

Sustaining Competitive Advantage during the Covid 19 Crisis... The Old Normal is the New Normal



Over the past few months, these well known words of Dickens kept running through my mind. The human toll has been near unfathomable. Did I think that in my lifetime I would ever see the intersection of economics, science, people's well being and politics create such ambiguity, uncertainty and fear? Wisdom competing with foolishness? Can something so simple yet so important as requiring employees and customers to wear face masks to protect one another from the virus require consideration of the social and political impact of the policy...science vs. politics vs. well being?! Business at a dead stop, face masks, social distancing, safety and wellness, literally overnight...wow!

The Dilemma

The pandemic has created a monumental dilemma no leader has faced before. Reopening means asking your team to run the risk they may be exposed to the virus; staying closed any longer means you may never have the means to open again. It's been great to hear about those businesses that quickly developed solutions. Yet,

Many management teams remain focused more on ensuring viability and adapting for near-term performance than on evolving their company for success post-crisis. Still, teams' focus varies greatly by industry, and many appear to be putting in substantial work on survival, adaptation, and evolution at the same time . CFO Signals, 2nd quarter Survey of CFO's

To repeat, *survival, adaptation, and evolution at the same time!* Change management on Steroids! John C. Maxwell, the No. 1 leadership and management expert in the world recently asked, *"What good thing is going to come out of this?"*

The Old Normal is the New Normal

As the world ground to halt in early March, I thought long and hard about what the "new normal" would look like when the economy restarted. People would certainly have to come first. Business owners would have to balance the competing priorities of health, safety and security with generating revenue or employees would not return.

What else? Companies have had to make incredibly difficult decisions...how to work with less (less people?), work flow has been rethought, supply chains redesigned, many will continue working remotely instead of in an office, work spaces have been redesigned, staggered work shifts, shortened work weeks, social distancing, face masks, etc. All impactful, all needing to be addressed in the new normal.

But the formula for winning **has not** changed...a well thought out talent management strategy (attract, develop, retain, manage, reward) remains essential.

Companies still need employees to have clear goals and direction. High potential leaders still need to be identified and grown. Managers still need to be held accountable to elevate both what and how their teams deliver. The fundamentals of winning through talent remain the same. **Marc Effron**, "The CHRO's Talent Plan for Recovery".

What has the Covid19 crisis exposed about your company's, your client's, your portfolio company's organizational capabilities? Are you assured that competitive advantage can be maintained as the economy begins to restart, as the company begins to restart?

I know for many the following suggestions may still seem way premature when you are struggling just to survive. Cash right now is all that matters. You have little idea as to what tomorrow will bring. A talent management strategy? Yeah, if not now, then soon, consider the following talent strategies even if for now they remain on the back burner. A stronger company, a stronger team may be the answer to the question asked above, "What good thing is going to come out of this"?

Leadership

There is an art to leading through dark and uncertain times. The best and unfortunately the worst in leaders are exposed in these times. There is much that leaders cannot control right now, but thoughtful leaders by being truthful and transparent as possible, using compassion and hope to encourage their team and assuage fear, will have a much better chance of retaining a loyal and engaged team. A high bar indeed!

How did leadership perform over the last few months? What was learned about the strengths and/or shortfalls in the team. Over the next 12-18 months, will they be able to handle the incredible pressure to perform as the economy restarts? Investing in management training, investing in an executive coach, or taking action to replace the poorest performers are viable strategies to pursue immediately. You will clearly need an "A" team to compete!

Workforce Planning

Retaining existing and attracting new talent must be the biggest concern of business leaders as the crisis continues. Unfortunately, out of financial necessity, incredible numbers have taken pay

cuts, had hours reduced, have been furloughed or laid off. Hopefully leadership has continued to empathically and truthfully communicate, communicate, communicate with their employees in the hope that they can be brought back soon.

That said, as the company readies to open, it is imperative that the positions that will be most critical to its success in the coming months be identified. Consider then the following:

- Do you know what skills are needed now and tomorrow or how to develop them?
- What are the employees' current capabilities?
- Who has the potential to fill critical roles, including roles that are changing due to the turbulent economy?
- Have we a plan to keep them from leaving for the competition?
- Do employees know the skills they should learn or career paths they can pursue? If not they may leave or not want to come back.
- Has the company been hiring the wrong people because the skills it was recruiting for were unclear?

Talent Acquisition

I think it is pretty clear from the above that now can be an opportune time to upgrade/upskill the company's talent. It may seem cold and insensitive to take advantage of another company's misfortune or make difficult decisions about employees who have worked with the company for some time. But with 41 million currently unemployed, there is an opportunity to identify those who can fill in the "blanks" in your organization. Those "C" suite upgrades or those skill sets hard or impossible to find just a few months ago may now be available (i.e. there were 7 million open jobs that we could not fill nationwide and 17,000 manufacturing jobs open in CT pre-March !). Winning is done through talent. But finding the best will take time so don't procrastinate! Believe me the competition is out there looking! The smart companies are protecting their best. So prepare the workforce plan, develop a recruitment strategy and get started now. A company does not have to hire right away, but the hunt should start now so that when ready to hire there is a waiting pool of talent to draw upon.

Diversity and Inclusion

Companies that embrace diversity and inclusion in all aspects of their business statistically outperform their peers-Bersin

I cannot leave this topic unaddressed as I finalize this blog. As understandable anger and hurt rages across the country, a Diversity and Inclusion (D&I) strategy could not be more important. What are D&I? Simply, D&I is a company's mission, strategies, and practices designed to support a diverse workplace and leverage the effects of diversity to achieve a competitive business advantage. Josh Bersin, an important sage in the HR community, has written that D&I is "not an HR program, but a business strategy". It is true that the "needle is driven by HR"; however, it is not enough for it to be solely an HR program. D&I must be imbedded in corporate culture. And culture is set and influenced from the top.

Are You Ready to Open?

The above represents immediate actions that can be taken now to strengthen your company for the challenging and competitive months ahead. Art Buchwald famously once said *whether it's the best of times or the worst of times, it's the only time we've got*. This crisis shall pass so readiness to compete is imperative!!

Be safe, be well and be ready!

Cornell Global can help to design and implement these and other talent related strategies for your company, client, or Portfolio Company now and in the future. Please do not hesitate to contact me as preparations are being made to open and compete.