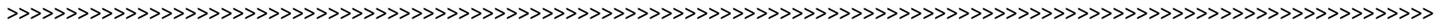


CEO THINK TANK

POST COVID-19: WHAT COMES NEXT?

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As CEOs deal with multiple and overlapping issues arising from the COVID-19 crisis, one of the most pressing questions is what comes next? What are the most important things to consider as offices open back up? How do employers deal with ongoing remote working situations? And how do CEOs balance the need for increased productivity with employee and client safety?

In this Think Tank, we spoke directly with Breakaway Network CEOs about how they're juggling priorities and how they're trying to answer these questions. Hosted by Carol Massar, Bloomberg Businessweek co-anchor and host of the Bloomberg Breakaway Summit, this roundtable leveraged the collective and individual expertise of these chief executives to unearth insights as they look for long-term solutions.

Here's what they had to say.

PARTICIPANTS

Joseph Adir, CEO, WinterHaven Holdings SL

Alan Colberg, President and CEO, Assurant, Inc.

Dan Hawkins, CEO, Summit Leadership Partners

Y-Vonne Hutchinson, CEO, ReadySet

Brooke Jennings, Founder, ClearCureBiosciences, Inc.

Lionel Ohayon, Founder and CEO, ICRAVE

Floyd Kephart, Chairman, The Renaissance Companies

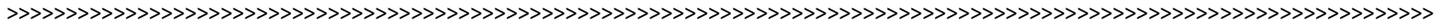
Simon Loopuit, CEO, trust-hub Ltd

Ken Makovsky, President and Founder, Makovsky Integrated Communications

Christopher White, Founder and CEO, The Sneakers Agency

MODERATED BY

Carol Massar, Host, Bloomberg Breakaway, and Co-Host, Bloomberg Businessweek TV and Radio



Building and sustaining corporate culture is a priority

As many participants expected their companies would continue to operate with a majority remote workforce, they are looking at ways to meet the challenge of building and maintaining the company’s culture, particularly as new team members come on board who don’t already have personal relationships with other employees. Alan Colberg, CEO of insurance company Assurant, noted that one-third of his workforce was remote pre-COVID-19, and the crisis is going to accelerate that.

ReadySet CEO Y-Vonne Hutchinson highlighted the added challenge of building culture in a time of ambiguity. She advises, “Be really intentional about how you structure your interactions. And communicate, communicate, communicate. Right now, its so easy to jump to conclusions, and we have less information than we ever had before.”

Ken Makovsky, who leads global public relations firm Makovsky Integrated Communications, noted a shift to more conversational meetings with team members, focused more on the team than on the work itself. At recent meetings they have asked questions such as, “Tell us what your first job was like” and “Tell us something about yourself that everyone here wouldn’t really know”. One employee gave feedback to Ken that they’re getting to know him better now than they ever did before.

Dan Hawkins, who advises mid-market and large companies, emphasized the importance of leadership behavior at this time. “The workplace as we know it is done.” Hawkins noted that leadership behaviors have the strongest correlations with shaping a culture, and the equalizing and humanizing aspect of the current workplace dynamic can be a culture accelerator, and more interactive and face-to-face communications can help build better connections.



“Be really intentional about how you structure your interactions.”

- Y-Vonne Hutchinson, CEO, ReadySet



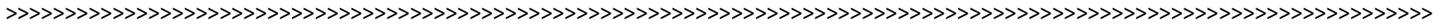
“What’s changed dramatically is the cultural license to work from home,” says Lionel Ohayon, founder and CEO of strategy and design innovation firm ICRAVE. Participants anticipate this moment having a longer-term impact on attitudes to working from home and desires from employees to relocate to smaller, less-expensive cities where they can still be productive contributors in a remote setting.

“Our cultural expectations have been thrown up into the air,” says Hutchinson. As Gen Z comes into the workforce, there are real questions about the effectiveness of remote work. “I think there’s going to be a long tail to the cultural implications of what’s happening here.”

Government funding has helped, but more guidance is needed for health and safety

While CEOs are working to manage the cultural challenges of a remote workforce, they are also balancing how to return safely to in-person environments. Assurant CEO Alan Colberg noted the challenges of working in a regulated industry across all 50 states. “The complexity of trying to navigate the 50 states with the lack of any consistent overlay by the federal government has been one of the most frustrating aspects of this,” says Colberg.

“In essence we have a two-tier workforce,” says Hutchinson, noting the split between workers who have the option and ability to work from home, and more vulnerable employees who cannot work in a virtual environment. Colberg added, “I wish the government was being more directive.” His company adopted more conservative policies beyond CDC guidance, but he worries about the level of protection being afforded to workers more broadly.



Business changes will stay with us, creating new opportunities and risks

Private equity and institutional investors are going to need entirely new sets of data to evaluate investments – the old metrics are being thrown out by companies who are looking at investments long term. “Throw away your manuals,” says Floyd Kephert, CEO of the Renaissance Companies. Investors are going to need to start paying attention to global influences and how that is going to affect corporate debt overall, and build new metrics that realize changing demographics.

For Brooke Jennings, founder of ClearCureBiosciences, her company’s pivot due to the pandemic has had a silver lining for financing. The company’s original focus was on cancer therapeutics, but when coronavirus hit, they searched for ways to help using their compound library. They will be running human clinical trials very soon on health toolkits that could serve as a preventative for future pandemics or serve as a potential bridge before a vaccine. She predicts this new business model will stay with them for the long haul. Its very challenging to raise money for biotech companies, but the data for coronavirus is accelerating the ability to obtain funding because of the critical need for solutions.

Joseph Adir of WinterHaven operates in the superyachting industry, which, like most leisure and hospitality businesses, has been hit extremely hard by the pandemic. The industry is trying to reassemble following many charter cancellations, and travel restrictions continue to have an impact. That said, “Everyone is ready for the season,” which should begin around July 1, says Adir. On the higher-end charters, there is less friction, as luxury customers are traveling in on private jets and crews are fully vetted to ensure health and safety. Some in the industry point to superyachts as a refuge against future pandemics for ultra-high-net-worth customers. But one thing is clear to Adir – this is something very different from past financial crises. He’s pivoting with a startup to create a 3D-quality boat show virtual environment, where potential customers can have a complete virtual experience for touring yachts without having to leave home.

New risks in business may emerge in data privacy and cybersecurity. With more people working from home, more data is going outside of secure corporate networks. Simon Loopuit, CEO of software company trust-hub Ltd, said he was surprised to see many organizations in the UK diverting their cyber teams to help staff with remote access, rather than beefing up their cyber defenses. Loopuit wondered, “Will we go from one parasite in the form of covid to another parasite in the form of cyber-criminals?”

For Chris White, CEO of The Sneakers Agency, remote work has been a way of life for years. He built his business in the virtual realm with teams around the world. “That said, being stuck at home, not being able to interact with people, I have realized how much I enjoyed the human-to-human interactions that I had.” He predicts that people will be yearning for opportunities for in-person interaction once its possible to do so.



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- Floyd Kephert, CEO, The Renaissance Companies



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