The current pandemic-induced economic crisis has brought several immediate and long term financial risks for companies across all sizes, sectors and industries. CFOs and Treasurers must anticipate, assess and mitigate these contingencies and their impact along the different areas and business lines. Therefore, it is crucial to add clarity and precision into the decision making process. For this purpose, we've synthesized a series of relevant questions for C-suite management to address before formulating a holistic and comprehensive financial risk plan. We invite you to read on this brief questionnaire in order to take targeted and effective action.

1. **What is the Company's liquidity position?**

   This is by far the most important question to ask for any company trying to assess the severity of an external shock to the immediate survival needs on any ongoing concern. Every company treasurer should try and gather all cash and cash equivalent and project short and medium cash flow projection.

2. **What are the Company's realistic funding sources under the new scenario?**

   From your cash and equivalents, lines of credit, credit facilities to other non traditional funding sources like supplier credit extensions and emergency lines from government agencies, the Treasurer needs to have an open, transparent and persuasive communication line with these funding sources as well as other key revenue areas' responsible officers.

3. **What are the largest and most stable revenue lines within the organization?**

   CFOs and Treasurers need to gauge how reliable and stable their core income streams are as well as their relationship with their biggest and most sensible clients. Outmost relevance should be placed upon the redirecting efforts in maintaining these clients and business and/or service lines.

4. **What scenarios in Management contemplating for a short-term strategy?**

   In designing any emergency strategy, it becomes critical to consider and evaluate the most pessimistic scenarios given the current condition of the company's financial footing and the overall enviornment of the industry and all the markets the company operates in.

5. **What action/s is Management taking to mitigate solvency and liquidity risk?**

   Some companies often engage in risk mitigation strategies involving, among other things, the use of hedges and other on (and off) balance sheet financial instruments. Other actions include involve contingency plans contemplating C-suite management and organizational restructuring with the ultimate goal of reducing non essential operating expenses and other projects as well as capital expenditures. CFOs must prioritize short-term cash preservation, core revenue lines and strongest client relationships above any other enterprise mission.

6. **How competitive is the Company's market and how strong is its pricing power?**

   CFOs must evaluate any crisis pricing pressures of all of their respective markets and the status of the competitive landscape with the goal of assessing their product/service pricing power. This exercise is paramount before management undertakes any course of action. Any pricing power leverage the company has should also be used with prudency and within legal and ethical boundaries.

7. **What is the Company's negotiating power with suppliers?**

   Understanding the company's bargaining power in the industry and along the supply chain can help management secure better terms in the procurement or credit terms of its input supplies and fixed costs of other essential goods and services. Anticipating any supply disruption or shortfall scenario ahead of time can prevent disorderly shocks in production and other reputational risks, smoothing out a transition to a slowdown or temporary shutdown.

8. **What is the Company's negotiating power with employees and unions?**

   Depending on the industry, this is probably one the most critical decision to make as part of a new, improvised strategy moving forward. As part of management's path in the short and medium term, negotiations with key employees and unions, the ability on getting specialized skills and the cost associated in training new personnel is paramount in determine the shape and form of cost reduction and help map out an alternative and more nimble solutions to retain key employees and labor capacity when demand comes back. Furloughs, and reductions in time shift, salary, bonus and/or other benefits might bring tremendous cash savings and preserve much needed liquidity.

9. **What are the Company's shareholders, lenders and other investors worried about?**

   Shareholders, lenders and other creditors and stakeholders have reasonable concerns of the company's ability to meet its contractual obligations in the short term. CFOs should address most of them by painting a clear picture of the company's financial liquidity, solvency and profitability in the near term. Key shareholders are instrumental in maintaining soundness and backing management on any strategy to weather out any crisis in front of lenders, regulators, government agencies, external auditors and other stakeholders. While any cuts to dividends is detrimental to the company's stock and its ability to grow and satisfy shareholder concerns, preserving liquidity is viewed by lenders and other junior creditors as critical to avoid default or breach of covenants. Other alternative solutions, like equity conversion, should also be put on the table for consideration.

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