



CORONAVIRUS

Sharing experiences and learnings from the past to inform future decisions in people brand, experiences and culture.

CALGARY COMMUNICATIONS

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CORONAVIRUS.

As this is written, 23rd March, we are rapidly approaching a shut-down of all but essential travel and meeting. Social distancing – unheard of till a few weeks ago – is the norm. The danger of the virus to all but particularly to vulnerable groups cannot be underestimated. This is a time of crisis and concern.

While we know and pray that it will pass, society will return to a different landscape. And from a business perspective, your employer brand, EVP, candidate and employee experience has never had a sterner test.

COVID – 19 is here today, but will have a longer and lasting effect on your talent acquisition, candidate experience and your culture.

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OVERVIEW

Coronavirus, or COVID – 19 is an existential threat that has affected the globe. It is a dangerous new virus based disease that presents as a disease with flu like symptoms but with unknown further consequences. It spreads easily and while the majority of those infected appear to recover quickly those with different health conditions are at a higher risk. Currently the disease has been declared a pandemic, which means it's now prevalent in multiple continents. The effect has been severe restrictions placed on social, working, and leisure activities by governments worldwide. The effects are just beginning to be evident and these are expected to last between 3 and 6 months.

While it's true that the Coronavirus strain that is currently threatening lives and disrupting all aspects of life has – and will – infect tens of thousands globally, it will affect many, many millions more.

And some of them will be your staff, your stakeholders and your candidates.

This short paper will look at the more obvious effects in the short term, what can be done to mitigate those effects, what past emergencies have looked like in the medium term, and what the longer term impacts may be.



PRESENT SITUATION

IN PERSPECTIVE

While all crisis situations like Coronavirus are very serious and incredibly worrying while the battle rages, it's important from a business perspective to note that disruptive events are relatively common. Each comes with a set of unique features – and with some aspects that are common across the board. At Calgary, we have seen our fair share of these both as Calgary and at previous organisations. It's worth noting a few that stick in the memory.

- Twin Towers 2001
- SARs 2003
- Bird Flu epidemic 2007
- Financial Crash 2008
- Swine Flu epidemic 2009
- Independence Referendum vote 2014
- Brexit Referendum vote 2016

While some of these have a short sharp shock phase and some a more medium term effect, all of them have a long tail where unforeseen impacts change behaviours and working practices.

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Example:

Twin Towers 2001. While there had been security at airports for a while, post 2001 it has become an industry in itself. Scanners and protocols have improved sharply and security improved. It has however introduced new behaviours – no liquids over 100 ml, no metal, no sharps, acceptance of full body scans, shoe and clothing removal, and everything into trays and through x ray and explosive sniffers. Huge disruptions to travel that were draconian at the time, but which are commonplace now. An apprehension of fellow travellers and their motives made flights a much more tense affair - many chose not to fly as a result. It took 3 years for passenger numbers globally to reach pre 9/11 numbers. And when they came back, they created the rise and rise of the low-cost carriers. People wanted to get from A to B, and luxuries like free drinks and meals became less important. Major airlines struggled, but the more nimble and opportune new carriers swept up the new business with attractive brands and a new, more relevant message.

In Talent Attraction what has come out of the tragedy is a huge increase in technology, from AI to facial recognition – as you use to open your iPhone - to image enhancement algorithms used to detect patterns and behaviours. They are the building blocks of many of our current technologies today, and in part have driven the massive ramp up in internet speeds that make talent attraction tools so easy to use today on a mobile or tablet.

01 SHORT TERM

THE IMPACT

An emergency situation starts with just that – an emergency. While Covid – 19 was in China, few thought about it a great deal. It was in China. That's a long way away. When it hit Europe, more people took notice – and the media began featuring it in every broadcast, some running special programmes.

To us, it was then an emergency. As humans, we are programmed to focus – it's called the fight or flight reflex. So everything else stops while we deal with the here and now.

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Example:

In September 2008 Lehman Brothers, a New York investment bank went bust. It was the start of the global financial crash that still reverberates today. Business stopped almost overnight.

We were at TMP at the time. Before Lehman we had a copper bottomed client list – practically every major bank and insurance business there was. The day after Lehman, we took calls from all of our clients cancelling projects and current work. In Edinburgh, we reckoned it was about half a million pounds. We were symptomatic of the western world as a whole. Millions lost jobs, and recession bit hard.

What came out of the crash – apart from a radical rethink of banking practice – was a focus on corporate behaviours that has led to a massive increase in the understanding of the power of the employer brand to attract talent that shares a company's vision and values. Talent today chooses its preferred employers based on a moral compass, and is more concerned with "what's in it for me" than ever before. Control of costs also led to the rise of the in – house recruiter, a change that has ultimately led to the drive for the direct resourcing practices of today.



WHAT WE ARE SEEING TODAY

All sport is cancelled, gatherings of more than 500 outside and 100 inside are should not be held. More stringent regulations are expected shortly. Government is exercising its executive powers to slow the spread of the virus to enable services to cope – recommending self isolation for at risk groups and advising others work from home if possible and stopping unnecessary travel. Travel abroad is virtually non-existent and most other countries in Europe have closed down their population, restricting them to home unless essential. This looks like being the pattern till at least mid-April, possibly longer. The NHS has become our frontline service.

The immediate impact is being felt in the leisure and hospitality industries. Most are reporting catastrophic trading with airlines practically stopped and restaurants, cafés, and shops all over the country are bracing for the worst – a closure order. However, this is the skin deep immediate impact. In the wider business environment the desire and instruction to put distance between people to slow or stop the spread of the virus means business and commerce has taken extreme measures to mitigate risk. Staff are being sent home, or told to work from home where they can. Businesses are closing their doors and waiting to weather the storm.

And we are completely unprepared in policy, practice and technology for mass working from home.

Globally, manufacturing is slowing. And that is what makes the global economy tick, as we have seen with the stock market hitting its lowest since the 30's. In the short sharp impact phase, there isn't much good news.





WHAT WE CAN EXPECT

Regardless of what happens with the virus, short term we can expect cash flow to be an issue for most businesses even with the massive Government interventions recently announced. We can expect that businesses that rely on people to people transactions will struggle. We can expect more isolations and massive business disruption as business comes to terms with what will be a sudden and enforced stoppage.

What has a greater effect is uncertainty. In uncertain times the immediate reaction is to halt and see where things are going. For the resourcing business, that means massive disruption to delivery plans including interviewing, assessments and onboarding. Faced with the challenges, most organisations will pause what they are doing waiting for the all clear to resume.

Most business continuity plans have not modelled for this type of outage – they are not prepared for a complete shut down, so while they may enable core functions to continue for a short period of time, they don't envisage prolonged disruption on the scale we are seeing at the moment.

02 MEDIUM TERM

LOOKING TO THE FUTURE

The experts tell us that the virus will be on the wane from summer onwards. What we have noticed over the last few of these events is that business leads the recovery.

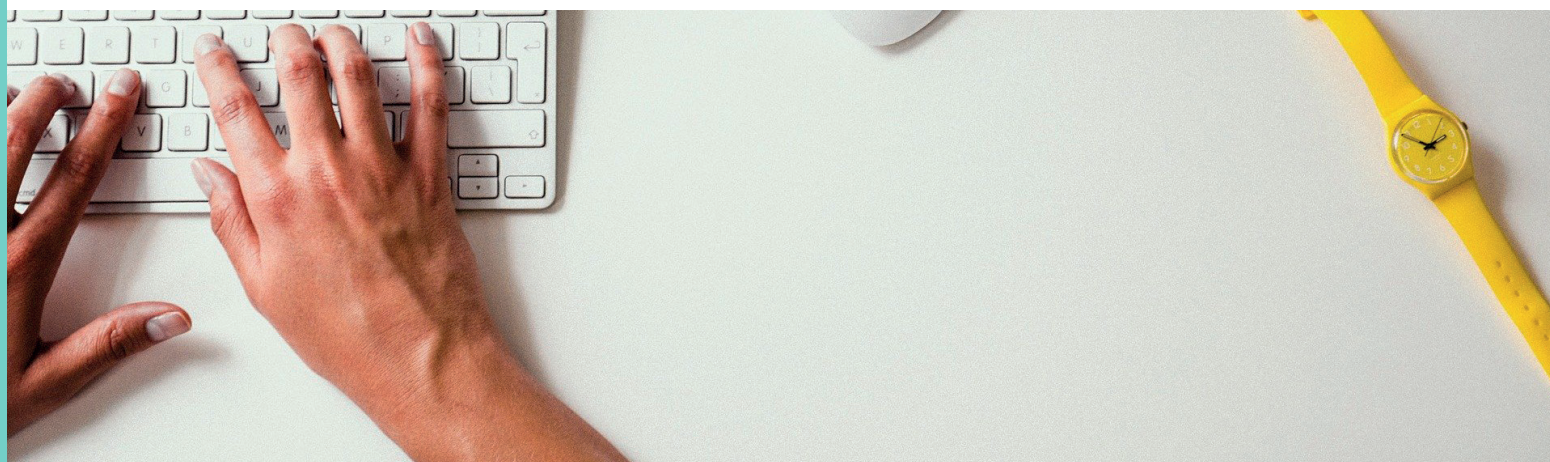
Example:

In 2016, the UK voted to leave the EU, triggering a massive internal debate about our future. The forecasts were dire. Business stopped almost overnight. At Calgary, we were two years old and making our way as a small independent, and doing some great work. It's fair to say that most of 2016 and right up to November 2017 were the worst months we have spent in business (so far), including salary cuts and taking nothing from the business.

Our client list was almost exclusively large corporate entities – the sector that was the most likely to hold development while waiting to see what was happening. We are an agile business, so we decided to look into new markets, and organisations that had a need to differentiate themselves in tight talent markets previously occupied by the large corporates. We found that they were more willing to invest in creating ways to articulate their brand, EVP and culture to gain more share of their markets.

Then something happened. Round about the time that budgeting was going on for the following year (2018/19), big business seemingly as a whole decided it had waited long enough and long dead projects catapulted into life in every sector - but particularly in SMEs. The financial crash had created a larger number of medium to small businesses, with a much more "can do" attitude.

We doubled our revenues over the next twelve months.



In the medium term we will come to better terms with working remotely and a plethora of video conferencing firms will have sprung to life. Business pressures on turnover and bottom line will accelerate recovery as soon as it is viable. People will be experiencing isolation and deprivation fatigue and sports and gatherings will begin to make an appearance, increasing the feelgood factor and improving outlook.

We don't know when the recovery will begin, but given that we were in quite a good place up till mid-February, the larger more resilient businesses are in a good place to lead the way. As are the financial institutions, who have had to build a resilience post the 2008/9 crash that is much, much more able to handle shocks and rocky roads than before.

Expect to see the changes begin when people stop working from home and start agreeing to meetings, albeit with precautions still in place.

Everyone working from home - those who communicate best will survive.

Also, Some firms may realise that agile working is the way ahead, and an opportunity to engage with talent in a new way with more flexibility at a lower cost base especially working parents who now need to juggle a new work/life balance.



03 LONG TERM

LONG TERM

EFFECTS

One thing is certain and that is when the markets come back, they won't come back in the same way as before. This has been a profound and unexpected shock, and that's something that the corporate world does not like and will take steps to avoid. Long term we expect growth to pick up, confidence to return, and the restrictions to be lifted to much appreciation and thanks everywhere. There will be sadness too, at the loss of life and the disruption caused.

Business will again lead the way. In much the same way as the financial crash raised resilience to defend against instability, and the Twin Towers increased security to ensure that safety standards were raised, so business and people will demand a far, far better defence and response against a similar pandemic. And that Health Services a properly and fully funded to deal with any emergency. These hygiene factors will be front of mind for everyone.

But underneath that there will be seismic changes as business changes to adapt to a new reality and mitigate against future occurrences.

Amongst the priorities will be to rethink how people interact at work, and what can be done to minimise the risk of business disruption in the event that contact is limited or broken. Technology is about to take a big leap in the very near future as organisations look for more immersive and effective remote working technologies and practices. That of course means that policy and business working methods need a radical rethink.

The world has had a big shake. It won't be the same again.



04 ACTION

THINGS YOU CAN BE DOING



SHORT TERM

SHOCK

Accept

On best assessment short term is 6 – 8 weeks. Be patient and respond to all everything with humanity and compassion. Some people will take the uncertainty well, others badly. Those in high risk groups, or with family members in that group will feel threatened and unsafe.

From a business perspective, appreciate that no one is being difficult, it's just the way it is and there is no point in trying to change minds in a risk averse corporate environment. If you are an organisation with suppliers, understand that they are doing their utmost to maintain a relationship and to stay in business. If you are a business partner to clients, remind them you are here – there are pressures you don't see. Together, remember that this will pass and that business relationships will need to be rekindled so working together is an essential.

Take time to rethink how you do things and what can be improved. Now is a great time for business planning and looking at your products, services, needs and requirement. Is what you are doing now going to work when this is over?

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So:

- Accept the situation - in most cases there is little you can do except follow advice
- Try to ameliorate the immediate effects on employees and candidates
- Maintain business relationships
- Try to set up safe working practices
- Make sure your emergency employee and candidate comms are in place, even if it's a "hold"



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Example:

What to do in a crisis in terms of pause, or continue, critical hires especially for those who are not actively in the market for a role. This is where brand and experience will help to convince candidates to continue in the recruitment process, or to start a move in a time of crisis.

Immediately post Brexit the biggest effect in Talent Acquisition was complete uncertainty about who could work in the UK and who couldn't and over what period of time that was. And with markets and countries closed off, what impact would that have on the requirement for current staff, and for the recruitment of new talent. Fanned by avid media coverage, it became one of the hot topics of Brexit.

For those in the process of changing jobs it was an alarming and worrying time. One of our clients decided to act. They were a large specialist financial institution who recruited at the top end of the talent pools in their areas. The type of talent that could easily move to places and organisations that didn't pose the same risks, or to hold off moving till the risk had either passed or settled.

We were commissioned to write and produce targeted comms to go to people at different stages of the recruitment process – from initial contact to on boarding. We were given a thorough briefing on what the organisation was doing to match vision and values to actions, which we then wrote, designed and produced in both print and digital formats.

The result was that not one single candidate was lost over the months it took to complete the process.

MEDIUM TERM

UPLIFT

Assess.

Advice seems to be that medium term means about from about 12 weeks in. By that time we will know more about what stage the pandemic is at globally and what we can expect. By now we can see what is and isn't working. Businesses and industries will be looking for increased activity/sales/revenues, so better work from home strategies will be emerging and more effective conference facilities will be being planned.

As the grip of the virus eases, those businesses that rely on footfall – sport, hospitality, leisure, holidays will be the first to push for lifting restrictions in full or part. In practice this will take longer to return, but it will provide the spark for business to begin the process of recovering staff back to the office and re-establishing working practices and protocols. A lot of staff on unpaid leave or who were laid off will be re-hired.

The main indicator of recovery is, and always has been, the increase in vacancies advertised. It's a sure-fire indicator of return. Companies that have held back, or frozen recruitment will now come back into the market in increasing numbers, aware that they will miss out on essential talent if they are late.

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So:

- Plan for recovery – look at what was put on hold and see if it is still relevant
- Sense check your talent attraction activity for relevance – one of our clients calls this “Brilliant Basics”.
- Make sure your comms and messages are in order – what do you want to say and to whom?
- Be brave – recovery is on the horizon
- Remember the painful lessons that the short term inflicted and reflect on performances



LONG TERM

RECOVERY

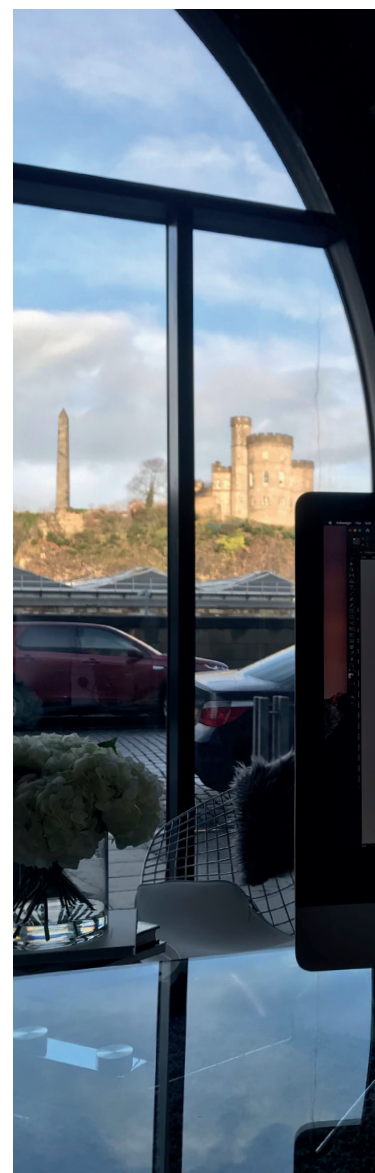
Action.

From what we are told, long term recovery won't begin till past summer – July or August. Predicting the outcomes is difficult – what we do know from experience is that we won't come out the same way we went in. Every aspect of the crisis will be analysed, lessons learnt, books written, podcasts made, experts created.

The critical part of long term recovery is customising it to add value to your business. So plan for more resilience. Look at your technology – if it happened again would remote working be better and more productive – and indeed, you may find that remote working a better option altogether.

This will have a massive effect on technology in just the same way as previous emergencies. Holes and lack of preparation have been horribly exposed. Business won't let it happen again, so think – what are the effects you will see? A root and branch examination of working practice is essential. Policies and environments need to be reworked to match the realities of the new world view.

From a talent attraction perspective, expect technology to be even more advanced. Video – and we mean real video - interactive and realistic, will become a core requirement for touch points in the candidate journey like attraction, engagement, interview and assessment. Person contacts will be reduced, technological solutions increased. Smartphone technology, apps and access will be part of that.





IT will transform yet again – BYOD and system access will be big topics, as will security, risk, and governance.

Society itself will have taken a nudge and be on a new footing. It always has, and there is little doubt it will do again.

We won't be in Kansas anymore.

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So:

Anticipate and embrace change – it's inevitable

Your communications need to be on the upbeat and the better prepared

Start working on your policies and practices – learn the lessons for your business and act. Now.

Invest in technology and in technologists. They will protect you from similar future shocks

Look to the future with confidence. It's what we do.

05 BUSINESS IMPACTS

WHAT DOES THIS MEAN

FOR YOUR EMPLOYER BRAND, YOUR EMPLOYEE VALUE PROPOSITION, AND YOUR CULTURE?

At times like this it is easy to destroy work that has taken years to develop and positioning in the market that has been hard earned by good and best practice in challenging environments. Knee jerk reaction can seriously affect your brand, and your EVP. Remember the EVP isn't just there to showcase your culture to prospective employees, it's there as part of your internal culture – the DNA that makes you.

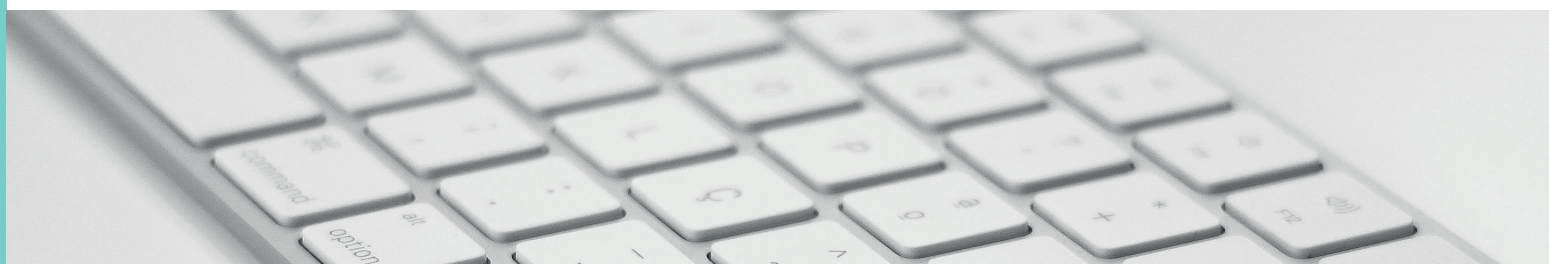
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Example:

We produced a global EVP for a large Oil and Gas company with an HQ in Aberdeen. The financial crash of 2008 didn't even dent the Oil and Gas industry. In fact the opposite as the EVP positioned the company as the best place to work either in production globally or in C Suite and management roles. They were in fairly stark contrast the majority of O&G companies in Aberdeen, who tended to operate at the buccaneering end of the attraction spectrum, and relied on huge salaries to attract talent – we were told of people in their early 20's earning £130,000 +

In 2014 the bottom fell out of the oil market. Prices went from 160 dollars a barrel to 35. The industry breaks even at 60. The effect was catastrophic – and immediate. Thousands of O&G jobs went overnight. Candidates who were assiduously courted by the (very large) HR and Resourcing departments and wined and dined regularly were unceremoniously dumped. As companies scrambled to make costs match expenditure, careers were scrapped and earnings vanished. And company reputations trashed. It is hard to overestimate the distrust and revulsion felt by the candidate and employee pool to some of the biggest companies and glittering stars in the industry.

Mostly except for the business we had worked with. They stuck to their values and their EVP, leading with full disclosure comms and behaviours. Though they lost half their workforce, they gained a reputation for fairness and responding to the crisis in the right way. They weren't loved by those who lost their jobs but s recognition that they had done better than most.



THINGS YOU CAN DO

RIGHT NOW

At some point you will come to the moment that matters – when you need to take actions that are for the protection of the company and employees. In that moment you must stop and consider. When the current emergency is over and you are back in the market for talent, what will they think of your company – an organisation that walked the walk, or was just all talk?

As we write, 23rd March, here are some of the headlines:

Virgin Atlantic ask staff to take 8 weeks unpaid leave

Carphone Warehouse closes 514 stores with 2,900 job losses

IAG Group reduce staff hours

EasyJet expect to ground all planes

Ryanair expect to ground all flights

Tattu group closes all restaurants with immediate effect

50% of all American jobs at risk

Laura Ashley goes into administration

Odeon Group closes all cinemas

Nando's McDonald's, John Lewis and Primark have closed their stores nationwide

We can't speak for how these companies will handle such bad news and disruption. And those don't include the millions of workers now either told to work from home or just go home – and who are wondering what happens if they do get sick. Who pays them? Who tells them?



So:

Make sure that everything you do is in line with your values – particularly the bad news. Ask yourself and test with others

Your brand is essential to your talent attraction strategy. Make sure that you know it inside out and guard it

Those that make bold decisions, off the back of a strong capital base or amongst decisions to cut - or accelerate plans to costs in non-critical areas, will emerge stronger. This applies to talent acquisition in equal measure.

Communication is the essential part of brand, values and EVP protection. If you can, use a professional external to write your comms or to test them. They will challenge what you say and how you say it. It will pay off in the short term and in the long run

Those that make bold decisions, off the back of a strong capital base or amongst decisions to cut - or accelerate plans to costs in non-critical areas, will emerge stronger. This applies to talent acquisition in equal measure.

Learn the lessons of the past. The road to success and maintaining the integrity of your Employer Brand is littered with famous failures. Don't become one of them.

Be aware of the other movements that were already leading to changes in talent attraction and brand management and placement – specifically:

- Wellbeing, which is high on most organisations' agenda, including Mental Health. The current situation will accelerate the focus here
- Climate change and "Green" positioning. This will be a high priority post Coronavirus as organisations build in less travel and more technology as part of not only this movement but to strengthen their own resilience.

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Here at Calgary we have extensive experience in handling all forms of brand communications and in the candidate and employee experiences. We have seen the difference they make to talent attraction.

We have lots of practical examples and tips to help you. If you'd like to hear more or to discuss anything in this paper in more detail, please get in touch.



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