



## Safety: An essential ingredient to your recover strategy

As the American economy begins to reopen, it's tempting to think about recovery as a return to normal. But it appears unlikely the economy will return to anything that looks like "normal" until most of us feel completely safe in our daily life. Even then, it is unlikely it will resemble the "normal" we were accustomed to a few short months ago.

Reflecting on the early response to the pandemic and the immediacy of the shelter-in-place mandate, it impacted businesses unevenly. Unfortunately, many businesses did not have the ability to adapt to virtual work because the services they offer were inherently about physical interaction (airlines, hotels, salons). Other businesses met the constraints of the new

environment with innovation—figuring out how to serve customers as best they could from a distance, sometimes completely rethinking their offers and operations. Others thrived because their product or service was in high demand and they were safe to operate.

As we move out of the immediate response into a recovery mode, businesses need a set of guiding principles and a strategy for this transition period, with the knowledge that recovery will likely not be linear and filled with setbacks, starts, and stops. Therefore, the organizations that are simultaneously agile, inventive, and open to changing practices will likely be the ones best equipped to serve their customers as [their needs, behaviors, and attitudes change](#).

While there are myriad possibilities for how businesses can respond to stakeholder needs, as we enter this transitional period, **safety** has an opportunity to become *the* differentiator between businesses. We see success and safety as inextricably linked—businesses that can innovate their business models to make their people safe can ramp up [reentry](#) sooner and more completely; businesses that make customers feel safe are likely to win more customers in the transition period and keep them even after the pandemic. The more businesses respond to this challenge with vigor, the quicker our overall economy may recover.

As leaders take their feet off the brakes and move forward with reentry plans, we offer five considerations for establishing your next normal.

- **Take a comprehensive view of safety**

As the economy reopens, it doesn't necessarily mean that all businesses need to reopen their *physical* doors. It's critical that employees only return to a shared physical workspace when the workspace can conform to physical distancing guidelines.

While physical workspace safety is the most immediate challenge to address, a safety strategy should entail the entirety of the work experience—from the physical workspace, to the people sharing the workspace, to the way people get to and from the workplace and all things in between.

In addition, employers need to be understanding that different employees will have very different personal situations (e.g., who they live with, underlying health conditions). Careful attention needs to be paid to not inadvertently set up incentives which unintentionally favor employees with lower risk levels. Safety considerations have to be constantly weighed against privacy concerns employees and customers may have. On this last challenge, there is no single answer. Every business faces different tradeoffs in how to make their workplace safe, so a one-size-fits-all approach will likely not work, even within a sector. Be very wary of perspectives which suggest otherwise.

It's a lot to consider. But safety has a ripple effect. When you keep one employee safe, you help keep their colleagues, their families, and their communities safe. And, of course, you help keep your clients and customers safe, too. Making decisions that benefit

consumers' well-being—and that earn their [trust](#) in your organization—is good for public health, and good for your bottom line.

- **Eliminate data filters**

In a moment as dynamic as this one, it's critical that leaders maintain unfettered information flow, perhaps through a virtual war room where they can receive continuous data from all parts of the company, particularly regarding safety. Efforts by middle management to filter and frame the data can inhibit the ability for senior executives to see what's really happening on the ground and have the potential to inhibit decisive, informed action. Having the full, accurate picture of frontline employee and customer behavior is necessary for agile, accurate decision-making.

Not only should leaders be attuned to what's happening on the ground, they should also pay attention to the world around them. That includes staying up-to-date on countries ahead of us on the recovery curve, as their consumer behaviors may indicate what's to come in the United States—and their actions impact the global supply chain.

Of course, each of these insights must be contextualized accordingly—which is all the more reason to have faster access to the data about the day-to-day of your own business.

- **Rethink your management systems and operating models**

Already, many businesses forced to pivot to immediate virtualization have changed their operating models and management systems. But to sustain and thrive for the long term, leaders should continually reform such systems.

For instance, leadership should establish safety as a new KPI, and perhaps adjust existing KPIs. In doing so, they will ensure that employees are focused on doing what is best for the company right now, instead of doing what has traditionally been successful.

Additionally, businesses should consider delegating a subset of leaders who are devoted full-time—for the next few months at least—to identifying and mitigating potential hurdles that could arise from establishing new operating procedures.

- **Expand collaboration**

Safely reopening the economy requires cooperation within and across organizations. Business leaders should work together to establish shared norms, including when and how to reopen; to prioritize and reallocate resources; even to coordinate logistics to account for reduced capacity.

It may also require new levels of collaboration across sectors, including private-public partnerships at the local, federal, and state levels. Business leaders may also be in frequent contact with government leaders to understand—and even help implement—new policies.

And organizations should preserve these partnerships—including, if not especially, nontraditional ones—as this situation evolves and eventually winds down. Building and maintaining cross-sector bridges now might ensure faster, smoother collaboration when the next crisis strikes.

- **Maintain liquidity strategies**

Finally, as companies strive to open safely, they need to consider their economic safety—liquidity. Even with lower or zero profitability, it may be better being open than being closed, as it provides the ability to capture customers with long-term benefits. Obviously, doing so is easier for some businesses than for others; while some companies have sufficient cash, or the means to make positive cash, many have neither.

Still, regardless of liquidity status, every company needs to realistically plan their cash usage and generation, week by week, month by month. As they do so, they should consider the possibility of the virus coming back in pockets—and, if possible, create cash reserves that account for that scenario.

This is one area where the CFO needs to take charge, working with the team to create cash flow scenarios, and reviewing—even on a weekly basis—which costs are essential, which can be postponed, and which can be eliminated.

**Most importantly, business leaders should remember that, at the end of the day, your company is your people. Taking steps to ensure your people's safety—through new policies, new procedures, and new partnerships—can help improve public health in the short term and lay the foundation for economic health in the long term.**

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