

A Practical Survival
Guide to Successful
Business Turnaround

THE CRISIS PLAYBOOK

by Simon R Jones



FORTITUDE

www.fortitudelondon.com

"Super clear and practical. Clearly born from experience and lessons learned. A great read for us all."

— Jay Kimpton, CEO

"Simon doesn't just help companies survive a crisis, he transforms them, restoring stability, confidence, and growth."

Any CEO facing uncertainty would benefit immeasurably from his guidance - and I wouldn't hesitate to recommend they start with the insights he has generously shared in this Turnaround Playbook Series."

— Andreas Schierenbeck, CEO, Hitachi Energy

"publication of a guide that demystifies a dark art"

— David Lantzke, Managing Director

Acknowledgements

Thank you to everyone who took the time to read the proof and offer their insight and challenge—your perspectives made it stronger. Special thanks to Mary Doherty at Create7 for advice and editing, and to Rob Begg for inspiring me to write this book in the first place.

This work draws on over twenty years of experience across countless turnarounds and transformations. I'm grateful to the teams, stakeholders, and business leaders I've worked alongside during those challenging times—your resilience and determination taught me everything these pages contain.

This book is dedicated to my family—Jack, Yeva, Toby, little Sasha and all the A's, Huw and Dad—for their constant support, patience and belief throughout the process. And for keeping me supplied with whiskey and digestive biscuits.

And in loving memory of my mother.

A Practical Survival Guide to Successful Business Turnaround

Welcome to The Crisis Playbook, a strategic guide dedicated to transforming crisis into comeback.

Written by **Simon R. Jones**, a seasoned expert in revitalising challenged and distressed businesses, this book draws on **real-world experience**, hard-won lessons, and **proven strategies** that deliver results when the pressure is on.

WHEN SURVIVAL ISN'T OPTIONAL—IT'S STRATEGY!

"Every business goes through tough periods. Cash flow tightens. Markets shift. Teams get stretched. In those moments, it's not theory that makes the difference—here I share simple, practical turnaround strategies you can put into action quickly."

— **Simon R Jones, Founder & Director, Fortitude London**



THE CRISIS PLAYBOOK

Introduction

This guide is not about business school theory or corporate jargon. It is a practical, experience-led resource designed to help you regain control—whether that means restoring cash flow, steadying operations, or leading your team through uncertainty with confidence.

**I've written it with a particular audience in mind.
Those in senior leadership who are closest to the pressure.
Founders, owners, and executives navigating tough calls while
carrying the weight of responsibility for your people, your
investors and your vision.**

You're not looking for fluff—you need clear, actionable framework from someone who's been in the room when the stakes were high, and time was short.

At Fortitude London, we believe in calm, people-focused leadership backed by data and decisive action. That belief—tested across private equity turnarounds, PLC restructures, NHS trust recoveries, and everything in between—is reflected throughout these guides.

A handwritten signature in dark ink, appearing to read "Simon".

Welcome. If you're reading this, it likely means you're sensing the early warning signs of trouble—or you're already in the thick of a business challenge.

Either way, you're not alone and you're in the right place.

Table of Contents

Introduction	13
A Life in Turnaround	17
 Chapter ONE	
How Do You Respond in a Crisis? And Why Does it Matter?	23
 Chapter TWO	
How Do You Spot the Warning Signs of a Crisis?	35
Self Assessment: Crisis Severity	47
 Chapter THREE	
Where Are You Financially Right Now?	53
Checklist: Building Your Cash flow Forecast	61
 Chapter FOUR	
How to Build a Turnaround Plan	65
 Chapter FIVE	
Managing Through a Real Cash Crisis	75
 Chapter SIX	
Managing Change Through a Crisis	83
Self Assessment: Effective Change Management	97
 Conclusion	101
 Additional Toolkit	105
10 Presentation Rules Worth Knowing	106
Index: Your Emergency Guide	109

A Life in Turnaround

MY TURNAROUND EXPERIENCE

Over several decades I've worked with leadership teams across 28+ organisations during their most challenging periods. From restructuring digital media companies on the brink of insolvency to transforming healthcare PLCs where we doubled share prices through focused operational improvements.

I've been part of teams that negotiated complex family business acquisitions, designed innovative funding solutions, and helped guide organisations through the difficult decisions that can determine their survival.

Working across turnarounds and restructuring programmes that ranged from £1.5M start-ups to multi-billion government departments, from Frankfurt healthcare companies to international operators, the patterns remain remarkably consistent.

It's not the size of the crisis that determines survival—it's the speed, clarity, and quality of the leadership response.

WHAT HAVE I OBSERVED IN THIS TIME?

Businesses that recognise and act on early warning signs have significantly better outcomes than those that wait until full crisis mode. The difference isn't luck, superior products, or favourable market conditions. It's recognising the signals and knowing what to do about them.



Getting Started

This guide is tailored for business owners, founders, and senior leaders who:

- Want to identify and respond to problems before they spiral
- Need straightforward steps to stabilise finances and operations
- Are seeking a way to regain lost momentum and rebuild confidence
- Value clarity, realism, and experienced insight over false reassurance
- Feel the weight of responsibility but refuse to give up on their vision

Whether you're a startup founder facing your first major setback, a CEO weathering economic headwind, or a private equity partner working with a portfolio company in difficulty, this guide will offer structure, perspective, and support drawn from real-world experience across industries and continents. For more detailed implementation support, professional advice is recommended.

WHAT YOU WILL FIND INSIDE

- **Crisis Response Personas:** Understand your instincts and leadership behaviour under stress.
- **Early Warning Signs:** Recognise the symptoms before they escalate.
- **Cash Triage & Forecasting:** Regain visibility and control.
- **Turnaround Planning:** Build a roadmap for survival and recovery.
- **Change Management:** Align your people and communicate clearly.
- **Case Studies:** Real examples from businesses that pulled through.

How to Use this Playbook

- 1 Read from start to finish for a structured approach to turnaround.
- 2 Jump into the chapter that addresses your current priority—be it cash flow, stakeholder communication, or decision paralysis.
- 3 Use checklists and tools as starting points. Adapt them to your context.
- 4 Seek expert advice where necessary, particularly on legal, financial, and regulatory matters.

These strategies won't work overnight, and they won't work without sustained effort. However, with discipline, focus, and patience, they will help you rebuild clarity and earn back trust—with your team, your board, your lenders and investors.

My advice is always to pause and create space for clear thinking—setting aside even a few hours each week to reflect honestly and plan deliberately can make a significant difference.

I've seen these approaches work across organisations of all sizes, from healthcare trusts with significant budgets to technology companies requiring rapid cash-to-break-even turnarounds.

*NEED IMMEDIATE HELP?

If you're facing an urgent crisis situation I highly recommend engaging a turnaround professional. Prior to this you can go straight to the **Emergency Reference Guide** on p109 for fast access to specific crisis situations, tools, and chapter references.

Please read the Full Legal Disclaimer on p113 before continuing.

DISCLAIMER

This eBook is for general informational purposes only. This publication is for general guidance only and does not constitute legal, financial, tax, or insolvency advice. It should not be relied upon as a substitute for specific professional counsel tailored to your circumstances

Read the **Full Legal Disclaimer** on p113

A NOTE ON INTERNATIONAL APPLICABILITY

While this guide references UK regulations (such as HMRC) and uses British pounds in examples, the principles, frameworks, and strategies apply universally to businesses worldwide.

The warning signs of distress, cash management techniques, and stakeholder management approaches work equally well whether you're operating in New York, Frankfurt, Singapore, or Sydney.

Simply substitute your local regulatory requirements and currency—the fundamentals of business turnaround remain consistent across borders.



THE CRISIS PLAYBOOK

CHAPTER **ONE**

How Do You Respond in a Crisis? And Why Does it Matter?

How Do You Respond in a Crisis? And Why Does it Matter?

Let me start with a simple truth.

How you lead in a crisis often matters more than the crisis itself.

Over the years I've seen good businesses, with strong fundamentals, falter because no one stepped up decisively when it counted. I've also seen struggling companies pull through because a leader—sometimes a founder, sometimes an interim—kept calm, stayed focused, and made clear decisions when it mattered most. The difference wasn't the size of the problem, it was the quality of the response.

In high-pressure moments, it's not just the problem that defines the outcome—it's how you respond to it. Which is why one of the most important things you can know as a leader is this.

HOW DO YOU BEHAVE IN A CRISIS?

Far too often, by the time I'm brought into a business, the first external advisor in the room is an insolvency practitioner. At this point we're not talking about recovery, we're talking about damage limitation because many of the options that could have saved the business are gone.

The IP will usually review months, or even years, of work—much of it well-intentioned, and often heroic in effort, but scattered rather than focused, reactive rather than strategic. It's not a lack of effort that sinks businesses. It's a lack of timely, coordinated action guided by clear priorities.

Crisis Persona

In times of crisis, even the most capable leaders can find themselves slipping into instinctive patterns of behaviour. These responses aren't weaknesses—they're survival strategies shaped by good intentions: protecting the business, keeping morale up, or driving progress at all costs. But left unchecked, they can hold a company back.

We're not psychologists at Fortitude London, but we do know what stress looks like and I have seen a few recognisable patterns emerge time and again. By recognising these tendencies leaders can harness the strengths behind them, focus, and evolve into more balanced, forward-looking versions of themselves.

THE OPTIMISTIC PROTECTOR

Optimistic and resilient, trying to keep morale high and protect their people from bad news at the risk of not having the difficult conversations. Often using external factors as the reason—and yes macro factors absolutely matter and can be genuinely challenging—but recovery requires facing your own business reality, not just hoping the external environment will save you.

POSITIVE FOCUS: Optimism helps people believe in the future. By combining that positivity with openness and tough conversations, you become the leader who balances hope with reality.



THE ANALYTICAL GUARDIAN

Analytical rigour is applauded, as is looking at past trends but do not assume that last month's numbers will tell you where the business is heading. These leaders are disciplined, data-driven, and strong in hindsight learning. That's a powerful capability—but it needs to be balanced with forward-looking sensing and adaptability. Otherwise the risk is that by the time the reports show the cliff edge, you are already going over it.

POSITIVE FOCUS: Analytical skill means you understand the numbers better than anyone. By complementing that with real-time signals and scenario planning, you transform into the leader who sees both the past and the future.

THE CAREFUL WATCHER

These individuals have a deep awareness of risk, often pausing too long because they understand the stakes and don't want to make things worse. That caution can be an asset if channelled into structured decision-making but, more often than not, it can lead to paralysis.

POSITIVE FOCUS: You're risk-aware and thoughtful. The key is moving from awareness into small, low-risk actions that create momentum.

THE ENERGISED DOER

High energy, scattered focus. These leaders throw themselves into activity—often working longer hours than ever—but jump from crisis to crisis without a clear strategy. This drive can be focused so it creates strategic progress instead of exhaustion.

POSITIVE FOCUS: Your energy is your superpower. By combining it with a clear plan and priorities, you become not just a Doer, but a strategic leader who drives real change.

Effective Persona

Not all crisis responses can be damaging. I've also seen leaders who rise to the challenge and demonstrate exactly the kind of leadership that saves businesses. If you recognise yourself in any of these, you're already ahead of the game.

THE STEADY NAVIGATOR

These leaders stay calm under pressure and gather information systematically without getting overwhelmed by the noise. They distinguish between what's urgent and what's truly important. Navigators don't pretend to have all the answers, but they do have a clear process for finding them.

KEY QUALITY: Make decisions based on the best available data rather than panicking and adjusting course when new information emerges.

THE CLEAR COMMUNICATOR

Transparency is the superpower of a clear communicator. These leaders keep stakeholders informed with regular, honest updates that build trust even when the news isn't good. Tailoring their message to each audience, while maintaining consistency in the core facts, their most important quality is the ability to listen as much as they speak.

KEY QUALITY: Ability to gather input, address concerns, and make people feel heard during uncertain times.



THE STRATEGIC FIREFIGHTER

While others get consumed by immediate crises, these leaders maintain perspective on both short-term survival and long-term recovery. They prioritise ruthlessly, focusing energy on actions that deliver the biggest impact.

KEY QUALITY: Not afraid to make tough decisions quickly, but they also ensure those decisions support rather than undermine the business's future potential.

THE COLLABORATIVE COMMANDER

These leaders understand that crisis management is a team sport. They delegate effectively, bringing out the best in their people under pressure. They make the final calls when needed but actively seek input from others and create an environment where good ideas can surface quickly.

KEY QUALITY: Ability to balance decisive leadership with collaborative problem-solving.



Crisis Persona

THE OPTIMISTIC PROTECTOR

Optimistic and resilient but avoids difficult conversations—dodging lender calls, delaying board meetings and only focusing on positive metrics.

RISK/REWARD: That optimism is valuable, but it needs to be paired with courageous conversations and proactive engagement.

THE ANALYTICAL GUARDIAN

Analytical rigour but can often be looking backward, relying on historical data.

RISK/REWARD: That's a powerful capability—but it needs to be balanced with forward-looking sensing and adaptability.

THE CAREFUL WATCHER

Deep awareness of risk, not wanting to make things worse.

RISK/REWARD: Taking a more cautious approach can be an asset if channelled into structured decision-making rather than paralysis.

THE ENERGISED DOER

High energy and commitment but with often scattered focus. Working tirelessly to take action but often just harder, not smarter.

RISK/REWARD: That drive just needs focus so it creates strategic progress instead of exhaustion.



Effective Persona

THE STEADY NAVIGATOR

Stays calm under pressure. Gathers information systematically, distinguishes urgent from important, and makes decisions based on data rather than panic.

STRENGTHS: Clear process for decisions, adaptable when new info emerges, maintains perspective.

THE CLEAR COMMUNICATOR

Transparency is their superpower. Keeps stakeholders informed with honest updates that build trust, even when news isn't good.

STRENGTHS: Regular updates, tailored messaging, listens as much as speaks

THE STRATEGIC FIREFIGHTER

Maintains perspective on both short-term survival and long-term recovery. Prioritises ruthlessly on actions with the biggest impact.

STRENGTHS: Ruthless prioritisation, quick tough decisions, future-focused thinking.

THE COLLABORATIVE COMMANDER

Understands crisis management is a team sport. Delegates effectively, bringing out the best in people under pressure.

STRENGTHS: Balances decisive leadership with collaboration. Effective delegation and creating an environment for good ideas.

So Who Do You Need to Be?

If I had to sum it up, the best crisis leaders are like **Ringmasters**. They don't perform every act themselves—they can't and shouldn't try. Instead, they stay at the centre, setting the tempo, orchestrating the right sequence of actions, and keeping energy and communication high while maintain calm authority.

Crisis management isn't about heroics or working yourself into the ground. It's about clarity, control, and consistency. It's about acting early rather than perfectly, listening to good advice even when it's uncomfortable to hear, and never underestimating the power of aligned leadership to steady a shaken organisation.

RECOGNISE ANY TRAITS?

If you recognise yourself in one of the less helpful crisis personas, that's not failure, it's human. But it is a sign that you need to shift your approach and hone your focus. And signs, when acknowledged honestly and acted upon quickly, can change everything.

Remember, crisis leadership isn't about having all the answers—it's about recognising your instincts under pressure and adapting them to serve your business and your people.

Whether you're naturally a Steady Navigator, or find yourself slipping into Careful Watcher mode, awareness is the first step toward the kind of calm, decisive leadership that sees organisations through their darkest moments.



When to Bring in Expert Help?

One of the most valuable decisions you can make in a crisis is recognising when you need external perspective.

When you're in the storm even the most capable leaders struggle to see clearly. This isn't a reflection of your competence—it's a reality of being under extreme pressure while carrying the weight of responsibility.

The false economy trap is real. Many leaders delay bringing in professional help because they're worried about the cost. But consider this—the hourly rate of a business recovery specialist is typically far less than the daily cash burn of a business in crisis.

The right advice at the right time can preserve options that, once lost, can never be recovered.

CRITICAL ADVANTAGES OF A PROFESSIONAL ADVISOR

- 1** They have seen these patterns before and know what typically works.
- 2** They have credibility with lenders and stakeholders that can keep doors open.
- 3** They can see solutions and risks that you simply can't spot when you're managing the day-to-day crisis



The question isn't whether you can afford professional help, it's whether you can afford to get this wrong.

THE CRISIS PLAYBOOK

CHAPTER **TWO**

How Do You Spot the Warning Signs of a Crisis?

How Do You Spot the Warning Signs of a Crisis?

Crisis management—and the work of turning a business around—is simple to explain but emotionally and practically demanding to execute. At its heart it comes down to these three things.

- 1 Spot the warning signs early, and resist the urge to explain them away.
- 2 Face up to them honestly and take decisive action, even when it's uncomfortable.
- 3 Stay alert, with eyes on the horizon, to anticipate what's next rather than just reacting to what's already happened.

The sooner you recognise that trouble is brewing, the more options you'll have. The longer you wait, the narrower the path becomes.

I'll warn you now, some of what follows may feel uncomfortable to read. That discomfort is a sign. You might find yourself thinking 'that's not quite us' or 'that's just temporary.' That discomfort, and those rationalisations, are also signs.

The more it resonates, the more urgent it is to act and get the right support.



The Downturn in to Crisis

EARLY SYMPTOMS OF UNDERPERFORMANCE

These are the first whispers that your business is starting to struggle. Ignore them and they often turn into a roar.

- **Market share is under pressure:** Competitors are eating into your position, and your pipeline isn't as strong as it used to be.
- **Turnover and profits are losing stability:** Volatility creeps in, and the prospect of losses becomes very real.
- **Increased lender attention:** Banks and investors are checking in more often, referencing covenants or hinting at security reviews.

At this stage, recovery is most achievable, and you have the most options available. But it requires clear thinking, honest assessment, and timely decisions even when those decisions feel premature or overly cautious.

This is precisely when bringing in experienced advisors pays for itself—they can help you distinguish between temporary blips and genuine warning signs, and guide you toward actions that preserve rather than erode your options.

If reading this chapter feels uncomfortably familiar, resist the urge to rationalise or wait for 'just a bit more data'.

Take it as a prompt because the best time to act was three months ago, but the second-best time is right now.



Case Studies: Real World Crises

These warning signs aren't theoretical. Consider how they played out in real situations

NORTHERN ROCK: LIQUIDITY CRISIS

In 2007 Northern Rock's crisis began when its business model relied heavily on short-term wholesale funding. When capital markets froze, the bank hit a liquidity crisis and leapt into a fatal bank run. Despite emergency support from the Bank of England, missteps at board level and public panic rapidly escalated the collapse—leading to nationalisation in early 2008.

LESSON: Even when emergency funding is available, lack of trusted contingency planning, poor stakeholder communication, and delayed executive clarity can turn solvable liquidity issues into total failure. Money alone cannot rebuild trust once it's been shattered by panic and confusion.

SWISSAIR: OVER EXPANSION

Once dubbed “the Flying Bank,” for its financial strength, Swissair pursued aggressive acquisition, saddling itself with debt and operational complexity that became impossible to manage when external shocks hit. After Flight 111 crash and September 11 downturn, liquidity dried up. Available funds weren't managed effectively. The company grounded overnight and collapsed by March 2002.

LESSON: Over-expansion without integrated risk & cash planning creates vulnerability that external shocks can exploit fatally. Having resources isn't enough—it's how wisely and sustainably you manage them, especially when the unexpected happens.

Stage One: Signs of Distress

When underperformance is left unchecked, it escalates into distress. This is where options start to shrink, and external intervention may become necessary.

WHAT DOES STAGE ONE LOOK LIKE?

- **Rising staff turnover:** Key people leave, often because uncertainty has set in or morale has dropped.
- **Borrowings are increasing:** This can show up in several ways.
 - Overdrafts used as a permanent funding solution rather than for short-term peaks and troughs
 - Leasing or hire purchase of assets that were previously bought outright
 - Stretching creditor payments to preserve cash
 - Exploring invoice financing or debtor-based lending to free up working capital
- **Losses are growing:** What were once manageable dips are now widening gaps.
- **Credit rating and reputation taking a hit:** Suppliers, lenders, and even customers begin to sense the instability.

SEEK PROFESSIONAL GUIDANCE

The cost of professional guidance at this stage is still typically a fraction of what you'll lose if the situation deteriorates further—and the credibility that comes with having respected advisors involved often makes the difference in maintaining lender and stakeholder support.

WHEN ALL THE SIGNS COME TOGETHER

Every symptom is a sign, and patterns matter more than individual incidents. One or two warning signs might be manageable blips but multiple symptoms appearing together paint a picture of a business that needs focused attention. The sooner you act, the more control you'll maintain over the process.

The leaders who act early, acknowledge the reality, and bring in the right guidance, are the ones who give themselves the best chance of stabilising and recovering.

More Warning Signs!

Before a full-blown crisis, there are other key signs that should raise red flags.

Qualified Audit Reports: When auditors qualify their opinion due to going concern doubts, this is a red alert, not a yellow flag. External professionals are essentially stating they have substantial doubt about the business's ability to survive.

Critically, going concern assessments look forward 12 months from the date of signing the accounts - so take careful note of this timeframe when planning your turnaround, as you may have less runway than you think.

Frequent lender meetings: Banks and lenders start to press more aggressively for future forecasts, financial updates, and personal guarantees. When your financial partners become more cautious, it's a clear sign you need to act.

Stage Two: Crisis, Where it All Hits at Once

This is where cash is tight to the point of scarcity, credit lines are maxed out, and lenders have stopped extending help. Creditors start demanding payments to be brought up to date, paid in full—or worse—they threaten legal action.

Statutory payments like PAYE and VAT fall into arrears. Legal pressure ramps up—bailiffs knocking, winding-up petitions filed, landlords threatening eviction. At this stage, you're on the brink of failure or insolvency.

SO WHAT NOW?

When you finally hit full crisis mode, in some ways it is easier because everything is on the table, everyone knows the score, and there is clarity about the battle ahead.

Right now, before you reach that point, you have more options and more control. The key is using them!



It's Your Time to Act Decisively

Enough of the warning signs—let's talk about what you can do about them.

The stage you're in determines both your available options and the urgency of your response.

If you're in **Stage One**, you have time to be strategic and methodical. You can plan thoroughly, communicate carefully, and implement changes that address root causes rather than just symptoms.

If you're in **Stage Two**, speed trumps perfection. You need to act decisively with the information you have, communicate frequently to maintain confidence, and focus entirely on immediate survival while planning for recovery



Quick Recap: Signs of Crisis

STAGE ONE

There is a sense of general instability being felt internally, by lenders and even customers. Typically you are seeing

- Rising staff turnover
- Borrowing increasing
- Losses growing
- Credit rating and reputation is taking a hit
- There is a sense of general instability

THE TRANSITION

You cross from Stage One to Stage Two when you lose control of your cash position and external parties begin making demands rather than requests.

This typically happens when multiple warning signs converge and you can no longer manage them through normal business operations.

This transition can happen gradually over months or suddenly over weeks—but once you cross this line, your focus must shift from prevention to damage limitation.

STAGE TWO

This is full crisis territory. Cash is critically short, external pressure is intense, and you're operating in damage limitation mode.

Your options are now severely constrained, and every decision carries high stakes.

Speed of response becomes essential—delay at this stage typically makes everything worse.



Quick Recap: What Action to Take

STAGE ONE

Focus on prevention and course correction.

- You have time to analyse, plan, and implement changes methodically.
- Stakeholder communication should be proactive and reassuring.
- Investment in strategic change is still possible.

STAGE TWO

Focus on immediate survival and damage limitation.

- Decisions must be made quickly with imperfect information.
- Stakeholder communication becomes about crisis management and maintaining confidence.
- All resources must be directed toward cash preservation and core operations.



Take Practical Action

MY RECOMMENDED ACTION PLAN

- Assess your business regularly against the warning signals we've discussed.
- Seek external advice early—accountants specialising in business recovery or experienced non-executive directors can offer invaluable perspective*
- Use commercial credit agencies to monitor your credit position.
- Regularly perform business health checks—there are many out there— and done routinely they provide crucial insights.
- Be proactive, honest, and clear-headed about where you stand can make all the difference between weathering the storm and being overwhelmed by it.

*The investment in professional guidance at this stage typically pays for itself many times over by helping you avoid costly mistakes and preserve strategic options.

Remember lenders and investors often view the involvement of respected professional advisors as a positive signal that you're taking the situation seriously and acting responsibly.

How To Get Started?

Complete the Self Assessment 'Crisis Severity'



THE CRISIS PLAYBOOK

SELF ASSESSMENT

Crisis Severity Checklist

Crisis Severity Checklist

Where does your business stand right now?

EARLY WARNING SIGNS (1 POINT EACH)

- ☐ Market share shrinking or under pressure
- ☐ Turnover or profits becoming unstable
- ☐ Lenders asking more questions
- ☐ Staff turnover rising
- ☐ Overdraft used as permanent funding

DISTRESS SIGNALS (2 POINTS EACH)

- ☐ Leasing replacing asset purchases
- ☐ Creditors stretched beyond normal terms
- ☐ Considering invoice financing

CRISIS TERRITORY (3 POINTS EACH)

- ☐ Cash tight, credit maxed out
- ☐ Statutory payments overdue
- ☐ Legal threats received

BE BRUTALLY HONEST

This only works with realistic assessment

You Score 0 to 3

AND WHAT ACTION TO TAKE!

0 POINTS: NO IMMEDIATE CONCERNS

Your business appears stable, but stay vigilant for emerging warning signs. Continue regular business health monitoring.

1-3 POINTS: EARLY WARNING STAGES

Time for proactive assessment and planning

RECOMMENDED ACTIONS:

- Conduct thorough business review to understand what's driving the warning signs.
- Build a 13-week cash flow forecast to get visibility on your financial runway.
- Consider professional advice. An external perspective can identify solutions you might miss.
- Communicate proactively with stakeholders before they start asking questions.
- Focus on cash generation: accelerate collections, review payment terms.

You Score 4 to 8

AND WHAT ACTION TO TAKE!

4-8 POINTS: DISTRESS TERRITORY

Urgent action required to prevent crisis

RECOMMENDED ACTIONS:

- Seek professional help immediately from business recovery specialists or experienced advisors.
- Develop a comprehensive turnaround plan with clear strategy for survival and recovery.
- Implement daily cash management with weekly cash flow updates and tight payment controls.
- Maintain honest stakeholder communication with lenders, suppliers, and key customers.
- Consider all the options: asset sales, cost reduction, emergency funding sources.
- Understand legal compliance, particularly director duties regarding trading while insolvent.

If you've ticked more than a few boxes, this isn't cause for panic, it's cause for focused, immediate action.

You Score 9 or More

AND WHAT ACTION TO TAKE!

9+ POINTS: FULL CRISIS

IMMEDIATE CRISIS ACTIONS:

- Contact insolvency practitioners or business recovery specialists TODAY.
- Understand director liabilities and trading restrictions immediately.
- Implement emergency cash preservation: stop all non-essential payments and centralise cash control.
- Begin proactive creditor management with structured payment proposals.
- Explore emergency funding options: asset sales, emergency loans, investor support.
- Consider formal procedures: CVA, administration, or voluntary liquidation may preserve more value.

****WARNING****

At this level, delaying action typically makes outcomes worse. Seek professional advice within 24-48 hours.

THE CRISIS PLAYBOOK

CHAPTER **THREE**

Where Are You Financially Right Now?

Where Are You Financially Right Now?

UNDERSTANDING YOUR CURRENT POSITION

If there's one tool you need right now, and I mean literally today, it's a robust **cash flow forecast**.

This isn't just helpful, it is essential. Not just to know where you stand today, but to see how things might unfold in the coming weeks and months, and to spot problems while you still have time to fix them.

It also plays a crucial role in understanding your legal responsibilities as a Director* including when you might be trading while insolvent, which carries serious personal liability.

Trading while insolvent generally means continuing to operate when you cannot pay debts as they fall due, though this is a complex legal area with significant personal consequences for directors.

**This is complex legal territory, so if you suspect you might struggle to meet your financial obligations, please seek professional advice immediately—don't wait to be certain.*

FOCUS ON THE NEXT 13 WEEKS

Start by building your forecast on a weekly basis for the next 13 weeks. This timeframe isn't arbitrary, it's what most lenders expect and what gives you enough runway to make meaningful changes.

Why? Because managing cash for survival is literally job one—nothing else matters if you run out of money.

Your 13 week forecast helps you have credible, fact-based conversations with lenders and banks instead of vague reassurances. It's also a critical input for one of the hardest decisions you might face: whether you can continue trading responsibly or need to consider more drastic options.

WHAT SHOULD YOUR FORECAST LOOK LIKE?

In my experience, the spreadsheet itself is straightforward. It tracks real cash inflows and outflows—no accounting adjustments like prepayments, accruals, or depreciation. It's all about actual cash movements reconciled against bank accounts weekly or daily.

You'll see all the money coming in, all the money going out, and the net cash position for each week.

YOUR NAVIGATION TOOL

Your 13-week forecast isn't just a planning exercise—it's your primary navigation tool through uncertainty. Update it weekly, use it to drive decisions, and share it with stakeholders who need to understand your position.

KEY TAKEAWAY

This forecast will become the foundation for every major decision you make in the coming months, from operational changes to stakeholder negotiations. Without it, you're flying blind when precision matters most.



Building Assumptions

USING JUDGEMENT AND BUSINESS INSIGHT

Keep your assumptions clear and simple.

Forecasting is part data, part art.

You'll need to apply your judgment when deciding:

- Which sales will actually convert to cash next week (not just credit sales).
- Which debtors are likely to pay, and when.
- Which suppliers and creditors you will pay, and when.
- Planned statutory payments like PAYE, VAT, salaries, rent, and utilities, which usually happen on set dates.

Be brutally realistic. This is not the time for optimism bias.

ALWAYS ASK YOURSELF

- What's the usual sales and purchase pattern for this time of year?
- Are there any upcoming changes, good or bad, that could impact cash?
- How quickly do customers really pay, based on your terms of trade?
- What regular, predictable payments need to be factored in?
- Are there any capital or investment obligations coming up?

Building Assumptions

COLLABORATE AND CHALLENGE YOUR NUMBERS

- Share your draft assumptions with your sales director and other relevant stakeholders but be clear you want honest input, not cheerleading.
- Work together to scrub the numbers and arrive at a solid, realistic forecast—with a healthy dose of prudence built in.
- Remember, it's better to be pleasantly surprised than dangerously optimistic.
- Check and double-check your work with fresh eyes—ideally have someone else review it who was not involved in creating it.

ALWAYS ASK YOURSELF

- Does this make commercial sense?
- Would I bet my own money on these assumptions?



PLANNING FOR CHANGES

If your forecast highlights challenges ahead, expect lenders to take note—they are watching these numbers closely and may increase interest rates, require additional security, or impose new conditions.

Professional advice will be critical here, and those costs need to be budgeted as a necessary investment, not an optional expense.

Always include a sensible contingency for unknowns.

USE YOUR FORECAST TO IDENTIFY OPPORTUNITIES

Look critically at your cash flow.

- Where can payments be deferred or accelerated?
- Can you bring forward receipts?
- What practical initiatives can you add to improve cash generation—always erring on the side of caution.

TEST!

Once your forecast is credible, try some “what if” scenarios:

- What if sales drop by 10%?
- What if customers delay payment from 30 to 60 days?
- Remember, if sales fall, your costs (like purchases) will likely fall too.



What Banks Really Look For!

From my experience, banks typically want:

- Timely and honest communication.
- Your deep knowledge of the business and market.
- Clear, credible plans that show you can control and deliver.
- Strong internal and external support to execute the plan.
- Confidence the plan reduces their risk and protects their money.

When presenting to your bank, keep these points front and centre. Remember, your bank is in an uncomfortable position too—treat them with respect, and show them you're committed to leaving no stone unturned in repaying what you owe.

KEY TAKEAWAY

Above all only ask for support if you genuinely believe the business has a viable medium-to-long-term future. If you're just buying time hoping something will turn up, that's not a plan—it's wishful thinking.



Take Practical Action

KEY POINTS TO REMEMBER

- This is still just a spreadsheet—a simulation of what might happen. Your plan only works if you execute it with discipline and adapt it when reality diverges from your assumptions.
- Your first draft may look harsh, and uncomfortable—that's normal and it's meant to be realistic, perhaps even sobering. If it looks too rosy, you're probably being too optimistic.
- This cash flow forecast is your primary planning tool. Update and review it weekly.
- All this is necessary and essential in maintaining lender confidence and support.

How To Get Started?

Follow our Cash Flow Forecast Checklist



Checklist: Building Your Cash Flow Forecast

Use this checklist as a starting point to build your weekly cash flow forecast for the next 13 weeks, or daily for critical periods.

STEP 1: GATHER YOUR DATA

- Collect recent bank statements and reconcile balances
- Pull sales reports and debtor aging details
- Review supplier and creditor payment terms and outstanding balances
- List all regular monthly and statutory payments (PAYE, VAT, rent, salaries, utilities, loan repayments, leases, etc.)

STEP 2: MAP CASH INFLOWS

- Forecast expected cash sales and receipts from credit customers by week
- Identify any expected one-off receipts or asset sales
- Be realistic and conservative with timing (e.g. if terms are 30 days, don't assume payment on day 15)

STEP 3: MAP CASH OUTFLOWS

- List all known payments due each week, including regular and variable costs
- Include payroll and statutory liabilities on their due dates
- Factor in any planned capital expenditure or debt repayments
- Consider discretionary spending that can be delayed if needed



Checklist: Building Your Cash Flow Forecast cont...

STEP 4: BUILD YOUR WEEKLY FORECAST TABLE

Create columns for each week, or day, and rows for each cashflow item:



- Week Starting
- Sales In
- Debtor Payments
- Other Inflows
- Supplier Payments
- Payroll & Statutory
- Overheads
- Capital Spend
- Loan Repayments
- Total In
- Total Out
- Net Cash Movement
- Closing Bank Balance

STEP 5: ADD ASSUMPTIONS AND NOTES

- Document assumptions clearly (e.g. sales growth, payment delays, new customers)
- Highlight any risks or uncertainties
- Include contingency assumptions for unknowns

STEP 6: REVIEW AND CHALLENGE

- Share with sales, finance, and operations teams to validate assumptions
- Adjust based on feedback but keep prudence in mind
- Perform sensitivity analysis with key variables (e.g. 10% sales drop, longer payment terms)

STEP 7: MONITOR AND UPDATE WEEKLY

- Reconcile forecast against actual cash movements each week
- Adjust future weeks' forecast based on latest data and trends
- Use the forecast to drive decisions and conversations with lenders and stakeholders

Trusted Advice

- Be as granular as necessary but avoid overcomplicating—simplicity drives usability.
- Keep a clear audit trail of assumptions and changes.
- Use colour coding or flags to highlight weeks of concern or opportunities to improve cashflow.
- Remember the forecast is a tool to help you act, not just a reporting exercise.

Cash Flow Item	Week 1 october	Week 2 october	Week 3 october	Week 4 october	Week 5 october	Week 6 october	Week 7 october
CASH INFLOWS							
Cash Sales	15,000	12,000	18,000	15,000			
Customer Receipts (30 days)	25,000	28,000	22,000	30,000			
Customer Receipts (60+ days)	8,000	5,000	12,000	6,000			
VAT Refunds			8,500				
Asset Sales				15,000			
Other Income							
TOTAL INFLOWS	48,000	45,000	60,500	66,000	0	0	0
CASH OUTFLOWS							
Supplier Payments	18,000	22,000	16,000	20,000			
Payroll & PAYE	32,000			32,000			
Rent & Utilities	8,500						
VAT Payment				12,000			
Loan Repayments	3,500						
Professional Fees	2,500		1,500				
Other Overheads	4,200	3,800	4,200	3,800			
Capital Expenditure			5,000				
TOTAL OUTFLOWS	(68,700)	(25,800)	(26,700)	(67,800)	0	0	0
NET CASH FLOW	(20,700)	19,200	33,800	(1,800)	0	0	0
Opening Cash Balance	45,000	24,300	43,500	77,300			
CLOSING CASH BALANCE	24,300	43,500	77,300	75,500	0	0	0

Warning: Cash getting low
Critical: Urgent action needed
Cash position rows
• Positive cash flow
 • Negative cash flow

THE CRISIS PLAYBOOK

CHAPTER **FOUR**

How to Build a Turnaround Plan

How to Build a Turnaround Plan

Once you've recognised the warning signs and built your 13-week cash flow forecast, the next step is clear, you need a comprehensive turnaround plan. Without one, persuading stakeholders to stay engaged, or securing emergency funding, becomes nearly impossible. Stakeholders need to see that you understand the problem and have a credible path forward.

Your turnaround plan isn't just for external audiences like lenders, investors, and suppliers. It's also a vital tool for you, as CEO, founder, or owner. The process forces you to deeply understand your business with fresh eyes—beyond the numbers you have been staring at for months—to uncover what's truly working, what's broken, and where the real opportunities are hidden.

KEY TAKEAWAY

The numbers matter, but the story behind them matters even more.

- Which areas are truly profitable when you strip away the cost allocations?
- Which overheads feel essential but might be nice-to-haves?
- What can be trimmed or temporarily reshaped without permanently damaging your long-term position?



Case Studies: Real World Crises

Strategic turnaround planning requires both bold vision and disciplined execution. Two very different examples show this in practice.

REGIONAL CONSTRUCTION:

DIVERSIFICATION AFTER MAJOR CONTRACT LOSS

A 50-employee construction firm lost its biggest client (60% of revenue) when the property developer went into administration, creating an immediate cash crisis. The MD secured emergency funding through personal guarantees and pivoted to three new sectors: residential refurbishment, small commercial builds, and facilities maintenance.

Teams were restructured into smaller, agile units with multi-skilled staff. Within 18 months, revenue had recovered to 90% but was spread across 40+ clients instead of three.

LESSON: Client concentration is a hidden vulnerability that can become fatal overnight. Quick diversification into multiple revenue streams creates stability and reduces catastrophic risk.

IBM: BOLD CHANGE

In the early 1990s, IBM was on the brink due to siloed structure and slowing growth. Louis Gerstner took over in 1993, insisting on restructuring with renewed focus on services and clients, and centralised decision-making. Culture shifted, restructuring followed plans, and IBM recovered impressively by the late 1990s.

LESSON: Early decisive leadership, reshaping strategy and culture simultaneously, can reverse a large-scale crisis—even in a global enterprise.

The Purpose of a Turnaround Plan

Your job is to take the finite resources at your disposal; cash, people, assets, intellectual property, skills, relationships and reputation, and deploy them strategically to generate the best possible return for your stakeholders while preserving the long-term value of the business.

HAVING A CREDIBLE VISION

The turnaround plan needs to focus heavily on immediate survival and short-term stabilisation, but it must also paint a credible picture of the medium and long-term vision.

If you don't have that vision—or if it's vague and aspirational rather than specific and achievable—that lack of clarity may be part of what got you here.

GETTING STARTED

- **Undertake a strategic analysis:** Understand both the external and internal forces affecting your business.
- **Investigate performance in detail:** Identify profit centres, loss makers, and cash drains.
- **Set strategy and actions*:** Create both a survival plan and a future growth plan.

CONFLICTING OBJECTIVES

*Some short-term survival actions may conflict with long-term strategic goals, and that is acceptable, but be deliberate and transparent about these trade-offs. Document when and why you're making them, so you can reverse course when circumstances allow.

TOOLS AND FRAMEWORKS

- **SWOT Analysis:** Strengths, Weaknesses, Opportunities, and Threats.
- **PEST Analysis:** Political, Economic, Social, and Technological factors shaping your industry.
- **Porter's Five Forces:** To assess competition, supplier power, customer power, threats of substitution, and barriers to entry.

USE THESE TO IDENTIFY:

- Market realities and industry dynamics.
- Internal factors like product lifecycles, customer needs, and unique selling points.
- Areas where cash generation can be accelerated.

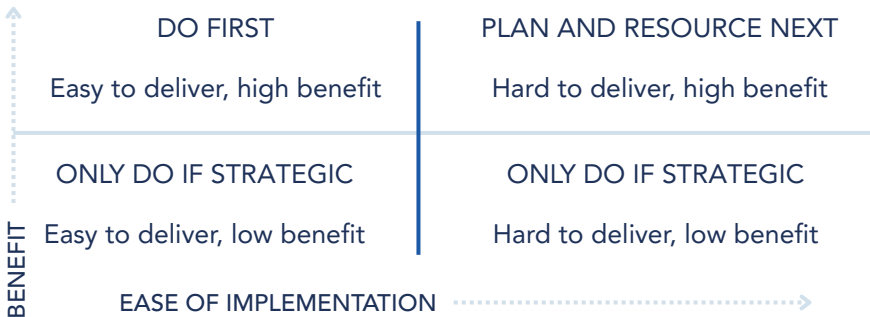
TURNING ANALYSIS INTO ACTION

From your findings, define a strategy and turn it into a concrete action plan:

- Immediate priorities for survival.
- Medium to long-term initiatives for growth.
- Realistic timelines based on available resources.
- Stakeholder motivations—what's in it for them to support you?
- A clear bridge between short-term cash needs and longer-term goals.

HOW TO PRIORITISE ACTIONS

If you're faced with too many potential actions /opportunities, and in turnaround everything seems urgent, use a simple benefit vs. ease of delivery grid to force prioritisation.



Checklist: Building a Credible Plan

Use this checklist to keep your plan focused and credible.

- ☐ Have you clearly defined the immediate issues and their root causes?
- ☐ Have you set measurable short-term goals?
- ☐ Does your plan include 2–5 fundamental strategic changes?
- ☐ Are all actions assigned to specific owners with timelines?
- ☐ Have you modelled the financial impact of each action?
- ☐ Have you considered both quick wins and long-term moves?
- ☐ Have you identified risks and contingencies?
- ☐ Is your plan realistic given your current resources?
- ☐ Have you prepared a stakeholder communication strategy?



The Turnaround Presentation

When ready to present your plan to stakeholders remember they're likely to be sceptical and pressed for time. A strong turnaround plan combines unflinching realism about today with measured ambition about tomorrow. It tells the unvarnished truth about today's situation while setting a credible, achievable path toward a genuinely better future.

The key is to keep it simple and focused.

- **The Story:** Where the business stands now, including issues, causes, and success factors.
- **The Plan:** 2–5 core strategic changes, with owners, timelines, and success measures.
- **The Numbers:** Your forecast, with clear assumptions.
- **The To-Do List:** High-level projects, responsibilities, progress, and timings.
- **The Ask:** What you need from each stakeholder.
- **Communication:** Keep them informed and engaged.

THIS IS YOUR ROADMAP

This is not just a tool for convincing sceptical stakeholders, but for guiding your own difficult decisions in the critical weeks ahead when the pressure is highest.

Taking Control of the Process

Cash crisis management comes down to five critical steps:

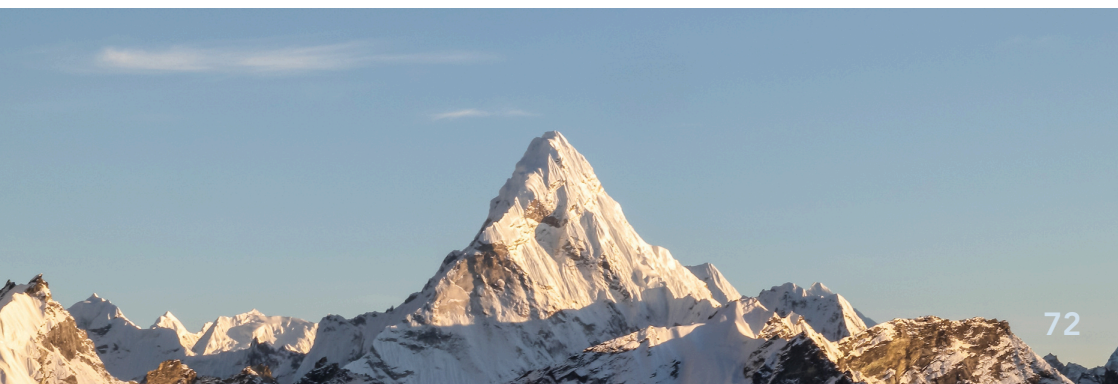
- Take control of your cash position
- Generate more from existing trading
- Unlock new liquidity carefully
- Reduce outflows immediately
- Improve underlying profitability

Execute these with discipline and speed — every day you delay reduces your options. The businesses that survive do so because they act decisively when it matters most, not because they had easier problems to solve.

THE ART OF PRESENTING NUMBERS

At Fortitude London, we help leaders sharpen their performance, refine their strategy, and deliver with conviction. Trusted advice isn't about clever slides, it's about clarity, confidence, and connection.

For more advice on presenting a clear, concise and memorable plan follow our [10 Presenting Rules Worth Knowing for Financial Professionals](#) on p106.



THE CRISIS PLAYBOOK

CHAPTER **FIVE**

Managing Through a Real Cash Crisis

Managing Through a Real Cash Crisis

Assuming your lenders remain supportive in the short-term—and you genuinely believe the business has medium to long-term potential, not just hope but evidence-based belief—then this chapter highlights the levers available to survive and stabilise.

Crisis management here is a team sport but it needs a Ringmaster.

This is not a finance department exercise alone, everyone with skin in the game should contribute but someone needs to make the final calls. However, don't mistake being the final decision-maker with having to figure everything out alone.

The leaders who successfully navigate cash crises are typically those who combine decisive leadership with smart use of external expertise—whether that's specialist advisors, experienced non-executives, or industry mentors who've been through similar challenges.

HOLD CRISIS TALKS

Hold structured internal sessions with trusted stakeholders. These should not be rambling brainstorms, but focused sessions with clear objectives. Surface ideas systematically and prioritise them ruthlessly by impact and ease of implementation.



In Crisis Talks Remember To...

TAKE CONTROL OF THE CASH POSITION

- **Centralise visibility.** Put one senior, trusted person in charge of cash receipts, payments and the rolling forecast – someone who understands that's this is the most important job in the company. This role needs to be treated with reverence and given real authority. They must ensure they update the forecast weekly and extend it by a further week so the horizon always stretches 13+ weeks ahead.
- **Tighten approval.** That person should authorise every payment above a minimal threshold —perhaps £500 or £1,000 depending on your business size. No exceptions even for 'urgent' requests. This creates necessary discipline and quickly highlights spending that feels urgent but isn't truly essential.
- **Root out non-essential spend.** Weekly reviews should surface where cash is going that doesn't directly support survival. Investigate and stop those outflows immediately.

GENERATE MORE FROM EXISTING TRADING

- **Clean up debtors.** Review the debtor ledger ruthlessly. Don't protect "important" customers at the expense of your survival. Be firmer on collections, shorten payment terms for new work, and escalate collection efforts where needed. A customer who won't pay promptly when you need cash isn't helping you stay in business to serve them.
- **Accelerate receivables.** Incentivise early payment with meaningful discounts where your margins allow. Consider being selectively transparent with key customers about the importance of timely settlement. Sometimes honesty about your situation generates support rather than concern.

UNLOCK NEW OR EXTENDED LIQUIDITY, CAREFULLY!

- **Sell surplus assets.** Identify non-core land, buildings, machinery, vehicles or other assets that can be monetised without destroying future capability. Consider sale and leaseback where appropriate but understand this is expensive long-term financing. Only do it if the immediate cash injection genuinely saves the business.
- **Outsource and monetise capacity.** Could parts of your operation be subcontracted and the internal capacity sold or rented?
- **Dispose of non-core units.** If there are divisions or investments not central to survival, consider divestment to raise cash.

REDUCE CASH OUTFLOWS IMMEDIATELY

- **Halt discretionary spend.** Stop any spend that can be deferred without destroying value, review dividends, non-essential marketing and training.
- **Revisit fixed and variable costs.** Evaluate advertising, R&D, and capital projects—trim or pause with an eye on long-term viability.
- **Renegotiate payables.** Engage key suppliers and other creditors proactively to reschedule or extend payments. Have a proposal ready, not just a request. Structured conversations with realistic repayment plans win time and maintain relationships. Blind deferral or avoiding calls destroys both.



IMPROVE PROFITABILITY

These improvements take longer but deliver sustainable relief.

- **Drive higher turnover.** More customers, deeper penetration with existing ones, or price adjustments where the market can bear it.
- **Reduce cost of goods sold.** Review sourcing, waste, and process efficiency.
- **Trim overheads.** Examine every line item with a critical lens.
 - Management and executive compensation. This is where leadership credibility is won or lost. Consider significant reductions to demonstrate shared sacrifice and commitment.
 - Premises costs: sublet, consolidate, or renegotiate.
 - Company cars, professional fees, and discretionary overheads: are they all justified?

THINK COMMERCIALY!

- Do you have differentiated products with real pricing power or are you competing primarily on price?
- Can you bundle services or products to increase average order value and customer stickiness?
- Are production bottlenecks hiding capacity that could be unlocked?
- Can procurement, distribution or contract terms be renegotiated to deliver lower cost or less waste?

This is the moment where focus, discipline and collaboration matter most.

The RIGHT MOVES now will keep options open.
The WRONG MOVES will close them fast.

Case Studies: Real World Crises

These cash management principles work across different business models and scales.

US SAAS COMPANY:

MARKET DOWNTURN AND FUNDING CRISIS

A 120-employee Austin software company's runway shortened from 36 to 8 months during the 2022 tech downturn due to slowing sales and increased churn. Instead of dramatic downsizing, they shifted from enterprise-only to hybrid mid-market sales, moved to monthly subscriptions with lower barriers, and restructured around inside sales. They achieved cash-flow positivity within six months at 85% of the original headcount.

LESSON: In venture-backed companies, changing the business model can be more effective than just cutting costs. Adapting to market conditions while preserving team capabilities often delivers better long-term outcomes than dramatic downsizing.

FAMILY LOGISTICS:

STRATEGIC ASSET DISPOSAL AND ROUTE FOCUS

A second-generation logistics company with 80 vehicles faced eroding margins from fuel costs and competitor pressure across their diverse route network. Instead of competing on scale, they sold 30 vehicles, closed 2 depots, made 25 redundancies, and focussed on three high-margin regional routes where they had relationship advantages.

Capital from asset sales funded technology upgrades and improved customer service.

LESSON: Sometimes becoming smaller and more focussed delivers better results than trying to scale up. Strategic asset disposal can fund operational improvements larger competitors cannot match.

Execute Discipline

KEY POINTS TO REMEMBER

- Your turnaround plan remains only a plan unless it is executed. Assign clear ownership, deadlines, and escalation paths.
- Early drafts will look conservative and uncomfortable. They may even feel defeatist. That's intentional and necessary. Use robust internal challenge to stress-test assumptions and refine toward a realistic base case, not an optimistic one.
- Keep the cash forecast front and centre. Use it weekly to test the effectiveness of initiatives.
- Communicate progress and challenges openly with lenders and stakeholders. Transparency buys time and trust.
- Always view your initiatives from the lens of someone deciding whether to continue risking their money on you.
- This plan isn't a one man job to execute. On page 67 we look at the team you can put in place to help support the delivery.

ALWAYS ASK YOURSELF

- Is the business becoming more investable and creditworthy, or less?
- Are we reducing risk or just delaying the inevitable?

THE CRISIS PLAYBOOK

CHAPTER **SIX**

Managing Change Through a Crisis

Managing Change Through a Crisis

Recognising the problem and building a turnaround plan is only half the battle. In a crisis execution depends on how well you manage these three things; your stakeholders, the people who make the plan real and yourself!

MANAGING STAKEHOLDERS

Stakeholders vary by situation, but in most turnarounds the critical groups are:

- Shareholders
- Directors and management
- Employees
- Bankers/Lenders
- Customers
- Suppliers, including trade insurers
- Landlords and Government bodies e.g. HMRC, pension trustees, local authorities

- **Communicate early and often.** Bad news doesn't improve with age. Transparency builds credibility even when the news isn't good. Share the progress, the setbacks, and your clear plan for addressing both. People back leaders they trust to tell them the truth and demonstrate capability under pressure.
- **Tailor the message.** Without changing the facts. The core story stays consistent, but delivery must reflect each audience's priorities and concerns. What do lenders care about most? Cash visibility and risk reduction. What do employees need most? Clarity about their future and purpose in the turnaround effort.
- **Be punctual and predictable.** Regular updates, meetings with clear agendas, and follow-up conversations reduce uncertainty and surface issues before they fester.



- **Manage communication expectations*** Today's stakeholders expect faster, more frequent communication than ever before. This is amplified during crisis periods.
- **Respect confidentiality.** Share appropriately and securely. Loose information wrecks trust fast.
- **Demonstrate control and support.** Show that you have a plan, the right people aligned, and the discipline to execute it.

*MODERN COMMUNICATION EXPECTATIONS

Use multiple channels—email for formal updates, video calls for complex discussions, instant messaging for urgent clarifications.

For remote stakeholders, over-communicate rather than under-communicate.

Consider brief weekly video updates rather than monthly written reports, and always be available for quick calls when stakeholders have concerns.

HAVE THE DIFFICULT CONVERSATION

Remember the anticipation of a difficult conversation is almost always worse than actually having it. The reality is that most problems get harder to solve the longer you wait to address them.

Managing People and Culture

Change only happens if people understand it, believe in it, and are enabled to act. There are three common states you'll encounter.

- **Don't know.** They haven't been told, or they've forgotten under stress. Communicate clearly, repeatedly, and simply—assume people need to hear important messages multiple times to truly absorb them.
- **Don't know how.** They need training, detail, and active support. Break the changes into practical steps and give them the tools.
- **Don't want to.** You can usually spot resistance early through body language, missed deadlines, or passive-aggressive behaviour. Engage directly, try to understand their concerns, motivate where possible, and if necessary, make tough personnel decisions quickly.

REMOTE AND HYBRID CONSIDERATIONS

In remote or hybrid teams, these challenges become more complex.

- **Don't know.** This requires more proactive communication—assume people need to hear important messages even more frequently.
- **Don't know how.** This means providing clearer written instructions and more frequent check-ins rather than relying on corridor conversations.
- **Don't want to.** This is harder to spot remotely—watch for decreased participation in video calls, delayed responses to urgent requests, or reduced quality in deliverables.

Why Culture Matters

Early in a turnaround, the environment tends to be centralised, directive, and fast-moving—that's not just appropriate, it's necessary for survival.

HOW CAN YOU HELP?

- **Be visible and accessible to staff.** Schedule more frequent one-on-one conversations during crisis periods to maintain connection and identify issues early.
- **Know your people.** All staff have their place and should be treated with respect and gratitude for their contribution.
 - Some may thrive under pressure and can operate at pace—often referred to as your 'racehorses'—and may actually perform better during a crisis.
 - Others need extra reassurance and structure 'solid and safe' to maintain performance when everything feels uncertain.
 - Tailor your leadership approach accordingly, you need both racehorses and calm and stable – they are just different not better.
- **Sponsor the emerging culture.** What behaviours do you want to reward?
- **Value people publicly.** Small recognition signals go a long way in building trust.
- **Listen with warmth, treat people with respect, and keep the customer front of mind.**



- **Don't forget to be human.** Inject moments of levity and humanity. People perform better under stress when they feel connected to something bigger than the crisis and when they're reminded that you see them as whole people, not just resources to deploy.
- **Remote teams working.** The human connection becomes even more critical during crisis. Remote workers often feel more isolated during difficult periods, so be more intentional about recognition, communication, and creating opportunities for team connection.
 - Schedule brief informal check-ins.
 - Acknowledge the additional stress of managing uncertainty from home.
 - Ensure team members have proper support systems in place.

AND WHEN STABILITY RETURNS

Over time, as stability returns, deliberately transition to empowerment, innovation, and sustainable ownership. But don't rush this transition, people need to see that the crisis management worked before they'll trust a return to normal operations.



Case Studies: Real World Crises

Leadership clarity and communication make the difference between successful change and organisational chaos.

ROLLS ROYCE: NEW LEADERSHIP

Under new CEO Tufan Erginbilgiç, Rolls-Royce refocused operations, reduced duplication, and revived employee confidence. Profits doubled and share price rose ~60% in one year.

Success derived from leadership clarity, operational action plans, and strong change messaging—even in aviation’s uncertain environment .

LESSON: In high-complexity organisations, targeted structural actions, strong communications, and visible leadership can deliver confidence and growth rapidly.

STARBUCKS: CUSTOMER VALUES

Starbucks CEO Brian Niccol shifted the brand strategy: streamlined operations, tailored store formats to market (especially in China), invested in front-line staff, and modernised digital engagement.

The early actions showed growth in China and improved customer experience, though margin pressures persist.

LESSON: Recovery may take more than immediate cost cutting—it requires aligning customer value, clarity in change, and reinvestment in operational excellence.

Create Effective Communication

Consider a small **Project Management Office** (PMO) to oversee critical initiatives, unblock execution, and report progress.

That team bridges the gap between directive urgency and future sustainable operational rhythm. It also acts as a human point of contact for the project.

Creating an effective turnaround team requires careful selection of internal leaders who can perform under pressure.

This isn't always your normal senior leadership team—crisis situations often reveal unexpected leaders while exposing weaknesses in others.

THE TURNAROUND DIRECTOR ROLE

First, identify or appoint a dedicated Turnaround Director—this should be someone who can focus full-time on the crisis without being distracted by day-to-day operational responsibilities. This person needs to be your primary internal crisis leader, distinct from the CEO/founder role.

Look for someone who has:

- Calm authority and decision-making capability.
- Strong analytical skills and attention to detail.
- Excellent communication and stakeholder management abilities.
- Gains the respect of the wider team and credibility with external partners.
- Emotional resilience and works well under sustained pressure.

Quick Tips: Key PMO Roles to Fill

COMMUNICATIONS LEAD

Someone who can manage all stakeholder communications, prepare updates, and ensure consistent messaging. Look for natural Clear Communicators who can translate complex situations into understandable updates.

FINANCIAL CONTROLLER

Your most detail-oriented financial person who can own the cashflow forecasting, scenario planning, and provide accurate, real-time financial data. They need to be both analytical and pragmatic.

OPERATIONS COORDINATOR

Someone who can track initiatives, chase progress, and ensure nothing falls through the cracks. Look for people who naturally organise others and follow through systematically.

PEOPLE LEADER

Someone trusted by the wider team who can gauge morale, communicate changes, and help maintain performance during uncertainty. Often this is someone with natural emotional intelligence rather than formal HR qualifications.



What Makes a Good Recruit in a Crisis?

Crisis performance doesn't always match normal-times performance. Watch for:

- **People who stay calmer as pressure increases** rather than becoming more scattered
- **Those who simplify and focus** rather than overcomplicate
- **Natural problem-solvers** who look for solutions rather than dwelling on problems
- **Those who communicate more**, not less when things get tough
- **People who voluntarily take on additional responsibility** rather than trying to avoid it

RED FLAGS TO AVOID

Be wary of appointing people who:

- **Become paralysed by uncertainty** or analysis paralysis.
- **Consistently need hand-holding** or detailed instruction during pressure moments.
- **Focus more on blame** or politics than solutions.
- **Communicate poorly** or create confusion rather than clarity.
- **Have historically struggled with accountability** or follow-through.

TESTING AND VALIDATING YOUR CHOICES

Give potential leads small, time-pressured tasks to observe how they perform. Watch how they communicate updates, how they handle setbacks, and whether they naturally collaborate or become territorial under stress.

Remember you can always adjust the team as circumstances change and you learn more about how people perform in crisis mode. The key is starting with your best assessment and being willing to make changes quickly if someone isn't working out.

Managing Yourself

The energy, clarity and discipline you demonstrate set the tone for everyone else watching you for cues about how worried they should be. That doesn't mean you burn out.

Sustainable performance in a crisis depends on finding balance, not on heroic overwork. **You are the linchpin whether you asked for this role or not.**

PROTECT TIME FOR YOURSELF

This isn't selfish, it's strategic. Chronic stress without reflection and recovery doesn't just erode judgment, it often leads to poor decisions that deepen crises.

- Regularly carve out quiet moments, for thinking.
- Ensure you make time with family and friends for perspective.
- Hold conversations with trusted advisors outside the business.

External advisors can be particularly valuable here—they provide the objective perspective you need when internal pressure makes it hard to see clearly, and they bring experience from similar situations that can accelerate your learning curve.

MAINTAIN PERSPECTIVE

This is intense work—part sprint, part marathon. Celebrate small wins, stay gritty on the hard stuff, and try to find moments of progress that energise you.



Managing Yourself cont...

STRUCTURE YOUR DAY

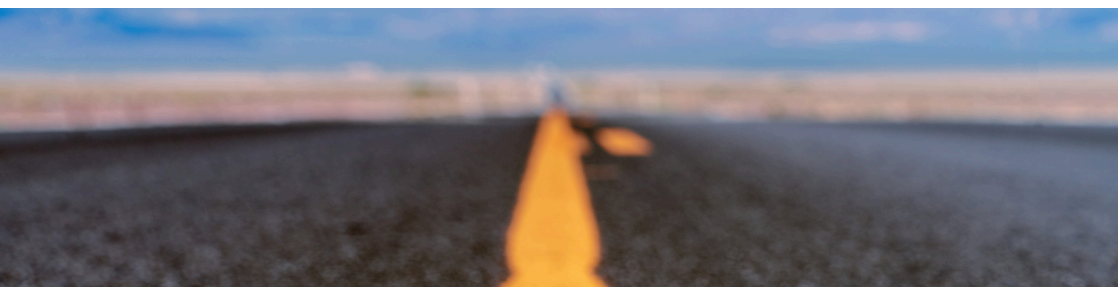
Use a simple prioritised list.

- Urgent must-do items
- Important but not urgent tasks, get them closed quickly
- Watch items (non-urgent, but could become problems if ignored)
- **Delegate the rest!**

REVIEW ON REPEAT!

Review your progress ruthlessly.

- Every few days, step back and assess are the critical things getting done, or are you just staying busy?
- If progress is stalling, identify what's blocking you.
 - Is it the fear of difficult conversations?
 - Avoidance of hard decisions?
 - Lack of support?
 - Simply being overwhelmed?
- Find counsel from a trusted advisor who can see your blind spots.



How To Get Started?

Take our Self Assessment and See How You Are Doing?



THE CRISIS PLAYBOOK

SELF ASSESSMENT

Effective Change Management

Effective Change Management

HOW ARE YOU DOING?

- ☐ Are you mentally organised and prioritising effectively each day?
- ☐ Are key stakeholders receiving regular, tailored, and honest updates?
- ☐ Do your people understand what is changing, why, and how it affects them?
- ☐ Have you identified who needs support, who can lead, and who may resist?
- ☐ Is there a small execution team (PMO or equivalent) tracking critical initiatives?
- ☐ Are you visibly sponsoring the cultural transition from crisis mode to normalised performance?
- ☐ Are you recognising progress and adjusting approach based on feedback?



A Final Thought

Managing change in crisis requires three things working in harmony;

- Clear stakeholder communication
- People who understand their role in the turnaround
- Leadership that stays steady under pressure

The technical work—forecasts, plans, processes—only succeeds if you can keep your team focused and your stakeholders confident.

You have to accept that change in a crisis is going to be hard—because the margin for error is small. However when you manage yourself, your stakeholders, and your people, with clarity and discipline, you create the platform not just to survive—but to rebuild stronger.

THE CRISIS PLAYBOOK

CONCLUSION

Go With the Right Mindset

A Turnaround is Never Easy

Anyone who tells you otherwise hasn't done it.

TURNING SURVIVAL INTO STRENGTH

It is also never just about the numbers on spreadsheets. It's fundamentally about leadership under pressure, clarity of thought when everything feels chaotic, and the courage to keep moving forward when the path isn't clear.

Across these chapters, we've explored the early warning signs, how to assess your position, how to build and execute a turnaround plan, and how to manage yourself, your stakeholders, and your people through the hardest moments.

If there's one thing I would ask you takeaway it is this...

Speed and brutal honesty buy you options that delay and wishful thinking destroy.

The earlier you face the uncomfortable facts, the more room you have to manoeuvre—and the more credibility you'll have with those who hold your future in their hands.

IT'S ABOUT MINDSET!

Practical tools like the 13-week cash flow, stakeholder updates, and a clear action plan are vital. But they only work when matched with the right mindset. That is one of direct communication, disciplined execution, and a willingness to adapt.

This Too Shall Pass

When the crisis passes—and if you do this right, it will—you'll be left with something far more valuable than survival.

- You'll have a leaner, more focused business that knows what really matters.
- A team that's been tested under pressure and proven they can rise to the challenge.
- And the deep, earned confidence that comes from knowing you can face genuine uncertainty and lead others through it.

In the end, a successful turnaround isn't just about fixing what's broken—it's about building something stronger, smarter and more resilient for whatever comes next. And it will!

If you're facing challenges that feel overwhelming, remember that experienced guidance can make the difference between surviving and thriving.

At Fortitude London, we've had the privilege of standing alongside leadership teams in their most challenging moments—sharing the trenches and helping them find a way through. While every situation is unique, we've seen that certain actions and approaches consistently make the difference. The strategies I have outlined here can be adapted to steer even the toughest crises toward recovery.

Stay sharp. Stay honest. And keep moving.

A handwritten signature in a cursive script, appearing to read "Susan".

THE CRISIS PLAYBOOK

ADDITIONAL TOOLKIT

10 Presenting Rules Worth Knowing

THE ART OF THE FINANCIAL PITCH

At Fortitude London, we help leaders sharpen their performance, refine their strategy, and deliver with conviction. Trusted advice isn't about clever slides – it's about clarity, confidence, and connection.

For Finance Professionals

1. BE CLEAR

Clarity of thought is as important as clarity of numbers. Decide what matters most – the financials, the drivers, the outcome – and say it plainly.

2. STAY FOCUSED

A pitch is not a data dump. Highlight what the market, investors, or credit committee must know. If you lose focus, you lose confidence.

3. BE ENGAGING

Balance sheets don't need theatre, but they do need energy. Show interest in your own numbers – it signals conviction, not just compliance.

4. MAKE A CONNECTION

Investors and boards hear endless forecasts and projections. What stands out is relevance. Link your numbers to a story: market demand, operational change, turnaround momentum.

5. BE MODEST

Markets are unpredictable. Confidence is welcome; certainty is not. Acknowledge risk, show balance, and you'll be trusted more.

For Finance Professionals cont...

6. BE DISCREET

Don't boast about calling the market or having privileged insight. In finance, discretion earns credibility; arrogance erodes it.

7. DON'T RAMBLE

Extra words cloud the numbers. Nervous chatter risks undermining precision. Keep it sharp: headline, evidence, impact.

8. DON'T PREACH

Boards, lenders, investors – they're experts in their own right. Share insights, don't lecture. Respect the audience's knowledge.

9. USE STRAIGHTFORWARD LANGUAGE

Financial jargon alienates as quickly as legalese. Plain English cuts through complexity and reassures the listener that you know your subject.

10. BE YOURSELF

Everyone feels the weight of presenting under financial scrutiny. Authenticity matters: if you believe your plan and your numbers, others will too

Your Emergency Reference Guide!

When you need help fast, turn to the right page for help.

IMMEDIATE CRISIS ACTIONS

Are you in crisis mode right now?

- Cash running out - Chapter 3 (13-week forecast) + Chapter 5 (cash triage)
- Legal threats received - Chapter 2 (crisis stage guidance)
- Creditors demanding payment - Chapter 5 (creditor negotiations) + Chapter 6 (stakeholder communication)
- Key staff leaving - Chapter 2 (distress signals) + Chapter 6 (people management)
- Bank calling covenant breach - Chapter 3 (lender communication) + Chapter 4 (turnaround planning)

ASSESS YOUR SITUATION

What is your Crisis Severity

- Early warning signs, Distress Sign and Crisis Territory - Chapter 2
- Take the Crisis Severity Assessment - page 31

LEADERSHIP & PEOPLE

Leadership Styles

- Damaging Styles - Chapter 1
- Effective Approaches - Chapter 1
- What Banks Really Look For - page 42
- Managing Stakeholders - Chapter 6
- Managing Resistance & Uncertainty - Chapter 6
- Building a PMO - Chapter 6

CASH & FINANCIAL CONTROL

Essential Tools

- 13-Week Cash Flow Forecast Template - Chapter 3
- Building a Turnaround Plan - Chapter 4
- Daily Cash Management - Chapter 5
- Creditor Payment Prioritisation - Chapter 5

Specific Cash Actions

- Banking Covenant Management - Chapter 3 (lender relationships)
- Insolvency Director Duties - Chapter 3 (legal responsibilities)
- Emergency Cash Generation - Chapter 5 (asset sales, accelerated receipts)
- Payment Deferrals & Negotiations - Chapter 5 (supplier/creditor management)

PLANNING & STRATEGY

Strategic Frameworks

- Turnaround Plan Development - Chapter 4
- Action Prioritisation Matrix (ease vs benefit) - Chapter 4
- Stakeholder Alignment - Chapter 4

Decision-Making Tools

- When to Seek Professional Help - Chapter 1
- High Impact vs Easy Delivery Prioritisation - Chapter 4
- Resource Allocation Under pressure - Chapter 5

Communication Strategies

- Lender communication best practices - Chapter 3
- Supplier/creditor negotiations - Chapter 5
- Board/investor updates - Chapter 6
- Employee communication during crisis - Chapter 6
- Multi-channel approach (email, video, messaging) - Chapter 6
- Remote stakeholder management - Chapter 6
- Frequency & transparency guidelines - Chapter 6

Downloadable Tools & Checklists

ASSESSMENT TOOLS

- Crisis Severity Self Assessment - Chapter 2 page 31
- Effective Change Management - Chapter 6 page 74

PLANNING TEMPLATES

- Building Your 13-week Cash Flow Forecast - Chapter 3 page 44
- Turnaround Plan Checklist - Chapter 4 page 48
- Change Management Checklist - Chapter 6

ACTION FRAMEWORKS

- Emergency Cash Action - Chapter 5
- Managing Crisis Talks - Chapter 5 page 56
- Stakeholder communication templates - Chapter 6

When to Get Professional Help

Seek immediate advice if:

- Statutory payments are overdue
- Legal threats have been received
- You're unsure about director duties
- Cash will run out within 4 weeks

Types of professional support:

- Business recovery specialists - Chapter 1
- Insolvency practitioners - Chapter 2
- Experienced advisors/NEDs - Throughout
- Sector-specific experts - Chapter 4

Remember: Speed and brutal honesty buy you options that delay and wishful thinking destroy.

Full Legal Disclaimer

This publication is for general guidance only and does not constitute legal, financial, tax, or insolvency advice. It should not be relied upon as a substitute for specific professional counsel tailored to your circumstances.

DIRECTOR DUTIES & PERSONAL LIABILITY

Directors of companies in financial distress face significant personal legal responsibilities under UK law, including:

- Fiduciary duties under the Companies Act 2006, particularly s.172 (duty to promote company success)
- When companies approach insolvency, these duties shift to protecting creditors' interests
- Personal liability for wrongful trading under s.214 Insolvency Act 1986
- Potential disqualification under the Company Directors Disqualification Act 1986

CRITICAL WARNING

Directors who continue trading when insolvency is unavoidable may face personal liability for company debts and potential criminal prosecution. If you suspect your company may be insolvent or approaching insolvency, you must seek immediate professional advice from qualified insolvency practitioners or restructuring specialists.

Full Legal Disclaimer cont..

PROFESSIONAL ADVICE ESSENTIAL

The strategies outlined require careful legal and commercial analysis. You must obtain professional advice before implementing any recommendations, particularly regarding:

- Insolvency and restructuring procedures
- Employment law obligations during reorganisation
- Tax implications (including HMRC's preferential creditor status)
- Regulatory compliance requirements
- Creditor negotiations and formal arrangements

LIMITATION OF LIABILITY

Neither the author nor Fortitude London accepts responsibility for any loss, damage, or liability arising from use of this guide. Every business situation is unique, and outcomes cannot be guaranteed.

JURISDICTION

Legal references are specific to England and Wales. Scottish and Northern Irish law may differ. International readers should consult local qualified advisers.

Your circumstances are unique. When in doubt, seek professional help immediately.

About the Author

Simon R Jones — Founder, Fortitude London

Simon R Jones is a highly experienced turnaround and restructuring professional with more than 20 years of experience guiding organisations through financial recovery, mergers and acquisitions, and transformative change.

A Fellow Chartered Accountant known for his solution-focused, hands-on leadership, Simon has held interim C-suite roles across both public and private sectors, driving sustainable growth and lasting improvement. A skilled negotiator who thrives in complex and high-pressure environments, Simon brings clarity and balance to challenging situations—helping businesses stabilise, rebuild, and thrive.

Simon is a Harvard Business School alumnus and a member of the Institute for Turnaround. He is also a qualified PRINCE2™ project manager with extensive experience in raising finance, managing cashflow, and negotiating with lenders to secure business survival.

His career spans a wide range of industries, including healthcare, property, travel, retail, publishing, and education. Based in the UK, Simon's work has taken him across the globe, where he continues to deliver impactful results and sustainable growth.

simon.jones@fortitudelondon.com

"I've seen Simon's practical, steady approach in action. The Turnaround Playbook captures that experience perfectly — clear, timely, and full of strategies every leader can use to spot warning signs and take decisive action. It's also an easy read!"

— Tim Gordon, Partner EY (Retired)

Simon's international career gives the strategies in The Turnaround Playbook universal relevance. Clear, practical, and proven, this guide is invaluable for leaders navigating business crisis/challenges anywhere in the world. Whether you're running a business in New York, Miami, Chicago or London, or anywhere in between, this book will help you stay the course and lead with confidence.

— Michael A Gordon, Co-Managing Partner, Sidley Austin LLP

"I have read this excellent business book with great interest. It contains invaluable recommendations on business management.

I recommend this book to anyone in business.

It offers ideas and advice on how to avoid the pitfalls encountered by all entrepreneurs and the importance of good financial information. Great attention to cash flow is a must in order to avoid financial difficulties.

A great practical, easy to read business book."

— Afif Ben Yedder, Publisher, IC Publications



FORTITUDE

www.fortitudelondon.com