

### Stories from inside India's corporate war rooms

Even as they grapple with the operational aspects of the crisis, many business leaders are bringing a beginner's mind and experimenting. They are discovering slivers of opportunity and preparing for a post COVID-19 world

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"I've seen crises of different kinds before. But nothing quite like this. This is unprecedented, with lockdowns across multiple cities and countries around the world!"

— Managing director at a multinational bank, who prefers to stay anonymous

"Using scenario planning tools, we were quick to model and predict what might happen, well ahead of others. Despite going through detailed planning and testing our tech and service systems, the pace of change has been so swift that we've often found ourselves being overtaken by events. It's been hard to stay ahead of the curve."

— Bhargav Dasgupta, CEO & MD, ICICI Lombard

**Even two weeks ago**, no CEO would have imagined they'd have to deal with this rising level of uncertainty and disruption. Businesses across the board have faced a whiplash of the kind they've never been through before.

For a few days now, we've been talking to CEOs one-on-one across different industries to understand what they are going through and how they are trying to lead from the front. We've been listening to conversations with business leaders and startup founders on Founding Fuel's Slack channel.

Consider the situations businesses find themselves dealing with.

- At a major integrated logistics firm, a team has been monitoring the movement of more than 100 trucks filled with merchandise—some of it perishable—stuck at various locations across the country.
- A leading cash management firm has been straining every sinew to prevent its cash management crews being beaten up by the police when they step out of their homes to deliver cash at ATMs, in spite of it being designated as an essential service.
- A leading general insurance firm had to scour for hundreds of laptops for their people who need it at home to manage and deal with customer service issues.
- A new CEO at a tech company in Bengaluru had to be digitally onboarded earlier this week. He had recently relocated to Mumbai from the US. He was about to shift to his new base before the lockdown was announced.
- Yet another major life insurance firm had to scramble and advance its critical compensation reviews for its entire team by two weeks, in anticipation of the lockdown.
- A global communications firm had to track down creative teams who were leading a major design project. They were unreachable, with their phones switched off, ahead of a critical major client submission, throwing the accounts management team into a panic.
- A leading event management firm has been struggling to calm down its staff, most of whom are almost sure that they will get laid off, as most events stand cancelled, as the lockdown worsens an already challenging business situation.

The list goes on.

This is Armageddon for corporate CEOs. The kind of stuff no MBA education can quite prepare you for.

Publicly, the first thing that businesses will tell you is that they have BCP in place for such occasions. BCP, or Business Continuity Planning, is a process that involves creating a system of prevention and recovery from potential threats to a company. This plan ensures personnel and assets are protected and can function quickly if disaster occurs.

While there is no denying that having BCP in place helps anticipate disruption and prevent the deer-caught-in-the-headlights syndrome, it is another matter altogether that you can't get things going and recover by dusting the BCP manual. In fact, no manual exists to show leaders at these corporations how to deal with things as they hit one curveball after another in a matter of days.

This is the point where strong leadership comes to the fore; where CEOs call upon their resilience, common sense and empathy to deal with the evolving situation. This is *that* point when the wheat gets separated from the chaff.

Now, one can split key leadership tasks into two buckets:

- 1. Grappling with the operational aspects of the crisis, as they continue to evolve.
- 2. Prepare for a post COVID-19 world.

While the first one is intuitive, the second is less obvious. Because this is when most CEOs spend all their time and energy fire-fighting to settle down things at their organisations. While critical, it isn't sufficient.

That is because every crisis also throws up opportunities to pull ahead of the pack. To do that though, the opportunities must be visualised. It can't be done if a leader is incapable of looking past what may seem uncertain.

In this story, we're interested in both tracks. To study *which* leaders are doing *what* differently, as far as possible, to stay on top of things in a constantly evolving situation. Equally important, to look for agendasetting moves that push the boundaries and get their businesses into a better place to attack when the crisis abates.

#### Communicate, communicate, communicate

This is Rule #101 of crisis management. This comes naturally to most leaders in large, established companies that are used to doing regular town hall meetings that have a calibrated cadence of internal communications.

In such cases, all that CEOs have to do is simply invest disproportionate amounts of time to do that. Leverage digital platforms, whether it be Zoom, Blue Jeans, Microsoft Teams, HangOut—whatever they think works, to reach their people, wherever they may be.

Like this managing director at a large international bank. When I spoke to him, he had just completed a videoconference session with all 25 people reporting into him.

In turn, they had done similar sessions with their direct reports. And so on.

He had reached out to his entire team across South Asia while his CEO and country head addressed the team in India.

Leaders are trying to be visible, infuse new purpose, and answer questions from anxious employees. This is a pressure cooker situation.

But CEOs tell us that they're moving from one team call to another, stretching late into the night. Most companies are now equipped with technologies to connect with employees. Ironically, there are many traditional companies that have invested in these technologies as well, but haven't learnt to use them.

This is a bit like the school teacher who continues to rely on chalk and blackboard, and is used to students landing up in class. But is now compelled to conduct classes online. It may be awkward and clumsy. But it is necessary to step up and learn quickly, rather than wait it out.

## This needs a beginner's mind and willingness to experiment. Else, an organisation will disconnect from its leader

This needs a beginner's mind and the willingness to experiment. Minus these, it is inevitable an organisation will disconnect from its leader. This is because across most organisations, younger employees are ready and excited to make the shift. In most traditional firms, the leaders aren't.

Like the top editors in a leading media newsroom. The newsroom was long used to in-person full court meetings, at least twice a day. And they seldom used Microsoft Teams, even though it was available to connect everyone remotely across the country.

When the lockdown was abruptly announced, the editorial teams received a stern message on their WhatsApp group asking them to immediately start pitching story ideas there. The ideas needed a round of discussion. So the rest of the team took the initiative to come together for a conference on Microsoft Teams. It went off smoothly. But the editor himself was missing in action. Not just that, he refused to take calls over the weekend and remained incommunicado during this critical phase even as important time-bound stories awaited his clearance.

Contrast that with CMS Info Systems, a leading cash management firm. Rajiv Kaul, the executive vice chairman and CEO at CMS Info Systems, took the time to write to everyone at the company, reiterating the larger purpose of the work they do. He chose to title his email *A Nation is Thanking You*.

The underlying message was that they were serving a national cause: keeping bank ATMs filled with cash when people needed it the most. (Read Kaul's mail posted on LinkedIn <a href="here">here</a>.).

At wind energy company Enercon, vice chairman and managing director Dr. PKC Bose was aware of the anxieties of his staffers. So, instead of surfacing doom and gloom scenarios, he did a simple thing: asked his employees for ideas and suggestions on what the company could do to tide over the crisis. That helped build a measure of inclusiveness and shifted the mood inside.

#### Scenario planning on a roller coaster

Making sense of the enormous shifts is proving to be tricky. And volatility seems to be the new normal. But breaking all this down at the highest levels is not something everyone can do. Most large companies understand this and are assiduously at work on it.

For four days on a trot, the chairman, executive directors and independent board members at a leading diversified company were immersed in a massive scenario planning exercise.

This is the first time they have done a board meeting where everyone joined remotely from their homes. The intense process, involving a senior leadership team of about 20 executives across the group, finally concluded on Thursday.

### "Many folks assume business will come back once the lockdown is lifted. But that's far unclear to us"

The exercise was mind-bogglingly complex. They had to map everything that could impact demand and supply—not just for India, but for all their global operations.

It meant examining a variety of issues on the demand side: financiers, customers and networks.

On the supply side: logistics, global and local supply chains, and migrant labour.

Best and worst case scenarios are shifting every day. "Many folks assume business will come back once the lockdown is lifted. But that's far unclear to us at the board. There could be a two to three-month-long overhang or even longer that we may need to factor in," said a board member, who was part of this effort.

For instance, if migrant labour stays away and does not return to work, it could potentially impact work, not just in their factories, but across their supplier network. "Even if a bolt or two is missing from our supply chain, it is disruptive," he said. On the other hand, the government's stimulus package could end up putting money in the hands of agriculturalists. That in turn could boost demand for agricultural products.

Based on these scenarios, detailed cash planning was done to ensure that every attempt was made to conserve cash and to also ensure that operations across different parts of the businesses aren't affected.

#### Engaging people and getting back the work rhythm

While 20-odd leaders were involved in this scenario planning activity, the rest of the teams who managed transactions have nothing to do. Because everything—from factories, sales offices, suppliers and distributors—has come to a grinding halt. Not just that, the company had no work from home policy in the past, nor did they encourage it.

"Our challenge is to figure out how to engage our employees." The leadership is scrambling to create new lines of work, so that once the crisis recedes, they could have some new ways to build business

"This is completely untested and untried in the manufacturing sector. For us, work from home meant a few senior leaders could take the occasional international calls at home. So our challenge is to now figure out how to engage our employees," said a senior business leader, on conditions of anonymity.

The leadership is now scrambling to create new lines of work, like strategic, creative projects for different teams, so that once the crisis recedes, they could have some new ways to build business. For instance, a team will be asked to look at new ways of customer engagement. "In the end, we'll possibly know if our industry can embrace a new way of working," the business leader said.

At the same time, leaders are looking to settle things down through regular check-in calls. These are good opportunities as well to tune into what employees are going through.

At ICICI Lombard, Bhargav Dasgupta says he is doing a series of check-ins with groups of employees. On one such call, he realised one of his women managers had to hop across to her aunt's home nearby to join the call. The lady said she simply wouldn't be able to focus at home, given the fact that her entire family was around.

### Allowing people to openly share what they're going through is like a safety valve in an otherwise stressful environment

Keeping in mind rising stress levels, ICICI Lombard has made available a network of counsellors that employees can reach out to. Most of these external counsellors are available virtually—and employees have the option to reach out anonymously to talk about their anxieties, and how to cope with it. To make things easier, Dasgupta says they have paid salaries early this time. This will help people tide over the challenges of stocking up provisions at home. This is especially urgent for bachelors who tend to live on their own and usually don't save very much in the early stage of life.

Allowing people to openly share what they're going through is like a safety valve in an otherwise stressful environment. Accord, a leading executive search firm, had a WhatsApp group for its team to share updates. It chose to create a separate group for the entire team that would be more personal and allow them to share their individual issues. This group has witnessed broad and enthusiastic participation, especially from the support staff, who otherwise wouldn't participate in formal WhatsApp groups.

The reality for those in essential services, like logistics, hospitals, banking, insurance or cash management services, is somewhat different. Given the tough lockdown norms set by the police force, people have found it difficult to come to work, especially in the initial days.

At CMS, initially, the frontline crews, who transport the cash to the ATMs, couldn't reach their branch office because the policemen on beat wouldn't allow them to travel. Even getting past the checkpoints was tough. Gradually, that situation has eased.

In the initial days, Kaul said his leadership team tried to manage the operations from their head office in Mumbai. That was the playbook he had designed when demonetisation jolted their system. But within four days or so of the lockdown, Kaul says, he realised he needed a new playbook and changed the focus to decentralised operations, with a touch of Indian style *jugaad*.

Around 10-12 war rooms have been built, one in each major centre. Each branch manager has been tasked with the job of building crews every day. The team quickly realised that cash vans weren't being stopped. (Things are being streamlined, as you read this.) So, during the initial period, they used the cash vans to pick up other members of the crew and cover at least as many routes as possible in a city. To make matters somewhat easier, unlike demonetisation, which posed a nationwide challenge, the focus here was on primarily serving the top 10-12 towns, says Kaul.

### "This is a real test of character for our people. And it's good to see our people take the initiative to solve problems and find workarounds"

"As a leader in our business, we have to do what it takes to up the ante with our banking clients," says Kaul. Of course, not every employee is seized of the need to serve clients in these moments of crisis. Kaul says

this is an opportunity to clearly differentiate between those who stepped up and the slackers. In Kolkata, for instance, the unionised staff refused to step out.

At the international bank I spoke about earlier, it is back to the old adage: When the going gets tough, the tough get going. "This is a real test of character for our people. And it's good to see our people take the initiative to solve problems and find workarounds, instead of sticking to the rule book," said the managing director. On the second day of the lockdown, a major client in the South Asian region needed support to close a transaction. It meant the team had to come into the office and work well past midnight to complete the project. The special effort won kudos from the client. When the lockdown happened, and fleet cars found it hard to pick up employees from home, small groups of employees set up car-pools and organised bikes on their own and made it to work.

Many organisations have been quick to institute a morning meeting at a fixed time on Zoom, HangOut or Skype. At Accord Group India, CEO Sonal Agrawal Bali says they quickly moved to a morning call at 8:30 AM for people to share work-related updates and build a task list. And another one at 5 PM to track progress. That helped them quickly establish some sort of a work rhythm.

## "I don't know why we hadn't thought of doing this earlier. The productivity and level of connects within the organisation is simply phenomenal"

Sometimes, the rhythm isn't easy to find in the initial days. Deven Pabaru, CEO, Patel Roadways, a part of the Stellar Value Chain Solutions, says he shared a short set of protocols to ensure that his team was able to hit their stride, including a dress code, to make it more formal. Despite that, at one of the conference calls, one of the managers turned up in a vest. And a couple of managers missed the call because they couldn't figure out how to join in. After the initial hiccups, the system is now starting to settle down. On Friday, Pabaru says he addressed 30 of his top branch managers on Zoom. None of them had even heard of Zoom before this. In the past week alone, he has been able to reach out to 400 employees at various levels. "I don't know why we hadn't thought of doing this earlier. The productivity and level of connects within the organisation is simply phenomenal," he said.

#### Attack is the best form of defence

This is the first time since he joined German wind energy major Enercon in January last year that Dr PKC Bose finds himself at home in Bengaluru with his wife. Bose says he has used the time to slow things down and reflect on both his professional and personal journey. The early cogitations have begun bearing fruit.

This is Enercon's second coming in India after a gap of nearly 12 years. And they're building a huge export hub and R&D centre in India, to shift the focus from its home base in Germany, where wind energy is gasping for breath. There is one key reason why Enercon chose to put all its eggs in India, despite its massive issues with its partner in its first foray: the quality of technical talent.

Faced with shortages of skills in their home market, the Germans are clear that they can find high-quality technical talent in India. And Bose has been vested with the task of ramping up the R&D team here.

The COVID-19 crisis is a clear opportunity for him. The wind energy sector is in the midst of a gut-wrenching consolidation. There are many companies in the wind energy space that are on the verge of collapse—and this crisis will simply snuff them out. Bose has hired a German search firm that has been able to pull almost 55 people from a 70-strong technical team in one such target company. Bose is currently doing a spate of interviews every day on the phone. And if the candidate passes muster, the HR head is ready with an offer letter. Enercon has blocked 65 seats in a leading co-working space in Bengaluru temporarily, until the new R&D centre is ready towards the end of the year.

This kind of agility is also on display at Patel Roadways. Growth in the integrated logistics space has been explosive. If anything, this phase will throw up scope for consolidation and new business development.

Pabaru says he will be on the prowl for talent and is looking to wean away people from other firms that face existential challenges and are cash strapped.

At least initially, most business-to-business firms are struggling with how to plan their business development activities. Most clients are burdened with their own problems and simply don't have the bandwidth for pitches.

# Their clients don't have the bandwidth for pitches. So this tech firm is changing how it measures the contribution of the enterprise sales team: from outcome-based to more input-driven metrics

At a global tech firm, quite habituated to working remotely via apps and tech tools, they are shifting the focus of their enterprise sales efforts. Since no potential business customers are ready to engage at this stage, the head of their Asia Pacific region says that they are now looking for creative, unconventional ways to digitally engage B2B customers. And they are also changing the way they measure the contribution of the enterprise sales team: from outcome-based (like client acquisitions) to more input-driven metrics. For instance, its Salesforce CRM system will now track how many mails sales executives send to customers—and a daily report will be generated. It will make it easy to track any aberrations in individual performance and to spot if anyone isn't putting in the hard yards. The assumption: over the next few months, the global firm will be able to use this slack to build a strong funnel of new prospects that can be mined once the market starts humming again.

### Learning new skills, strengthening customer relationships

There are new ways to serve existing clients as well. Earlier this week, international law firm Nishith Desai Associates extended its internal continuous education programme to clients all over the world and other key stakeholders. Nearly 70% of its legal work is done for clients abroad, including many in the worst affected regions in the US and even Italy.

Every day, a series of three virtual learning sessions, led by the firm's leaders, are being run on Webex. The learning sessions will go on for the next few weeks—and if the programme generates a good response, it might become a permanent feature. The overarching theme: the impact of COVID-19 on business, covering hot button strategic, legal, tax and business issues. Two themes by way of illustration: *Force Majeure*—can parties renege from their contracts? And will workplaces be the same again?

### "Learning is a great way to keep employees engaged"

At WPP, the world's largest communications group, nearly 60 agency heads and HR heads in India met earlier this week to take stock of the rapidly changing business environment. Now, while individual agencies have their own HR teams, one of the key discussion points was to see if WPP could use its resources to invest in people across the group during this difficult period. A virtual training programme for its 8,500 employees in India is on the cards over the next week or two.

Lulu Raghavan, managing director of the Indian office of global design firm Landor, a part of the WPP group, was part of this meeting. Raghavan says a curriculum with different modules is being designed.

Two sessions—one which is relevant for every employee and another which is domain specific—are being planned every week. Both internal leaders from the WPP group agencies and business leaders from client organisations will pitch in as instructors. "Learning is a great way to keep employees engaged," adds Raghavan.

No one is quite sure how long the global pandemic will last—and when the lockdown in India might end. Despite the spectre of enormous hardships and misery that COVID-19 has wrought, there are enough indications to suggest that the rules of business won't be the same again.