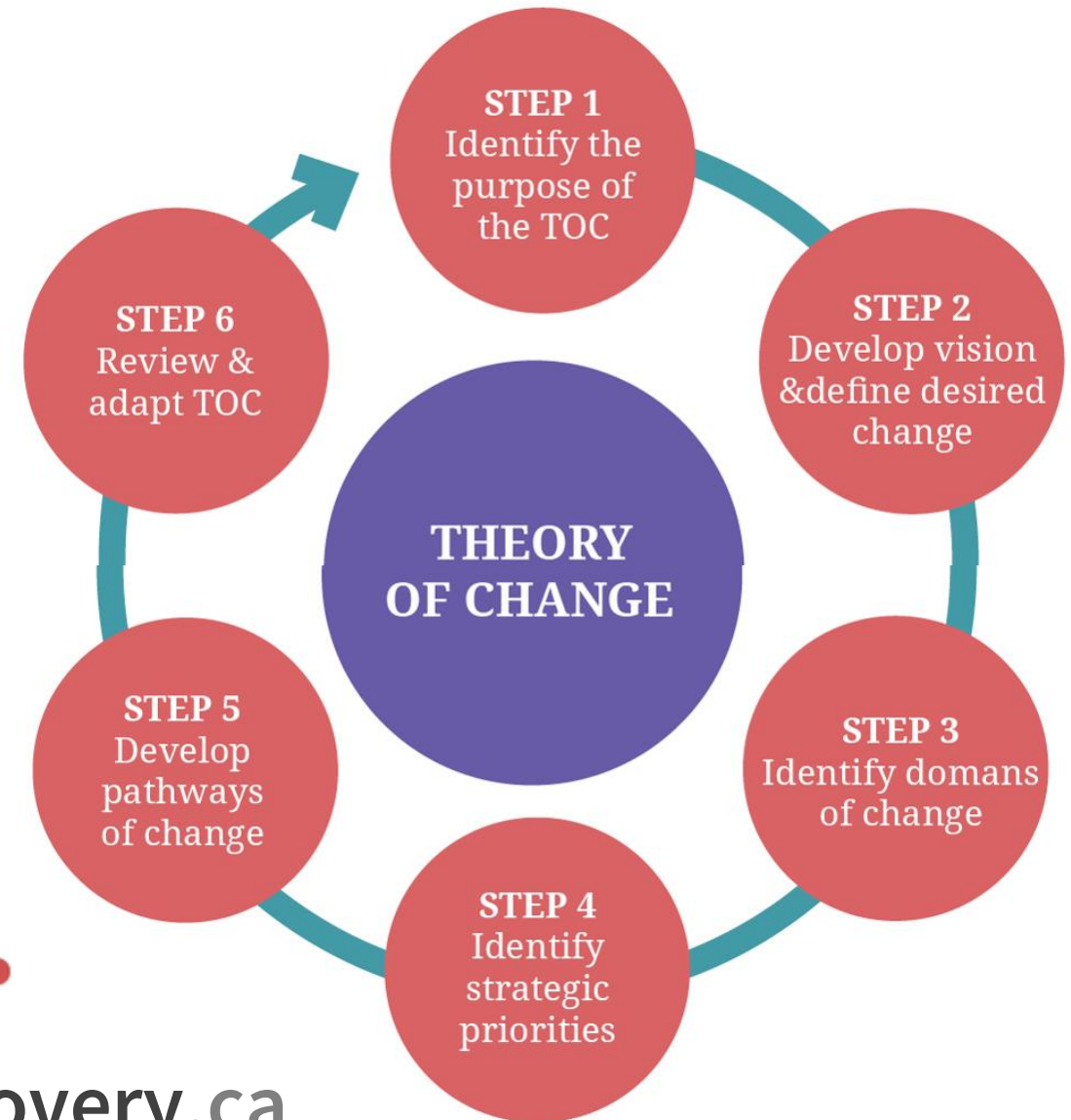
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Strategic planning models – Theory of Change

1. Identify long-term goals
2. Backward map preconditions necessary to achieve goals.
3. Identify basic assumptions.
4. Determine interventions to achieve goals.
5. Identify ways to evaluate performance.
6. Write explanation of the logic behind initiative.

Steps in the Theory of Change process adapted to M4SN

Source: adapted from van Es et al. 2015



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STRATEGIC PLANNING AND RESPONDING TO THE COVID CRISIS

THE FOLLOWING LIST OF THEMATIC QUESTIONS CAN HELP YOU DEVELOP
A MAP TO NAVIGATE THE STRATEGIC PATH FORWARD:

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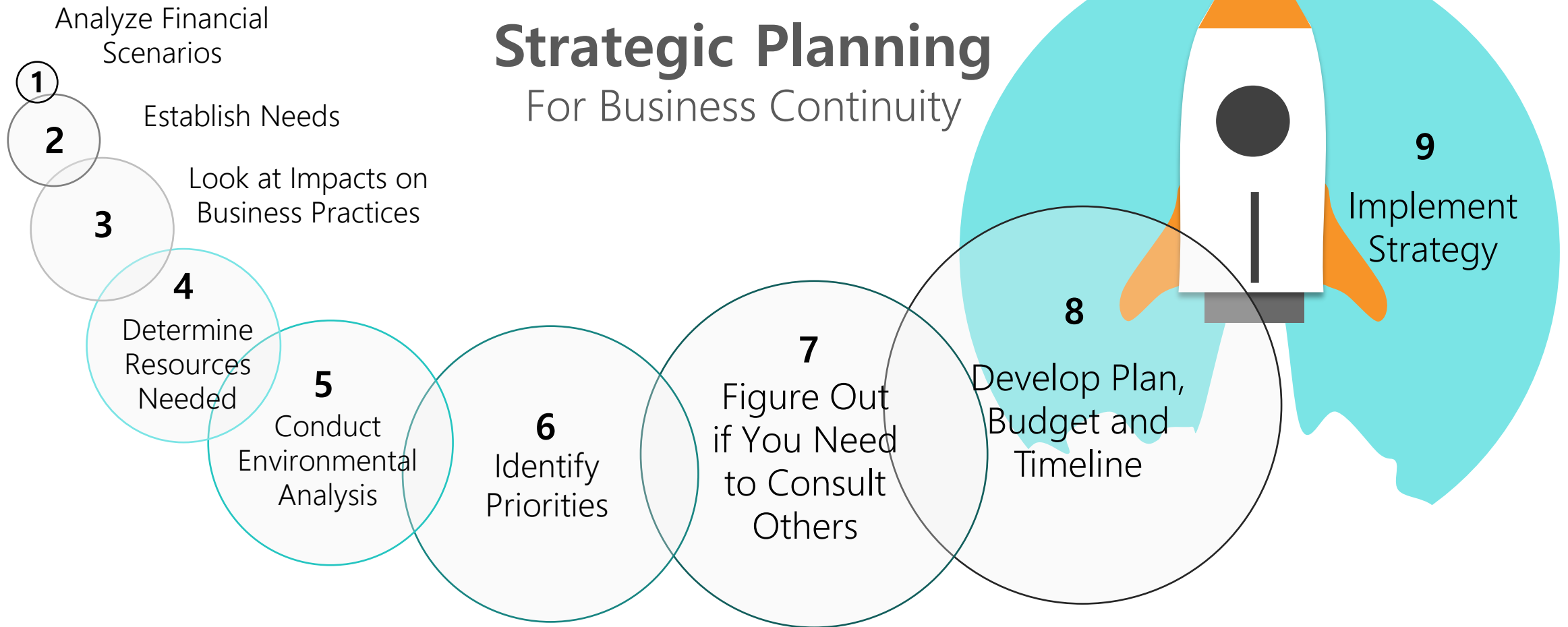
POWERFUL QUESTIONS

GOAL	<ul style="list-style-type: none">What is the issue you have to tackle?What is the most important thing to you right now?What is the timeframe?What do you want to do right now?What is the longer-term goal?
REALITY	<ul style="list-style-type: none">What is the present situation in more detail?What's the biggest obstacle you are facing?What have you done so far?What resources do you have?What do you know about it already?What is working well for you right now?How much control do you have over that?
OPTIONS	<ul style="list-style-type: none">What are all the different options?Who do you need to speak to; where can you get more information/help?What are the advantages/disadvantagesWhat can you stop doing?What other angles can we consider?



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Strategic Planning For Business Continuity



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Strategic Planning for Business Continuity

CHECKLIST

Strategic Planning for Business Continuity

CHECKLIST

A Response to COVID-19

Business continuity is dependent on the ability of businesses to adjust to new circumstances and to plan for different scenarios. The coronavirus has been devastating for tourism businesses, causing massive shuttering and employee layoffs. COVID-19 is ongoing with no clear end—the sustained disruption to the tourism industry creates many uncertainties. Small businesses seek guidance on managing through the crisis to help ensure they can survive and to be sure they can adapt to new business realities. This checklist contains a framework to explore the issues to help set a new strategic path.

EXPLORING THE ISSUES: CLARIFYING THE PROBLEM

Think carefully about each item, prepare notes, and identify priorities. Use this information to help develop your business continuity strategy.

Analyze financial scenarios, for example:

- ☐ Identify revenue impacts:
 - What is the estimated shortfall in revenues over the next 3, 6, 9, and 12 months?
- ☐ Review cash flow liquidity risk:
 - Can the business fund its liabilities?
- ☐ Financial relief:
 - What are the government emergency financial relief programs, tax rebates, or other supports available?
- ☐ Refinancing or loans:
 - What options does your lending institution have? Are these feasible?
- ☐ Review applicable insurance policies:
 - Does your insurance cover unexpected costs or losses?
- ☐ Impact on payroll and other staffing costs:
 - What will the costs be for severance packages or to accommodate extended layoffs or leaves of absence?
 - What is the impact on benefit packages and worker insurance schemes?

Emphasize the needs of the customer/consumer and the community, for example:

- ☐ Establish crisis communications:
 - What must you communicate to keep customers, employees, suppliers, and the community informed?

- ✦ **Free Download**
- ✦ **Print Ready**
- ✦ **Tailor to Your Needs**



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Strategic Planning Cycle



- 1 Proposed Mission
- 2 Proposed Goals
- 3 Examine Internal Issues
- 4 Examine External Issues
- 5 Summarize Findings
- 6 Formulate Strategy



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Let's look at some real-life Canadian

Success Stories



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ONTARIO
**TOURISM
INNOVATION
LAB**

THE CANADIAN PRESS 

TJ Stables continues to adapt





RIVERSIDE
+ LESLIEVILLE
FOOD TOUR
IN A BOX



RIVERSIDE + LESLIEVILLE FOOD TOUR IN A BOX™

Taste Toronto's Hippest Hood - Updated for Fall!

Our curated culinary box is the perfect way to taste our original Food Tour and support the neighbourhood's local and proud (but hurting) vendors. Buy or send one to a friend today.

BUY NOW



**CULINARY
ADVENTURE
CO.**



YES, WE ARE STILL LEADING FOOD TOURS JUST ONE BOX AT A TIME!

Make it Simple, but Significant

A Few Tips

from those that have been-there and done-that



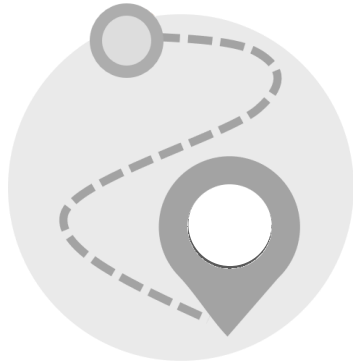
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Benefits of Strategic Planning

IMPROVING CHANCES OF SUCCESS ESPECIALLY IN TIMES OF UNCERTAINTY



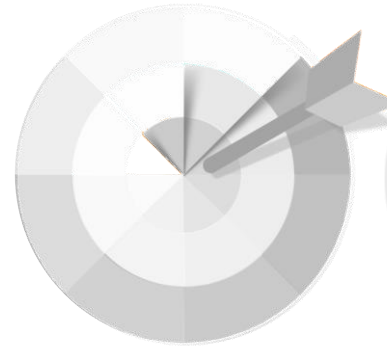
Ownership



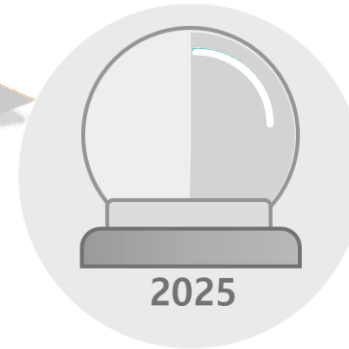
Clear Pathway,
Focused
Direction



Stakeholder
Engagement



Creates a
Common Goal



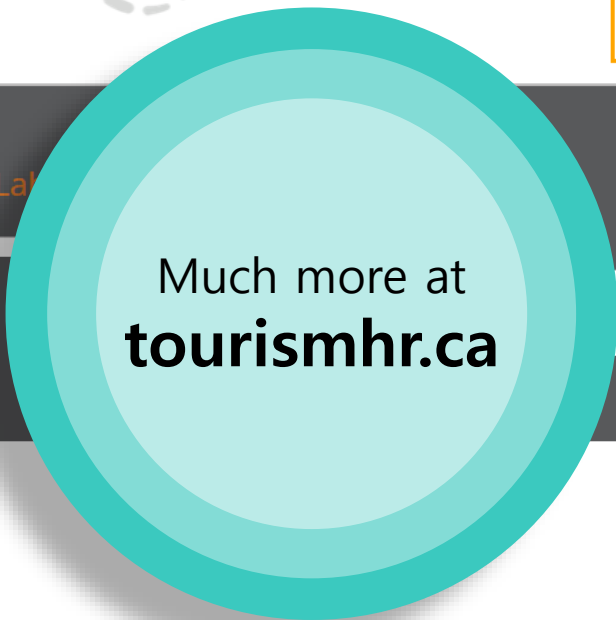
Informs Future
Training and
Development



Ensures
Efficiencies



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employment

Insights into COVID-19's Impact

The Labour Force Survey (LFS), conducted by Statistics Canada, is the source of the data used in this report. The LFS sample size is approximately 56,000 households, covering 100,000 individuals. Tourism HR Canada receives customized LFS tables that follow the Tourism Sector's needs.

Tourism Employment Tracker: Insights into COVID-19's Impact

What's New

Tourism Facts

Tourism by Federal Riding

2019 Tourism Compensation Study

Census Data: Who Works in Tourism?

Tourism Shortages: Jobs to Fill

Tourism Labour Force Survey

Rapid reSearch Tool

Canadian industries. The monthly
allows Tourism HR Canada

E-newsletter

Every Second Wednesday

Insights to
help build a
competitive
workforce

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COVID-19 Tourism Workforce Recovery Toolkit

As Canada's national HR organization working for the tourism sector, our goal is to provide the knowledge and tools to help tourism operators and their teams rebound from the crisis and build a resilient workforce.

The Covid-19 Tourism Workforce Recovery Toolkit is a practical, web-based program that includes tools, downloadable content and presentations, all designed to give tourism operators the knowledge resources they need to rebound and succeed.





Budget & Finance

A significant decrease in customers has made weathering COVID-19 exceptionally challenging for the tourism industry, impacting its bottom line. Additionally, many businesses face the challenges of travel limitations persisting in the market, which has been more critical, from a financial perspective, than your organizational capacity and ability to adapt.

In this section of the Toolkit, you will learn how to use budgetary measures your business can take to survive and recover from the challenges of moving forward.

Learn How To:

- * Consider new revenue strategies specific to your sector

* Develop

Managing Cash Flow During Recovery

CHECKLIST

Suggestions to Improve Cash Flow

Managing cash flow is vital to the success of a tourism business, especially in uncertain economic times. It is important to carefully manage inventory, sales, accounts receivables, costs, and more.

CASH FLOW ESSENTIALS

☐ Know business variables

- o Seasonal shifts
- o Inventory cycles
- o Monthly sales fluctuations
- o New or increased expenses
- o Need for new (unused) space
- o Vendor relationships

☐ Focus on key principles:

- o Cut out spending

Develop Smart Inventory Control System

CHECKLIST

Sourcing, Storing, Selling, and Saving

Smart management of inventory is imperative to tourism businesses, especially in times when cash flow is strained and your company is adjusting to new business conditions, such as having to change products or services to match new visitor markets.

A smart inventory management system will help tourism businesses:



PDF

TOURISM RECOVERY

2020 Webinar Series



**Strategic
Planning**
for Business
Continuity

1

WEDNESDAY
OCTOBER 14

Creating
**New
Revenue
Strategies**

2

WEDNESDAY
OCTOBER 28

Building
Strategic
**Community
Partnerships**

3

TUESDAY
NOVEMBER 10

**Adapting
to New
Market
Realities**

4

TUESDAY
NOVEMBER 24

**Workforce
Power
Session**

5

WEDNESDAY
DECEMBER 9



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Thank You

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**Jim
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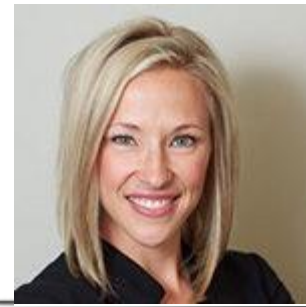
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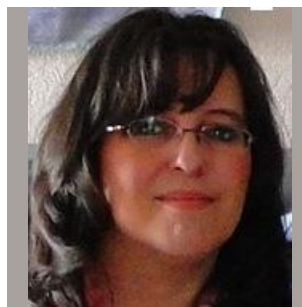
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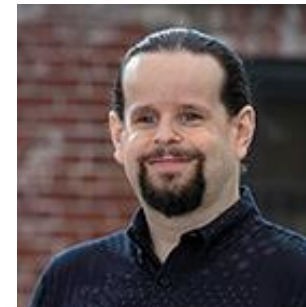
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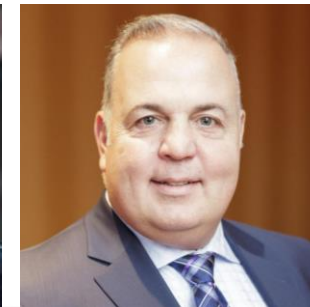
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Strategic Planning for Business Continuity

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Wishing you and your family good health during
these uncertain and unprecedented times



Tourism HR Canada is a pan-Canadian organization with a mandate aimed at building a world-leading tourism workforce. Tourism HR Canada facilitates, coordinates, and enables human resource development activities that support a globally competitive and sustainable industry and foster the development of a dynamic and resilient workforce.

Tourism HR Canada is your source for current human resources issues and solutions, and works with the industry to attract, train, and retain valuable tourism professionals by giving them the tools and resources they need to succeed in their careers and entrepreneurial endeavours.

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