

LEADERSHIP IN BUSINESS DURING THE COVID-19 CRISIS

Lessons from desert island survival!

By

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If people are able to survive and thrive in the wild with few or apparently no resources, against all the odds and in the harshest of environments, they can certainly survive and thrive in business, at school and in their personal and family lives too.

**IF EVER THESE WORDS WERE NEEDED, IT IS NOW! WE HAVE
THE MEANS TO SEE THIS CRISIS THROUGH!**

1. INTRODUCTION – MAROONED ON A DESERTED ISLAND

Many businesses have seen between 75% and 100% of their business revenues dry up almost overnight, especially if they are related to industries such as leisure, tourism and retail. Within my own circle of friends, family and associates, I've seen a software company that serves the hair and beauty industry suffer from more than half its salons stopping standing orders and direct debits. Another organisation that runs clubs for children had all its activities shut down with immediate effect and my own companies that serve the schools, business and leisure markets have experienced a similar downturn in demand. These are examples of organisations that are the primary casualties of this current crisis.

Secondary casualties include a marketing company that serves the retail sector and two rental companies that have seen their tenants unable to pay.

At the time of writing, Debenhams and Cath Kidston have just called in the administrators and untold suppliers and creditors face never being paid. Airlines are grounded and for many, help is not on its way.

In this chapter, I equate what is happening to us economically during the Covid-19 crisis with what happens when people find themselves suddenly marooned and most likely injured on a deserted tropical island. There is no immediate escape. You just have to survive and do what you can!

I know this situation well as I teach survival skills on such islands and then draw parallels from lessons learned to peoples' businesses and personal lives too.

In this current crisis there is another complication too. An impending tsunami of untold economic damage that is surely on its way. As it gathers pace and volume and roars towards our shores, its effects on businesses and people's lives will be incredible. Potential total devastation for many, but a new landscape of opportunity.

2. SURVIVAL PRIORITIES AND A MOMENT FOR ABSOLUTE CLARITY – CASH IS KING!

Whenever anyone is washed up on a desert island or finds themselves lost or injured in the wild, there is one single thing that should be on that person's mind – SURVIVAL!

People often believe that water and food are the top survival priorities and focus all their efforts erroneously on these. In the first minutes or hours of survival, these are often lower down on the list of priorities than one might think.

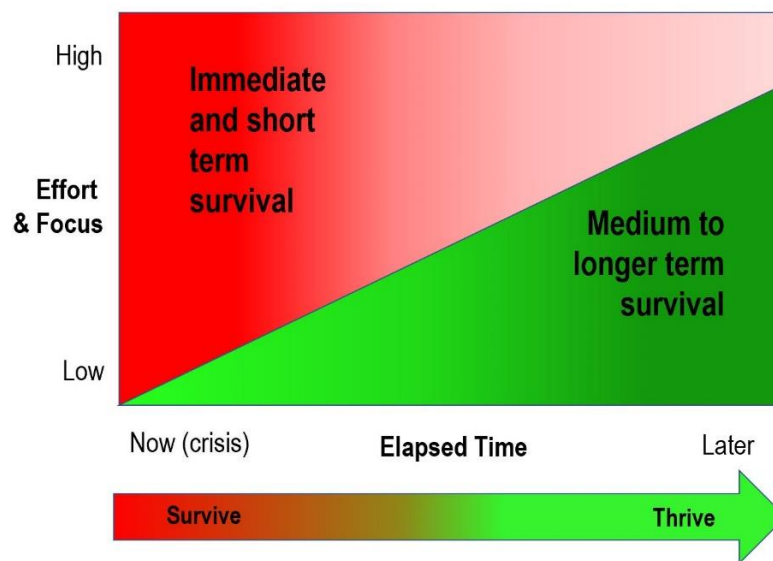
You can survive 3 minutes without air, a similar time if bleeding very heavily, 3 days without water, 3 weeks without food and broadly 3 months without company before you start to lose your marbles through lack of social interaction. This is called the rule of 3's and informs the survivor with absolute clarity of their survival priorities.

There is one other priority too that quickly makes all the difference. That of shelter, as with shelter people feel more secure and have the opportunity to think and take stock. They will generally become extremely innovative and make better decisions.

In business terms, these priorities translate into cash flow and cash reserves. Immediate risks are mitigated and the temporary financial shelter this brings provides time for you to think. Cash is king!

ONCE CASH FLOW AND RESERVES ARE SECURED IN THE IMMEDIATE AND NEARER TERM, LEADERS CAN FIND THE BREATHING ROOM TO THINK ABOUT THEIR MEDIUM AND LONGER-TERM OBJECTIVES. WHERE THEY CHOOSE TO FOCUS AND WHEN WILL MAKE ALL THE DIFFERENCE!

The following diagram shows when and where efforts should be targeted.



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If the beginning of the crisis is now and your business is in trouble, then your actions need to be very tactical and focused indeed, on efforts to secure your business's immediate survival. This is not always appreciated, as some people choose to keep their heads in the sand about what is now upon them. They may even have notions of timely rescue which they should certainly not rely upon.

As your situation improves or if your business is thriving because of Covid-19, then your efforts can be directed further towards the more strategic end of the spectrum.

WHEN A TSUNAMI FORMS IT DRAINS ALL OF THE WATER AWAY FROM THE BEACHES AND OUT TO SEA. IN SUCH MOMENTS, ALL THE ROCKS AND DEBRIS ON THE SEA FLOOR BECOME EXPOSED TO VIEW.

For businesses that have seen demand collapse and bills go unpaid, the equivalent of the outward tide is their cash disappearing, and just like the rocks and debris, all their dangerous costs and overheads become vividly clear.

If your business is in trouble, urgently take a good look at your financial position and act immediately to remove the rocks and debris that you feel you need to without delay:

1. Cut all unnecessary/unaffordable expenses
2. Delay existing financial commitments as fast and for as long as you can
3. Collect any unpaid revenues
4. Bill whomever you are able to and seek early payment
5. Re-negotiate to a quid pro quo exchange of services where you can

6. Apply for any grants, credit lines or government aid as appropriate

Remember, your priority right now is to keep your business alive just long enough to come up with and execute a better medium to longer term plan.

CUTTING COSTS IS NOT ALWAYS EASY, ESPECIALLY IF IT EFFECTS A VALUED SUPPLIER OR MEMBER OF YOUR TEAM. WHERE YOU NEED TO CUT COSTS, CUT THEM, BUT DO SO IN A MANNER THAT SAFEGUARDS THOSE RELATIONSHIPS AS BEST YOU CAN. ANOTHER OPTION IS TO DELAY THEM.

With regards to spend on strategic projects, if you are facing a financial crisis, you will need to cut or suspend costs here too. Don't let vanity or the love of a pet project prevent you from doing so.

Once you have executed all the above, only then have you created time to think about developing and executing a more sustainable plan to ensure your continued survival over the medium and longer term.

By sustainable, I mean a plan to generate renewed and ongoing revenue streams with net inflows of cash to your business.

3. TIME TO LEAD!

You are not out of danger yet, just secure for a while until different and potentially even greater challenges arise, so priorities still need to be managed. Expect that your circumstances will continue to change and again, do not rely on being rescued!

It is now time to lead through:

1. Clear thinking and direction - rallying your team
2. Taking stock and gathering resources
3. Innovation and creativity
4. Collaboration and great teamwork
5. Continued timely action

Clear thinking and direction – rallying your team

A famous Victorian explorer once advised adventurers in his handbook to stop and enjoy a smoke of their finest tobacco should they ever become lost. The reasons, to calm the nerves and allow the mind to rest which would then allow them to either retrace their steps or set a plan in place towards safety.

IN TODAY'S CRISIS, WE ARE NOT IN A POSITION TO RETRACE STEPS, SO A PLAN TOWARDS SAFETY AND BEYOND IS THE ONLY COURSE TO TAKE.

As a leader, take time for calm reflection in any manner you can, then rally your team with your vision and plans to give them reassurances that you will prevail.

When rallying your team, be candid about your situation. This will build valuable trust, and everyone will know where they stand.

The plan I shared with my team was as follows. It was preceded by full disclosure of our financial position along with the date, that without the plan, we would run out of cash.

My initial plan and vision were as follows:

1. To maximise immediate cash flow and reserves
2. To leverage "whatever resources" we have available in new and creative ways
3. To focus on what our customers most need today and to think differently about how we can help them now. It is probable that needs will have changed!
4. To come together with an incredible sense of urgency, focus and flexibility
5. To serve and help others along the way in any way we can. As a society, we have a great responsibility to help regardless of financial gain

As I shared my vision of the future, I also painted a picture of how three of our most common business challenges might also be solved during this time of crisis – limited access to land, limited availability of requisite skills, and the demand by many of our clients to want our services, all too frequently, at the same time.

I asked for their input and ideas and concluded the meeting with immediate actions and a schedule to regroup on a frequent and regular basis.

Taking stock and gathering resources

When stranded on a desert island there is an abundance of resources that can help your situation, from manmade flotsam found on the beach to natural resources at the jungle's edge. With these you can source or purify water, collect, catch, hunt or trap food, build shelter, navigate, administer first aid and all manner of other things. In order to achieve these though, you must first take stock of what you have, scour your surroundings for whatever else might be available and then get creative with what you can do with it all. It's an exciting phase and one I have enjoyed first-hand.

WITH THE RIGHT ATTITUDE, CREATIVITY AND
DETERMINATION YOU CAN QUICKLY MOVE FROM A
POSITION OF JUST GETTING BY TO ONE OF REAL
COMFORT AND WELLBEING – FROM SURVIVING TO
THRIVING!

In business, the resources to look out for and examine for their possibilities include:

- People and relationships
- Physical assets such as land, buildings, tools and materials
- Financial assets or sources
- Intangible assets such as intellectual property, skills or know how
- The services you offer

In a crisis, each must be examined through a lens of discerning optimism and critical decisiveness!

Their qualities and uses, value or otherwise may have become or have the potential to become very different from the norm. Consider their qualities as though searching for and examining materials whilst surviving on a desert island and ask the following questions:

- **People and relationships** – are they reliable, inventive, disciplined, flexible, supportive, talented and more or less valuable today? Are there people now available to you that otherwise might not have been? Where are they and how could you use them?
- **Physical assets such as land, buildings, tools, systems and materials** – Do they remain assets or have they become liabilities. Are they generating positive or negative cash flow? Can they be re-purposed, disposed of or are they reliable just as they are for example? Is their value more or less than before?
- **Financial assets or sources** - how long will they last, have they been exhausted, are there more sources from which they can be derived, might you be able to put them to better use and make them more valuable than before?
- **Intangible assets such as intellectual property, skills or know how** – what exists and how is it delivered? In what format is it held and is this still fit for purpose? What can be created or repurposed in some way? Which new channels might it be distributed through and how? When all is said in done do these assets have the potential to be more valuable today than they were previously?
- **The services you offer**, and have offered in the past, to whom and to what benefit? Have customer or market needs changed and if so, are your services now of higher or lower value to them? Can your existing products even be sold at the moment or do you have the resources available to create and distribute new ones of more immediate value?

I ran through these questions with my team and asked them to take them away and to discuss them with their families. I also asked them to write down all of their own talents, hobbies, skills and experiences. I wanted to see fully what resources we might have at our disposal, and I wanted a few more ideas too about which directions we could take. The results that came back were wonderfully positive.

In addition to the assets and capabilities I knew we had already, I was pleasantly surprised by the following. We also had:

- Access to various professionals who would otherwise not be available or affordable to us
- Creative skills in design, film making and IT at our disposal, some within the team and some outside it
- Customers who were willing to help us out if we helped them, and
- People still interested in our original vision and purpose

Ideas were shared and I had a host of information and a lot more resources to work with.

**WE HAD TAKEN STOCK AND GATHERED NEW RESOURCES.
IT WAS NOW TIME TO GET CREATIVE AND USE THEM.**

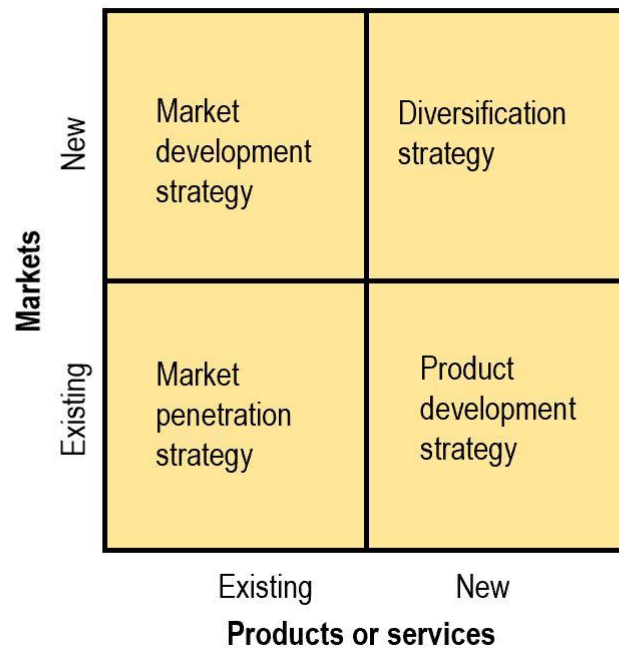
Take stock in your business and see what resources and ideas you and your team can come up with!

Innovate and adapt – the power of creativity and making for higher ground

As I have demonstrated, even when stranded on a desert island, great things can be achieved. Once resources are gathered and creatively deployed, people can not only avoid immediate dangers, but they can also travel inland and to the safety of higher ground where they will enjoy even greater levels of security. With further creativity and adaptation, they can move quickly to a position of relative comfort. Should a tsunami arrive they need no longer worry. They can look forward with confidence to taking advantage of the new resources it will bring and to a new landscape of opportunity that will have changed beyond recognition.

Having cut costs, controlled short term reserves and cash flow, taken stock of all possible resources and begun to get the creative juices flowing, a business really only has four possible options to replace or grow its revenues. This is how a business will move to that higher ground and to a position of more robust safety and relative comfort.

Your options are set out in the diagram below, a version of that created by the strategist Igor Ansoff in 1957.



Igor Ansoff, 1957

1. To continue to sell existing products to existing customers or markets
2. To sell existing products to new customers or markets
3. To create new products and sell them into existing customers or markets
4. To create new products and sell them to new customers or markets

DURING THE COVID-19 CRISIS, MANY COMPANIES ARE FACED WITH THE UNIQUE AND FRIGHTENING FACT THAT THEIR CURRENT MARKET FOR THEIR EXISTING PRODUCTS HAS CLOSED OVERNIGHT.

A market penetration strategy is therefore no longer viable. These companies will need to innovate and adapt to their new situation quicker than most.

FOR THOSE WHO HAVE SEEN THEIR FACE TO FACE BUSINESS

OPPORTUNITIES CLOSE DOWN, the options to deliver value to existing customers are:

To deliver value remotely, for example digitally or online, in printed form or via a delivery service. By asking existing customers what they need most now you may find that you can serve them even better by adapting your services or creating entirely new ones through a strategy of product development.

Delivering existing face to face products to new markets might become an option through a strategy of market development but this is highly unlikely to be the case the case for the foreseeable future due to Covid-19. Planning for this for after the crisis may be useful provided it doesn't distract you from the priority of surviving right now.

Creating new products or services for new markets is definitely an option. Whilst this is normally considered to be the most difficult and risky of strategies, it may simply be a case of needs must. With your having taken stock of the resources you have to hand and with a creative hat on, the horizons and opportunities that open up by following a diversification strategy could be unlimited. It may be time to reset and reinvent your business from scratch!

FOR THOSE OF YOU WHO HAVE SEEN EXISTING CUSTOMER DEMAND FOR YOUR REMOTELY DELIVERED SERVICES CLOSE DOWN, the

opportunities to sell them to new customer types or markets seems the logical option through a market development strategy. Could for example a leadership coach who has focused on the leisure industry now offer his or her services to the NHS or a company whose services are in unprecedented demand? Could a software service designed for a face to face audience be valuable to an online one?

FOR THOSE OF YOU WHERE DEMAND FOR YOUR BUSINESS IS NOW AT A RECORD HIGH, the danger is to miss the opportunities that surfing this wave might

bring. In a cash rich situation and in circumstances that means even more resources and talent are available to you, perhaps it is time to gain a foothold in new markets by following a market development strategy into new geographies or sectors for example.

WITH SUCH AN ABUNDANCE OF RESOURCES AT YOUR DISPOSAL, THE ISSUES OF TIME SCARCITY AND ACCESS TO TALENT CAN BE MORE READILY BE OVERCOME. NOW MAY BE JUST THE TIME TO OPEN UP NEW MARKETS WITH NEWLY INVENTED PRODUCTS BY FOLLOWING A STRATEGY OF DIVERSIFICATION.

In the last two weeks, I have spoken with leaders of businesses that between them have pursued each and every one of these strategies. Their situations and circumstances are all very different and quite rightly, so are the paths they have taken.

To further inspire your thinking, here are a few things that I have observed some companies already do:

- When pubs and restaurants have closed, they have turned to delivery services
- When gyms, dance clubs and karate clubs for example have closed, they have developed online training courses and live streams of their sessions
- When schools have closed, they have delivered classes remotely

- As consulting and coaching firms have not been allowed to enter premises, their teams have remotely connected to engage
- One company, in finding a solution to delivering its services remotely, then set up a partnership to offer the same service to companies that faced the same challenges as it did. An entirely new business created overnight!
- During the 2008/9 crash my customer-base of top-tier blue chip companies collapsed overnight. Within a week I had my team selling a cut down version of our products to the mid-market sector. Whilst sales fell, we still succeeded to thrive another day, and found a whole new customer base in the process.

Collaboration, teamwork and timely action

Surviving on your own in the wild is much more difficult than surviving with others. Ideas are formed, shared, modified and made more brilliant. Workloads are distributed and progress made more quickly, the sick are cared for, defences strengthened, morale boosted, and the chances for success and rescue increased.

In a crisis there is little time to dither. Stem the flow of cash leaving your business and safeguard reserves, take stock of your resources and decide who you want on your team, innovate, create and adapt and get moving to the high ground where there is comfort and security, and into the wave that will bring with it a world of opportunity.

4. SO, WHAT OF MY BUSINESSES, YOU MAY ASK?

In my own and my team's quest to survive and thrive during this crisis, we have come together and secured the support of others to do the following.

Most of what we traditionally do is delivered in person, from within the boardroom or classroom to the forests, Arctic environments, jungles and mountains of the world. We are bringing the business and life lessons, and personal development support that we normally deliver outdoors, indoors, and making it available on demand so people can be supported wherever and whenever they need us!

Specifically, we have brought forward our plans to test market and deliver the following:

1. An on demand digital service for parents and schools who face the challenge of supporting their children's mental wellbeing and behaviours whilst facing lock down at home – not focused on the academic side of things though supportive of it, but focused specifically on the mental and wellbeing challenges that are being felt so very acutely at this time. We have some of the world's best explorers sharing their challenges and life lessons from their Antarctic, Arctic, jungle and

desert expeditions for example, alongside approaches from our proven methodology for success, the Really Wild Method®.

2. For companies and organisations, we are offering similar on demand services to help staff faced with the considerable personal and business challenges, stresses and anxiety caused by this crisis via on demand digital services and remote 1:1 coaching and mentoring support!
3. For investors interested in our traditional education business, an opportunity to invest early in an exciting project to establish a physical school and learning environment whilst the team have extra time to work on it.
4. For those itching to bring their families or teams together as soon as they are able, we are offering exclusive corporate and private events, trips and expeditions to those who love what we do – teaching people how to survive and thrive in the wild, to enjoy adventure and then apply those experiences and lessons to their lives back at home, in work and at school. We have made gift vouchers and pre-paid bookings available for purchase right away!

The team is also offering free live stream videos and has created various online communities for certain of our audiences, for our clients and others to use at this time.

5. CONCLUSION

In times of crisis people achieve incredible things!

There are several strategies available to businesses dependent upon their unique situation and set of circumstances.

I hope this article may be of some use to your thinking and above all, that you and your families remain safe and well.

If I or my team can help in any way, please do contact me. My details are below.

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BIOGRAPHY



Steven is an experienced business leader and performance coach, a respected thought leader and one of the UK's most highly qualified survival instructors who passionately applies the principles of "*original human success*" to businesses, teams and individuals seeking to thrive in today's ever demanding and increasingly competitive environments.

For nearly 30 years, Steven consulted to and successfully led a variety of international teams and businesses, improving performance across the myriad of business functions and industries but specialising in leadership, sales, business strategy, wellbeing and personal development.

Steven is Founding Director of the Really Wild Group that offers performance improvement coaching and consulting services, educational events, executive retreats, camps and expeditions to the business, education and leisure sectors.

Steven and his teams deploy a powerful and proven methodology for success called the Really Wild Method® that uniquely equips and enables individuals and organisations to deliver superior performance with far greater consistency and predictability - in the most exciting, engaging and memorable of ways. The Really Wild Method® helps people thrive at every stage in life.

Today, Steven works with clients in the boardroom or classroom to remote places such as the Arctic and the jungles of the Amazon and Borneo.

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