

Kith

Crisis Communications & Reputation Management

COMMUNICATING HOW & WHEN TO REOPEN FOR BUSINESS

Hosted by Bill Coletti

WHAT WE WILL COVER:

- **Sources of truth:** Which “lifeguard” will you trust regarding when it is safe to reopen?
- **Financial, social, and moral considerations:** questions all businesses must ask when deciding when and how to reopen for business.
- **Lessons learned from China coming back to a “new normal”:** benchmarking large companies’ back-to-business strategies.



DO THE FIVE

Help stop coronavirus

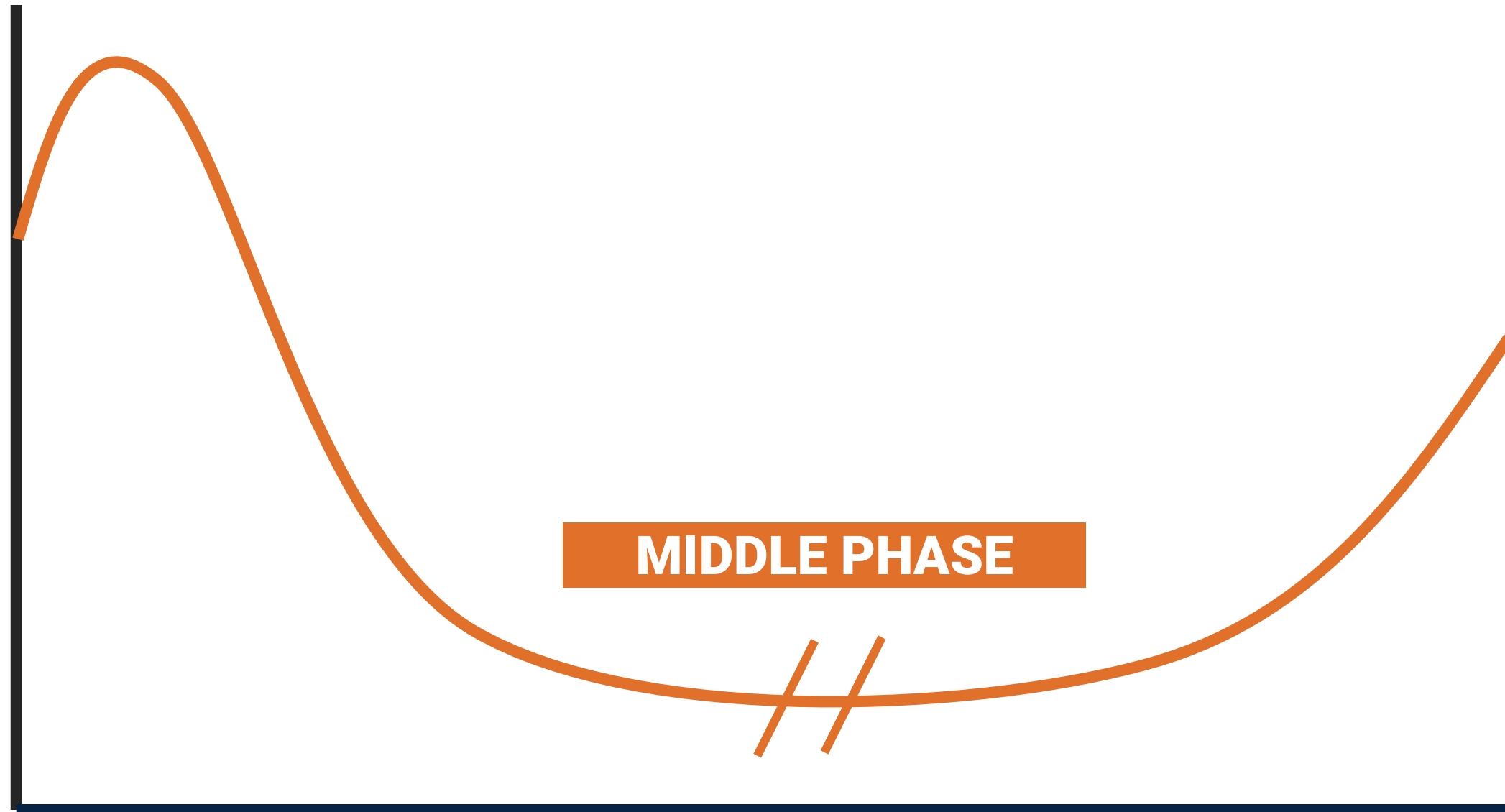
- 1 HANDS** Wash them often
- 2 ELBOW** Cough into it
- 3 FACE** Don't touch it
- 4 FEET** Stay more than 3ft (1m) apart
- 5 FEEL** sick? Stay home

General public health information

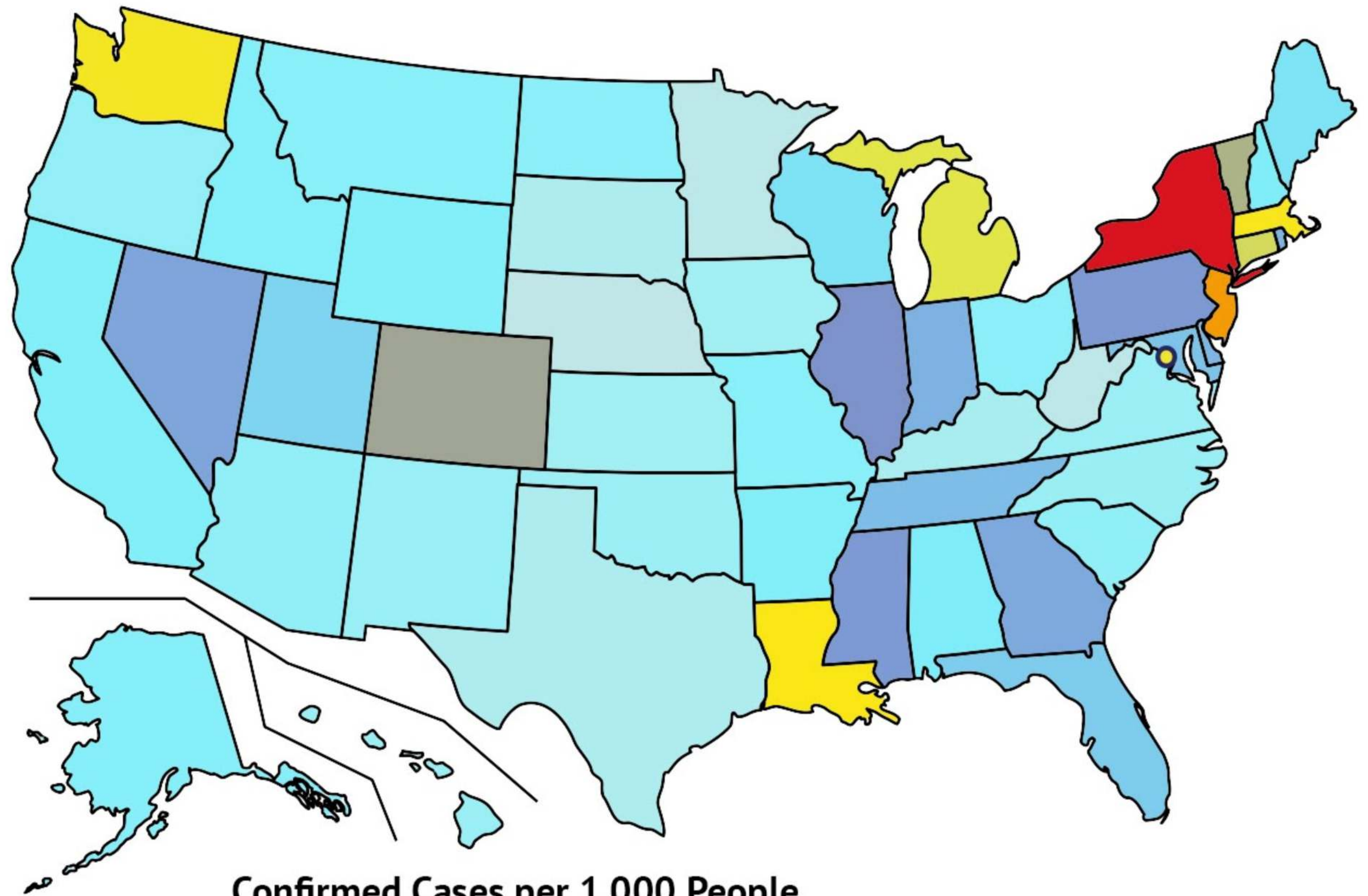
INITIAL RESPONSE

COMING BACK

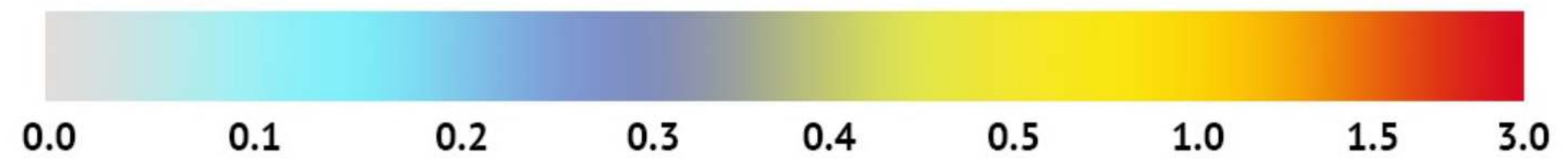
MIDDLE PHASE



President Donald Trump said Sunday he would extend his "slow the spread" **social distancing guidelines** to April 30 as novel **coronavirus** continues to spread throughout the US.



Confirmed Cases per 1,000 People



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The Four Possible Timelines for Life Returning to Normal

The coronavirus outbreak may last for a year or two, but some elements of pre-pandemic life will likely be won back in the meantime.

JOE PINSKER MARCH 26, 2020

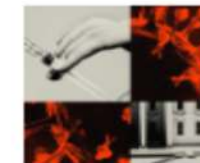


MARIA LITWA / LAIF / REDUX

MORE STORIES

How the Pandemic Will
End

ED YONG



CLARITY TO POWER

We want to empower you to be a strategic advisor to your CEO, President, or leadership team.

ASKING THE RIGHT QUESTIONS

KITH'S EQUATION FOR CRISIS SUCCESS

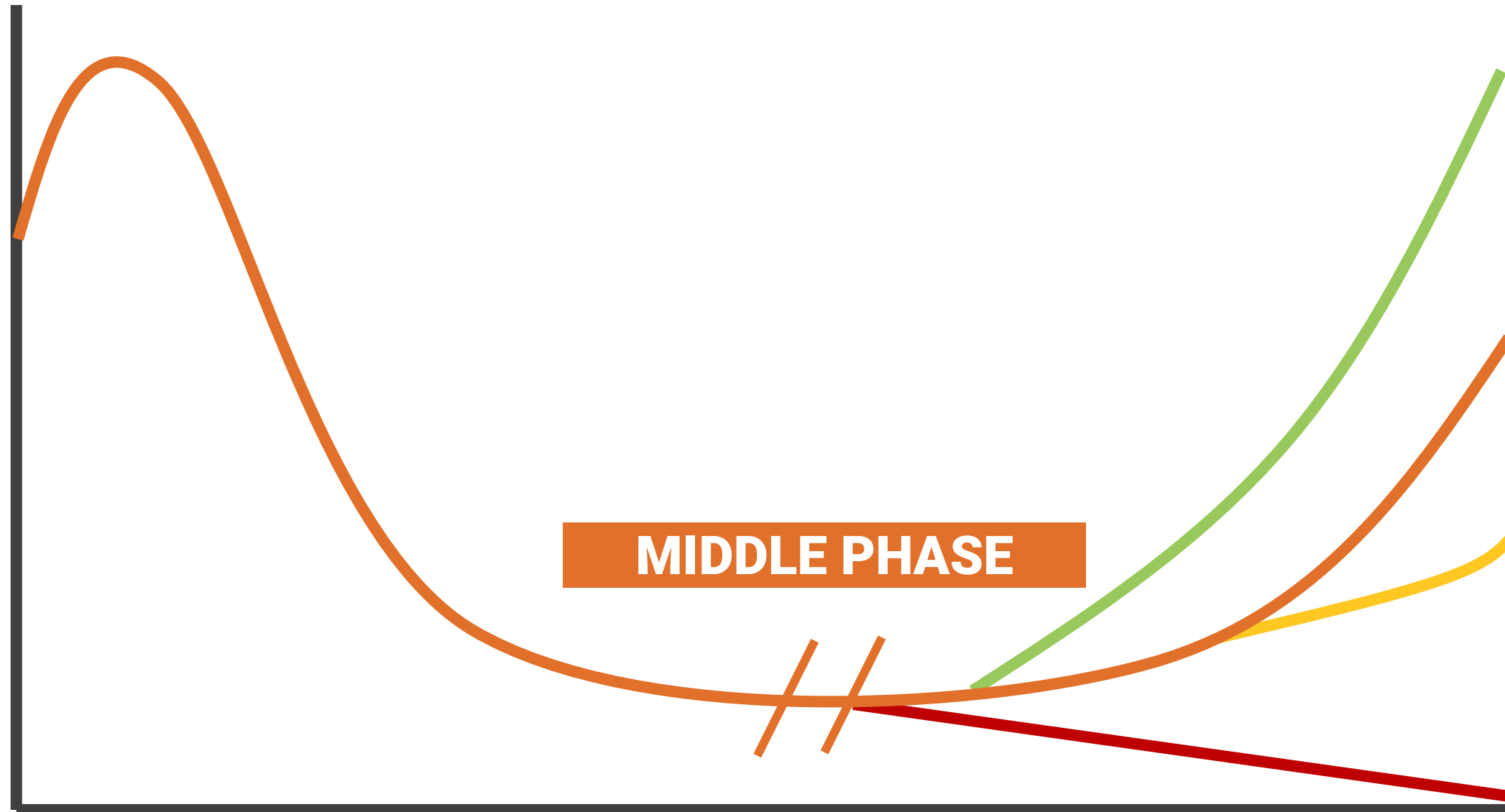



What do you stand for + Who's in charge / how decisions are made =
How quickly you communicate with your stakeholders

INITIAL RESPONSE

COMING BACK

MIDDLE PHASE



A photograph of Mark Cuban, a man with short brown hair, wearing a light blue button-down shirt. He is speaking into a small microphone clipped to his shirt. His hands are raised in a gesturing motion. The background is a dark blue stage with some light patterns.

Mark Cuban warned companies against sending employees back to work too soon during the coronavirus pandemic.

“Not only is it a safety issue, it’s a business issue.”

“How companies respond to that very question is going to define their brand for decades.”

Politics

These ‘mission critical’ federal employees and contractors are still reporting to the office. They’re terrified they’ll get sick.

“The shutdowns happened remarkably quickly, but the process of resuming our lives will be far more muddled.”

Primary Questions on the minds of our people:


- When will “this” end”?
- How long will I get paid?
- When can we go back to – school, work / normal?



WHAT IS AT STAKE?

Shame - Reputation risk - Bad press

- The reputational risks of reopening too soon are as great as the financial risks of staying closed/opening too late.
- Do you want to be:
 - First mover
 - In the herd
 - Slow and cautious




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BUSINESS
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YourCo Employees, Customers ‘Terrified’ About Company’s Plan to Re-open

Mon, 30 Mar 2020

E-mail Tweet Like G++1 in Share




Jenn
@realfakejenn

Follow


YourCo opening Wednesday?!?!? That's craziness. YourCo must only care about profits, definitely not people. Not cool! I'm staying away #DistanceYourCo

1:57 PM - 08 Apr 2020


254 Retweets 477 Likes




Sun, 29 Mar 2020
Barclays wins crucial investor support for climate change plan




Sun, 29 Mar 2020
Deliveroo pledges 500,000 free meals for NHS staff




Sat, 28 Mar 2020
Airbnb offers 'heroic' NHS workers free homes during coronavirus outbreak




Sat, 28 Mar 2020
Coronavirus: TopShop empire halts pension payments



Sat, 28 Mar 2020
Employees unable to take annual leave can carry it over for two years - government



Fri, 27 Mar 2020
'Third of UK harvest may go to waste' due to coronavirus travel ban



Fri, 27 Mar 2020
Ex-Interserve boss to oversee

Like most area businesses, YourCo closed its doors when the city issued an order banning group gatherings of more than 10 people. Unlike most area businesses, YourCo is planning to re-open its doors Wednesday morning when the city's order expires.

Some of YourCo's employees and customers are wondering if YourCo is reopening too soon, and some are concerned about their safety. There's even a social media effort to shame YourCo for its decision to reopen using the hashtag #DistanceYourCo.



WORLD NEWS
POLITICS
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P

YourCo Employee Tests Positive for Covid-19

Mon, 30 Mar 2020

E-mail Tweet Like G++1 in Share



Peter Peter
@petepeterson95

Follow

YourCo employee tests positive for COVID. Wouldn't have happened if they had stayed closed like everyone else. #DistanceYourCo

11:40 PM - 15 Apr 2020

2,349 Retweets 224 Likes

A 37-year-old male employee at YourCo's Fifth Street location has tested positive for Covid-19. The employee did not require hospitalization and is self-quarantining at home after showing mild symptoms on Monday.

He was among the first employees to return to work last week when YourCo announced it was reopening after a city-ordered ban on mass gatherings was allowed to expire. That decision drew criticism from employees and customers, and even spawned a hashtag: #DistanceYourCo.

The Fifth Street location was closed today so that areas where the employee worked could be thoroughly cleaned, the company said in a statement. "At this time, all our other locations are open where allowed. We are evaluating the situation locally and will make a decision about our Fifth Street location by Friday."

Which
“lifeguard”
will you trust
to say it is
safe to get
back in the
water?



WE DO NOT THINK THERE WILL BE ONE “ALL CLEAR” SIGNAL

- We will get mixed signals from state, local, federal leaders as well as health and science experts.
 - Regulators, accreditors, and peers.
- Politicians and scientists won't agree.
- As death tolls rise people will be skeptical (confused) about returning.
 - Employees and customers.
- Determine now who will help guide your decisions.

MLB's FRAMEWORK FOR RESTARTING SEASON



Players and MLB primarily agreed that the 2020 season will not start until each of the following conditions are met:

- There are **no bans on mass gatherings** that would limit the ability to play in front of fans. However, the commissioner could still consider the “use of appropriate substitute neutral sites where economically feasible.”
- There are **no travel restrictions** throughout the United States and Canada.
- **Medical experts** determine that there would be no health risks for players, staff or fans, with the commissioner and union still able to revisit the idea of playing in empty stadiums.

START PLANNING NOW

- You can do a lot in this time in the “middle phase” to build up a reservoir of goodwill.
 - Missteps in the re-entrance phase could erase it.
 - Positive moves – use of video & one-on-one communication.
- What can you do now to be ready for the come back?
- Do survey research on attitudes about coming back.
 - Stakeholder, employees, customers.
- Align with key authority - decide now.

START PLANNING NOW

- New formats and footprints and facilities.
- What are your high impact and high likelihood risks?
- What are the best to worst case scenarios for each risk scenario?
 - *Example: have a plan in place if a customer or employee gets sick after you reopen after you told them it is “safe.”*

SPE RISK FRAMEWORK

#1

Strategic

Risks taken
for superior
strategic returns

Companies should be prepared to
defend strategic risks when
something goes wrong,
not apologize

#2

Preventable

Risks arising from
within the company
that generate no
strategic benefits

Companies must rapidly apologize
and fix risks that could have
been prevented


#3

External

External,
uncontrollable
risks

In this case, being “in the herd” of
affected parties is the place to be.
An opportunity for leadership.

SPE RISK MAPPING



PO Box 161341 • Austin, TX. 78716
Phone: 512-813-6808 • Email: team@kith.co
www.kith.co

SPE Risk Mapping

	<u>Risk Description</u>	<u>S.P.E</u>
1.	Controversial company policy	
2.	Sexual harassment in the workplace	
3.	Active shooter	
4.	Cyber attack / data breach	
5.	Weather related destruction	
6.	Product recall	
7.	Customer service failure	
8.	Ethical lapses (fraud or other illegal activities)	
9.		
10.		
11.		
12.		
13.		
14.		
15.		

#1

Strategic

Risks taken for superior strategic returns

Companies should be prepared to defend strategic risks when something goes wrong, not apologize

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Preventable

Risks arising from within the company that generate no strategic benefits

Companies must rapidly apologize and fix risks that could have been prevented

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IMPACT VS. LIKELIHOOD RISK MATRIX



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IMPACT VS. LIKELIHOOD RISK MATRIX

IMPACT

High Impact/ Low Likelihood

High Impact/ High Likelihood

Low Impact/ Low Likelihood

Low Impact/ High Likelihood

LIKELIHOOD

KEY REPUTATION RISK DRIVERS

1.

2.

3.

4.

5.

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KEY QUESTION:

Your “exit” risks were externally forced on you. How will you plan for the strategic risk of “coming back?”



Marketing, messaging & expectations.

**“The fundamental rules of sales and marketing
have not gone on hold due to the crisis.
They have been magnified.”**

Empathetically and generously educating the specific audience you serve is what marketing is. You need to do this, now more than ever.

Mark O'Brien - Newfangled

3 QUESTIONS FOR MARKETING DECISIONS

- Why this content?
 - What value does this message add?
- Why now?
 - Is the timing appropriate?
- Why us?
 - Can trade association say this?
 - Can you do it in partnership with someone?

A-B-C: ALWAYS BE COMMUNICATING

- Cannot eliminate A-B-C once you reopen.
- A-B-C with both your team and customers – long road back.
- Reopening and resuming business will be no time to let your guard down. Communicating will be more critical than before.
- A time for leadership teams to become more visible – front line.
- Typically after a crisis, a CEO fades out of the spotlight. That cannot be the case for this crisis.

A QUESTION TO CONSIDER

**What would reasonable people
appropriately expect
a responsible organization
to do in this situation?**

A-B-C: ALWAYS BE COMMUNICATING

- Comms leaders will not be able to take a breath once we flatten the curve. You will have more work than ever, and your normal will be different.
 - Reactive and proactive.
- Don't forget those that "mattered" most.
 - When this is over who are the people you work with / do business with day to day?
- Don't get tunnel vision with the broad public message at the expense of those that matter most.

BEFORE YOU REOPEN:

- Listen to your people.
- Be Flexible - small steps.
- Face to face with teams.
- Brief those that matter most - partners, allies and vendors.

COORDINATE WITH HR & LEGAL

- Ask questions.
- What if an employee refuses to come back because they feel unsafe?
 - Section 13(a) of OSHA: employees are only entitled to refuse to work if they believe they are in imminent danger.
- Sick customers and scared employees.
- What new team training is needed?
- What signage & safety protocols need to be created?

HEALTH & MEDICAL ASSISTANCE

- Hire a medical professional to help guide decisions.
 - Be prepared to validate using expertise.
- Offer mental health assistance.
- Clergy
- What will your insurance provide?



KEY QUESTION:

Are you meeting the needs
of reasonable people as a
responsible organization?



Questions all companies must consider when planning to reopen and resume business operations.

“The shutdowns happened remarkably quickly, but the process of resuming our lives will be far more muddled.”

Primary Questions on the minds of our people:

- When will “this” end”?
- How long will I get paid?
- When can we go back to – school, work / normal?



FINANCIAL

- If we feel like it is not safe to come back yet, can we afford to remain closed and continue paying employees?

SOCIAL

- Will we get publicly shamed for coming back too soon or not coming back soon enough?

MORAL

- At what point will we have to unwind some of the moral beliefs we hold because we need to get revenue flowing again?

KEY QUESTION:

How can you balance these
three considerations in your
advisory role?



What can we learn from China?

WHAT CAN WE LEARN FROM CHINA?

China Is Open for Business, but the Post coronavirus Reboot Looks Slow and Rocky

Factories are back, stores are opening, but demand has crashed as buyers wait for the pandemic to end

WSJ



Starbucks Reopens Stores in China

Coffee giant says 85% of its roughly 4,290 stores in the country are operating again

On March 5, the company announced 90 percent of the stores are open again, operating under modified hours and conditions.

WSJ

WHAT CAN WE LEARN FROM CHINA?



- 80% of its 7,000 stores in Greater China have reopened, including one in Wuhan, and digital sales are booming.
- Reopening stores to minimize losses but not doing so too soon or being insensitive to customer / team health.
- Marketing: Continues efforts to be seen as a good corporate citizen.
 - Encouraging people to stay indoors instead of driving them to sales.

KEY QUESTION:

While reopening may feel far away, can you extract lessons from other countries coming back?



Q & A

Kith

THANK YOU

www.kith.co

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