

Leading Through Crisis:

Communications Lessons and Opportunities



"Keep calm and carry on," stated the British government to boost morale and prepare its civilians for attacks during World War II. That authentic message has transcended generations and is now being used as a mantra for mental strength as we continue our battle against COVID-19. Finding the right message and striking the right tone are what help us act positively together.

While we may not be able to carry on as normal, carry on we must. Leaders are under enormous

pressure to find the right words to communicate in a way that balances optimism with brutal reality. Boardrooms (real and virtual) have become war rooms, where leaders must speak to how our companies will stay aligned to ideals around purpose, as well as how we plan to keep the wheels turning. We must not only lay out the grim economic outlook and recognize the continued human tragedy but also provide a road map through it. And since this crisis is touching employees in ways that are deeply felt, our capacity for empathy and compassion is critical.

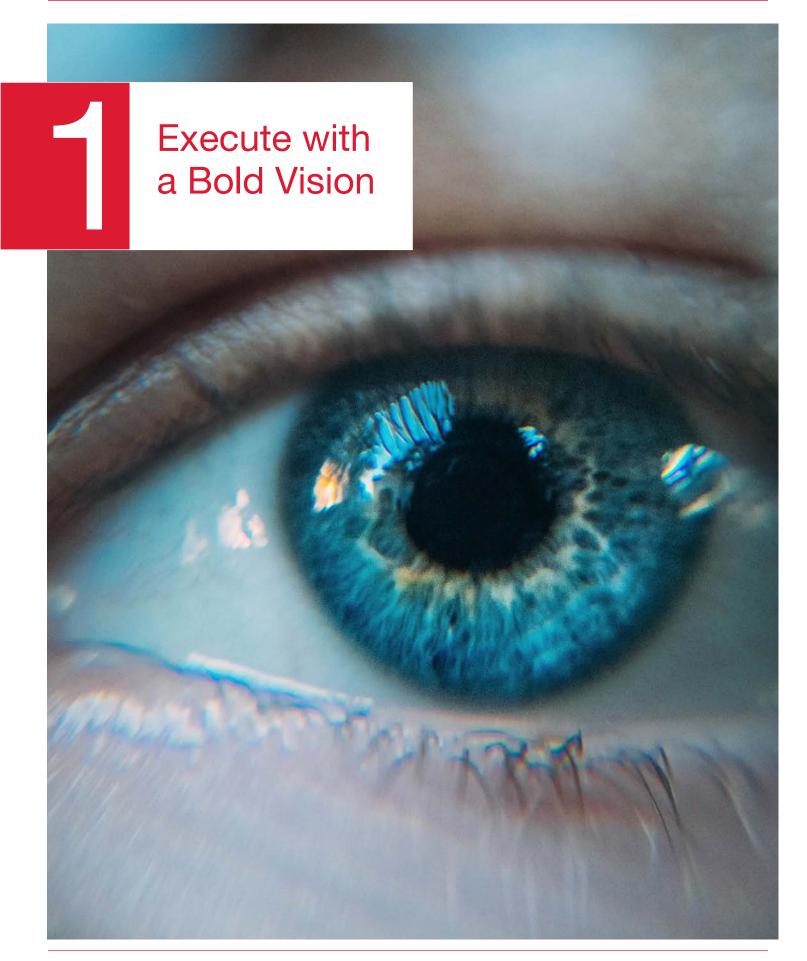
At Red Havas, we believe that how executives behave now as leaders, and as humans, will set up brands and businesses for their greatest chance of success and growth post-pandemic. As such, there's never been a better time for leaders to hone our communication skills. Doing so will serve you and your company well in the midst of the coronavirus, as well as in the new business-as-unusual normal that will emerge from this crisis.

Within this paper, we've identified seven imperatives for leading through a crisis and have brought them to life with examples of how top executives are demonstrating best practices for communication during the COVID-19 crisis. Wherever possible, we pulled these cases from Havas Group's list of Meaningful Brands®—those brands that are defined by their impact on our personal and collective well-being, along with their functional benefits. These brands are noted in red throughout.

How to Lead Through Crisis

- 1. Execute with a Bold Vision
- 2. Simplify What's Complex
- 3. Mind the Six C's
- 4. Connect to Purpose
- 5. Be Human First
- 6. Meet People Where They Are
- 7. Build Trust with Transparency







"In crisis, leaders must lead from the front. But how do you do that and make decisions when you don't have all the answers and may be unsure yourself? It helps to know your true north, your purpose, your personal vision for your leadership. It can serve as the guiding light for your decisions and actions."

-Forbes.com

Though the COVID-19 pandemic is the most difficult crisis most leaders have ever faced, there are certainly plenty of historical examples for how best to lead through a crisis when one can't be sure about the outcome. Abraham Lincoln, FDR, Winston Churchill and Nelson Mandela, for example, were cited by Harvard Business Review for their ability to see beyond the "most imminent threats confronting them."

Leaders who have a confident vision for how to get beyond a crisis are not reactionary. Instead, they determine how to advance by drawing on experience (their own and that of the great leaders who came before them). And in the case of COVID-19, they must also heed the advice of health experts and scientists.

Leaders who act decisively before their peers do are most likely to rise to the top. Just look to **NBA Commissioner Adam Silver**, who had one of the earliest

and most high-profile responses to the coronavirus. According to Meltwater, Silver saw the highest scores for leadership out of the four major sports leagues, mainly due to positive coverage of his swift actions. On March 11, he took the then-surprising step of suspending the professional basketball league for the season (the same day the WHO declared COVID-19 a pandemic). He did this at a time of great uncertainty, and some questioned whether his action was premature. His decision had a powerful ripple effect, as other sports leagues soon followed suit, with the NCAA suspending its historic March Madness college tournament and the National Hockey League (NHL) and Major League Baseball (MLB) both delaying their seasons. In the days that followed Silver's announcement, it quickly became clear that this move was necessary and prudent to minimize risk to players, staff and fans. His leadership is now being cited as one of the best examples of early leadership

in the crisis, which perhaps even slowed the spread of the virus in sports.

While other retail companies looked for guidance about how to proceed through the pandemic, Nike reinforced its leadership in the space by developing a playbook for its other markets to refer to when navigating COVID-19. The playbook was based on Nike's experience

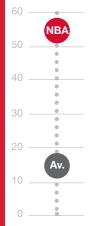
making it to "the other side of the crisis in China," new **Nike CEO John Donahoe** said on an investor call. It detailed a methodical, phased approach that included closing down some stores, significantly reducing hours in others and shifting inventory to meet the demand for digital training and shopping.

Patagonia's CEO Rose Marcario

has been another notable trailblazer in retail during the pandemic. Once the coronavirus struck the U.S. and shelter-in-place orders took effect, she made the unusual decision to halt Patagonia's ecommerce business (now reopened). "Selling clothing isn't an essential service," said the Patagonia website. Marcario said the scale of the virus was still unknown, and her company wanted to do its part to protect its community. Patagonia even continued to pay employees during that time.

Also rising to the top are those CEOs who quickly reassessed their business models to determine how they could best be of value during the pandemic. Sundar Pichai, who is CEO of Alphabet, Google's parent company, demonstrated inspiring vision by moving quickly to launch initiatives that stayed true to a tenet of the company mission of "improving the lives of as many people as we can." This included partnering with Apple to develop a way to turn smartphones into contact-tracking devices that will give public health officials more information about who has coronavirus. The company has also collaborated with state government in California to provide internet access and technology equipment to underserved communities.

COVID Leadership Score

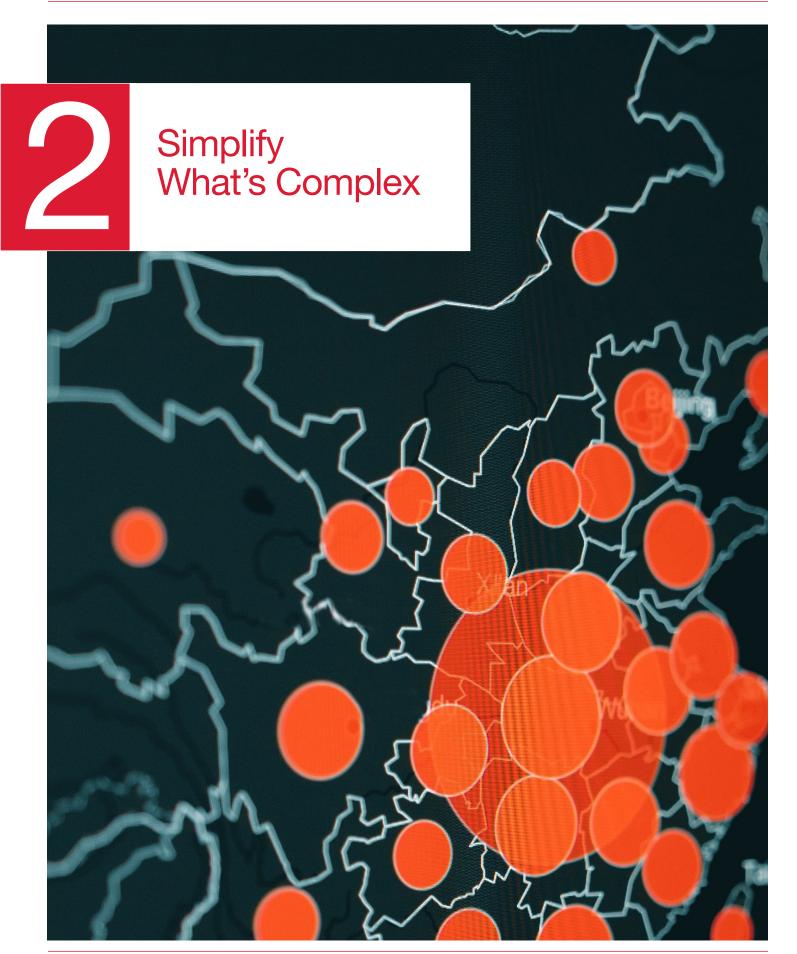


Meltwater COVID Index: Leadership in Sports

Our partners at Meltwater have been analyzing COVID-19-related coverage to assess its impact on a brand's overall potential reach, virality and volume. The outcome of this is the Meltwater COVID Index, which ranked the NBA's leadership score at an impressive 54.4 during the crisis, while the sports industry average is 15.1.









Every day during this pandemic we're confronted with a vast amount of scientific, health and economic terminology and data, delivered in the form of phrases and charts that are unfamiliar to the general public. Further, experts—often unknowingly—tend to default to the lingo they use in their day-to-day roles, forgetting they are speaking to a broader audience with a different base of knowledge and limited capacity to absorb information.

Good leaders decipher and simplify information for others, communicating in a way that helps people better understand the facts and key takeaways of a complex situation. Leaders who can do this stand out among the crowd as resources who can be relied upon and trusted. And rather than trying to communicate too much at once, leaders should decide what is absolutely critical to communicate and focus on doing so with effective, simple messaging.

Many executives have taken a cue from the <u>widely praised</u> communication style of **Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases**. Using ordinary language to explain a mysterious virus, he structures his daily communications around four points: what we know based on current data, what models are showing, what we don't know and need to find out, and what the public should do.

While Fauci divides the info he shares into four digestible categories, other brands are relying on the tried-and-true "rule of three," which holds that information presented in threes is most satisfying to people. For example, John Furner, president and CEO of Walmart U.S., advised his employees to remember three numbers—six, 20 and 100—telling them to stand six feet away to maintain a safe distance, take 20 seconds for good handwashing, and to consider a body temperature of 100 degrees Fahrenheit the signal to stay home.

Slack CEO Stewart Butterfield also used the rule, encouraging employees to focus on personal care and one another, rather than work. "Take care of yourselves, take care of your families, be a good partner." He punctuated his remarks with a simple and impactful "We got this," demonstrating his feelings in plain language that employees could understand and relate to.

And when Reckitt Benckiser CEO
Laxman Narasimhan spoke during an earnings call about how his company had shifted to focus on behavior change as being key to fighting COVID-19, he highlighted how the company's TikTok #HandWashChallenge in India has communicated about hygiene in a simple and relatable way. To date, the challenge has earned more than 18 billion views.

"The shorter words of a language are usually the more ancient. Their meaning is more ingrained in the national character, and they appeal with greater force..."

-Winston Churchill







Communicating messages with simplicity is critical, but the tone of those messages is as important as what's said. There are six key guidelines to remember for effective communication—we call them the six C's. They require that leaders project a sense of calm, and communicate candidly and with consistency, confidence, compassion and credibility. Good leaders will also remember the importance of body language. Numerous studies show that body language and nonverbal communication deliver more than 70 percent of the message.

Having upgraded his reputation during the pandemic, New York Gov. Andrew Cuomo truly set the leadership bar and thus inspired our six C's. He has been almost unanimously praised throughout the pandemic as a model communicator during his daily press briefings and other public communication. Much has been made of his prowess on PowerPoint, where he shares hard facts with candor (and perhaps some unintended comedy); he has also shown wisdom, focus, humanity and care for others on Twitter and elsewhere. As Entrepreneur reported, "Governor

Cuomo provides a perfect example of how to communicate in the face of an unprecedented challenge."

Leaders who made a point to demonstrate compassion by acknowledging the suffering and sacrifice of employees generally struck the right tone. Kraft Heinz CEO Miguel Patricio praised his employees, calling them "heroes" in an interview. And Visa CEO Alfred F. Kelly Jr. pledged no COVID-19-related layoffs in 2020. He earned praise for his statement, which read in part, "There is enough sadness in the world and already too many families impacted by job losses. I have no interest in contributing to that."

Another marker of adept communication during a crisis: the ability to help others see the bright side. Johnson & Johnson CEO Alex Gorsky has conveyed calm to his employees by starting each video call with something positive. He also published a long-form blog post on LinkedIn, saying: "Yet even as we are heartbroken by the lives lost and the strain on our institutions and communities, countless people have been working tirelessly to offer the

"Like a virus, words are infectious. They can instill fear and panic or facilitate understanding and calm. Above all, they can spark action. So choose them carefully."

—Carmine Gallo, Harvard Business Review



The six C's are especially important for demonstrating leadership during a crisis:

- **1. Calm:** Project a sense of calm, and use rational language to explain actions.
- **2. Candid:** Choose candor over charisma. Honesty, especially when delivering bad news, is preferable to charm or evasiveness. Sugarcoating or overpromising will be debilitating in the long run.
- **3. Confident:** Share the ways in which you see through to the other side of the crisis and your vision for how to get there.
- **4. Credible:** Ground your messaging in data, using hard numbers to back up communication.
- **5. Compassionate:** Demonstrate an understanding of the difficulty of the situation for all, and acknowledge the range of emotions the audience is experiencing.
- 6. Consistent: Repeat, repeat, repeat.



world a reason to feel pride, inspiration and hope."

Yet there has been no need for CEOs to sugarcoat matters. Nestlé CEO Ulf Mark Schneider demonstrated both candor and credibility in his message to employees, saying in a staff memo that teams should "Get ready for the storm to hit—because hit it will." He further asked for a commitment, saying the company needed to continue to provide in the face of crisis to help a return to normalcy.

"Now is the time to demonstrate the values of the Nestlé family," he said. "I am deeply impressed and humbled by what our team has accomplished in order to support individuals and communities affected by this crisis."

Disney CEO Bob Iger, too, faced a difficult situation, as the company has been forced to close its global theme parks and cruise business. In late February, Disney announced that Iger, who had delayed his retirement

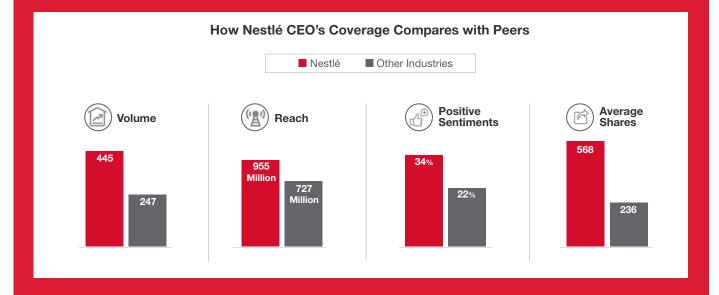
several times, would be replaced by **Bob Chapek**, and Iger would take on the title of executive chairman. As the crisis has continued, however, it's been clear that Iger's longstanding credibility is needed to navigate the company through this time, and he's <u>stepped</u> back in with force. On a recent <u>earnings</u> call, Iger said he expects Disney to rebound, saying, "People find comfort in our messages of hope and optimism. They miss doing the things that bring them joy. People want good news."



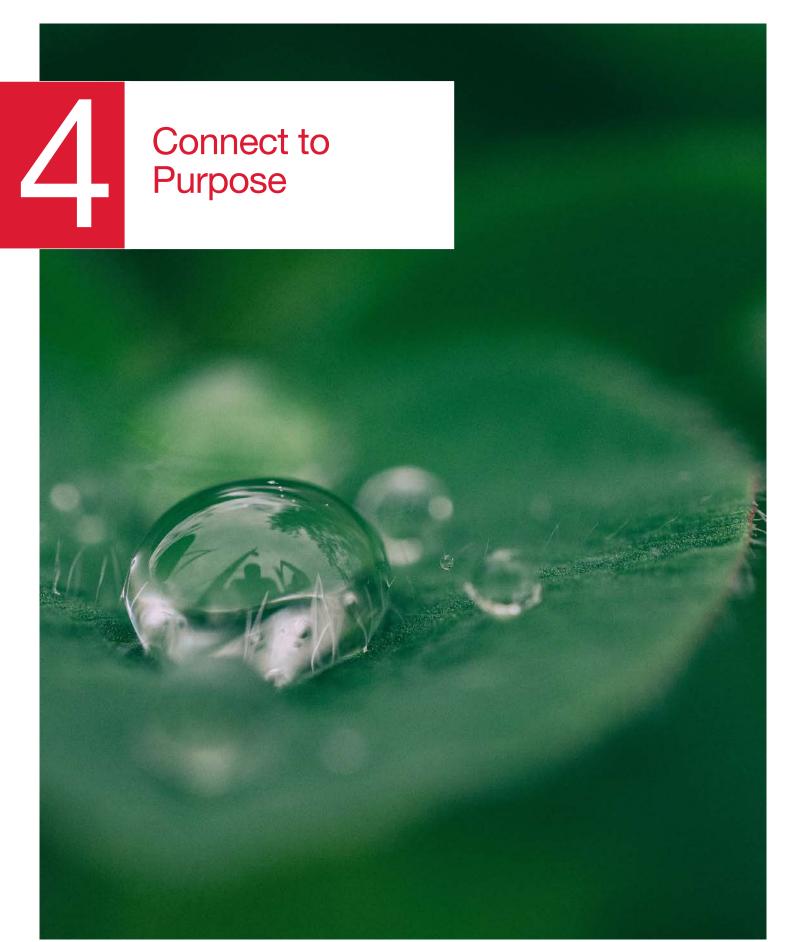
Sweet Sentiments: Nestlé's CEO More Than Doubled Industry Average of Positive Coverage During COVID

Our partners at Meltwater found that Nestlé CEO Ulf Mark Schneider received especially high marks during the COVID-19 crisis—having earned more headline coverage, reached a wider audience and more than doubled the positive sentiment of his peers. Further, coverage about Schneider was shared on social media eight times more often than coverage of his peers. And even compared to peers that did receive a similar volume of coverage, Nestlé's CEO's coverage was far more positive and was shared on social much more, telling us that his moves were especially well-received by the media and landed very well with readers.











While in crisis, people search for meaning to make sense of what is happening. Those leaders who can connect their customers and employees to a greater purpose have the best chance of finding relevance with people today. During the COVID-19 outbreak, brands have demonstrated their commitment to a greater purpose by contributing to the recovery efforts through financial and supply donations. Others have pivoted their manufacturing facilities to produce needed products.

And smart leaders have reinforced their organizations' mission and values as a way to help consumers distill meaning from the chaos and to establish a clear vision for employees for how the organization will emerge. As **Unilever CEO Alan Jope** said in early May, "Purpose counts. This will be even more relevant in a post COVID-19 world. Young consumers will really care about the behavior of companies. People entering the workforce believe this. We will not waver once in our purpose."

Delta Air Lines CEO Ed Bastian has communicated about the company remaining true to its core values of honesty, integrity, respect, perseverance and servant leadership, highlighting how it's protecting the health and safety of employees and how the company is supporting impacted communities. The airline is delivering medical supplies, providing repatriation flights and offering free travel to certain medical volunteers.

Purpose has also propelled Microsoft CEO Satya Nadella, who sent an email to employees saying, "It is in times of

great disruption and uncertainty that our ability to stay grounded in our sense of purpose and remain true to our identity is of the utmost importance." He referenced the way Microsoft's tools are being used for a greater purpose like telemedicine, software that's managing bed counts and critical supplies, and that the CDC is using Microsoft's healthcare bot for assessments. He has also spoken publicly about his belief that tech companies need to be working for "a surplus of goods—the social good, the environmental good and the good of positive governance."

Many top executives have positioned their COVID-19 response in relation to their companies' environmental commitments in a way that balances purpose with profit. For example, Danone CEO Emmanuel Faber stayed true to the company's sustainability mission and values by joining other European CEOs in pledging for a "green recovery" that includes a commitment to both economic results and fighting climate change. And Mercedes-Benz CEO Ola Källenius drew parallels between this health crisis and our environmental crisis, publishing a piece on LinkedIn called "Changing lanes" that urged the world to connect learnings from COVID-19 to tackling climate change, saying, "We can learn lessons from dealing with the pandemic, for another global challenge that will be with us for much longer: climate change." He then outlined Mercedes- Benz's commitment to climate change through the production of a carbon-neutral fleet of new cars by 2039, among other measures.

"Global corporations have never had as much power as they do right now to leverage their scale to benefit society in a time of global crisis ... [Executives] who have carefully honed a sense of company purpose will find a foundation and set of values that can guide critical and decisive action."

-McKinsey & Company







Storytelling is one of the most powerful techniques we have to communicate, inspire and connect with others on a deeper level. While facts, stats and numbers are key storytelling elements, it's especially important for leaders to use their own humanity to cut through the numbers during a crisis. Personal anecdotes reveal vulnerability and an authenticity that mirrors what others are feeling.

And while a leader's ability to authentically connect their story with those of others helps establish rapport and earn trust, it's most effective when it's clear that leaders are not only talking the talk but walking the walk by backing up what they're saying with action.

Nike CEO John Donahoe (along with his wife, Eileen Donahoe) put this principle into action by making a personal donation to Oregon Health & Science University (OHSU) to accelerate statewide efforts to combat and treat COVID-19. This paralleled contributions being made to OHSU by Nike along with Nike's co-founder, Phil Knight. Donahoe also said on a recent call that "companies like Nike need to do our part." This was backed up when the brand transformed elements of its footwear into much-needed face shields and other personal protective equipment for healthcare workers.

Getting as human as one can get in a recent interview with The Wall Street Journal, Reckitt Benckiser CEO Laxman Narasimhan shared that one day his mother—who is living with him

during the pandemic—walked into one of his video conference meetings to tell him he hadn't yet taken the garbage out. He stopped the meeting to take care of it.

Microsoft CEO Satya Nadella also showed his humanity, empathy and vulnerability when he admitted to being impacted by the personal anxieties employees have shared with him. In one communication made public, Nadella said: "Like many of you, there have been times over the past weeks where it has felt overwhelming and all-encompassing for me. I worry about the health and safety of my family, my co-workers and friends. My wife and I worry for her aging parents, who are far away from us in India."

For many leaders, it's been important to ground even the most formal announcements in a human story. New Zealand Prime Minister Jacinda Ardern has been touted for the way in which she emphasized the country's close-knit community connection when announcing the easing of restrictions, saying: "I still get a phone call for every individual person we lose to COVID-19. We may be amongst a small number of countries where that is still able to happen...every number is someone's father, someone's mum, a relative and a friend and someone we have all been united in an effort to protect and to save." She also won praise for declaring the Easter Bunny an essential worker during lockdown—a human touch and one that undoubtedly brought relief to children and parents around the world.

"It will be incumbent on leaders to put themselves in another's suffering, to feel with empathy and think with intelligence, and then to use their position of authority to make a path forward for us all."

-Harvard Business Review

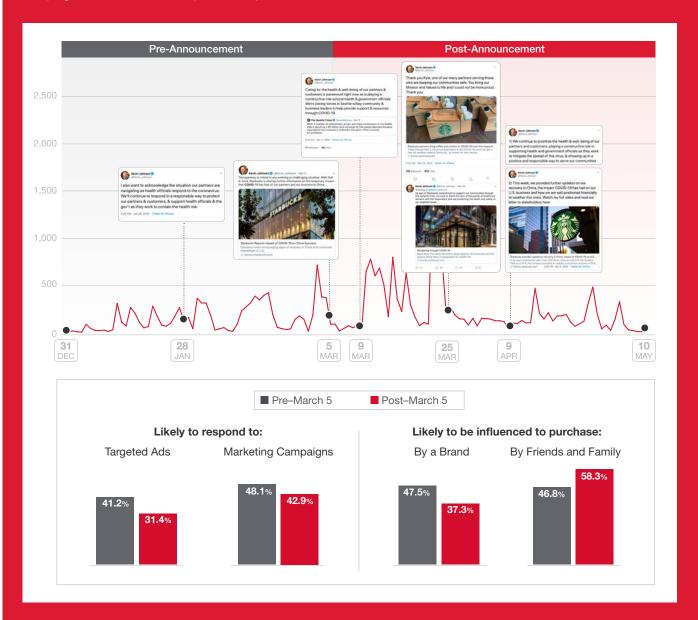




How the Starbucks CEO's Tweets Helped Him Break Through During COVID

It's never a bad thing to have a heart. Our partners at Meltwater monitored the Twitterverse's response to Starbucks CEO Kevin Johnson's tweets from Jan. 1 through May 10 to gauge the impact of his COVID-19-related tweets on audience engagement. It found that through his personal storytelling on Twitter, he was able to connect with audiences that had been more difficult to reach pre-pandemic. When comparing the audience that was tweeting about Johnson before he publicly announced Starbucks would be closing U.S. stores to "put employees before profit" versus the audience that tweeted about him after the announcement, we found that the second group comprises those who are historically less likely to respond to targeted ads and marketing campaigns or be influenced to purchase by a brand.











Leaders who meet each audience where they are—emotionally, mentally and virtually—and match their communications preferences help reduce the noise and get their message through with fewer misunderstandings. This includes considering the format and medium that will increase the relevancy and resonance of one's message.

As McKinsey & Company recently stated in "A leader's guide: Communicating with teams, stakeholders, and communities during COVID-19," times of crisis create great uncertainty, elevate stress and anxiety, and can prompt tunnel vision. This makes it all the more important for leaders to tailor their communications in style—i.e., tone, pace, energy—and message based on who they are speaking with, i.e., direct reports, colleagues, partners, customers, investors and members of communities where they operate.

Adapting communications to that of the audience not only increases the relevance and resonance of the message—it provides a valuable example for an entire organization to follow.

Knowing that so many children (and their parents) were being impacted by the COVID-19 shutdown, Norway's Prime Minister Erna Solberg held a children-only press conference in March that provided Norwegian children with an opportunity to ask questions about the virus while hearing from her that their fears were normal.

To connect individually with its employees and consumers, **Gillette's** parent company Procter & Gamble met its consumers on TikTok, where it activated new channels. This all began with a call from **Ohio Gov. Mike DeWine** to **P&G CEO David Taylor** to

ask how P&G might be able to help spread the word for Ohioans to stay home. The company soon enlisted the help of TikTok phenom Charli D'Amelio to encourage social distancing, with more than 40 million people around the world tuning in to her #DistanceDance video and many sharing their own versions to inspire others to practice social distancing. P&G also joined up with Twitch.tv to bring together people in the gaming, music and sports worlds for Stream Aid 2020, a 12-hour benefit supporting the COVID-19 Solidarity Response Fund for the World Health Organization powered by the United

Speaking of social apps where people have been virtually congregating during the pandemic, WhatsApp received criticism early on due to misinformation spreading on its platform. But it addressed the situation early when CEO Will Cathcart changed the application to limit the number of forwarded messages to one chat at a time and launched a coronavirus hub to fight virus rumors. He also facilitated WhatsApp's partnership with the WHO to launch a health alert to deliver reliable health information directly to mobile phones.

YouTube CEO Susan Wojcicki

has also taken to social, actively using her <u>personal</u> Twitter channel to communicate about the brand's activities to respond to COVID-19. She has effectively leveraged Twitter's platform and hashtag format to meet people where they are searching for information, and has <u>promoted</u> the success of YouTube to help people learn new skills and stay entertained while at home. She has responded to criticism about fake content by <u>saying</u> the company will ban content that contradicts WHO guidance.

"Leadership is about making others better as a result of your presence and making sure that impact lasts in your absence."

> —Sheryl Sandberg, COO of Facebook







"Trust is the glue of life. It's the most essential ingredient in effective communication. It's the foundational principle that holds all relationships."

-Stephen R. Covey

Trust is anchored in transparency, and those leaders who are held in the highest esteem communicate what they know, acknowledge what they don't and outline what they're doing to learn more. They're forthright with the facts and provide an accurate description of reality as they understand it today versus offering false confidence. By shouldering responsibility for unanticipated challenges and addressing the needs of all stakeholders in the most sincere way possible, they can build trust during a crisis.

Marriott International President and CEO Arne Sorenson shared a powerful

video message in March in which he said the COVID-19 crisis is like nothing he'd ever seen before and is having a more severe and sudden financial impact on the business than 9/11 and the 2009 financial crisis combined. He also noted that he would be forgoing his salary for the remainder of the year and cutting those of his executive team by 50 percent.

Another company that has come clean about challenges it's faced in the wake of the pandemic is Zoom, whose CEO Eric Yuan not only apologized and acknowledged "we have a lot of work to do," but also outlined plans to fix Zoom's

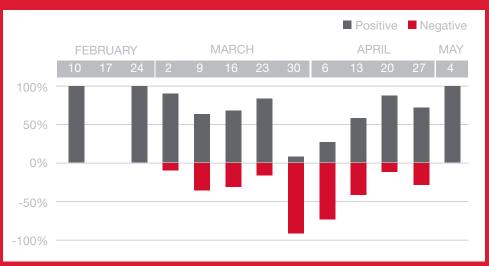
security issues and took responsibility. He even spoke to viewers on a live "Ask Eric Anything" video, promising that Zoom takes these issues seriously and is looking into each one to fix it. And, after being criticized for sharing user data with Facebook, he wrote a blog post spelling out how Zoom was removing the Facebook SDK in its iOS client and had reconfigured the feature. As a result, public sentiment toward Yuan is now once more on the rise (see chart).

Finally, when Google made a difficult decision to significantly slow hiring in 2020, its **CEO Sundar Pichai** wrote a letter directly to employees <u>sharing this</u>, stating that by dialing back plans, Google will emerge from this crisis at a more appropriate size and scale than it would otherwise. He added this means they "need to carefully prioritize" hiring employees who will address their greatest user and business needs.

Meltwater

Changing Sentiment Toward Zoom CEO Eric Yuan Before and After His Response to Security Challenges

An analysis done by Meltwater found that sentiment toward Zoom CEO Eric Yuan prior to COVID-19 was 100 percent positive. It then became increasingly negative as security issues were identified during the enormous jump in Zoom usage. But by publicly responding to the criticism, taking responsibility and outlining the company's planned response, Yuan's reputation score has begun to rise once more.





Linda Descano, CFA® Executive Vice President Red Havas

- e linda.descano@redhavas.com
- t 201-988-4632
- a 200 Madison Avenue, New York, NY 10016
- w redhavas.com

Lesley Sillaman Senior Vice President Red Havas

- e lesley.sillaman@redhavas.com
- t 646-575-2474
- a 925 Liberty Avenue, Pittsburgh, PA 15222
- w redhavas.com

Ellen Mallernee Barnes Vice President of Content Red Havas

- e ellen.barnes@redhavas.com
- a 200 Madison Avenue, New York, NY 10016
- t 615-491-4120
- w redhavas.com