A crisis requires greater emphasis on communications – from providing life-saving direction to updating stakeholders to sharing progress on recovery. In the wake of a global crisis such as the coronavirus pandemic, which is driving rapid and dramatic macroeconomic, business and personal changes, effective communications and distribution of information are critical to shaping perception and generating action.

As the COVID-19 crisis deepens, board directors and corporate leaders are continuing to grapple with questions at the heart of their oversight and management of actions and responses to the pandemic and its implications for their company.

QUESTIONS THAT SHOULD BE ADDRESSED, SOME ON AN IMMEDIATE BASIS, INCLUDE THE FOLLOWING:

- How should we communicate with employees to keep them safe and engaged?
- How do we prepare for a meeting with government officials about our contribution to the COVID-19 response?
- Should we delay or amend our regular business announcements?
- How do we allay fears and maintain stakeholder confidence?
- Can we cut through the noise to highlight how our products and services can help?
- What should we do about our financial guidance?
- How should we give back to the community to mitigate the immediate and extended impact of this crisis?

We are working with our clients on many of these questions and others, and there are no simple answers. But considering these questions and related topics in greater detail can inform a valuable roadmap for communicating strategic decisions, information and actions.

Below is a framework of these topics under five key functions that will likely drive significant aspects of your ongoing communications. Board and management discussion on these areas can help sharpen the focus and content of the most important messages, and anticipate or prioritize the most relevant issues that will require communication.
1 BOARD OVERSIGHT OF COMPANY LEADERSHIP AND STRATEGY

Potential areas of communications that may specifically involve directors’ input include any necessary communications on long-term business continuity issues and leadership matters such as illness of senior executives or succession plans; scenario planning; implications of COVID-19 for M&A or other strategic investments; considerations or updates related to COVID-19 of your risk management framework over the near and long term; COVID-19 task force oversight or participation; and post-crisis plans for recovery and adaptation where warranted. Directors should also be aware of management’s plans for communicating across the other functions below and make sure they consider the reputation impact and strategic implications of each, to avoid missteps or conflicts between messages and actions with board intent and recommendations.

2 INVESTOR RELATIONS

Recent market volatility demonstrates the tremendous amount of uncertainty in the investment community on how this will affect companies, industries and markets. Communications with investors should address identifiable drivers of financial performance and also provide qualitative updates on areas such as supply chain and manufacturing disruptions; business implications and opportunities relating to changes in customer or end user behavior and spending; effect on potential capital markets activity such as refinancing, debt or equity issuance and M&A; and earnings or guidance impacts. The timing of this crisis will overlap with many companies’ proxy and annual meeting timelines, particularly those on a calendar year, and it’s wise to consider adapting to virtual formats for annual meetings and for ongoing contact with current and potential investors. Consistency and an increase in transparency are crucial to maintaining credibility with investors and analysts, even as some answers or outcomes remain uncertain.

3 EMPLOYEE RELATIONS

Internal communications with employees are core to how a company will be perceived by a broader audience, and are unlikely to remain private or confidential even when employees have the best of intentions. In the near term, essential communications are likely to include: a cadence of regular business updates and ongoing engagement of remote workers; additional safety advice and precautions; updates on employee or executive COVID-19 exposure or positive test results; instructions on location closures, restrictions, and working from home; management of and adjustments to recruiting and hiring processes; workforce reductions or other changes; benefit modifications or enhancements, including new Federal policies. The need for these communications will escalate as companies seek to return to their former working conditions when the outbreak recedes, and will need to show additional sensitivity in addressing employee fears regarding their safety or the challenges they face in coming back to work relative to childcare, sick family members, or other issues.

4 PUBLIC RELATIONS

Using owned and earned media to support the essential communications about your business and protect or reinforce reputation remains a high priority. This crisis necessitates a robust media strategy for publicizing or responding to external factors, business decisions and changes. Executives also need to be prepared for public-facing opportunities where they may be asked to speak about their business, policies, or other aspects of managing this crisis. It may also be necessary to identify and utilize third party advocates and supporters for the company overall or for specific purposes such as assessing the health risks of returning to office locations. In addition to business content, the far-reaching impact of the pandemic across businesses, organizations, communities and cultural institutions and endeavors has already resulted in many significant corporate contributions to provide support and relief for those hardest hit, and demonstrate commitment to stakeholders beyond their investors and employees. All of these efforts will have a determinative effect on corporate reputation extending beyond this crisis.

5 GOVERNMENT RELATIONS

As companies respond to national and local government policy directives and requirements, there are already countless examples of the challenges in trying to please all stakeholders, who may have conflicting objectives or interests. Issues such as layoffs, facility closures and supply chain disruptions, particularly for consumer or health care products, require additional focus as they are likely to command significant public attention and possible reactions from elected officials. Leaders need to prepare for critical interactions with elected officials, who may utilize those interactions in unpredictable ways. Companies may also be engaging with and reporting to regulators on a more frequent basis. Also, communications on the company’s behalf with CDC, DOH, state and local health authorities may be necessary and ongoing as developments unfold.
Each of the above areas will require a comprehensive approach to communication. While “stay at home” orders persist and most communications occur virtually, we recommend a number of best practices that will facilitate more effective communications with their respective stakeholder audiences.

- **Content and tone of communications.** Overall, corporate leaders need to be realistic, empathetic and humble in their communications. This is a defining moment for employee trust, and tone is more important than ever. Business leaders must be a source of commitment, support and reassurance to employees and other stakeholders, even when they have to deliver difficult messages. Direction that requires action must be clear, unambiguous, and well-supported by written materials that reinforce its effectiveness. Most messages, particularly the truly important ones, must be reiterated and amplified by additional speakers in order to break through and be absorbed.

- **Virtual communication.** Corporate leaders are increasing their use of video in both live and recorded formats to enhance the effectiveness of their communications with employees and external audiences. To enable boards to stay connected and maintain the essential aspects of board interactions and culture, consider using videochat tools (Zoom, Bluejeans, Webex etc.) for committee and board meetings. These media require speakers to consider different approaches than in-person interactions. With fewer distractions than during an in-person meeting, your voice and gestures will be more closely scrutinized by your audience and provide more emphasis, even as the camera tends to diminish your speaking energy. Consider using volume, pace, and variety of short and long points to keep the audience engaged, and rehearsal is always recommended.

- **Daily media and social media monitoring.** Rigorous tracking is critical to keep directors and management informed, provide an important source of new developments and objective reactions, and determine how communications need to evolve through the lifespan of the crisis. Directors may want to receive high-level summaries or be alerted when there are significant changes in the media or social narrative, coverage, and sentiment. This can also be a key tool to share with other stakeholders, both internal and external. If employees are not accustomed to receiving media coverage, we recommend proceeding carefully with limited distribution and providing context through internal communications such as emails or intranet/Slack posts so they have a clear understanding of recent developments and implications for the company and for them individually.

- **Digital and social media strategy.** While we don’t recommend directors starting to engage on the company’s social media platforms during a crisis if they are not already active, it is important that corporate leaders are being thoughtful about how to use social and owned platforms such as company websites, blogs and email to maintain connection with stakeholders. It may be appropriate to consider additional visibility of board members in certain situations. It is absolutely essential that companies do not continue their regular social media and digital marketing programs without conducting a thoughtful review of upcoming content and eliminating or modifying planned tactics or vehicles that could generate sensitivity or drive negative reactions. Even business as usual messages can seem callous and insensitive in a time of crisis.

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