Leadership in Times of Crisis

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The gauntlet has landed at the feet of business leaders with a loud thud.

With a new and threatening reality bearing down on us with unrelenting force, the world has never been so in need of trusted and enlightened leadership. With the fierce onset of COVID-19 and its ongoing impact on commerce as we know it, business leadership will be tested as never before. What happens in the C-Suite now will be consequential and extend far beyond the business landscape. How leaders speak and act in the face of these unforeseen circumstances will have lasting implications for our society as a whole.

This is a rare opportunity for leaders to effectively reshape the course of the world. As the saying goes, "Never waste a crisis."

The time for transparency, clarity, vulnerability, and courage has arrived. A crisis of this magnitude is a crucible for today's leaders. The public demands that leaders step out of the shadows with openness and humility to signify hope. Employees, as well as all other stakeholders, are counting on them to meet this challenge.

One such leader is Arne Sorenson, President and Chief Executive Officer of Marriott International. As the hospitality industry continued to suffer dramatic losses and undergo immense challenges, Sorenson publicly declared he will forego his salary for the balance of 2020 and that his executive team will reduce theirs by half. He was transparent and sensitive with his people, opting to furlough employees rather than lay them off. He didn't stop there. Along with partners American Express and JP Morgan Chase, Sorenson created a program committed to providing $10 million worth of hotel stays for healthcare professionals fighting the pandemic. Sorenson recognizes that doing the right thing starts at the top.

Following suit, the CEOs of Morgan Stanley, Citigroup, Visa, FedEx, and Bank of America have vowed that they will not lay off any workers in 2020.

Jon Gray, President and COO of Blackstone Group, recently talked about how investment firms could demonstrate exemplary corporate citizenship at this juncture. Private equity investments can go a long way in supporting businesses that might otherwise face bankruptcy. Capital infusions at this stage could make an immense impact. Let's not forget, these businesses support the livelihoods of the countless people who make up the fabric of our communities. So much is at stake. Corporate leadership is now poised to write the future of what will most certainly be a brave new world.

No leader can risk an erosion of trust at this stage, one that could cast a pall over their business for years to come. Their ability to unify and inspire multiple stakeholders, starting with employees, will determine their future success. A pandemic viral outbreak will eventually pass, but a bad legacy can endure for years.

Even as share prices fall, revenues dwindle and the struggle to stay solvent persists, kinder and gentler leaders must prevail. This is the path to restored faith, stronger relationships and renewed prosperity.