Resilient: Confronting the COVID-19 crisis
Actionable insights to help businesses respond and recover

Episode 25: Leaning into recovery: Architecting the resilience hub

Host: 
Mike Kearney, partner and chief marketing officer, Deloitte Risk & Financial Advisory

Guest:
Eddie Chiu, lead partner, Strategic & Reputation Risk, Deloitte Asia Pacific
Theo Niemeijer, director, Deloitte Japan (Cyber & Strategic Risk)

Mike Kearney: Welcome to Resilient. My name is Mike Kearney, the Risk & Financial Advisory CMO over here at Deloitte. Today, we are bringing perspectives from our leaders in Asia, where the impact of the COVID-19 crisis has been in play for a long time and the recovery has bloomed across many sectors. That’s why this series is so important. We are hearing directly from those who are navigating the crisis and combating the challenges of a rapidly evolving environment.

As leaders lean in to recover from the crisis, many are gaining insights and taking advantage of this opportunity to build greater resiliency into their organization. Love to know what are their learnings, what might the post-pandemic future look like for resilient organizations? How can leaders drive greater coordination and guide their response to future crises, and how can they sustain their recovery and build trust with all of their stakeholders?

I’m joined by two Deloitte leaders advising clients about all of this and more. Eddie Chiu, the Asia-Pacific lead partner for Strategic and Reputation Risk, and Theo Niemeijer, a director in Cyber and Strategic Risk for Deloitte Japan. Eddie and Theo will share their perspectives on where they are seeing organizational recovery and building long-term success to the next normal. So, let’s hear what they have to say.

I want to start with a question that I want to pose to both of you, and that is, we are extremely interested here in North America—and it feels like COVID-19 is still raging—so the question I have to start off is how is the recovery going in Asia Pac, and maybe, Eddie, I’ll start with you. And then, Theo, you can jump on.

Eddie Chiu: Thank you, Mike. I think that’s the question hanging in everybody’s path over the past three, four months. Well, everybody talks about recovery, so if we
think about what recovery means, that means that, for example, like after you have been through a surgery, then always we wish the patient has a speedy recovery. So that’s kind of like a situation where after you have been hit hard and then you are gradually coming back to the normal shape. So I live in China. So if you look at the Chinese economy, then we had a very bad quarter, just like most other countries did. We saw the GDP fell by 6.8 percent and in Q2, we saw that it rebounds. We just had the statistics out.

And then the statistics such that the Chinese economy grew by 3.2 percent year on year in Q2. So, a lot of the analysts said, “Oh, that’s fantastic. We have got a very good recovery in China. We’ve got a speedy recovery in China. Everything is now back to normal.” But if you dig deeper into it, if you recall, Chinese before the pandemic, we all talked about the GDP growth by around 6 percent year on year. So, now Q2 is 3.2 percent, but that cheers everybody up because seems like, oh, now it’s back to the growth track. But if you compare 3.2 with 6 percent, there is still a big gap there. So a lot of the statistics, like consumer spending, like fixed asset investments—they are all actually still in a negative growth trend.

So, I would say that in China, we have seen that things are gradually back to normal, but within the Asia Pacific region, outside of China, I think the situation is still challenging. Most of the jobs we see in most of the countries we still see expecting or we’ve seen a negative trend in Q2 and the outlook in our Q3 probably is not fantastic.

The sentiment is gradually coming back because not the economy only, but also the lockdown measures. But people are now starting to worry a bit about the second wave or the third wave. So that’s the quick response to your question.

Mike Kearney: Theo, what would you add? I know that you’re based out of Japan, but you obviously practice in Asia Pac. What would you add to Eddie’s comments?

Theo Niemeijer: Yeah. Thank you, Mike. I think that what Eddie is sketching out for the Chinese economy and the impact COVID has on consumer confidence is the same here in Japan. We are heading towards a recession and the government is initiating many initiatives to boost the consumer business to help businesses through these difficult times. And we are all anticipating a long recovery.

However, we also see some positive notes here and companies and organizations are now adjusting to this new normal. So for instance, remote working in Japan was pre-COVID almost nonexistent. And now with COVID, we can clearly see that organizations are much more agile than they thought they were. They have the systems and the capacity in place to work remotely. And this is a huge impact on the Japanese economy. Workers are no longer obliged to make long commute hours. So their effectiveness and their involvement in different activities is boosting. So that is a positive thing. And that probably will help also recovery going forward.

Mike Kearney: You know, it’s interesting, I’ve reflected quite a bit over, obviously the last, I don’t know, what are we into? Four months. And I’m a big believer in silver linings and yes, the whole virtual nature of what we do is difficult, but I think there’s actually a lot of things that are good about it. Like I love actually engaging with people and seeing them where they live. I would say conference calls, video calls have gotten exponentially better over the last few months. And I certainly do not miss my commute nor do I miss jumping on a plane every week. Beyond what you guys talked about, what makes you optimistic based on what you’ve seen in Asia Pac for the rest of the world? Like, is there something that we can cling to, especially here in the United States, that you guys have seen that gives you hope that makes you optimistic?

Eddie Chiu: The energy level and the never-say-never mindset in Asians are actually encouraging, because regardless of all the negative situation, negative circumstances we have seen over the past few months, people are still upbeat. I think because the Asian economy, we have seen a lot of the possibilities down the road. So whether it’s in China or whether it’s in Southeast Asia, I think people still remain upbeat, still being hopeful that the dawn wouldn’t be too far. And so I think the energy level, the upbeat sentiment is something that is encouraging.

Theo Niemeijer: I think what surprised me the most was the enormous willingness to work in collaborative ways and increase solidarity between different organizations in the value chain and also the ability to adjust to this situation and to find new sourcing options to diversify the supply chain. And also a very important thing is that now organizations are truly looking into their supply chain and trying to map the various connections and to get greater visibility to that and to really find new options for supplies, for sourcing raw materials. And that really shows that the economies and the organizations are more agile and more resilient than previously thought of.

Mike Kearney: Yeah, I love that, I just want to pick up on a couple of comments, this whole notion of energy level. I think it’s probably connected to the fact that we as humans like to solve problems. And I think obviously given this whole new work arrangement, there’s a lot of problems to solve. Theo, you talked about this willingness to work in a new, collaborative way. Just reflecting on a workshop that we did last week with a client. And we were able to bring in people to this meeting, to this workshop, that we never otherwise would have been able to, because it would have required us to fly them from all different parts of the world, but we were able to tap into them. And so there is this like optimism and hope for a new way of working that I think actually is pretty cool. And I love some of the things that you guys talked about, especially this notion of never-say-never and this new way of collaboration.

Theo, I want to pick up on a comment that you made before I took over, and that is around organizational resilience. And this whole notion of resilience, it’s kind of like the catch word it seems like nowadays, but what does organizational resilience look like to you now that we are several months into the COVID-19 crisis? Because this is something I would say every leader is thinking about now. What does it look like to you?
Theo Niemeijer: What I really think is that pre-COVID, resilience was not really on the executive agenda. And now leaders are fully aware that resilience is of key strategic importance. Resilience was often conducted within silos, and it was the responsibility of individual functions and business units. They created their own risk assessments, their business continuity plans, emergency response plans, but basically for single functions and entities. And financial resilience, organizational resilience, reputational resilience risks that were not considered as an integrated system. And now with COVID, it’s clear that organizational resilience requires real strategic leadership and involvement and coordination to consider the business services they deliver more from a value chain perspective. And they really started to understand what stakeholders are likely to feel and to do if services are disrupted, and organizations are really trying to identify the vulnerabilities and to understand the interactions and dependencies, such as systems, supplies, staff, data, locations, and demands in a much more holistic way.

Business services and the key processes are now much more prioritized against their relative importance regarding finance, supply chain, resilience, and organization resilience, and considered how financial resources can withstand and absorb disruption. And I think that is a key remarkable thing that emerged, so that’s something that strikes me.

Mike Kearney: Hey, Theo, and Eddie, please chime in on this because I’m really curious to get your guys’ thoughts. Do you think that kind of quote unquote resilience was not top of mind for executives before because they hadn’t gone through a crisis of this nature? Was it that risk management professionals weren’t elevating it to something that they should care about? Is it maybe they didn’t even have the right risk professionals in the roles?

Theo Niemeijer: Yeah, I think in many organizations before they ever were confronted with a major crisis, risk, business continuity, crisis management was not something that was basically on top of mind of executives. Of course, due to all kinds of regulatory or self-imposed compliance requirements, organizations did have some of these components, but they were never considered an integrated system holistically, or from a strategic perspective. It was often delegated down into business functions and business units, and there was no central coordination. And crisis management was often perceived as a “tick in the box” exercise that needed to be done, but it was not really embedded and taken on as a strategic capability.

Eddie Chiu: Yeah, if I may add, there is a Chinese saying that “you never cry before you see the coffin.” So if you look at, I haven’t done the counting or statistics, but if you look at the term black swan, how many times black swans were being mentioned like four years ago. And if you look at the media, how many times similar terms are being mentioned now, that speaks to the mind of the people, because four years ago, when something really weird happened, people would think that, “Oh, gosh how could that ever happen?” But now, people accept that the only certainty in the future is uncertainty.

So that’s why people now, when we talk to the clients about “You’ve got to get prepared for the next crisis,” they actually pay full attention to our session, rather than four years ago, when you talked about that, they’d say, “Oh, yeah, yeah, yeah. I know that, so we’ve got BCP (business continuity planning), we’ve got that sort of thing in place,” but I think that’s kind of like how we see the situation.

Mike Kearney: Yeah, I remember going out to a lot of clients and I talked to them about this and they’d say, “Listen, Mike, I get that this is important. And I get that you have research that says, ‘we’re going to probably have a crisis in the next five years,’ but it’s not the number one thing. It’s probably not even in the top five things.” So, they recognized it, but it didn’t feel eminent. So it’s one of those things that you could kind of push down the road.

Eddie, I want to stick with you on my next question, and that is, organizations obviously had some stuff in place to help them through the crisis, or they innovated or put things in place while they were going through the crisis. Can you talk about what organizations had in place or put in place, and this could be anything from a function, a process, a system, maybe just talk about what they did have in place.

Eddie Chiu: Most of the leading organizations in the market, before the pandemic, they had something in place. Maybe a business continuity manual, or maybe some kind of an emergency setup that they would just activate. But then I think what we have seen in the success stories—we have seen a lot of organizations survive through the pandemic very well. And most of them actually got into the crisis mode very quickly. We’ve seen a lot of the European or American multinationals, when the pandemic was very, very bad in China, the executives of the multinationals, they started to think about it and then they got prepared. So when the pandemic hit, they could quickly respond to it. So, I think they’ve got the protocol to activate. I think that was one of the most important successful ingredients.

Mike Kearney: Hey, Theo, Eddie just brought up a Command Center, and I think obviously we know it, and I think people probably could get their minds around it pretty quickly, but, what is a Command Center in the context of the crisis that we’re going through? And, maybe even thinking ahead, when employees start to come back to work and all that good stuff, can you talk about what a Command Center is?

Theo Niemeijer: Yeah, Mike. Many organizations think a Command Center is something you see in films and on television. You see Armageddon films with enormous spaces with flat screens on the wall with a lot of people running around distributing information and the general standing in the middle coordinating things.

I think, I mean, that’s a very nice and interesting picture, but I think what a Command Center is, is basically a capability. It’s a capability that enables an organization to identify and to assess the information
that is relevant to managing the situation they're in. So they have a centralized information-gathering function, and then an analysis function. They have a strong leader basically coordinating the efforts of information gathering, assessment process, decision-making process, and the execution-making process to ensure that based on the facts and the assumptions and the impact that the situation has on stakeholders, on assets, on people, that the decisions they made and the course of action initiated are actually driven out through the organization and that the actions are monitored. And that, based on additional information and how actions are basically generating results, additional actions and slight changes in courses of actions are initiated. So, it's basically a central command, control, and communication function within an organization. And it can be a very small group of senior executives leading that effort. It should always be a strong leader with the right authority reporting directly into an executive management and mandated to make important decisions to respond and recover from the crisis to a very large group of people with different functions for large multinational organizations.

**Mike Kearney:** You talked about a strong leader—where would they come from? Like is a Command Center led by somebody that's in risk management or does it not matter and it just needs to be somebody with the appropriate brand and gravitas with an organization that can really make things happen. Theo, what do you think about who's the right leader?

**Theo Niemeijer:** I think in crisis the background of people is not so important, whether or not they are risk professional or business professional. I think the key importance is that they have the authority and the capability to lead an organization. And what is important is that these people are directly reporting into the executive management and have the trust of the executive management, as well as trust of the wider organization. So trust authority, the ability to remain calm, to make decisions quickly. These are core characteristics of a Command Center leader.

**Mike Kearney:** Hey, Eddie, one thing that Theo mentioned, I'd love to get your input on, is the importance of data, and I'd even say intelligence. And this is actually something, one of the things that I've seen my clients struggle with, especially in the early days of the pandemic. What guidance do you have to a leader that's running one of these Command Centers to find the right data and intelligence, which I know you could take this question many different places, but I'd love to get your thoughts on that?

**Eddie Chiu:** Well, that's a million-dollar question, I would say. Most of the organizations nowadays they've got more than enough data for the management decision purpose. The truth is that most of those data is geared toward the normal day-to-day operations. But taking the pandemic as the example, I think one of the key data that any organization would need to know is where are their employees and whether are they in healthy condition, whether they've got any risks that they got in close connection with some patients with COVID-19.

So in a lot of the organizations in Asia, we've seen that after the pandemic happened, the first thing that they've done from the data perspective is trying to put in place some very simple track and trace app to ask the employee to do the self-declaration—where have you been, whether you have been to some high risk areas, are you in good health, are your family who you are in close contact with, are they in good health.

In Asia, I think the controversy around privacy is less severe as compared to some of the Western world countries, but still I think a lot of organizations, they have to understand that when they ask their employees to come back to the premises, they need to make sure that those employees coming back are in good health. Otherwise, they could just infect their whole workforce.

So before the pandemic, actually, that kind of data did not exist. So that's why the Command Center, when Theo talked about Command Center, we need to have the right people, we need to have the right empowerment by the executive leadership. On the other hand, the Command Center also needs to have the right data. Otherwise, it just doesn't work.

**Mike Kearney:** Theo, I want to pivot to you, and I guess one of the things that's rolling around in my mind is, in the moment of the crisis, I could see a Command Center thriving, but kind of as time goes on, I'm just curious is it difficult to kind of sustain what you've put in place? And if you were the leader of a Command Center, what are some of the things that you can really do to sustain the Command Center? And what are some of the elements that you would focus on?

**Theo Niemeijer:** Yeah, what I've seen in supporting clients in many different types of crisis situations in the past is that when a crisis strikes an organization, when an organization is impacted by a catastrophic disruption, a crisis team or Command Center is easily set up. And based on the experience of the people in the team, in that Command Center, they are able to respond and to recover. But a truly intelligent organization realizes that these kinds of disruptions will come more often in the future than they previously thought. So many organizations should have gone through the rapid change of the global economy, of the marketplace, of client demands, other market practitioners, they go through rapid change more often than they did in the past. They have large implementations of new systems and organizations who really understand and who really conduct a post-crisis analysis, understand that the capabilities developed during managing the crisis are really useful capabilities to also apply when the organization goes through change.

So, in organizations that I've seen, the Command Center is basically never shut down. It always remains in some sort of a sleep mode. And the moment the organization is faced with changes or events of strategic importance, the Command Center is again staffed with the right support people, but also they then are able to pick up where they left after resolving the previous change or strategic change. So that's really an important change that we see is that more and more organizations keep this capability in place and alive to also manage change.
Leaning into recovery: Architecting the resilience hub

Resilience is the capability for you to recover. So, I think it depends on the journey, where the organization is in a resilience journey. So if the organization is already really close to the end of the journey, i.e., they can just go back to the normal operation, normal business as usual, then I think Command Center, we may just put it as just like what Theo mentioned about, get it ready to get prepared for the next crisis. But I think just like what I mentioned at the beginning, that the whole world, I think, we’re still early in the stage, in the journey of the recovery. So even though in China, we’ve seen economics come back to the growth trajectory again in Q2, but still it’s a long way to go before we can get back to normal. So I think Command Center would be important to position as the resilience hub to direct and to supervise the resilience activities of the organizations.

Mike Kearney: One of the key activities that we’re talking a lot about in the United States, and I think you are a couple of months ahead of us, and that is people returning to work, which is a very challenging topic. I know that there’s delays for many organizations. A lot of organizations in the United States have said, “You never need to come back to your physical location of work,” but can you talk about how a Command Center can help leaders navigate their people’s return to the workplace? And, Theo, I’ll direct this at you, and Eddie, if you want to chime in, you certainly can.

Theo Niemeijer: I think going back to the workplace is something new for all of us basically. Of course, individual organizations in the past did have some key interruptions or disasters that required to relocate. But the whole COVID context was missing. So this is all new. So, a Command Center is, I think, the right organization and capability to ensure that all the relevant elements that are of key importance and impacting the return to work(place) are considered. So, a Command Center is already in a good position to understand where key vulnerabilities are, where key actions and dependencies are from a workspace perspective, from a health perspective, the regulatory environment—certain governments do issue certain regulations or guidance that need to be considered. They also need to understand what kind of workers should go back first because of the business processes. So, a Command Center is in the right position to manage the HR aspects, the facility aspect, the safety aspects, the security aspects as well from a cyber perspective. So all these things are done perfectly well by a Command Center, and you really need some central coordination and also communication about return to the workspace. Because many people are still uncertain about what the future will bring. So communication to specific worker groups—who should go first, what the requirements are—and also to build in clear escalation thresholds when the situation traverses, and when a new peak emerges, what to do next. So I think that is work for the Command Center, and no other function within the organization is capable of considering all these different angles and viewpoints.

Eddie Chiu: Communication is one of the key ingredients when organizations deal with a process like this. It is particularly important when the Command Center is there to help people, guiding people to come back to work, because most of the countries, the workforces have been working from home for three months or more. So on one hand, they act like they are quite keen to come back to the office premises to work together in person with their coworkers. But on the other hand, there is anxiety there. So I would say the Command Center, if played well, it could be the source of confidence for people, because in times like this, just like wartime, people are craving leadership. So the Command Center in proper communications will give confidence and also would comfort the minds of a lot of people to help them to get back to work in proper manner.

Mike Kearney: Hey, Eddie, I’m going to stick with you. And the benefit of having both you and Theo on this interview is the fact that I would argue that your countries may be a few months ahead of ours, maybe a month. I don’t know. I would love to understand from you, and, Theo, please jump on because I think this is a really important question, and that is, what should leaders be focusing on as they really begin to recover? And not a laundry list, but what are a few of the most

Eddie Chiu: Perfect.
important tasks that leaders should be focusing on as they plan and execute their recovery?

**Eddie Chiu:** I think the first point would be everything should start from the heart. We talked a lot about the heart of the resilient leadership, designed from the heart. That means that everything that the leadership is doing to steer the organization through the pandemic, all those tasks—we talk a lot about the tasks, we talk a lot about the actions—but all the actions should come from the heart of the leadership. The leadership should have a heart for their people. So, I think that's actually very important because if you don't have that heart, your people were feel that, your people will know what you've got in your mind. So, I think that that's the first element.

**Mike Kearney:** Hey, can I just interject before you go on? Because I think you're bringing up a really important point. I want you to maybe expand on it just a bit. When you're saying they should start from the heart, you're really getting at, and I'd love to get your thoughts, but like deep empathy of your employees, putting yourself in their shoes, understanding the challenges that they have. When you say heart, is that what you mean?

**Eddie Chiu:** Yeah, exactly. For multinationals, now they have got a global footprint, but we have got a vast diversity of the physical environment of our employees around the globe. Just give you one example. We are always on video calls nowadays, and then different people from different countries, they've got different tendencies about switching on the camera or not. We don't force them to switch on the camera because their living condition may be different. So we want to make sure that everybody has got the comfort level to do whatever they want. They've got the freedom, they've got the room to ensure that work is properly done. So that's kind of like the heart that our leaders need to have.

**Mike Kearney:** Well, don't you think, Eddie, this is just me giving my perspective on this, but don't you think that the more that leaders lead from their heart, that their employees will not forget that? I mean, this truly is in some respects from a brand, internal brand perspective, a moment that matters for organizations, because if you truly do lead from the heart, show empathy, your employees won't forget that. And likewise, if you don't, that's not a great way to develop commitment from employees.

**Eddie Chiu:** I think you're exactly right. The other point I want to share is embrace the long view because, even though after the respond phase, some organizations tend to take a short-term view in quickly getting business back to normal. But I think the sad reality is that it takes some time, it's not a two-week journey. It could be a journey crossing several months at least, before any organization can get back to the BAU (business as usual). So embrace the long view is the advice that normally we would give to our clients.

**Mike Kearney:** Hey, Theo, a lot of what we've been talking about so far today has been really managing in the respond and the recovery phases, but there's a lot of conversation about what organizations can do to prepare for long-term success, and I actually had a great conversation with a leader at Deloitte last week and a futurist I actually had a great conversation with a leader at Deloitte last week and a futurist about balancing these two objectives. What are some of the things that you think organizations and leaders can do today, kind of super-pragmatic things that they could do to prepare for the longer term?

**Theo Niemeijer:** I think it's key to really understand the key elements of what the future of resilience looks like for an organization, so that they really take an integrated way to see financial resilience, operational resilience, and that is the nonfinancial resources that an organization has to withstand and absorb impacts, together with reputational resilience. These three key elements are of key importance for organizations going forward to again, deal with these COVID-19 kind of disruptions and crisis situations. But in order to really understand that, strategic leadership should come together and to ensure that all critical functions of an organization come together and to really try to identify what potential key risks the organization will face, what are key vulnerabilities, what are key dependencies, et cetera, et cetera.

And based on that, they really should come up with a long-term view of how they are going to deal with these kinds of situations by building resilience by design. So for these known risks, they should have plans in place. There should be controls in place to anticipate and to withstand, and to respond to these kinds of situations, but they should really think about, okay, what are other elements that we need to build in to diversify our supply chain, to find other sourcing options, and to make sure that we are not as lean as we were in the past. So where do we need to build up stock and what kind of reserves do we need to have in order to weather potential future crises. And this comes at a cost.

And I think that is the key importance that the organizations make the switch from the total agile mindset to a more resilient mindset, and to really understand what the potential benefits are, but also what the costs are to achieve that resilience. Resilience will not come without costs.

**Mike Kearney:** Absolutely. And that's an incredible tee-up for Eddie, a question that I have for you, and it's built around scenario planning. And I will tell you, I have a big bias towards scenario planning, because I think it's one of the tools that's fairly easy to execute, to engage executives on what are some potential uncertainties and scenarios in the future, and what are some risks that could theoretically play out. And so, what I'd love to understand from you is how are you seeing your clients use it as a tool to identify future risks? And what are they encountering as they implement it? I know from my perspective, a lot of clients are like, “Oh my gosh, this is something we need to do.” So what are some of the challenges that your clients have experienced with implementing it and anything else. Are there any common pitfalls? Are there leading practices that should be considered? What are your thoughts?
Eddie Chiu: Right, so I will share from two angles. I think the pitfalls or the challenges of the scenario planning, by the way, I’m a big fan of scenario planning. I always advise my clients in this type of crisis, you just have to have scenario planning; otherwise, you’re just like moving forward with your eyes being covered. So, number one is that the clients need to be pragmatic. Pragmatic means that they need to tie the scenario planning to the real actual operation management, because from time to time, scenario planning is a sexy word nowadays. And people, clients just like it. But from time to time, I’ve seen organizations, they treat scenario planning exercises as a training for the executives.

So executives, they got busy, they got tied up in managing the situation. And then the leadership really has got a good heart, pull the executive team together for a kind of like one-day workshop for scenario planning. And then at the end of the planning, that’s it. They just enjoy, or they have a good time talking a lot about different possibilities and then that’s it. So the advice I always give to my clients is that always tie the scenario-planning exercise with your actual operation management. Don’t treat them as separate tasks.

On the other hand, the other point that I want to share is to be innovative because to the other extreme, a lot of clients, they got asked by their board to conduct some scenario-planning exercise, and then they just do it. And then they talk about the mild scenario, the normal scenario, the harsh scenario. At the back of their mind, most of the executives thought that, “Well, it’s not quite possible. Well, we’ll see.”

But be innovative. We have seen some of the organization that they’ve done really well in the pandemic. They just got so innovative. Some retail businesses have been having a very hard time over the past few months. When the lockdowns started in some of the countries, they quickly turned into online business models. We have seen cases where they have actually thrived in the pandemic time. People have short memories, even though I think the pandemic helped a lot to remind executives that anything can happen—from time to time people have a lot of reasons—they got tied up in their day-to-day activities—but you’re right. We just need to keep reminding the executives that the whole world is not the same as it was four years ago, and we need to get prepared for the next crisis.

Theo Niemeijer: Yeah. I think what is really important as we talked before about the Command Center and the roles and the capabilities a Command Center needs to have. One of the key things there that a Command Center needs to do is to basically record all these lessons learned and all these insights and all these improvement opportunities. And to ensure that these lessons are not forgotten and are implemented in business as usual, as soon as possible, even during the crisis itself, to optimize certain processes or to remediate any control gaps. So that’s a really important function of a Command Center as well.

Mike Kearney: Okay, gentlemen, I’ve got only two more questions and I call this lightning round because that requires a quick response. Quick question, quick response, say 15 to 20 seconds. So the first question really focuses on the core attributes of a resilient crisis leader. And it’s funny because there’s been a lot of commentary like, “Oh, you know, resilience is kind of a term that’s in vogue now.” We created this podcast four years ago, so maybe that means that I was before our time. But the question I have, because we created the podcast because we wanted to talk to leaders who had led through crisis, risk, and disruption. The question I have for two of you is, what are the core attributes of a resilient crisis leader. And, Eddie, I’m going to start with you and then, Theo, you can respond.

Eddie Chiu: Well, I would still say that the heart really matters. So I would say being empathetic, I think that would be critical.

Mike Kearney: Okay, gentlemen, I’ve got only two more questions and I call this lightning round because that requires a quick response. Quick question, quick response, say 15 to 20 seconds. So the first question really focuses on the core attributes of a resilient crisis leader. And it’s funny because there’s been a lot of commentary like, “Oh, you know, resilience is kind of a term that’s in vogue now.” We created this podcast four years ago, so maybe that means that I was before our time. But the question I have, because we created the podcast because we wanted to talk to leaders who had led through crisis, risk, and disruption. The question I have for two of you is, what are the core attributes of a resilient crisis leader. And, Eddie, I’m going to start with you and then, Theo, you can respond.

Theo Niemeijer: As Eddie pointed out, I think the human aspect is really important, but in addition to that, you need to have the ability to zoom in and to zoom out. So you never neglect small details. But you’re also capable of keeping the strategic picture in the back of your mind and really listen carefully to specialists. They are able to provide you with a lot of information, but don’t believe the first thing you hear. Listen to all the information, sum up all the options available, and then make the decision and implement that decision. You should be very solution oriented as a crisis leader.

Mike Kearney: I love it. And I love both of your responses, but the one that I will take forward, because I’ve asked this question maybe 50 times, maybe more, and Eddie, that’s yours, that like a resilient leader has to have a heart. And if there’s one thing I’m going to take away from this conversation is that, because ultimately it is about serving your people, your employees, your customers. And gosh, if we always started with thinking about our people and having empathy, we’d be much better off in this world.

Last question. And there has been a lot of conversation around innovation. During, I don’t know, we’ve been on about 45 or 50 minutes, but what’s the one innovation that you’ve seen that could be a game changer in responding to a crisis in the future, and even this one? Eddie, I’ll start with you.

Eddie Chiu: There are a lot of different stories that we’ve seen. The one thing that I would pick is that I’ve seen one retailer, they are in the grocery business. So in the lockdown period, people would just focus on spending their money on buying the necessities. So that’s why they have a fairly good business. And what they’ve done is that they have announced that they’ve raised the pay of their employees rather than cutting the pay for the workforce, because we all know that looking ahead into the future, even though they are grocery shops, I think they will have a hard time. But the decision made by the executives to raise the pays of their employees and that has created a huge impact on their brands in market. And also that creates a big bonding—enhanced the bonding of their employees with their brand. So, I think that’s a very courageous move. And I think that’s something that is very innovative.
Mike Kearney: I love it. Thank you, Eddie. Theo, take us home. What’s one innovation that you’ve seen?

Theo Niemeijer: Yeah. One of the key innovations that I see is really the working remote and connecting people all over the world using technology. And that is not something really new, but what is really new is that this is now part of business as usual, and the positive consequences of this innovation, of really making sure that people’s time is used more effectively—this has a very positive impact on the economy and on the climate, because this will lead to cleaner air, less traffic, and less commuting time for a lot of people. So the positives of this innovation are really here to stay because people don’t want to go back to that old lifestyle of all queuing up and traveling and so forth. So I think that is something that really sticks with me.

Mike Kearney: Yeah, I agree. I mean, I think we’re going through a seismic shift in how we live, how we work, how we travel. And I actually do believe that when we look back on this, we’re going to look back and say there was a lot of good, maybe even more good than bad that really came out of this. I’m hopeful, which I always say when I think of resilience, I think of hope. So, let’s end it there.

Thank you, Eddie and Theo. Your perspectives are unbelievably helpful as we all look to recover and rebuild. And I heard a number of insights from our interview, but one that absolutely stood out is that leaders should use this as an opportunity to build resiliency into their organizations. And I’m talking about doing it right. And if they do that, they will be better prepared for the next crisis. And as leaders rebuild, restore, and recover, using a Command Center can really help when that next crisis happens.

We’ve covered a lot of topics over the last few months. And I will say if you have any topics that you think we should be talking about or anybody that we should be speaking with, hit me up on LinkedIn or Twitter. And for those who have, thank you. It is unbelievably helpful to hear from you as we prioritize which topics we bring to you next.

For more insights across all aspects of COVID-19, just go to deloitte.com on our COVID page. You can also listen to the Resilient podcast on Apple Podcast, SoundCloud, Stitcher, Google Play, and even Spotify. Until next time, stay safe and remain resilient.

About Deloitte
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients.

In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.

Copyright © 2020 Deloitte Development LLC. All rights reserved.