

Tackling lockdown challenges head-on

By shifting priorities and accelerating new products, CO Designs from Cape Town, pivoted its business to accommodate a self-penned 4-point plan, which served as a blueprint to react to and survive the COVID-19 pandemic and the resulting economic downturn.

According to Raymond Ellerbeck, Director and Founder of CO Designs, they offer 24 years' experience in furniture design, production, logistics and product management, providing creative solutions in product and workstation design.

"Our experience and added focus on acoustic furniture in the workplace, especially in complying with green building regulations, proved hugely influential and beneficial during these challenging times," he recently told the South African Furniture Initiative.

By being complacent and managing the business with a "we have always done things this way, why change?" mindset, once again proved to be a challenge in itself. According to Debbie Radford, CO Designs Director, the initial lockdown back in March presented them with the rare opportunity to re-examine and assess the status quo of the business using a 4-point plan.

"First of all, we immediately took steps to secure the longevity of the business and to provide security and economic support for the staff," she said. "Cost containment, evaluating expenses and quick action to get the team on board proved essential actions to guarantee that CO Designs is still in business by the end of this crisis."

According to Radford, it was important to set up the sales team from home, while employees in the manufacturing side of the business were supported with, among other things, access to UIF. Being secure gave them an opportunity to move to the second point, namely being proactively innovative.

"One positive outcome of the pandemic was that we, as management, were afforded the time to take a strategic look at the business, refocus our efforts, while at the same time reprioritising products and product-lines," Radford said. "This actually gave us the opportunity to reshuffle priorities and fast-track some of our very innovative products that were put on the back-burner for too long."

The third part of the plan was to stay close to the corporate client base, which had its own crisis to handle with its workforce displaced by working from home. "We were coming up with ideas and opportunities to support our clients in making sure their employees were able to set up a home office," Radford said. "As a rule, we know that in times of crisis it is paramount to keep the network intact and by supporting our sales team we were able to continue the relationship with our clients."

The last point on the plan was to use the extra time available to re-educate themselves with webinars as well as viewing videos to obtain context and gain insights into what remains relevant to the future furniture market.

According to Ellerbeck a main point for sticking to the plan was to restructure the business into a model that is more agile and less complex. “We re-evaluated the workflow through the factory during the manufacturing process, found better and simpler ways of doing things, while at the same reducing our overheads,” Ellerbeck said.

Apart from reducing costs, he continued to emphasise how important it was to keep supporting the marketing and sales operation with their relationship with clients, forming stronger bonds to ensure the longevity of the business is secured. This was mainly done by using online platforms, regular contact and through telephone calls. “You still have to put fuel in the tank of the car, otherwise the car won’t go, is something we had to remind ourselves of constantly,” Ellerbeck explained.

With many big corporates, as well as Small, Medium and Micro-enterprises (SMMEs) opting for their employees to work from home, CO Designs acknowledged the opportunity in the market for not only home-office furniture and design, but the challenge with accompanying acoustics (or lack thereof) at home.

“Imagine a couple with two school going kids start working and schooling from home,” Radford said. “In most cases people will not suddenly have two or more extra rooms, and this means a family of four will find themselves next to each other at the dining table noisily chatting to their computer screens,” Radford explains. “Fortunately, we have been experts in the field of acoustic furniture, creating another opportunity to provide functional, compact home-office furniture in a market that relies heavily on ergonomic design.

However, moving forward ensuring the business stays afloat during economic hardship does not come that easy. “We had to go through traumatic experiences, including retrenchments and cutting costs, but we were also doing our best to give reassurance in the re-employment of our staff,” Radford said. “The upside to this is the entrepreneurial spirit we experienced from some of our former employees. Not only did they establish their own manufacturing operations, but we could outsource and insource from them without having to train them in the necessary skills.”

The COVID-19 pandemic and lockdown period in South Africa provided CO Designs with the opportunity to explore selling to consumers and end-users, compared to its previous business-to-business model of selling. E-commerce is now coming into play, consequently erasing geographical borders with changes in behaviour from the consumer.

“We are very excited to see what the future holds for our business with a new logistics network, as well as consumers demanding new products, thereby proving that in the midst of a crisis, the relationship between supply and demand will still develop new opportunities for those who are prepared to act on it,” Ellerbeck concluded.

- CO Designs will launch an online shop for consumers interested in home-office furniture soon. To catch a glimpse of the products currently available go to <http://www.codesigns.co.za>