

Managing SME Banking in Challenging Conditions

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Introduction

- The warning signs of the current crisis
- The rise in the inflation rate ... the exchange rate
- Measures taken by BRH
- The fragility of the current socio-political climate
- The loss ratio of all companies

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- Uncertain future
- Company survival at stake
- Need for quick decision making

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Impact of the crisis on Haitian businesses

- Drastic drop in revenues.
- Late payments to suppliers.
- Accumulation of bank debt arrears
- Delays in the settlement of obligations towards tax and social organizations
- Moratorium negotiations
- Non-compliance with moratorium and, during the same time, current debts are not paid.

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Diagnosis And Recommendations

- Establish the precise financial situation, current or future cash shortfalls, and future repayment capacity.
- Anticipate the capacity to develop, maintain or even stop the deterioration in turnover.
- Consider the possibilities of reducing loads.
- Examine the internal functioning of the company and its consequences on the working capital requirement (customer time, stocks ...)
- Constantly measure projected overall profit capacity.

How to manage cash during the crisis

- Reduce working capital
- Negotiate with your bank of business
- The management dashboard: a practical and efficient tool to manage the cash flow
- Negotiate with governmental services

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Thank you

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