



THE EMERGING NEW NORMAL IN BUSINESSES POST
COVID-19

Host



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CEO/Executive Director, FKE

Panelists



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Director, Human Resource & Admin -
Isuzu East Africa



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Head of Talent Management,
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John Mwendwa
Human Resource Director,
Cocacola Beverages Africa

Moderator | Grace Kaome, Human Resource & Admin Manager, FKE

The 6th FKE Webinar held on 13th March The impact of Covid-19 on Businesses cannot be disputed. In fact, the International Labour Organization (ILO) estimates losses of 305M fulltime jobs and livelihoods of 1.6B workers in the informal sector globally. Kenya projects loss of 500,000 jobs and could be higher. Moving forward, practices adopted by businesses may form the “new normal”. Working from home, remote work & virtual learning among many other measures will become the way of doing business noted Mrs. Jacqueline Mugo while opening the sixth FKE Webinar. “Ultimately, innovative ways of surviving post Covid-19 crisis are necessary for businesses to thrive.” She said.

The Executive Director further noted that as per surveys conducted separately by SHRM globally and in Kenya by FKE in conjunction with ILO the reality was that employers

were struggling even with the idea of working from home/ remote working. The surveys highlighted challenges in keeping employees motivated and most businesses were closing down. The FKE survey brings out the legal gaps in Kenya arising in dealing with employees during a pandemic. For instance, the lacuna in law over unpaid leave and declaring redundancies during a pandemic. Of note is that these challenges facing Kenya are global challenges.

The panellists; Nicholas Kasidhi, Head of Talent Engagement East African Breweries (EABL), John Mwendwa, Human Resources Director, Coca Cola Beverages Africa (CCBA) – Kenya and Fred Wasike, Director, Human Resources and Administration, Isuzu EA Ltd gave an insight on what to expect to see in the world of work, what is normal, the opportunities arising from the crisis and are businesses ready?

How has Covid 19 impacted your businesses, were your Organizations prepared? What immediate measures has the company taken?



NICHOLAS:- Clearly in terms of the crisis, one can never be prepared. However, businesses are really adjusting quite fast right now. Our focus is the safety and health of our employees. This is a top priority; employees are at the core of everything we do. We are also working close with our customers and consumers to understand how the pandemic is affecting them and how this will change our business operation environment beyond the crisis. Understanding our distributors, reshaping their operation and how to get their products to trade on the off-site side. Working closely with the Business Continuity team, who are continuously scanning the environment for challenges and advising the businesses on where to focus on. The virus is very fluid and thus businesses cannot make very many long-term plans. We have been significantly impacted on our on-trade business (bars and restaurants) which forms 80% of our business. As a business we have had to move very fast to ensure we get our products on the market and everyone is pulling together to focus on the right priorities now. We have optimised on doing the business offsite and the ecommerce platform e.g. Young turnup.



JOHN:- Obviously, nobody prepared for Covid-19 hence the impact that came out of it was a gradual shocker. Despite the change Coca Cola Beverages Africa is riding the wave on the good change. It has helped us re-define the things we need to do as a bottler every single day as a business. Rethinking and getting in touch with consumers to understand how and where

consumers want their products because the tradition/normal has shifted. Great impacts on consumption trends thus impact on production, change in how the business operates leading the business to change its mode of operating. The impact arising out of working from home also requires transferring accountability and making it acceptable for employees to work from home and not feel like they are doing homework. Our focus in the end is the health and safety of employees and products overrides all business decisions. The good impact in the emergence of COVID-19 is the sudden acceleration of use of technology. This has a great advantage; we are running lots of trainings online. There is also good adoption in working from home this will shape the future of work largely. Rise in agility in the response of Covid 19, is a positive impact for me. There is also a growth in innovative ways on how to deal with consumers whether in ecommerce like Dial a Coke. Lastly, the emergence of a new leader, who drives the business from people's hearts and not from a business top line and bottom line is laudable.



WASIKE:- The motor industry has close to 100,000 units annually, Isuzu holds 11% market share. Covid 19 has had an impact in projected sales. The reduction in business and after sales has seen Isuzu Kenya reduce production close to 20%. Previously the company would produce 300 units per month, but this has gone down by 36%. Similarly, interruption of Supply chain has been affected since the kits are sourced abroad. We have seen an increase in people costs and employment costs due to the social distancing rules and measures of working in shifts. We have had to increase the fleets to bring employees



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home and back to work. Collection is becoming challenge as most customers are unable to service their loans and banks are going slow on giving loans. The export business has also largely been affected due to the border controls. Safety and health of employees comes first and have adopted a zero Covid 19 environment. We are complying with all guidelines stipulated by the Ministry of health. To

cope with this situation Isuzu Company has reduced business operations. However, the company has not reduced its Corporate Social Responsibility initiatives and the salaries and benefits of employees.

What are the lessons learnt from this pandemic, the threats and opportunities that businesses can ride on?



JOHN:- Lots of lessons coming out, however the real lesson is that the survival through a crisis is not in the muscle of products but in the leadership provided in the crisis. Organisations need to strengthen leadership

that can inspire people through crisis. The biggest threat for me is the creeping back of the old mindset that there was a “normal”. From a Human Resource point, there is a threat in core structures and the sought of conversations we will have with stakeholders for instance medical cover, WIBA covers etc will be challenged due to the changing nature of work. If HR managers don’t lead responsiveness to the emerging needs of the employee, there will be a threat to work environment. We may see savings in medical cover however mental wellness and resilience of individuals is under threat. This requires a review of the workplace needs and team dynamics/bonding. I see a great opportunity in embracing agility. We will have to stop thinking about what our



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strategy is and start thinking about what our consumers want. I also see a difference in how CBA’s will be negotiated because, employees will have to think of businesses as theirs to build too. Pay structures will change, more of consultancy. In these opportunities our work is to redefine the workplace and the employee of the future because the past is gone.



What skills and competencies will we need moving into the future? Is retention going to be an issue?

NICHOLAS:- The biggest thing is getting employees to adopt a resilient mindset and agility where they respond faster to the situation. In the coming days, a number of jobs will be realigned/repurposed in order to get the best out of the teams. Challenges will arise in terms of how to engage remote workers. We are currently training managers and leaders at EABL on how they can best manage teams during this crisis and also those working away from office. Making people engaged and motivated. There is an element of shared partnership at the leadership level that is needed. Employees need to see now more than ever that their leaders care and that they are putting their welfare above others. Shared responsibility and accountability. How do we make them to perform optimally, how do we get to their hearts and minds to see this as an opportunity to thrive. Businesses need to engage employers to be in a start-up mind set. This requires predicting that anything might go wrong at any time and people



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shift to improve the business as quickly as possible. Being open to change and having a growth mindset. EABL has a platform “My learning hub” fully equipped with all learning resources to help teams develop a learning mindset in this changing environment and culture. For instance, building virtual teams, managing uncertainty, keeping teams connected to the bigger picture focussing on the goal. Eventually, business that adopt faster to the changing game will probably thrive much better than those that adopt a wait and see approach.

What practical changes has your business made to your business model and what would you recommend to enterprises?

FRED WASIKE:- Lesson picked in this season is the emphasis on relying on local content on the people side. Companies with regional outlets have now had to embrace and rely use of local content so that they don't get stuck. Additionally, the value of diversity and inclusivity especially looking at the fact that those hard hits are the aged and males. Working from home with broader guidelines and structure will help organizations steer through this phase. Use of digital platforms to engage customers and employees to enable businesses to reach them at their point of need. For instance, Isuzu has had to get technical staff to the customer premises.

One last word for HR practitioners navigating through this phase?

JOHN:- Covid is a turning point, HR practitioners need to guide business its practises to see what the new frontier and guide in terms of culture and skills.

TAKE OUT

From this stimulating engagement, it is evident that businesses have to prioritise the health and safety of their employees including the psychological well being. Of importance too, is the true value of people in managing and running the businesses as both are interdependence. If there has been a normal, business have to ready themselves for another new normal post the pandemic. This requires looking at the opportunities representing themselves and putting in place measures to cushion businesses from any arising challenges.

NICHOLAS:- Bob Marley said, “You will never know how strong you are until being strong is the only choice you have.” HR leaders must show by example and lead from the front. In whichever industry, we need to listen to consumers and understand their expectations and then capitalise on opportunities go for gold. We will emerge out of this pandemic!

WASIKE:- The “new normal” means many thing to different people and organisation. For now, there is need to plan and do business within the Covid-19 environment for as long as it takes. Change our policies and way of doing business knowing that it will be here for a long time to come. The value of leadership is important, HR practitioners need to be present to provide hope to employees and move together through the period. The issues of trust will be a major conversation post the pandemic.

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