

Vision 2021: What Should CEOs Focus on in the Year Ahead and Beyond?

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Declan Kelly, Chairman & CEO of Teneo, joins Kevin Kajiwara, Co-President, Political Risk Advisory to discuss what CEOs and business leaders need to be prepared for in 2021.

Kevin Kajiwara (KK): I'm Kevin Kajiwara Co-President of Teneo Political Risk Advisory in New York. I'm going to go out on a limb here and say that 2020 has been a year of unprecedented and concentrated challenges, but guess what? We are only about to hit the home stretch right now. And we still have at least one extremely significant event ahead of us. Tuesday night's presidential debate starkly displayed the clear picture and the clear choice that Americans have on who represents them in the White House.

And that choice is about more than atmospherics, clearly. It will have an impact on America's role in the world and its approach to global affairs and leadership. But irrespective of what happens

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on November 3rd and its aftermath, corporate leaders will still be grappling with the ongoing impact of this year's perfect storm of events, the COVID-19 pandemic, and the global recession that has resulted from it where we've got more countries in recession than at any point since 1870. And one of only two post-war years with global contraction. The other year was 2009. That was only a 0.1% global contraction. This year, the OACD is forecasting 4.5% and of the major countries, only China is going to grow this year. We've also had a social justice movement accompanied by the largest and most diverse protests in American history. And that's meeting up with the growing ESG movement at a reconsideration of the social responsibility of the corporation on the 50th anniversary of Milton Friedman seminal article in The New York Times magazine. All of this in the shadow of the tectonic movements of the 21st century, the rise of China, technology's rapid disruption of not just the global workforce, but the very relationship between populations and the leaders and institutions of state, climate change and of course, the role the United States will play in supporting the system it designed, built and perpetuated since World War II.

My guest today brings a unique perspective and he's a valued counsel and trusted advisor to CEOs and boards across the industrial spectrum and at the commanding heights of corporate America. Declan Kelly is the Chairman, CEO and Co-Founder of Teneo. He began his career in his native Ireland as a journalist, but he soon started advising business leaders with a particular focus on their communications, which ultimately brought him to the United States where he was a Senior Executive at FTI. But in 2009, he stepped away from the private sector and was appointed U.S. Economic Envoy for Northern Ireland by then Secretary of State Hillary Clinton. Then

along with Doug Band and Paul Keary, he founded Teneo in June, 2011. Yes, that's right. 2021 will mark our 10th anniversary. And in that time, the firm has grown to over 800 people in some 20 offices on six continents. I am pleased to have him on our call today for the first time.

Declan, thanks very much and welcome to the call. I want to talk about the big picture ultimately here, but I think we have to note that today is October 1st; it's the start of the fourth quarter. 2020, as I said, has been an extraordinary year, but there's a lot to come. So, in your discussions with CEOs and your peers, what is corporate leadership out there anticipating? And what are you seeing as we head into the end of this year?

Declan Kelly (DK): Thanks very much, Kevin and great to be with everybody today; thanks for listening in. We thought it would be important to have this discussion because we're working with CEOs and senior leaders of many of the world's largest companies right now, and it is a period of unprecedented change. And we've moved into a different phase since March, to a place where people are beginning to really understand the long-term consequences of what we've been through and what we're going through right now. I think one of the things that's really resonated with me all the way through this is the adaptability of the human condition and how we as people have managed to adapt to what has been an extraordinary environment for everybody. 2020 is quite simply the year the world was turned upside down. There's been lots of talk about other moments in history that have had a major impact on society, but I don't think there's ever been anything like this in terms of the scale, the breadth, the depth and the far-reaching potential consequence and the speed at which it all happened. The volatility and uncertainty in the external environment has never been greater. The era of chaos and volatility is far from over. I think in that

context, stepping away from whether or not we get a vaccine, I think we're at the end of the beginning of a period of extreme volatility that is going to go on for a very long time for a variety of reasons, some of which you announced earlier and some of which are yet to occur. I think all the CEOs that we're working with are taking the long-view and realize that they have to be prepared for disruption to continue for years to come. There's a lot of talk about the 'New Normal.' We at Teneo don't think this is the right way to describe it. Some things will go back to how they were, some things will evolve predictably, but the pandemic itself is a discontinuity, it's a reset, it's a reboot moment. And many things will not look like anything like they did before. We in Teneo like to call it the 'New Different,' not the 'New Normal.' And we think there are three irreversible shifts on the way. COVID clearly is one. Climate is another, and connectivity is the third in areas such as the internet of things and social media and smartphones, etc. It's going to change everything around how people live, how businesses work and operate, how society runs completely. The next decade will be a period of unprecedented change.

So, what does that really mean? I spend my days on the phone or on videos with literally one CEO after another, across multiple industries. And while these industries and sectors are all different, there are several themes that are common to them all. Think about this as a backdrop, for example, for being a CEO today. It's the worst global recession since World War II. China will grow this year. No Western economy will grow whatsoever. Small business is suffering catastrophic impact. Whole sectors are tanking. Restaurants, retail, tourism, auto supplies, and a number of other major sectors have been hit hard. I was watching CNBC this morning. And while I was watching it, over 15 minutes, 50,000 job cuts were announced on the screen, in a space of 15 minutes. It's been a broad-based failure of international institutions in their ability to

respond collectively and at pace. There's the rising U.S.-China tension, there's nationalism and regional tension blocks being formed that never existed before. We have failed states around the world that are truly failed. And we have pandemic poverty, which is what my old friend Don Keyo used to call "the consequences of the consequences," meaning that we haven't yet even seen the beginning of what the full extreme of the poverty will be around the world as a result of this, including in our own country here in the United States I'm sad to say.

On a more granular level, the most recent earnings cycle was unlike any most CEOs have ever seen. The pandemic has turned the market on its head and corporations - at a last count that Teneo has put on it - have already issued a record \$2.7 trillion of debt. Companies are taking advantage of cheap borrowing to refinance expensive debt and build up cash. But they're also at the same time under less pressure to repair balance sheets because of how quickly central banks are easing monetary policy. Meanwhile, global shares are trading at around 20X this coming year's earnings, blank check firms - SPACs, as they're called - have raised record amounts for acquisitions this year, and that's a completely new phenomenon. Meanwhile, U.S. job growth has been slowing. And we're dealing with a potential resurgence of the virus in the fall, as we are now seeing all over the United States and around the world. So, when you look at all of these things, it means that investors and analysts are going to continue requiring in this coming quarter and beyond, a more granular level of detail from companies in terms of reporting and planning than we've ever seen before.

And companies are changing their approach to business in a fundamental way; remote working, digital transformation, examining or reexamining risk and risk management. And one thing that I think is often forgotten is the role of the corporation as more than just a business, but as a 'global citizen,' and it's a

concept that has really taken root. And the role of the CEO as a leader of people is being completely redefined. So, it kind of doubles the challenge of the job that that person has to do. And I also think that going forward, corporate purpose will no longer be a buzzword. It will be a value-enhancer, and in fact, I think it already is.

So, a couple of final points on this question. I think the second wave of the virus, which is upon us, is obviously bringing more uncertainty. Sometimes I think of it with a little bit of incredulity because we've known this was coming for some time, but we don't seem necessarily prepared any more than we were before, perhaps a little bit better, but not much. And people are also dealing with what has been coined as 'COVID fatigue.' They're not taking the kind of precautions they were taking during the height of the pandemic when it first started, and that in and of itself is worrying. So, the pandemic is one thing. Then you take for example, something like the U.S. election (Kevin, you mentioned the debate which was in my view embarrassing on many levels) that is also creating further uncertainty for CEOs and companies all over the United States, and in fact all over the world, and everyone has to prepare for both outcomes of that. Everyone's preparing for perhaps a long drawn out legal process. Everyone's preparing for perhaps a lengthy engagement with not a real clear winner in sight. Then in the backdrop you have the entire U.S.-China situation going on and whether or not that gets escalated during this entire period or not.

So, when you look at all of this stuff together, and I don't want to be Debbie Downer on the call, and I'm certainly working very closely with everyone I can to try and help companies navigate through this period. But I think it would be dishonest if I didn't say that I firmly believe that the next three to six months and beyond are going to be a period of continued uncertainty and a lot of things still have to

shake out here economically and most of them are not going to be good.

KK: Clearly, we're in for further volatility and uncertainty as you stated. But before we dive into some of the details, I want to look back to look forward in a sense. Because you have been advising a lot of these CEOs for years ahead of the pandemic, in fact, many of them throughout their executive careers. But when you look back over the course of this year from the onset of the pandemic, to the full impact of it, to the killing of George Floyd and the ensuing racial and social justice movement, the economic fallout that you've just talked about and the market volatility, what do you think are the lessons learned? What's worked and what's not? I'm specifically talking about corporate America right now, obviously, but what lessons can we take away from this? Obviously 2020, as we both pointed out, in totality is a black swan event. Nobody could have predicted that all of these things would happen at the same time in the same year. But, arguably, each component crisis that you just talked about was predictable and therefore could have been prepared for. How well-prepared was corporate America, and what about government relations? As opposed to pushing a corporate agenda, how much better could corporate government relations be to both respond to and prepare for these types of crisis?

DK: The 'Overton Window' is a political concept that is known to many of you, I'm sure. It's known as the window of discourse and it was designed many years ago. It basically describes the range of ideas the public is willing to consider and accepted at any given time. It shifts over time, but it's been remarkably resilient in its ability to sort of frame how discourse happens. What's really interesting is that the CEOs all over the world, especially in corporate America, are seeing the Overton

Window shifting on shareholder value after 50 years for the first time and purpose. So, business models that have worked for decades are under extreme threat. New ways of working are being debated, whether they be virtual or remote, or distributed or what have you. In my view, there is a very strong and permanent shift in emotional leadership. Empathy is a key CEO attribute today, and if you don't have it and don't show it, you're going to struggle to survive if you're in the C-suite.

I think there's been some clear winners and clear losers during the time period. Some of this was due to deliberate actions and choices that were taken. Some of it was because you were in a certain industry or certain lines of business and just having to deal with the situation the best you could. But I do think that there have been winners and losers and we all know who they are. I think the virus has exacerbated and sped up the struggles that some industries were already experiencing. So, for some companies, it was the inevitable, just happening more quickly than they or anyone had really anticipated. I think it's also exposed companies that had a lot of debt on their balance sheets already and not a ton of free cash, or that had outdated operating models, weak CSR policies, etc. I think there is a key point here is, and it's not often talked about, but I think it will be over time. It's become very clear to me that there's now an expectation on CEOs and corporations to play a major role in helping to solve the wider problems that this pandemic has exposed. Because what it shows is that federal government, regardless of who runs it, is not capable of dealing with all of these things at any one time. The government's ability to respond to this on many levels has been tsunamied by the scale of what's happened; and by that I mean the institution of federal government, not any political statement as to who runs it or otherwise.

Having said all of that, I give a lot of credit to a lot of companies and CEOs. Many of them,

in fact, most of them, have really stepped up, even if the exact expectations were undefined for them. There have been many that have shown incredible strength and resilience and courage, doing things that they never thought they had to do before. There have been multiple instances of CEOs putting their companies second and putting their people first, which I think is really admirable and I think has really helped corporate America get through what it had to get through in the most acute period, at the height of the pandemic and the first wave. The speed with which businesses are adapting their business models in most instances is really impressive and remarkable, and also the speed with which those who receive their services is similarly adapting really quickly. So, I am also really impressed and grateful for so many people that I work with that have taken strong stands on social issues that they traditionally didn't need to get involved with in the same way.

It goes without saying that this has been a horrible time period in many ways; massive loss of human life, social unrest, economic disparity. But a bright spot is that many companies have I think been sort of inspired to adapt and change for the better. So while I started out this conversation painting a pretty bleak picture in the short term as to what I think we're going to have to deal with, I am also greatly encouraged, I have to say, by how most companies have stepped up to respond to this and what they're trying to do in order to make society a more equitable one for everybody and to change things for the better. So, it isn't all doom and gloom. We will come out of this. We will persevere. We will survive. We will get stronger and better over time, and I do think the last several months since March, there have been so many examples of resiliency amongst not only the American people in general, but also the people that run our companies and we're tremendously proud to be associated with them, and to help them every day.

KK: So, Declan, let me push you on that just a little bit. You've laid out a lot of the positive and inspirational responses, but when you look across the spectrum at these responses, these CEO responses, talk a little bit about the negative element here. I don't want to dwell on what has happened, but I guess it's more an emphasis on what concerns you going forward. You know, not just about the ability to deal with crisis, but more about the institutional constraints on them as well to take action. What concerns you as you look forward to all of that uncertainty that we've still got in front of us?

DK: That's a pretty easy question to answer in one way because I have an almost one size fits all answer. Let me step back and say, first of all, how CEOs and leaders navigate through challenging times are really the defining moments of their careers. So, when you go back and look at the history of great leaders, whether it be in business or in politics or whatever, it's always the things we recall the most are the way they responded in times of great crisis. We've lived through great crisis in this country. Just think about the children of 9/11, they are about to vote for the first time, which to me is astonishing because it feels like only yesterday that 9/11 happened. But there are many CEOs out there that have absolutely stepped into a leadership void that has existed, and I do think that is a predominant feature of American business. I think the American psyche, the American public, the resilience that I spoke about earlier is extraordinary. Having said all of that, and to get to your question, there is definitely a need for many companies to continue pivoting to rethink their business strategy, but also sort of employee health and safety. By that I don't mean physical safety in operating or manufacturing. I mean mental health. The impact of COVID on corporations is immense. We won't know for years really what the impact has been. Dr. Kerry Sulkowicz, who is one of our Senior Advisors at Teneo, an

extraordinary man, put it best in his description. He calls it 'strain trauma.' Think of a rope, and if you put tension on both sides of the rope, both ends of the rope, the rope is under stress. At some point if the stress is long enough and hard enough, the rope will eventually break. But what you don't see before the breakage is the micro-tears that take place in the rope. I think it's really important for leaders to be very cognizant of the effects of the strain trauma in their organizations. I believe that leaders, their behavior, their personalities, their values, have the single greatest impact on the culture of any organization. At the end of the day, people look to the person at the top or the persons at the top and they mirror and measure themselves off the way that person responds to the circumstances in which they find themselves. And that's certainly not the only influence on culture, but by far the biggest one in my view. So, people are looking to all the CEOs for comfort, for truth, for guidance during these ambiguous times. And the people who don't provide that will face challenges with the organization they lead. And you also need to show the human side of who you are when you run the business. So, you have to be extremely thoughtful. And the key question going forward, I think is, how CEOs will evolve as leaders, given that increased responsibility they have beyond simply running a business. Those who take that seriously I think will prosper. Those that don't, I think will gradually look completely out of kilter with everybody else.

KK: I want to pivot now to something that, I think nobody anticipated was going to necessarily hit while they were having to deal with the pandemic. But it required an absolutely thoughtful and fast response, which was that companies had to respond very quickly to the murder of George Floyd and the ensuing Black Lives Matter movement. First in how they communicated, second in the pledges that they made to take action, and now actually executing on those pledges, amidst all of the other things

that everybody's dealing with that you've just outlined. So, how do you see that playing out and how are companies going to deal going forward with future social justice issues that will certainly arise?

DK: There's a few of things I want to say about this topic. Let's talk for a moment about the economy and where things stand with regard to what's happening in the current cycle and what the impact is generally on the morale of the country. And then we can pivot to talk about social justice issues and the things that we want to talk about there. In a certain sense, I feel like we're living in a false economy at the moment. Because, I think there's a significant disconnect between public equity markets, where the stock market is and where the underlying reality of the economy is. And I've seen this debate played out in front of me many times in the last two months, where different people have different views and they feel like the stock market is going to continue to be the way it is. And it doesn't really matter what people say. I mean, I don't agree with that. I think there is an underlying problem in the sense that the amount of debt that exists in the marketplace and the amount of cash that has been pumped into the marketplace by the federal reserve, which I think was absolutely necessary by the way, is eventually going to have to be paid for. And we handled more earnings calls than any other company in the world by a large magnitude. And I do think that at the end of the day, we're heading into a period here where after the election is over and we start facing up to 2021, we're going to see that some of these debts have to be paid. Money is not free. And the underlying sort of economic malaise that may result from this, that with all of these various different jobs that are being cut and so on, everything I talked about earlier, I think that is a worry. And I think it does have social consequences in terms of whether or not people are able to have enough money to live and be happy and to survive. And if they don't, it's going to have a consequential knock-

on in the whole area of safety and society at large. I also think, one other point I just want to make in case I forget is, I hear a lot of people talking about how we could become like Japan in the early 1990s. After their economic crash, many companies were seen as a contributor to their stagnation because they became zombie companies that sort of all along basically lived in sort of junk territory, but they would otherwise have gone bankrupt if they hadn't been able to borrow money at very low rates. And we have extraordinarily low rates here in this country at the moment. When you're taking into account inflation, they're negative basically. So, when you look at all of that, there isn't really a lot more levers that the federal reserve can pull, other than continuing to put money into the economy. So, when you look at all of these different things, and then you pivot to the second part of the question around social justice, you can see there are many contributing factors to people being unhappy in this country. And social justice is prime among them. And 15 to 26 million people in the U.S. participated in the racial justice movement in these last few months. And that, I think you referred to this at the beginning, that makes the recent protest the largest movement in the country's history. And the anger that's there, all of which is entirely justified in my view, is here to stay until these matters are resolved. At Teneo, we've done an awful lot of things to try and bring forward our views to our clients and to anybody else who cares to listen, as to what we think corporations need to do in order to address this. I agree with our Senior Advisor, Ursula Burns, somebody that I admire greatly, who believes that this is actually an incredibly important and powerful moment for companies to be a very positive force for change.

But when you put these two things together, where you look at the income inequality that exists, especially in socio-economic groupings and areas around the country, and then you align that with the clear social injustice that's

going on and has been going on for years in the United States, it really is something that has to stop. And if it doesn't stop, the consequences are going to be even more serious. But I feel greatly encouraged by the response of most of the companies that I see out there at the moment, in terms of their seriousness to take this on and deal with it. I do think, however, the next six to twelve months are critically important in making sure that we don't just talk about it, we do something about it. And I'm happy to expand on that further if you want, because we've, as you know, undertaken a number of initiatives ourselves to try and be helpful.

KK: Yeah. I do want to pick up on that and get very practical here. You brought up Ursula Burns. She's obviously very familiar to everybody, whoever joins this call. She's one of the most popular guests on this call and she's been very gracious with her time. Her most recent visit with us was to talk about the Board Diversity Action Alliance (BDAA), which you founded along with her, Gabrielle Sulzberger, the Ford Foundation, and the Executive Leadership Council. Maybe you can talk a little bit about what you hope to achieve with it.

DK: Yeah, just very quickly, Ursula and Gabrielle and Ford Foundation, ELC and ourselves basically came together to form the BDAA, which is the Board Diversity Action Alliance. And put simply, it's a business-led initiative, really taking action to increase the representation of racially and ethnically diverse directors on corporate boards of directors, beginning with black directors. And again, I'm greatly encouraged by the response we've had. But, also greatly encouraged by the seriousness of which all the clients we work with at least, and many others that we know of, are taking this issue. And again, we're just not going to leave anything to chance. It has to happen. It has to be sustainable. It has to be here forever. And it can't just be a token gesture where people tick a box and feel like it's a good

thing to do. And so on. This has to become systemically relevant and it has to become institutionalized and it has to become normal.

And Ursula deserves most of the credit because she came up with the idea after the murder of George Floyd, and she felt it was a really good opportunity to seize upon the desire companies had to want to help and want to do something about this. And she gave us a call and the initiative, led by my colleague Radina Russell, who's done an amazing job, meant that we got in and got involved and we're very happy to help out. And so, let's just look at some of the stats for a second; 37% of the S&P 500 did not have any black directors on their board of directors. If you look at Harvard Law School's Forum on Corporate Governance, in 2019, only 10% of the Russell 3,000 index board of directors belonged to an African minority group. So, by joining the Alliance, signatories voluntarily commit to supporting a concerted enterprise transformation to diversity and to all the things that that entails. Integrating talent, accountability, and engagement. Specifically, there are three things that we are asking companies to do: increase the number of black directors on the board of directors to one or more; disclosing of self-identified race and ethnicity of directors on corporate boards; and then reporting on diversity equity and inclusion measures on an annual basis going forward. And there are other initiatives out there like the Board Challenge, which is great by the way. And I think the more of these, the merrier, because they're all aimed at doing the same thing. But I think in partnership with Ursula and the team and all of our partners, we're going to be able to see greater efforts towards black representation, in addition to longer-term diversity programs that lead to progression and a maturing of corporate boardrooms and companies in the long-term.

KK: And that dovetails into the broader point, or the broader initiative of ESG. And we've been focusing a lot in recent calls on the S element here, but how do you see both the short term and long-term development

of ESG focus? Especially in an environment with depressed consumer demand, further pressure on profits and economic uncertainty, to be able to also focus on these initiatives and goals?

DK: It's kind of interesting because when I was in Davos earlier this year, this was the topic du jour. And everybody was talking about it and had been building up to this moment. The previous year in Davos was similar, but there was a much greater emphasis this year, I think, led by the fact that Larry Fink had written his famous letter and the business round table had over 180 public company CEOs sign the corporate purpose statement. And then COVID happened, and people stopped talking about it for a period, which is understandable, because people were fighting for their lives literally and metaphorically. But I would say it's been delayed, but not denied, and certainly it's going to be a real feature of the upcoming proxy season, and I think for many, many more years to come. I think CEOs are increasingly expected to not only manage the interest of all stakeholders, but to articulate their company's values and really provide vocal leadership on issues affecting society. So, I really think that this is something that's here to stay. I think it's really important. If I can put it simply, I think the crisis that we faced in 2020 will not only result in the continuance of the stakeholder capitalism movement, I actually think it will accelerate into 2021. So, I guess that's my short answer, there are a lot of different data points I can point to that will underpin that, but I don't think you will find a CEO out there who would disagree with that statement.

KK: I think in some ways, we've been lucky that this crisis hit in 2020 by everyone being at home, and in most cases, our families, have been able to continue to function primarily thanks to technology. But I know that a lot of people are longing to get back to the office, if only for the change of scenery or for the esprit de corps, that

belief and mission, and just that more fertile creativity that comes from collaboration that frankly only in-person environments can promote. I went back to our office on Tuesday for the very first time and I have to say, it was kind of amazing, the job that's been done by our colleagues to promote a very safe workplace. It's probably the safest place in New York City, from what I could tell. But in any event, how much of these changes, you know, you talked about the adaptability of the human condition. We all shifted on a dime when we had to, when the country closed down, but clearly some of the cracks in that are starting to emerge. What do you think is going to wind up being permanent out of all of this going forward as we come out from under the pandemic, and the recession?

DK: I could talk about this until the cows come home, but we'll try and maybe squeeze one more question in after this. I think the short answer is I think some of them are permanent, some of them are not. And I think we're going to have a mixture of at home working, virtual work so that people are able to do it from wherever they are, plus the reality of people wanting to come back to work, because we're all ultimately social animals. I do think that several factors in the environment of how we work have changed forever. I think it's extraordinary to see that it's happened in the space of seven or eight months. I think we have not just replaced ways of working; we have skipped entire potential generations of types of work that we would otherwise have undertaken to get to this point. And it's a bit like, people once were afraid to give someone their credit card number because they were afraid of fraud. And now people give their credit card number and give it over the phone and do it on the internet and do everything and don't even think about it. In the same way here, the idea and the concept that you have to be physically in front of your client or your partner, or your supply chain person, or whoever you do business with, with

the exception of any consumer-facing business like food and beverage or so forth, that's gone out the window. I think we all get a lot more done in a day than we used to, which is quite extraordinary, given that we're not leaving our desks. And I think the speed with which we work will continue to be faster. The amount with which we travel to do that work is likely to be less. But I do think eventually we'll want to get back into the collaborative work environment where people want to be in a room together working. So, I just think we're going to have a lot more flexibility, but I don't necessarily think that we're all going to stay working from home, and we're looking at thousands upon thousands of empty office buildings all over every city. I just don't see that happening.

KK: I want to end sort of where we began. You made the point that crisis defines leadership and defines leaders, both politically and in business. But as you've observed, those you advise, your peers, what do you think truly makes a great leader? I mean, has the definition of that changed recently, given all of these new requirements that you've touched upon that are now being thrust upon leaders?

DK: In some respects, it's the same as it always has been. And in some respects, it's not. So, I guess I would make four points if I can just remember them all. So, the first is, I think, agility and determination and willingness to change one's own business. They've always been qualities that distinguished great leaders, even before the pandemic happened. But they're a must have now if you want to run a successful business. So if you're not willing to change and do it quickly and take risks and not look for every last detail to be put in front of you before you make the decision, then you're going to suffer, and you're probably going to be completely overtaken by your competition. The second is being able to communicate in a clear, calm and concise way is really paramount, especially in these times. It seems

like a simple thing, but I really don't think it is. I think it's really important. People are feeling really isolated, lonely, and unsure, they crave stability. That's what the human condition needs most of all, and they need to hear there's a plan, and they want to know what's going on. So over communicating is better than under communicating, and I think we've all seen that that's the case. Third thing I think is it's really important to be humble and show empathy and listen and learn. Don't try to solve and say you understand the issues at hand until you go out and speak to your employees and to the people that are being hurt or affected most directly. Part of the skill of leadership is, you may have a hunch as to what you think is the right thing to do, and in many cases in the past, we may have just gone ahead and done it, but unless you're willing to take input in today's world in a way that's really all embracing, I actually think that it's setting you back as a leader, and I don't think it resonates with your employees. And then the last thing is the obvious one, which is leading by example, setting the right example in your industry, the business world, etc., and being vocal about the actions being taken, like we have been on the social justice initiative, because we care so deeply about it and have been a consistent supporter of it for many years. So, these things matter. If you put the right kind of pressure on others to do the same, and we all do this together, I think we can get there. But this really is a time where leadership is being tested, and we're going to find out in the not too distant future who the winners and the losers were. And I think those four areas will be a part of the reason you either win or you lose.

KK: Well, I know you have to run. There's a lot more that we could discuss and hopefully we'll have the opportunity to do so, and from the sound of it, there's going to be plenty of time to do so. So, with that, I want to thank you, Declan, for joining us today, and I want to thank all of our audience for joining as you always do. We

very much appreciate it. If there are follow-up questions or comments that you'd like, please don't hesitate to reach out to your Teneo contacts or to us at teneoinsights@teneo.com. We'll be back in two weeks with the next Teneo Insights call. Thanks for joining.



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