

LEADING THROUGH THE PANDEMIC AND INTO THE “NEW NORMAL”: REFLECTIONS FROM C-LEVEL EXECUTIVES OF MULTI-MILLION TO BILLION DOLLAR TECHNOLOGY COMPANIES

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ABSTRACT

As dust from the pandemic settles and the “New Normal” takes shape, there is no better time than the present to reflect on what has been learned about leading through crisis. This study focuses on three C-level executives from multi-million and billion dollar global businesses and their view of the skills necessary to lead during a crisis, as well as the pros and cons of communicating in the “New Normal.” While these leaders acknowledge the efficiency of remote work, they share the issues of forming relationships, collaborating effectively, and sharing company culture.

Keywords: crisis leadership, remote communication, meta-verse, “New Normal”

INTRODUCTION

Without a doubt, the pandemic has posed challenges for all individuals, but for many, especially business leaders, it has become a once-in-a-lifetime test of skills. While each day has been unpredictable, many employees have turned to their leaders for direction and a sense of hope; likewise, leaders have turned to their employees to gain wisdom and create options to survive and even excel during the pandemic. In understanding how leaders have successfully shouldered this weight and continue to deal with the pandemic, this study will focus on three strong leaders from multi-million to billion dollar companies and shed light on how they relied on key leadership skills to navigate this crisis, as well as what they see as challenges that lie ahead.

BACKGROUND ON KEY CRISIS LEADERSHIP SKILLS

In order to successfully lead during times of crisis, the research recommends several key skills including: acting quickly, communicating often, leading with compassion, and focusing on the future.

Act Quickly

Being decisive in the face of chaos is a challenge leaders are posed with during a crisis. Similar to steering a ship during a storm, leading involves making a choice without having all of the information. While this may sound a bit risky, it is important not to leave employees wondering

what's happening for lengthy periods of time, so being swift and deliberate with decision-making is key [1]. The leaders interviewed for this research were intently focused on their people and organization; they also realized that competition would not be standing still. Their mission and objectives still remained intact.

Communicate Frequently

Providing regular and frequent communication can help put employees at ease and help dispel false and damaging information that may be flowing through the "grapevine." The grapevine is the informal communication network in organizations wherein employees learn much about changes a company may undergo before the change is formally announced. An effective leader is aware of the grapevine and listens carefully to the nature of the news traveling through it. Providing an opportunity for employees to share their concerns as a leader is imperative. Listening is just as important as speaking. By listening, a leader gets a pulse on employee morale, concerns, and overall stability. This regular communication may be in the form of weekly email updates, Town Hall meetings, etc.

Show Compassion

While crisis and uncertainty can tempt leaders to focus on the business-side of things, tending to the "human" side is imperative to keeping a mentally healthy workforce [8]. When discussing compassion in leaders, one can't help but turn to the literature on emotional intelligence. Emotional intelligence is defined as, "Like it or not, leaders need to manage the mood of their organizations. The most gifted leaders accomplish that by using a mysterious blend of psychological abilities known as emotional intelligence. They're self-aware and empathetic. They can read and regulate their own emotions while intuitively grasping how others feel and gauging their organization's emotional state" [7]. This concept of exercising "EI" or emotional intelligence has gained much traction in the past decade, as it involves empathizing with one's followers and relating to what they are going through. In other words, resonating with their feelings during bad times and good times. Leaders who exercise emotional intelligence are viewed as leaders who care and empathize, so while revenue and costs associated with the crisis are obviously important, making sure employees feel supported and cared for is of utmost importance. "One thing the coronavirus pandemic has shown us is that a crisis is mentally, emotionally, and physically draining" [1]. Honesty and exercising a sense of positivity can help employees feel supported amidst uncertainty. Even if the company is facing challenges, try to find the pros in the situation.

Lead not manage

According to the research, the most effective leaders have help managing the chaos of the crisis, so they can focus on the future (5). McNulty & Marcus [8] explain how the thrill of managing during a crisis is tempting because a leader is returning to their operational comfort zone. Whereby leading extends beyond the day to day operations of a company with an eye on what's coming up, where is the company headed and how to adapt to an ever-changing marketplace. Therefore, trusting others to do their job allows a leader to do his/her job. Several sources stress that leading the same way every day is important whether or not in a crisis [5] [6].

NEED FOR STUDY

This topic is timely and much needed. Understanding what skills leaders utilized to navigate the pandemic, as well as, understanding what challenges the “new normal” poses for leaders is imperative to move forward in a healthy way. Additionally, as universities seek to add crisis leadership curriculum, the view of these key leaders will undoubtedly help shape what topics (including lessons and skills) a curriculum of this nature should incorporate in order to stay relevant with the changing times. Leading remotely may pose new challenges and learning how these C-level executives plan to lead and motivate a remote workforce will add to this young body of knowledge.

RESEARCH QUESTIONS

The two overarching questions of this study include:

- 1) What skills do leaders who survived the pandemic find most important?
- 2) What will the “new normal” look like and what challenges will leaders face?

METHODOLOGY

Qualitative Interviews

The methodology utilized for this study includes qualitative interviews. With little research in this area, interviews provided for an in-depth understanding of the questions under consideration. This study consisted of three in-depth interviews: one qualitative interview with each participant. All three interviews took place via Zoom and permission was given by all three participants to record the interviews. The interviews each lasted approximately 60 minutes and consisted of 17 questions which centered on two main areas: Skills needed to lead during a crisis and what the “new normal” will look like (please see Appendix). Analysis involved transcribing the interview responses and looking for common themes through a process of sorting and defining [4].

Participants

The participants in this study included C-level executives who currently serve as leaders of multi-million to billion dollar technology companies. To help advance research in the field of crisis leadership, they graciously carved out time for us despite their very busy schedules. Permission to use the names of the participants was also granted. These participants include: Jeremy Lenk - CEO Resource Group. The Resource Group is a distributor and representative firm dealing with global manufacturers seeking to have a presence and business relationship in North America. They provide full service marketing, sales, and strategy support. Current revenues exceed one hundred million dollars and they employ 18 people. The Resource Group has been operating for more than 15 years.

Neal Manowitz - President and COO for Sony Electronics North America. In his role he is responsible for all consumer electronic products and services in North America. Sony Electronics is a leader in consumer facing technology and electronics. He has been with Sony for

more than 25 years. Currently, he oversees a multi-billion dollar business, with several hundred employees.

Jurgen Stark - CEO for Turtle Beach Electronics. Turtle Beach is a leading manufacturer and technology developer for the gaming industry. Turtle Beach is a leading market share holder globally for the gaming accessory industry. He currently is responsible for several hundred million in revenue. They are based in San Diego, California.

FINDINGS

When asked what key skills are needed to lead through a crisis, all three leaders reinforced the four skills mentioned in the literature review: acting quickly, communicating often, leading with compassion, and focusing on the future. While these four skills were touched on, the skills primarily stressed by the three leaders in this study include: compassion, as well as a skill not as prevalent in the research, adaptability.

Show Compassion

As mentioned in the literature review, showing compassion involves seeking to understand and empathize with others. All three leaders that participated in this study mentioned how the pandemic certainly called for this. For instance, Jeremy Lenk, CEO of Resource Group, shared that when the pandemic hit, he was first and foremost concerned about his employees' well-being. He stated that the pandemic brought about change to the business process that required him to adopt a position of "focusing on the people much more." At a time when their revenue "went to zero" he found that he had "a lot of time to listen." This helped him relate and encourage his employees but also partners. He shared that this would often manifest in the daily unstructured touchpoints he had with his people. Many of these discussions were not formal meetings but impromptu calls. In an effort to keep his organization focused and calm, he cited the idea of sharing what was working and highlighting positive news as a valuable tactic he utilized. He linked the focus on employees and leading with compassion as a key driver that allowed them to emerge as the pandemic became more manageable and to record the largest revenue month in the history of the company. He shared how showing his employees he cared came through in some of the little things he did, such as giving every employee a planter and home depot gift certificate with a note that said go spend some time outside. This is just a small gesture that goes a long way.

Similarly, Neal Manowitz, President and COO for Sony North America, shared how showing compassion and concern for his employees' well-being during the pandemic was essential. He related his concern for people in a brief analogy of getting people into a lifeboat, he stated his focus was "how to get everybody into the boat and how to make sure people feel protected" was a primary objective when the pandemic forced the organization to shut down. The pandemic accelerated the need and desire to get more feedback from people in the organization. Neal explained how he had employees complete a survey including their satisfaction with work-life balance on it. Based on survey results showing that for some employees work-life balance was a little off, he shared that he plans to implement what he calls "Free Fridays" starting in 2022. Similar to Jeremy's effort to get people outside, this gesture is sure to be appreciated by his

employees. Having been forced to adapt to the challenges and requirements of a pandemic, employers seem to have elevated the focus on giving people more control and power of workflow. This is advancing an initiative to consider redefining the traditional work week expectations. As a result of operating for more than one year remotely Jeremy sees the powerful example of people having flexibility and input on the work-life balance relationship. Their employee satisfaction scores actually went up during the crisis. The focus and responsibility he sees for leaders is simple and direct, “to be a steward of the business, to take care of people and, in these times of crisis, you are given an opportunity to really make a positive impact on the business and on people as well.”

Juergen Stark, CEO of Turtle Beach Electronics, witnessed an interesting element of a global lock down. While the world was staying at home, the need and market radically expanded for his product. Facing unprecedented constraints to normal business operation and rapidly accelerating demand, he needed to consider the balance of people and the profits more intensely than ever before. It was during this time he relied on a pattern of frequently checking in on his employees by simply asking how they were doing. He describes it simply as “touching base and asking them, how are you?” He shares that as a leader he realized the importance of setting a positive tone for his employees. He said he made quick decisions and focused on the pandemic as being an opportunity to gather data, strategize, and to out-execute the market. It became clear from talking with these senior leaders that people are always the most valuable asset, but during a crisis, they can make the difference for organizational survival and the potential path to unprecedented growth.

Be Adaptable

While research points to the fact that leading every day and leading through a crisis both require the leader to focus only on the future and have someone else manage the work, the leaders in this study pointed to the fact that leading during the pandemic required being adaptable and moving back and forth between oversight of daily operations and foresight of what’s coming next.

The dynamics and rhythm of business during the pandemic promoted a reorientation of how to accomplish required tasks and serve clients or customers. For example, Jeremy found that an effective concept was “more collaboration” with team members on a daily basis. It awakened a new focus on coaching of employees. In the process, he found that he became more engaged in dealing with employees and customers. Typically, as the leader, he would take on a high level view or big picture perspective. During the pandemic, he found that he was more informed and meetings were more about substance versus impressions.

Common concerns were expressed by Neal in his comments and observations at Sony. As a point of reference he explained that the organization had to be “adaptable when required.” The contingency and emergency plans had not been developed for a situation like the COVID-19 pandemic. Leaders had to move quickly and cautiously at the same time and that required flexibility. He provided an example of a sinking ship, “get people on the lifeboat quickly and then cautiously navigate the course.” Emphasizing the importance of adaptability, Neal referenced that his role “jumped back and forth” between managing and leading.

Juergen explained how he is constantly anticipating what will come next and builds out best and worst case scenarios. This foresight prompted him to stock up on necessary supplies that he predicted would be in short supply during the pandemic. Having foresight is what allowed Turtle Beach to thrive during the pandemic.

In addition to learning about the leadership skills these three leaders utilized during the pandemic, they all spent a significant amount of time discussing the “new normal” and a realization that some things, specifically communication, will not return to normal.

Communicating in the “New Normal”: Pros and Cons

When it comes to the “new normal” these leaders had much to say about how communication is being impacted. Inevitably, some leaders will ask their employees to return to the workplace and will go back to primarily in-person communication; however, many organizations are not going to be so quick to abandon remote communication; actually quite the opposite, they plan to leverage what they’ve learned about operating remotely to their advantage. It appears the pandemic, while devastating to the world, forced a “disruptive innovation” in communication and provided the opportunity to fast forward the technology of doing day-to-day business within the workplace in the form of remote meetings. According to the three leaders interviewed in this study, some of the benefits of remote meetings include: efficiency with work, flattened structure, and convenience, while the challenges center on building relationships, sharing company culture, and collaboration.

Pros

In talking with these leaders, it was apparent there were several benefits to communicating remotely including work-life balance and efficiency.

Work-life Balance

As people become more accustomed to working from home and doing business remotely, many have started to prefer this to going into the office. Due to the somewhat concerning work-life balance results on an employee survey completed several years ago at Sony, Neal proposed a plan to have employees work from home on Fridays. He said he received much push back from many in the organization about the idea of working from home, as they wanted to come into the office to work. Then, the pandemic hit and all employees were required to work remotely. Now, according to a recent employee survey, only 4% of Sony’s employees want to return to 100% face to face work. He said with confidence, “We will not go back to the way it was.”

Additionally, Juergen finds that retaining employees is going to be an issue in the future for all employers, so he is not forcing employees back into the office abruptly but being flexible and making sure his managers “stay close” or keep a pulse on how their employees are doing. Juergen while acknowledging the component of remote as a future element, he was cautious about how much and how soon.

Efficiency

All three leaders agree that their employees are efficient and productive in a remote environment. For instance, Jeremy shared how pre-pandemic he would go on quarterly trips to visit organizations and it was all “show.” Now, in a remote format, there is less focus on him, and he can take a step back and allow others to take the lead. This new trust of employee performance was a result of the forced trial of remote work. According to Juergen, “I have no concerns about productivity anymore, because, clearly, everyone has proven that that works fine.” Overall, all three leaders agree that their employees are more on track and efficient when working remotely, so one might wonder why organizations would ever go back to the in-person way of doing business. Taking an objective view of the evolution of performance and efficiency, Neal equated it to improvement in technology, “email changed us forever and the fax machine changed forever and teams and zoom has changed us forever.” While remote work may have some major advantages, these three tech giants recognize that it doesn’t come without some relational and cultural cost.

Cons

Despite the efficiency and productivity associated with remote work, several downsides to this format surfaced including: building relationships, experiencing company culture, and collaborating.

Difficulty Establishing Relationships

Simply put...there is no “water cooler” talk. Neal points out while employees may joke around for a minute at the start of a meeting, they get to business quickly. Juergen shares that his employees have proven that they can get the work done remotely, but what is missing is the “relational” component. He states, “How do you have the watercooler discussion, how do you get the interaction that organically happens. They can’t just say things like, ‘nice shoes’ to someone.” There’s just no opportunity for employees to casually talk and build a rapport with others. Similarly, Jeremy shares that his employees are getting more task-oriented in the remote environment and he wants to try and get back to more collaboration and “small talk.” Not only is the relational aspect an issue with remote work, but instilling a sense of company culture is a problem of even greater concern to these leaders.

Absence of Company Culture Exposure

While companies have spent time creating a company culture, how can this culture be shared and instilled in a remote format? According to Neal Manowitz, core aspects of an organization can be lost or present new challenges when work includes remote as a part of its core process, “How do you get culture through zoom?” This culture may include artifacts such as wall hangings, sculptures, style of office furniture, office arrangement, colors of environment, lighting, visual displays of core values, etc. Jeremy noted that for the 90% of employees at Turtle Beach that worked in the office prior to the pandemic, the company culture was already ingrained in them, so when moving to a remote work environment, they still had that common bond with each other. However, for the 10% who joined the organization during the pandemic, there has been a great challenge of instilling company culture. Similarly, Juergen exclaims, “if you fast forward and everyone’s remote for a year or two and you’ve got 30% new employees, they’ve never met

anybody!” With all three leaders bringing this issue up, the process of sharing, instilling, and supporting company culture appears to present new challenges for leaders in the “New Normal.”

Difficulty Collaborating

Collaborating effectively also appears to be an issue in the remote environment. For instance, Neal points out how those employees who come to the meeting in-person seem to have an advantage over those that are remote. Sometimes those individuals with raised hands or a message in chat are overlooked, while those attending in-person seem to be more prone to dominate the meetings in this hybrid format. Jeremy shares the employees he leads have become very task-oriented. Even now when a few come into the office to work, they go into their offices and close their door and go on zoom. He questions what collaboration looks like in the “New Normal” and plans to propose his employees come into the office two days a week for collaborating and brainstorming through in-person creativity sessions. Even though Juergen finds remote work productive, he, too, plans to have his employees work in-person three days a week and the other days remotely. The degree of work-life balance and prioritization of culture and collaboration will be an ongoing struggle as these leaders seek to define the “New Normal” in their organizations.

DISCUSSION & FUTURE RESEARCH

Leaders are now faced with moving from a remote workforce as a matter of convenience or crisis to a matter of strategy and effectiveness. New methods and processes will be formed for a better connected business environment not dependent on physical proximity. The future promises to deliver more tips on how to hold hybrid meetings, for as these tech giants revealed, we will likely never go back to 100% in-person meetings. Covid-19 has changed us and the way we do business now and forever. Leaders will be required to be better connected and more relational with their organizations. In the past, the luxury of location was, in a sense, defined by status quo and now, we will likely see more technological improvements for thoughtful communication, coaching, and agility. We have witnessed and will continue to witness a new model of leadership emerging as an opportunity in the new normal.

Additionally, we can't help but wonder if the convenience and efficiency of remote communication can outweigh the downsides? The leaders in this study acknowledge the deficiencies with remote communication, but also acknowledge that things will not go back to the way they once were. Consequently, research on ways to make remote workers more “physically” present is ramping up. One study suggested several tips for remote meetings, including the use of an in-person “avatar” to represent each remote employee [3]. Taking this idea of an avatar even further, we turn to Facebook who recently changed its name to “Meta.” Zuckerberg acknowledges that connection is changing, so the “meta-verse” is the next evolution of connection. Meta allows for 3D spaces in the “meta-verse” wherein a person can interact, work, and play [2]. It will be interesting to see how business leaders respond to this new form of communication available to them, as well as the effectiveness of it.

The researchers were keenly aware that while leadership for the future will be impacted by the pandemic, there are also other critical factors in society and business today that will further mold

the future of leadership. In particular, organizations have witnessed an increased concern for issues of equality and diversity. The field of DEI (diversity, equity, and inclusion) will no doubt influence leadership, and the critical issues of compassion, communication, and community will be central to any DEI discussions. This is an area of need for comprehensive and integrated research.

While the pandemic influenced leadership on a global basis, we see a trend in moving away from “command and control” leadership style to more of a “servant leadership” model. CEO’s have witnessed during the crisis many employees rose to the challenge than pre-pandemic levels. The empowerment and sense of control of their work is an area for further exploration and research. A heightened sense of mutual trust was established as a result of a disparate, mobile, and remote organization.

It would be expected that organizations harnessing new technologies and more mobility in operations will need to account for challenges to the existing views and practices related to organizational structure. While the new normal is being defined, we anticipate issues of structure and shared leadership will emerge. Clearly, this will require introspection and research by every leader. These adaptations of structure will not be exclusive to their organization but will also include stakeholders who have undergone and defined the new normal for their organizations. New paradigms and processes are expected to spread in ways not unlike the pandemic itself. With this in mind, the skills of leaders will continue to be put to the test, and acting quickly, communicating frequently, having foresight, showing compassion, and exercising adaptability will undoubtedly be keys to survival. The three tech giants we interviewed did not fear the future, but rather saw it as an opportunity to grow as a leader and organization. So while challenges undoubtedly lie ahead, these leaders did not seem fearful, but rather hopeful for the opportunity to navigate, embrace, and even thrive in the “New Normal.” May their insights inspire other leaders to do the same.

APPENDIX

Interview Questions

1. How many years have you been in a leadership role at your organization and why do you think you were chosen to be a leader?
2. How has leading through Covid-19 prepared you for leading through future crisis?
3. Do you think leading every day is different from leading through crisis? If so, how?
4. What are some of the top skills needed to effectively lead through crisis?
5. Do you think acting quickly is important in crisis? If so, how did you do this? (i.e. did you have a plan for going remote? How long did it take to make the decision to go remote? Did you have an established process for the shutting down of the facilities and business?)
6. Did you feel communication played a key in your ability to lead through crisis? If so, in what way and how often did you communicate to your employees?
7. During this stressful time, how did you exercise emotional intelligence (resonate with what your employees were feeling - stress), yet keep them focused and calm?
8. While leading involves focusing on the future and what's to come rather than managing the present, Did you find leading through Covid-19 caused you to focus more on managing the present day to day operations or were you able to still focus on what was to come next/future? Why or why not?
9. Since one key to leading is having a focus on what is likely to come next and being ready to meet it, what do you think could come next and how are you preparing for it?
10. What does your company's "new-normal" look like? Will remote work continue? Will your mission and/or vision remain the same?
11. What does leading the "new-normal" require of its leaders? Is it different from leading in the past?
12. How can universities best prepare their students to be future leaders who not only survive but thrive during crisis?
13. Can you teach how to lead? If so, what should be taught in a leadership program? Crisis leadership class...what to include, do we need? Any topics or assignments you'd recommend?
14. What was the impact on leaders when dealing with remote employees?

15. How has operating remotely impacted the structure of your organization? For instance, do you need fewer layers or more layers?
16. Do see AI coming sooner due to Covid?
17. What is the best piece of advice you can give someone who is moving into a leadership role within an organization.

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