Leading in Uncertain Times:
BEFORE, DURING AND AFTER COVID-19

Geoff Garrett
April 14, 2020
The Challenge: UNPRECEDENTED UNCERTAINTY
1a. Events are unpredictable (politics)

Source: fivethirtyeight.com
1b. Events are unpredictable (markets)

Market Summary > Tesla Inc
NASDAQ: TSLA

427.53 USD -0.11 (0.026%) 
Closed: Mar 20, 7:59 PM EDT - Disclaimer
After hours 423.78 -3.75 (0.88%)
1c. Events are unpredictable (COVID-19 worldometers.info)
2a. Change is faster (smartphones over the last decade)

Global smartphone shipments forecast from 2010 to 2023

(in million units)
2b. Change is faster (AI in the coming decade)

Revenues from the artificial intelligence (AI) software market

*(in billion U.S. dollars)*

© Statista 2020
2c. Change is faster (the coming COVID-19 recession)
3a. No shared facts, only alternate realities

- Fox News vs CNN/MSNBC
- Trump’s impeachment
- China vs the west on HK
- Red v blue states on COVID-19
3b. Facts can be **created** (Deep Fakes)

https://youtu.be/cQ54GDM1eL0
The Opportunity:

LEADING DURING UNCERTAINTY
Always Be Real, not a hero

<table>
<thead>
<tr>
<th>BE HUMBLE</th>
<th>BE OPEN</th>
<th>BE COMMITTED</th>
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<tbody>
<tr>
<td>THEN: “follow me; I know the way” (and we liked it that way)</td>
<td>THEN: play your cards close; focus group before you act, only tell them what you have to</td>
<td>THEN: maximize profits, focus on investors/owners (check your humanity at door)</td>
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<tr>
<td>The Iraq War</td>
<td>737 MAX</td>
<td>Milton Friedman</td>
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<td>NOW: “I am smart and I work hard; but I don’t have all the answers and I need help” (own your limitations)</td>
<td>NOW: be explainer in chief, use simple language to unpack complexity (bring everyone on the journey with you)</td>
<td>NOW: maximize social value, focus on stakeholders (lead with your humanity)</td>
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Angela Merkel, Chancellor of Germany (March 19, 2020)

https://youtu.be/F9ei40nxKDC
Arne Sorenson, CEO Marriott International (March 19, 2020)

https://twitter.com/MarriottIntl/status/1240639160148529160
LEADING THROUGH A CRISIS
Three stages of crisis leadership

1. **React and Respond** to the shock; stabilize however possible

2. **Be Realistic** about the implications; re-adjust expectations/plans as soon as possible

3. **Be Proactive** in shaping the new normal; never waste a good crisis
Adam Silver, Commissioner of the NBA (March 18, 2020)

https://www.youtube.com/watch?v=QnV45fNAyIw
The Wharton School

1. **Creating “Remote Wharton” … in 2 weeks**
   - 625 online classes
   - 250 professors teaching remotely
   - Largest ever Wharton course on COVID-19 and business

2. **Anticipating the education market’s response**
   - What is the price for remote higher education?
   - Which programs are pro-cyclical, which are countercyclical?
   - Will international students want/be able to come to the US?

3. **Changing pedagogy**
   - “Flipping” the classroom
   - Leveraging different locations
   - Rethinking physical plant
Norway vs Sweden

Total Coronavirus Cases in Norway

Source: https://www.worldometers.info/coronavirus/
Whose policy is right?

Cumulative unemployment benefit claims (% of working age population)

Source: FT analysis of official figures © FT

Daily deaths (7-day rolling average), by number of days since 3 daily deaths first recorded

Source: FT analysis of ECDC; Worldometers; FT research
Data updated April 06, 19:00 GMT
FT graphic: John Burn-Murdoch / @jburnmurdoch © FT
Leading the Divided States of America

Are you more concerned about the impact of the coronavirus outbreak on the economy or public health? (%)

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<th>Republicans</th>
<th>Democrats</th>
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<tbody>
<tr>
<td>The economy</td>
<td>45%</td>
<td>22%</td>
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<tr>
<td>Public health</td>
<td>55%</td>
<td>78%</td>
</tr>
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Source: FT-Peterson poll of 1,005 likely US voters, March 2020 © FT
Margin of error: +/- 5.2 pts (Dem), +/- 6.7 pts (Rep)

Roads less travelled
United States, social distancing
Change in total distance travelled within each state, Feb 28th-Mar 27th, 2020, %

- Travelling less
- More votes for Trump

(source: CNN April 6, 2020)

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<tr>
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<th>Trump states 2016</th>
<th>Clinton states 2016</th>
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<td>Total Confirmed Cases</td>
<td>103,551</td>
<td>234,116</td>
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<tr>
<td>Cases per 100,000 population</td>
<td>51</td>
<td>111</td>
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Sources: Unacast; The Economist

Geoff Garrett | Leading in Uncertain Times
What Can We All Do? Be Engaged

- **Be an optimist** … but be a realistic one
  - Don't live in a bubble of privilege

- **Follow your passions** … but think about your impact on others
  - Do well but do good too

- **Be true to yourself** … but walk in others’ shoes
  - Have empathy and compassion

- **Focus on what matters to you** … but be an active member of your communities
  - Stand up, be counted