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EMERGENT INDIA

Covid19 & Beyond

The Leadership Agenda



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Issue 2

Strategy for Business Continuity: Navigating the Crisis & Adapting to the New Normal

White paper capturing the key thoughts emerging from the 2nd event of 'Webinar Series', conducted during the Covid-19 crisis.



Strategy: The agile business model

The current situation is unprecedented with no prior experience and no available playbook that businesses can refer to for guidance. In this situation, the future needs to be mapped and formulated in completely new way. The exercise for annual operating plans and strategy by businesses need to be approached in a different way, since the underlying assumptions have changed considerably.

The key to surviving the Covid 19 and finally to thriving will depend on the speed and quantum of change a business can manage. The situations are different for each industry but the two parameters that will determine business continuity are availability of Cash and customer demand. Less than 10% of businesses will be in a comfortable situation with both, perhaps technology and healthcare firms. Majority (more than 60%) will be vulnerable to pandemic, primarily due to slower demand arising out of lockdown. Almost one third of business will be in a critical state and will need to work hard, not to fail.

The companies that are in a good situation with a faster turnaround should become more aggressive in acquiring new businesses without stressing their balance sheet. The vulnerable group should look at defending market share while augmenting capital and reducing debt. The businesses which are hit the hardest should look at partnership option to weather the storm for next 12-24 months.

New Normal: Consumer, technology and innovation

Emerging out of crisis, businesses need to have a new outlook on customer behavior and how to deliver economic value. This would require focus on 2 critical aspects: (i) understand shift in consumer behavior and (ii) technology adaption with not only incremental but an innovation led mindset.


For example, NCML (National Collateral Management Services Limited- country's largest private sector agri-logistics and services player) has completely changed the way farmers sell their produce to the markets. They have digitized the process that has seen the least deployment of technology till date. The digitised process enables buyers to buy online from farmer's produce with the assurance of quality in a seamless way.

Leadership: Communicate with fact and transparency

The situation demands for a new form of leadership that is empathetic, agile and transparent. Communication is the key to build a cohesive culture that can weather the storm. For example at Salesforce globally, the CEO and the leadership team is communicating regularly with employees, customers and other stakeholders to update and reassure.

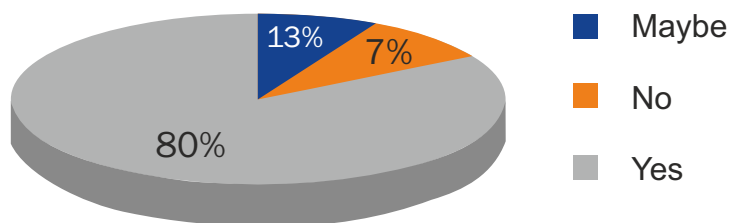
The method of communication is as important as the frequency. The message should always be built on "why". Communicating the reason and facts behind every decision brings out authenticity and builds camaraderie.

While communication is key, leading the way is equally critical. Whether it be HSE or paycuts, the leaders need to manage a fine balance between the action and communication.

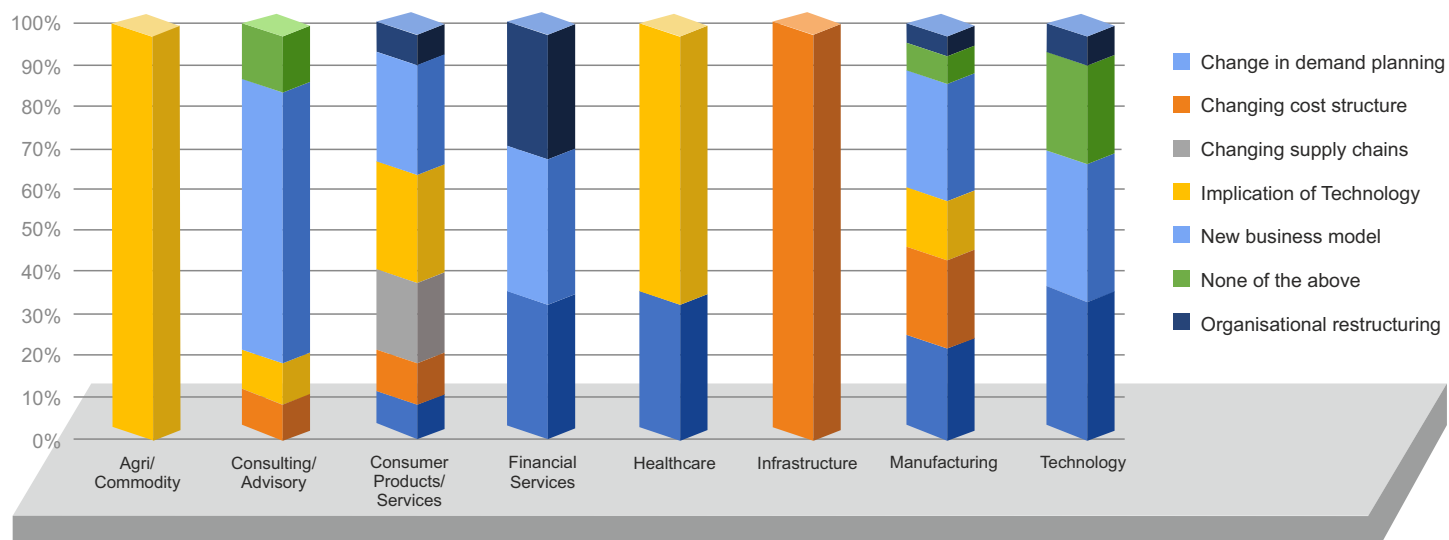


Hunt Partners ran a survey with the business leaders across different industries to understand the impact of COVID-19 on their strategy and how are they changing it to adapt to the volatile environment. The data presented here shows that more than 90% of the respondents will be re-evaluating their strategy, of which around 50% will change business model (Consulting/Advisory) or upgrade technology (Healthcare) or both followed by change in cost structure and demand planning.

Do you have to redesign your strategy?



What is the key change to your strategy?



Conclusion

- Scenario building should be quickly followed by execution, with 2/3rd of resources allocated to the most likely outcome. This will help to course correct quickly if you have to move to another scenario.
- Minimalism will dominate consumer behavior. Recreate your buyer's personas to allocate for the shifts.
- For B2B companies it is important to communicate clearly with customers so that one can rebuild a responsive and resilient supply chain.
- And finally, leaders who communicate clearly while leading the way will be able to build a winning culture.

Panellists



Avinder Singh
MD



Mia de Kuijper
SVP - Strategy



Raj Nair
Chairman



Siraj Chaudhry
MD

OSRAM



Participants:

A wonderful mix of audience from diverse industries and sectors across the world. The majority were CEOs and Founders making up for the majority followed by CFOs and CHROs of Indian and global businesses.

| Name | Company | Designation |
|---------------------|--|--|
| Aarti Mansukhani | Volvo Cars | Head People Experience |
| Anand Canda | DXC | VP, Managing Partner |
| Ashish Kaul | Coesia India | MD |
| Babu Kalliath | NovoNordisk | VP |
| Balakrishnan Vaidy | Equifax | CFO |
| Bobby Joseph | Lixil India Pvt.Ltd. | Country GM |
| Chris Pierce | Global Governance Services | CEO |
| Deben Moza | Knight Frank | Executive Director & Head Project Management Services |
| Devarshi Deb | AIS | Executive Director HR |
| Dinesh Jain | Ashok Piramal Group | CFO |
| Dr. Sanjay Arora | Suburban Diagnostics (I) Pvt. Ltd. | MD |
| Hemant Kumar Ruia | DP World | Finance Director – SCO Region |
| Indranil Mukherjee | B. Braun | MD |
| Jamshed Daboo | Trent Hypermarket Pvt. Ltd. - Star Bazaar | Ex. MD |
| Mukul Somany | Hindusthan National Glass & Industries Ltd. | Vice Chairman and MD |
| Munish Vasudeva | Siemens Ltd. | VP |
| Pawan Tandon | Axis Bank | Senior VP |
| Praveen Nijhara | Hansa Research Group | CEO |
| Raamann Ahuja | Thermo Fisher | Sr Director-HR |
| Ranjeet Sharma | Honeywell | Director |
| Rupinder Anand | OKI India | CEO |
| Sachin Daware | Dematic India | Head Business |
| Salil Kumar Jha | Hindustan Aeronautics Ltd. | Ex. MD |
| Sameer Sinha | Renault Nissan | Head Talent Acquisition & Digital HR |
| Sandeep Shah | N. A Shah Associates LLP. | Managing Partner |
| Shubhendra Panse | Ipsen Technologies Pvt. Ltd. | CEO & MD |
| Sridhar Visvanathan | BGR Energy Systems | President |
| Sumeet Dhawan | Piramal Group | President |
| Venkatesh Inamdar | Tesa India Pvt. Ltd. | MD |
| Vivek Bhide | CMI FPE | MD |