



Coronavirus: A CEO's Dress Rehearsal for the New World

Business leaders are sharing five key messages with teams to prepare them for turbulence today—and tomorrow.

By James Allen

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Like many of you, my last 10 days have been filled with conversations with business leaders about how to respond to the COVID-19 pandemic. Many of us have been through something like this multiple times before. In some ways, it feels closest to the post-9/11 climate, when business leaders were simultaneously concerned about helping their companies and helping their families. All news and advice makes its way through two channels: "Great, I'll videoconference with my team about this today," or, "Let me send that to my family group chat."

And as told by my busy calendar and ringing phone, the current situation remains ever changing. Even as I wrapped up writing this, UK Prime Minister Boris Johnson announced that London would join many other cities worldwide in a lockdown. It strikes a unifying chord of worry and uncertainty.

And so while my discussions with leaders have varied widely depending on geography and industry, they share the same sentiment. Although so much is unclear, there is a common understanding that unpredictability is here to stay. In the midst of this uneasiness, I'm hearing the best CEOs and founders deliver five key messages to prepare their people for the business world of tomorrow.

We are entering a new normal

While local government policies differ, many businesses are moving to a global lockdown for an indeterminate amount of time, but likely the second quarter—at least. In this state, there are a few understood truths: Many of our people will work from home; our employees and customers will be worried about access to food, child care and medical services; our ways of working with customers and suppliers will change by the hour; and travel and logistics will be disrupted. For 2020, this is the new normal. It starts with anxious individuals spending much of their energy trying to herd families and friends toward safer pastures.

But it's only the dress rehearsal for what's to come

Despite the fear of the unknown, the pandemic and the subsequent economic challenges present a defining moment. Businesses have the opportunity to emerge in a stronger position and deepen relationships with customers and trading partners. They can build a company that is more fit for purpose in the world ahead.

And the world ahead will only be filled with more uncertainty, from the evolution of globalization to climate change. Leading firms will view the current situation as a dress rehearsal. The muscle memory that they develop today will prepare them for the next generation of business.

While costs matter, this is a battle for customer relevance

With the understanding that the current situation is a dress rehearsal for the coming decades, the action plan becomes clearer. Even as leading CEOs refine their specific views of the future, there are a few things that they know for certain.

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First, the best companies will be those that treat their customers and employees with generosity and kindness. We're redefining "citizenship" right now, and leaders will set out to show the world what it means to be a global citizen. Of course, businesses must serve their stakeholders, but our customers, employees and local communities should come first—owners, last. We'll be all the richer by keeping this in mind.

Next, it's important to remember that revenue and cash will always fall faster than costs. The cash crisis every business currently faces is known and inevitable. We don't know the floor value yet, but the ceiling values are lower. Winning businesses will get ahead of this and adjust to the new normal.

As part of this new normal, companies are now in a global battle for customer relevance. With every action, they will demonstrate that they are essential or discretionary. Many won't emerge from this intact. To remain top-of-mind, businesses must:

- **Improve their proposition.** Not all products and services are of the same importance today as they were yesterday. Firms must adjust to their customer needs.
- **Solve the distribution crisis.** Many distribution channels have temporarily shut down. This isn't a product problem, it's a customer access problem. And it's up to businesses to figure out how customers can get what they need. Don't wait for distribution to come back—adapt and innovate.
- **Communicate carefully.** Businesses are already taking many actions to be good citizens: encouraging people to work from home, stopping customer engagement, postponing meetings and more. But some of these measures inadvertently signal to customers that those products and services are nonessential. Every "work from home" message that isn't followed by a "disruption and innovation in progress for our customers" message can be misinterpreted. We won't rest for a bit and regroup in the autumn. Our workforce may already know that, but we need to make sure our customers do, too.

Remaining relevant in customers' eyes will require internal changes as well. The entire organization needs all of the discretionary energy of every single employee. To communicate this, every message on new ways of working must be combined with a new sense of urgency: We must help our customers now and at greater lengths than ever before. We are not "responding to government policy," but redefining ourselves to become even more essential to our customers. Now is the time to be more disruptive. Now is the time to be the best company at helping people through the pandemic.

If we act today, we will be stronger tomorrow

The best leaders are not waiting around for governments to solve the issue for them. They will lead and act now. They know that a wait-and-see approach is often a damaging move in uncertain times. And quick action is acceptable, because we're preparing for a world of more, not less, turbulence.

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Consider climate change, the new definition of citizenship, digital innovation, or the end of globalization as we know it today. Disruption has been mounting for some time now. Leading CEOs know that how they act in the current crisis will position their companies to thrive in spite of these and other disruptions.

We're all a little scared

It's a bit scary. We know that a big part of your brain and heart is filled with anxiety for grandparents or parents, childcare logistics and your work-from-home environment. We know that you're trying to stay in touch with and calm down family and friends. We're a bit scared, too. We will all do what it takes to get through this.

This is what I've taken away from the conversations I've had with inspiring CEOs and founders. They talk about revenues *and* costs. Their customers *and* their own people. Their urgency *and* their anxiety. They know that everyone is seeking guidance around work, and families, and friends. And they are committed to showing their most important customers that their company is relevant to navigate the challenges ahead. They are not postponing the season. They are helping their customers on the field now.

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