

Crisis Management

Adjusting to COVID-19's New Normal

By Joe Tarantino

In the C-suite and boardroom, when the unexpected occurs we talk about things like resiliency, agility, and pivoting. But no one I know had any conversations that helped them prepare for the COVID-19 crisis.

Like a lot of us, I thought I had seen it all during the financial crisis that began in 2007, the same year that I assumed my current role. As the most severe financial crisis in three generations, it was difficult to imagine ever confronting something as tough—but we are now seeing just that.

We're adjusting to a new normal in which physical mobility is restricted, safe distancing from others is practiced, crowd caps are established, and people are told to stay home or in place, resulting in employees and customers alike working and consuming remotely. This environment forces all of us to find alternative ways to nurture connections with each other.

With many companies operating in a virtual landscape, finding creative ways of delivering value and maintaining continuity of service and the delivery of product is required. I believe we have an opportunity to build customer and employee loyalty through the manner in which we, as leaders, behave during this crisis.

While I am no expert in dealing with a crisis of this magnitude and nature, I offer five observations and suggestions that may apply to your company and board through the pandemic and subsequent economic uncertainty.

1. Amplify your communications in an honest and empathetic manner. Err on the side of too much rather than too little. Keep your people and your customers informed, explain the realities the business faces, and emphasize the posi-

tive as much as possible. The sun will rise tomorrow.

2. If there ever was a time to think outside the box about how to reach the market, it's now. Do whatever it takes to demonstrate agility with customers to help them navigate choppy COVID-19 waters and achieve the best possible outcomes. Leverage technology and collaboration tools to consider new priorities in

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real time. Rework delivery schedules and supply chains to prepare for the crisis aftermath. For industries dependent on gathering people together, create new ways to offer your core competencies to consumers and generate fresh revenue streams.

3. The technology is there to transform how you do business. Explore the power of technology to transform your business model and how and where people work. Use this time to advance the organization's digital maturity to address new ways to interact with customers, accelerate workplace redesign, and reassess how it does business, deploys hard assets, and goes to market.

4. Listen to your people. Given the

fluid and uncertain situation, one thing is clear: Leaders don't have all the answers. This is an opportunity for your employees to step forward and take the initiative. Embrace their feedback and ideas, regardless of their level in the organization.

5. Do what's necessary to preserve financial strength, stability, and liquidity. Most shareholders have already taken a hit as the market has clearly recognized the threat this pandemic poses to the overall economy. What we must do is continue to operate and stay connected with customers as best we can, using all the tools at our disposal, and retain as many of our people as we can so that when the time comes we are prepared to rebuild our businesses. Focus on projected cash flow and available liquidity under a variety of scenarios to keep the business going as revenues decline.

Most businesses have already taken steps to reduce overhead and general and administrative costs. If necessary to keep their jobs, employees may be willing to take time off or accept part-time arrangements and reduced compensation, bonuses, and retirement contributions. If a company must reduce payroll and related costs to survive a steep decline, leaders should do so with compassion. Focus on keeping the people you need to emerge from the crisis.

In these difficult times, we must all join together to endure this crisis. On behalf of my organization, I extend sincere appreciation to all health-care workers and first responders for heroically putting their lives on the line to save others.



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