

From China to the US: Best Business Practice Sharing amid the COVID-19 Pandemic

China-based US execs share what they've learned over the past 60 days

["20 Tips for Businesses in the US During COVID-19"](#) – March 27, 2020

Highlights and Key Takeaways

- ◆ Companies should draft and update emergency policies using the "war room" approach to cope with crisis.
- ◆ "People first, business continuity second" is a foundational principle to guide companies through difficult times.
- ◆ Sharing best practices with headquarters avoids reinventing the wheel when applying experiences obtained from regional offices.
- ◆ Businesses should actively engage with government officials at the local and central level and leverage their networks and associations to obtain updated information.

Background

Since late January 2020, foreign companies in China have been navigating the impacts of the COVID-19 outbreak. Now a pandemic, the global business community can draw on the real experiences of China-based executives who have had to quickly adjust to manage issues including updating emergency policies, protecting and motivating the workforce, and seeking new business opportunities.

Workforce Safety and Health

"People first, business continuity second" is a fundamental principle for businesses to survive such a crisis. The confluence of safety issues and business critical issues presents challenges to managing the workforce. During this pandemic, it is crucial to ensure the safety of employees and the working environment while instilling calm within the workforce.

Ensuring the safety of employees is of paramount importance for work resumption. Prompt reactions such as preordering masks and other medical supplies will help meet the hygiene requirements set by local governments when resuming work. Precautionary measures such as recording temperatures and travel history are also necessary. This [document](#) released by the WHO provides helpful advice on managing COVID-19 risks for businesses.

Now more than ever, business leaders need to be out in front and transparent. The changing working environment, distressing news, and uncertain prospects can all be sources of stress that will affect the mental health and productivity of employees. Efficient and sufficient communications with employees show the preparedness of leaders and motivate employees to work through the crisis.

Suggestion

- ❖ *Ensure proactive, transparent, and frequent communication with your teams to help reassure the workforce.*
- ❖ *Closely follow local guidance on workplace safety and actively update employees on the latest policies*

Emergency Planning

Companies should quickly develop, practice, and update existing emergency policies for unexpected occasions. For example, even before the official announcement of the Wuhan lockdown, some China-based MNCs were able to take early prevention measures and procure protective equipment based on their emergency plans. This guidance from the US [Department of Labor](#) and [Department of State](#) also serve as a helpful reference point.

Recommendations

- ❖ *Develop or revise existing emergency plans using the "[war room](#)" approach to address current challenges and be prepared for future crises.*
- ❖ *Regularly practice drills with employees and key responders to ensure quick, flexible, and effective reactions.*
- ❖ *Identify a single point of contact in headquarters to lead the emergency response team.*
- ❖ *Document effective measures in place and encountered difficulties to ensure prompt reactions in the long run.*

Communication with Headquarters

Coping with a global pandemic requires tight coordination between headquarters and regional offices. Headquarter offices should play an important role in providing consistency and resources to local offices, including sourcing PPE globally and finding medical expertise, while local teams need to be empowered to execute timely and effective emergency polices as local regulations and constraints will be best understood by local teams.

Suggestion

- ❖ *Allow regional leaders to take responsibility for keeping their sites safe while headquarters can focus on providing guidance and resources.*
- ❖ *Ensure effective internal communications and best practice sharing to avoid redundancies and efficiently engage processes already in place.*
- ❖ *Manage crises as close to the ground as possible.*

Business Opportunities

Chaotic times have a way of reordering reality. Businesses should look for the silver lining even in worst-case scenarios. In 2003, SARS was an [impetus](#) for the rapid adoption of e-commerce in China. As COVID-19 disrupts supply chains and business operations, companies should proactively seek new opportunities for revenue and transformation, rather than passively wait out the pandemic.

One salient example is the mass adoption of telecommuting. The unprecedented work-from-home experience is fast-tracking the long-anticipated digital transformation. The necessity to engage customers virtually is also giving rise to new business opportunities. As the Chinese government launches policies to stimulate the economy, more investment is expected in the digital infrastructure.

Suggestion

- ❖ *Embrace the digital transformation.*
- ❖ *Utilize this period to review and refine your business model and seek new areas of efficiency.*
- ❖ *Use your market intelligence and influence to help your supply chain both vertically and horizontally to ensure continued productivity.*
- ❖ *Seek creative solutions to ensure the success of critical suppliers and dependents.*

External Engagement

Authentic, updated, and accurate information is critical for businesses in this challenging time. In addition to internal coordination and alignment, companies should also actively engage with government officials and business communities.

Companies should also effectively leverage their networks. Some platforms, including business associations like AmCham China, are sharing the latest information and reaching out to relevant parties on behalf of business communities. Informal groups and networks can complement companies' internal emergency task forces.

Suggestion

- ❖ *Proactively engage and build relationships with authorities at the national and local levels to help develop internal policies that both protect employees and avoid collateral damage to businesses.*
- ❖ *Leverage networks and associations for updated and valuable information.*
- ❖ *Share the insights you learn from your experiences with others.*

If you have questions about the event, please contact [Chloe Ma](#); if you have any questions about the top business recommendation presentation deck (available [here](#)), please contact [Bai Yang](#).

For inquiries on Insights, please contact [Kathy Li](#).