



# GreenBook

THE FUTURE OF INSIGHTS

## Insights Leaders COVID-19 Roundtable

July 14, 2020

### Panelists

**Chris Barnes**, Chief Product Officer, Escalent

**Jay Ruparel**, Co-Founder & CEO, Azure Knowledge Corporation

**Rick West**, Co-Founder & CEO, Field Agent

**Scott Litman**, Co-Founder & Managing Partner, Lucy

**Tamara Charm**, Lead Agile Insights at McKinsey, Senior Expert, McKinsey & Company

Listen to the full audio recording on the [GreenBook Blog](#).

Signup [here](#) to receive the transcript and recording delivered to your inbox weekly.



Thank you to CiviCom for providing the following roundtable transcript.



Lenny Murphy: Every week seems to bring something new in this year. This week is no different where just two or to three weeks ago, some of trajectory of the COVID crisis was heading in a very positive direction. The past few week, it seems like not so much. **So if we take a snapshot of your businesses today and compared to even a few weeks ago, what are you seeing, what you are experiencing?** We'll go in reverse order from the introduction. So Jay, why don't we start with you? What's going on?

Jay Ruparel: Sorry about that. So we all thought before COVID that change is the only constant and technology is bringing about a lot of changes but now I think we all know what change really means. So it's been a dramatic change for everyone. What I think we're seeing is the classic, what I would call the FUD factor; fear, uncertainty, and delay. We all started with some kneejerk reaction to the pandemic but essentially, what I've been seeing is the topmost priority for everyone has become how to safeguard their stakeholders, stakeholders of all kinds, and demonstrate and to be volunteers, participate in initiatives that are focused on health, security, and wellness. Then obviously, people are expected to be connected to the devices all the time. The fastest way to connect is online. So there's the blurring of the work and the personal time that really is affecting all of us.

Clearly on the business side, the biggest challenge has been how do continue being in service industry in sync with what's happening at the client end. There's brands or any type of client that we service, essentially, they're all looking at several changes that are happening to their structure, to their priorities, and being in sync with that is becoming a very, very important thing, more so than ever now.

Lenny Murphy: Jay, quick follow-up question for you specifically. So I know a lot of your team is located internationally, particularly in India. Has that made things easier, more challenging, just is that affecting things?

Jay Ruparel: Yes. I would say when you have multicultural, multilocational teams, it is a little more challenging because the way you react is very different depending on the context in that country. So for example, our teams in the US versus in Europe and back in India, the cultural factors and the context there really go on how we should be reflecting upon various decisions. For example, just a lot of the cultural nuances in India is that we need to connect even more and even the bringing in various



social aspects like family, etcetera, into our HR connect exercises. So we have been doing that quite – so there are some changes, there are some basic things that remain the same but there are obviously cultural nuances that one needs to factor in.

Lenny Murphy: Rick, how about you?

Rick West: Yes. In our world, Lenny, as you know, we all deal in the insights world, we're all dealing with consumers and individuals on the other end – in our case, the other end of our app. What's been interesting for us, let's talk about the client side first. Early on, everyone is just trying to survive, right? So that first phase is nothing new is happening, we're not going to talk about top of the funnel, how to bring new clients in. What we found was that the current clients that we have, we've gone deeper into a deeper level than we ever thought we could have gone. Being there for them, coming alongside them, really helping them solve business problems has been fantastic for our company from our salespeople to our account managers to the operations folks. I would say that we've gone as deep, if not deeper with current clients than we've ever gone before. So that's been a tremendous blessing for us to see that. Now, on the other side of that, in fairness, May, June, no one wanted to talk to anyone. I mean you're just trying to figure things out. Now we're in June, July, and we're starting to see that top of the funnel kick in.

The other side of the thing since we have this on-demand platform that uses everyday shoppers to capture data, do marketing tasks, early on, people were just concerned about getting out but people still have to shop. They still have to get out, buy groceries, and do things like that. So because of that, what's been unique for us, and some folks will roll their eyes at this, other folks are kind of amazed is that in June of this year, we had a top five all-time record revenue month in June of this year because we're one of the few companies that can still get out and get that near real-time insight to really get into stores and restaurants and think of all the mystery shopping that we did that now people need to understand delivery and pickup and you can't use traditional methods to use that. So we literally were slammed in June unlike anything we ever would've forecasted coming into it. So we're just trying to manage through that to get ready for, as we all know, that



second wave that could be coming our way. So top of funnel, really top, current clients great, and then our agents have done a great job.

Lenny Murphy: That's great. Let me just think of a couple of things we're circle back around. Now, Scott, Lucy, another example of an online platform. I know you guys have been really on top of releasing information about how consumers are perceiving the pandemic itself. **What have you been seeing within the business?**

Scott Litman: Yes. So, actually a little similar to what Rick is seeing. The net new funnel is really, really challenging. We went 90 days without closing a net new client. Thankfully, after 90 we did. But the flipside is that - and I should say, I think the challenge is how do you marshal the forces as a prospect or a customer to even start a new initiative when you're still grasping with how you're going to work from home and you're trying to figure out how budgets are all towards essential services. Now, the flipside is that for existing customers of our platform, they've been doubling down. Lucy has enabled them to better support automation and support from work from home. Lucy is an AI that reads, listens, watches, and learns all of the data that is shared with her inside of a company, the data they own and license. So when you're working from home and it's hard to get access to subject matter experts, when you're working from home and you were just assigned to a new team pre-pandemic and what existed before, who do you ask? Well, you get to ask Lucy. So we've got about a dozen Fortune 500 customers. For them, they've been adding seats and the like.

So what we're seeing that's pretty clear is that if a technology is viewed as essential, there's a place for it. But it is very hard to start new if it's not already essential. For things that are not essential, whether it's us or whoever, it's almost impossible to get funding. So the other things that goes with that is just the range of winners and losers in all of this. Good luck picking up a hotel operator, a hospitality company, an entertainment company, somebody that's been crushed by this. But sectors like CPG where people are eating at home so much are in thriving. So several of our customers are in that CPG space where they're selling anything and everything that goes on a store shelf as fast as they can. The other thing that we observed is geography. About a month ago, there was rising confidence that there was a new normal setting into the US. That's been shaken over the last two weeks. I think we still don't know are people going to kind of go



into hermit mode as they were in April and May. But in Europe, there is a new normal because there is a confidence about how they operate.

So for us, three of our four largest customers operate overseas, our net new win a couple weeks ago, was somebody that operates overseas. We actually have more business development stuff coming in from UK than we have from US and we're a Minneapolis-based company. But in Europe, they've tackled this thing far better than we have across the US and as a result, there's a confidence to do business because the sun rises and while it's not great, there's a new normal. The FUD that Jay referenced is more contained. So we've put a lot of emphasis on how do we not only service existing customers but also on the biz dev side, how do we look at those customers and industries that are winners and in geographies where they have a confidence to proceed.

Lenny Murphy: So Tamara, the McKinsey view, we were chatting beforehand that this is one of the first things that I did when it all started to hit was I'm going to get on the McKinsey list. There's lots of sharing of your reports back and forth, etcetera, etcetera. What's your view?

Tamara Charm: Yes. No, absolutely. So as this first tip, we were really focused with our clients on protecting lives and livelihoods and really the lives part as well as the livelihoods part. I do think many of our clients are starting to focus on how do we go into rapid recovery mode. As you said, Scott, and you said, Rick, there are – Scott, you were pointing out some companies are actually seeing increased demand and have problems with supply chain because they can't get the product fast enough to the customers who want it. Other industries are really suffering from change to consumer behavior and figuring out what is going to happen in the short, medium, and long term. So we've been running global consumers assessment surveys from mid-March and it's been interesting to see sentiments sort of settle, things went down a bit from mid-March and they've settled from here. As you were saying, Scott, Europe looks a little bit different than the US, Asia looks still different from that, China looks different from Japan.

So there are some differences across the countries but we are really seeing that there are some big shifts that have happened, flight to digital and omnichannel, focus on essential spending versus more discretionary spending, really a huge



shock to loyalty, people changing all sorts of behavior in terms of how they shop and how they access products and even which products they access. We're also seeing more of a homebody economy. So even as things open up, we're seeing a lot of people hesitant to go out and live their regular lives out of home. We see a lot of shifts around that. Then we also see this health and caring economy. So we've seen the focus on health but we're also seeing an increased focus on caring, consumers care about how companies are treating their employees as well as how they're treating their customers.

So as you all are saying, it's going to be interesting to see what happens with the resurgence in the US of the virus and what consumers do post-that. One of the other things we're seeing is it's so granular. So not only country differences but even within the US, how people are recovering is different not only state to state but even county by county.

Lenny Murphy: Yes. We're seeing that. I live in Atlanta. The big topic now is back to school, right, and the school districts are adapting to the strategies here peers within the metro Atlanta area. It's very – it's weird. How do you plan for that, right, that entire issue as an employee, as an employer, as there's still this uncertainty and even what happens with our kids. So I totally get that on a personal level. Now, Chris, Escalent is going into this, your company really, you were just merged, you're two parties together and were kind of finding your own identity and your own pace and then boom, here comes COVID. So how has that been for you guys?

Chris Barnes: Yes, interesting timing not only what you described but we had just made our Javelin acquisition. So we were in the middle of that too. We sort of approach this very differently. MSI and Workspace were kind of quiet companies. So one of the things we've done is gotten loud, to be honest with you, with our clients. Whether it's through productions, our financial services group has done 13 newsletters, or what's been really important is we've done about that 70 briefings now for our clients on what to expect and how to identify twists and turns coming ahead. We haven't believed at any time we were near the new normal. What we're doing is we're bringing together some disparate experience within the organization.

Sometimes, life just comes together in a funny way. I happen to study pandemics for the Department of Homeland Security a number of years ago back in my



academic life. So never thought I'd use that again. I also was on Capitol Hill during the financial crisis. It's actually why I left my previous consultancy as a senior adviser to a Democratic caucus. A funny thing started happening. Senators, members of the Congress that I knew and hadn't talked to in a while started calling me and asking me how the consumer was going to behave. Market research has never been more relevant and we have to continue to elevate it. Our policymakers don't necessarily know how to interpret how the consumer is going to behave.

One of the mistakes we've made, one of the reasons why you're experiencing what you're experiencing in the Atlanta area is that they believed restarting the economy was as simple as reopen. They didn't understand that the consumer to spend well, as Jay put it, you can't have FUD, you have to feel safe and secure. So we've developed a barbell situation where on the one hand, people will open up, they'll do whatever they can do, they'll go to Lake of the Ozarks and party, they'll go to a movie. On the other hand, 30% to 40% of the people won't do any of that stuff. In a 70% consumer GDP economy, that's a really tough place to be in. It is exactly the place we didn't want to be in. It's exactly the wrong place. We think it's going to get worse before it gets better.

I'll also build on something Tamara said. There's been a lot of change in loyalty. We're in the lowest trust environment towards institutions we have ever seen in this country. It makes things brittle. If you're a brand that makes a mistake, if you have a problem with a consumer, things can really shatter for you very, very quickly. So we spend a lot of time walking our customers through this process, what's it going to look like, where can you find cues as to where the next twist and turn is going to be, because there are a lot of ways to predict what's going to happen not far out but in the short term. You can see if this type of event occurs, this is going to mean this for this specific industry. We've been able to gain some significant net new clients. We have one net new client in the lending space. We're on our fifth project since March 15. We're trying to be relevant, we're trying to be loud, and we're trying to be definitive.

Lenny Murphy: That's great. So let's segue, normally we don't go into the future until the end but let's go ahead and talk about it now since you got there, Chris. So let me step back. When this all started, the only way I can control my own personal anxiety was to start thinking about, okay, what's the good that's going to come out of this at some



point, right? I could see lots of really interesting opportunities that would emerge, right, that we would become a more resilient society, that we would focus on localization and there will be changes to supply chains and there will be changes to healthcare center, etcetera, etcetera, etcetera. I guess somewhere in my head, I was thinking we'll get there by summer, we'll start seeing those things take place. Yes, well, I was – I don't think that's the case.

Now, so I think those really cool, interesting opportunities will emerge but getting there when we're still putting out fires is a much more challenging process than I anticipated, and I'm certainly no expert on these things, but you guys are. **So what are your thoughts on what do the timelines look like, as much as you can guess, for getting out of crisis mode and into learning, rebuilding mode?** Chris, we'll start with you because you kind of got us to this conversation, some of the work you guys have been doing.

Chris Barnes:

So unfortunately, we really think it's going to take at least the announcement of the vaccine to get us to what the future state is really going to be. That could be a while. We're going to be stuck in a back-and-forth tug of war between the economy versus health. That's going to extend this process in the United States. Europe and other countries have proven that the lockdown method with a controlled reopening works but we missed that. We didn't do it right. It's hard to put the genie back in the bottle and go back to full lockdown. It wouldn't work. There's not the trust there. Now, we have to push towards remediation measures like wear the damn masks to really try to shorten the timeline, but it looks like psychologically for that 30% to 40% of the public/consumers to really reengage fully, it's going to take some significant symbolic event like the announcement of "We've got a vaccine and it's going to work."

One of the things that scares us in our data is the savings rate. As Tamara said, you see people spending primarily on essential, not discretionary. Well, that's like in the savings rate, and in April it was 32%, is driven by the optimist. When you ask people if you're optimistic about the future or pessimistic, the optimists are the one saving. They're the ones who can afford to spend and the ones we would expect to spend on durable goods, on bigger ticket items, and one of the really scary things for us for the next 18 months is the fact that the optimists are saying they're not going to spend.





Lenny Murphy: I was going to say, now we're warm and fuzzy, Chris, but that's okay. We're trying to deal with reality here and get a handle on things. So let's bounce around a little bit, so Jay. You guys do a lot of work within the tech industry. Some of your biggest clients are primarily tech companies. What are you hearing and seeing in terms of the future from that perspective?

Jay Ruparel: So a couple of things that we are learning now and this is kind of a moving thing so it keeps changing every few weeks. But we're seeing that the spend on projects that were longer term, ROI-based projects on the client side has come down and a lot of the client side in the big tech space are focusing on more the current projects or the projects that have already gone through the ROI cycle and are profit-making. So there were programs that we were involved which involve AI for the future, related to health and so on, those have slowed down. The key reality change that we are seeing is that because a lot of these tech companies where the ones that we relied on driving the future, right, in terms of knowing better than us in terms of how consumers would react and so on, we are seeing that they are now starting to have discussions on "You talk about this platform or the solution that you had one and a half year ago or two years ago, can we revisit that?"

For example, we have a virtual reality platform which we has been in place since 2015. We have been seeing incremental growth on that but suddenly, now we are seeing a lot more appreciation for something like that even from the big tech who a lot of them have their own kind of solutions in that space. So more appreciation for "Hey, what do you have? This is something different" is what we are seeing from them.

Lenny Murphy: That's interesting. I've been waiting for VR to suddenly explode. So that's the first time I've heard somebody say, and I know your platform, we've had it for years. So that's great that that's starting to take off. Scott, **what's the future look like for you?**

Scott Litman: So when this whole thing began, we looked at it from the experience of owning and running businesses during 9/11 and in 2008. So one of things was alright, you got to plan for the worst early, act decisively. The playbook is make sure that you get to the other end of this thing as a strong survivor and then what do you learn from that path. We're seeing on the positive side some permanent changes in



habits, how quickly are people going to go back to office environments. Even in a post-vaccine world, I think for some people – I mean some people are craving “Get me out of the house, get me back to an office” but I think a lot of people are finding “You know what, I’m more efficient, I’m getting things done, my things are virtual anyways.” So we’re seeing changes in habits and it’s important that we make sure our technology is in place to support those change in habits so that there can be some benefit for this on the other end, that we can recognize that people are going to be doing things differently and are we creating solutions today that enable them now so that when we’re on the other side of this, those permanent behaviors help us grow and scale. So I guess that has been a big theme for us.

The one thing that's been concerning is that 9/11 was very contained with three bad months. 2008 was contained to three or four bad quarters. We just don't know how long this one is going to go on for. The biggest thing is at a certain point in 9/11, people had their confidence restored. At a certain point in 2008, people had their confidence restored. To my earlier comments about geography, I think that people's confidence are not completely restored in Asian and European markets but they are more confident and that's something that in the US is really, really going to be problematic and I'm not sure if – hopefully, the turning point isn't to wait all the way until a vaccine, although it's hard to predict what could be a turning point short of that. So we've had to really think how do we make sure our runway is as long as possible, how do we plan for disruptions longer than ones that we've weathered before.

We've been doing, we've managed the capital side of it but it is tricky for every founder, business owner, entrepreneur to manage through that. But the plus side is recognized changing behaviors and habits that are positives out of this to make sure your products are aligned to benefit from it and we are clearly seeing that from our existing customers.

Lenny Murphy: Tamara, what's the future look like from your perspective and/or McKinsey's? what are they talking about in the back room of McKinsey? **What's the secret that you're all saying "This is what it's really going to be like?"**

Tamara Charm: As Chris said, we've probably been publishing more. We've always published a lot but I think we're pretty open about what we're seeing and doing lots of webinars



and I really do want to help as much as possible as we're all on this path together and in this together. So I would say we are seeing 12 to 18 months as sort of a minimum time period that we expect things will be different. Again, different industries are recovering on different paths and some industries actually are - anything where you are buying something at home, think of grocery stores, think of CPG, food items, it's a different story than travel, etcetera. But I think we're seeing disruption that is going to be sustained and we also see some out-of-home activity like shopping for groceries, even shopping for nonessentials now is coming back more. But other things like going to even get a haircut [Laughter] or going to the gym or other sort of day-to-day public entertainment and day-to-day things, there are a good number of people who are very concerned and very hesitant to go back.

Lenny Murphy: Movie theaters, right?

Tamara Charm: Movie theaters, airplanes, things like that are some of the places where there's the most consumer concern. When we ask people what it will take, just the 10%, 20% said "I just want the government to lift regulation," and another full 80%, and again this is different by country but it's a large number by country are saying "I want to see something else." A lot of times, it's a vaccine. Those in Japan are actually the ones who are most saying "We want to see a vaccine." Consumers also want to see businesses changing what they do and showing them very visibly that they're taking steps to make things safe for consumers to go back. Even with that, again there's concerns. So this is a longer-term disruption. Companies thinking about what's going to happen in the medium term as well as the longer term post-COVID we think is essential and operating on both of those timelines, what is going to be happening for the next 12 to 18 months for me, what's going to be happening for the next two, three, four, five years and planning against both of them at the same time we think will be essential.

One other comment about some of the permanent changes, I think Scott, you were talking about, so if you look at digital and shift to digital, some of that will come back. Online fitness, my sense is we've seen a huge shift to online fitness. People will go back to the gym at some point and the digital fitness will probably be an and versus or. How long that will be, again hard to say, but the intensification of digital across pretty much every category is something we're seeing. Consumers



at least are saying they intend to mix that new behavior they have in with what was coming before. So I think in terms of what business models look like, what footprints even look like for a company that has a physical footprint will likely need to look different longer term than it looks right now given again both the 12 to 18+ month shift in behavior until we've got vaccine that's rolled out. Then also post the COVID world, people will be living differently after changing their habits for so long.

Lenny Murphy: So Rick, your whole business is being with consumers. When I think about Field Agent, it's primarily ethnography. So what does the future look like based on what you're hearing from consumers and the way they live their lives and how that's being shared with you?

Rick West: Yes. So an analogy for you, I've read an article a while back by a group called Practice. They were looking at this from a leadership standpoint saying that if you look at what's in front of us, and I think consumers are kind of in one of three buckets, and the way they laid out these three buckets were similar to what Scott was going is that the first bucket is you consider this a blizzard, just going to wait it out, it was a snowy weekend, we have snow days we kind of went through, sort of like that 9/11 aspect. It was a quarter or so. It was a period in time. So there's a part of that consumer base that we're talking to that says "We're just going to kind of wait it out. It's going to kind of blow over." There's another group that says "This is more like a winter season," kind of that 2018 piece that Scott was talking about, "This is probably going to last six, eight months and we're going to get over this, we're going to be past it." There's another group that looks at it and that Tamara was kind of looking at that as that this is kind of like a Little Ice Age. "This is a 12, 18, 24 – things are going to change and we're simply not going to go back to the way it was before."

So as we talk to consumers that are engaging, as we talk to our clients, as I talk to other entrepreneurs, the premise of the article that I take to heart is that if you're in a business today, even if you've been around 10 years, 15 years, everyone has to get back to acting like a startup. You've got to really begin to ask yourself how can I reengineer, because I'm telling you, every person on this call had hinted at 12, 18, 24 months. That's a little Ice Age kind of thing which means when we come out on the other end, our digital habits are going to be different. The way we exercise, the



way we eat, the way we travel, the way we purchase is going to be significantly different. So if we as leaders are looking at how consumers are behaving today and we're just looking three or four months out, I'm telling you, Lenny, we're going to miss it. We're absolutely going to miss it. Because if you're not investing today and reinventing who you are and who you're going to be at this 12, 18, 24-month window, then you're naïve to think that it's, "Oh, let's just going to get back to the way it was and I'll get my clients back and consumers are going to be fine and we're going to move on." That's simply naïve. As I talk to CEOs of companies and leaders that are out there, I'm encouraging them, which is exactly where we are today is to take every penny, every dollar, every person-hour you can and shove it into reengineering innovation. For just like when you did the startup, how can I look out 12, 18, 24 months and see the future so that I am prepared to excel at that point in time because I'm telling you, consumers are telling us the same thing. They see the information in front of them and they're like, "Wow. I don't know. Cooking at home wasn't so bad. I'm saving a small fortune. Maybe that's not so bad. Maybe that gym membership I didn't necessarily need that and traveling now is different. I liked cruises but, man, I just enjoyed taking trips in a certain way." All those things are going to change. The question none of us doesn't know or the answer none of us know is what percentage of the population will go back to the current state that happened in January of 2020? My gut says not a lot. Are we reengineering? Are we focused on that? If so, we're going to be in a position to win. If not, Lenny, I'm telling you, there's going to be a lot of businesses surprised 12, 18, 24 months now thinking it's going to get back to the way it was and they're not going to be prepared for it and it's going to be really unfortunate.

Lenny Murphy: Yes. Well, and a lot wouldn't even make it that far especially on the small business side. It's either I've seen just to, again, personalize this, I saw yesterday that something like 50% of all parents were prepared not to send their kids back to school if given the option for digital learning, for home learning. Now, if you would ask – we didn't home school our kids for a reason, right? [Laughter] We clearly were not home school parents and we still don't want to be home school parents but what a massive change for society and it has some ramifications to think that if that level of consumers are now adapting their lives in a whole new way to home school their children effectively, that alone is huge.



Rick West: Yes. Shifting from the consumer at large to your team, your team of 100 people or 200 people, I underestimated the impact of kids at home for a couple of months and so, what we did in our organization is to list them and we know it's more of an impact than we thought. In our case, I don't know, half of our organization has young school-age kids, not 13-year-olds that you can tell them to go do X. I'm talking 6, 8, 10-year-olds that you still have to be there to be part of that learning. So, we gave each person two hours a day during the day dedicated time to teach the kids, just to be available to their kids. Now, we can all argue, "Oh, I'm going to get that 10 hours a week back at night," that's not the case. The point being is that as we look at the workforce, our teams in front of us, it's going to be a new normal for the next 12, 18, 24 months working at home. As you look at productivity, as you look at leadership, as you look at the systems you have in place, the benefits you have in place and how we do things, we're going to have to reengineer that. We're already making some pretty dramatic changes on how we even look at staffing our day and what days are blocked off. Do we simply say from 8:00 to 10:00 every morning, is this block-off time because we know that kids in school are going to simply hit and those are times they're saying, "Don't schedule meetings." Those are the things that are going to dramatically impact businesses if we don't address those, Lenny. We're going to really have employee issues and we're going to have massive issues with productivity and it's also going to impact kids at home. I think that's probably the biggest issue in front of us today as leaders, how are we going to handle employees at home with kids because that's a big part of our workforce?

Lenny Murphy: Yes. Chris, go ahead.

Chris Barnes: This is disproportionately affecting moms. One of our property and casualty clients, they have 30,000 employees. They found that 5% of the women that work for them are planning to leave their jobs when school starts if it's a digital learning environment. A significant portion of them, even if they were to have schools reopened, if they didn't feel it was safe, they would still leave. That is a massive setback for women in the workforce for their career arcs. We're very conscious of that. We've told our workforce, "Yes, we fully expect to hear babies and dogs and cats on calls and Zoom events and you're going to schedule as necessary." To get



through this, we have to be more human or we're going to exacerbate the negative long-term changes.

Lenny Murphy: Yes.

Rick West: Chris, take that point, Lenny, and get on that same path and for many of us, we have employees that are hourly workers and some of us have people that are salaried workers. In our case, most of our folks or like 90% plus of them are salaried workers. You can flex the time. Now, look at that percentage of the population that are hourly workers and if they take two hours off or three hours off, they don't get paid. There's no flexibility like that. It's a massive impact to our country.

Lenny Murphy: Yes. That's raised up another thought and another topic, right? We have COVID and then all of a sudden, we have this massive awareness of racial inequality and diversity challenges within our culture as a whole. How is that affecting you? Let's think about you as business leaders. Is this combination of empathy for your workers, for your team that this is manifested that's already there, how is that playing out now as you think about the issues around inequities or inequalities from a diversity representation, representivity standpoint within your businesses? Tamara? Well, actually, Jay, you dropped – did you drop for a minute or were you listening in and we just didn't see you or hear you?

Jay Ruparel: Yes. I was listening and I lost the video connectivity actually.

Lenny Murphy: Oh, okay. Okay. Well, so then, **if you want to chime in on what we were just talking about in terms of shifts in the future as well as then let's talk about this diversity component as well and we'll start with you.**

Jay Ruparel: Yes, absolutely. The diversity point has been always there. I think it has got more elevated in terms of its impact in recent times. The employees, I've always seen that they are looking at clarity from leadership in terms of what's really the stance we need to take? How do we need to react? Even clients are not necessarily telling you explicitly but they are looking at clarity in terms of how we are reacting to it. So, it's very important to express. A lot of times, I've seen leadership in our company, in other companies hold back what they really feel about it saying, "How



is it going to really matter? It's going to just go away after some time" but then, really being able to stand up for what you believe in and making it clear to the employees and making them feel that it is okay if you express yourself and the company does allow you to express what you individually stand for is first. Then being able to – we've always had a diverse employee pool in the company but there are a lot of minor aspects. We feel that we are inclusive and we strive to always be inclusive in all our decision-making. For example, how COVID has impacted different communities or different ethnic groups is different and so, how you can have policies that are tolerant and are inclusive to take those into account and what we think as fair in the traditional way is no longer fair. Just as leaders being aware and speaking for that is a very important thing that we've learned.

Lenny Murphy: Okay. All right, Scott, how about you?

Scott Litman: I guess two sides of this from my end. My company is based in Minneapolis. We've had a front row seat with everything, with George Floyd here. There are two sides. One is a lot of businesses are trying to put in place how are they going to handle diversity programs, things like that? How are they going to change their makeup? It's really hard when you're in a pandemic and you're not hiring. In fact, for many businesses, you've had furloughs or reduced scenarios and so, no matter what your intentions are, that becomes highly problematic because are we three months, six months, twelve months away from hiring where you even get to change your trajectory. Now, the other side of it is that I have a life where because being a five-time entrepreneur and having had a lot of past success, I get to be on boards and things like that. I work with the University of Minnesota and the University of Minnesota has a great program out of its College of Liberal Arts. Originally, it was called the CLAgency. Now, it's called Backpack and it's a student-run agency. One of our themes there has always been to say, if we look at the makeup of the students in our program, the people that are training to get into the ad world, this is going to be emblematic of what the ad world looks like in the future or the marketing world. We've made a lot of focus on how do we have a really, really diverse group at the university level of what will be the next generation of employees coming into the market because one of the things that we studied there is if you don't have a parent that was in the industry, you don't even know it exists. My world is ad tech, marketing technology, marketing services so it's not pure





agency by any stretch but we service a lot of agencies and I've had a lot of experience in agency community. You see a lot of gender diversity, at least depending on roles. You see a lot of diversity in areas like technology has a lot of influence from India and Asia but there are entire communities that aren't represented at all. It's really difficult when a parent wasn't in an industry because they weren't to know that it exists. That's something that we've been trying to address, even trying to recruit kids out of high school coming into university. In Minneapolis, there's a group called BrandLab. It's really about working in the communities that are generally non-white to make sure there's awareness that even the industry exists so that kids know there's a potential career path. The things I've been working on have been at the front end of that funnel and that's a long-term play but ultimately, it's one that has to happen.

Lenny Murphy: Now, even in this industry, the market research industry, we have - Greenbook and I personally have taken hits recently for this program of not being representative. When I want to get defensive, it's like, "But it's not our fault that most of the leaders in the industry are white men! Sorry. It's the way it is," which that may be true but doesn't make it right. Trying to find that balance of, look, here's where things are but here's where we need to go and how we play a role in getting there, that's a far more challenging thing. It's tough so I really, really appreciate that. Chris, it looks like you're ready to jump in. You've got your phone up to your ear.

Chris Barnes: I was going to quickly say this is a very dangerous time where a lot of diversity is actually threatened. Awareness has risen but as Scott was saying, there's pressure on the size of the workforce and because most of our diversity is more junior, it's under threat and it's really important as you make some decisions to make sure you're not just keeping senior people or tenured people, et cetera, to maintain diversity, the amount of diversity that we do have in this industry and it's not great. It's not even very good. You have to be very conscious of the fact that it tends to be very junior.

Lenny Murphy: Yes.

Tamara Charm: I think one of the things we should also acknowledge is that they're not unrelated, COVID and thinking about systemic racism. You look at the amount that the



Hispanic community and the African-American community have been hit not only by the disease at a higher rate but also, by joblessness at a higher rate. We've got this intense pressure cooker and I think it's so important for us as business leaders to stand up, to talk about it, to take very concrete steps in terms of, as Scott and Chris are saying and Lenny, you're saying, there are parameters within which we all can work but what are the very tangible things each of us can do in our own situation, not only to change the structure of how we think about running our organizations but how do we interact with people already in our organizations and acknowledge the challenges they have. You had said when you sent us the invitation, also think about what are some of the personal tips. One of the things I have found most important over the last couple of months is to continually individually check in with people anytime we start all these virtual interactions because going back to the point around children, what's going on with people's home situation with children? What's going on with people's extended friend and family network, with disease and impact of disease and then very intensely, what's happening for everyone? When I've had conversations, it's everyone who's affected. It's not only those of color or those who are women. It is everyone who's really thinking about this issue in a more intense way and acknowledging that, acknowledging the caring we all have for each other and acknowledging how we're going to help and support each other as we're going through this I think will be key for all of us sort of everything not only as leaders but as a vibrant community.

Lenny Murphy: Yes, totally agree. That's a good segue. Before we go there, I want to just ask questions. Let's connect here as people. How many of you have had at least two times that you just sat back and said, "Oh, shit," right? I mean just the emotional impact – almost not quite panic attack level but just it just hit. That has happened for me at least twice where – and it was a very visceral – a few hours where I was just going, "Whoa. I am scared. I don't know how to get a handle on this." It was really tough to accept that. No one's nodding their heads. Come on now. I see you.

Chris Barnes: Yes. I was just going to say very early on, we had a friend and neighbor die from COVID and the family exposed and so, it really hit home early what this was going to be like and how it can reach into – I'm in the middle of nowhere in Connecticut, just about anywhere. That was one of the moments where I had that and then later on - my family has a long tradition of fighting for diversity. My father was a



desegregation and school integration consultant in Boston and in many places and the Floyd piece really hit home. We've always been a family that has marched and fought. It's a weird time to be thinking about doing that. It was tough to make some decisions where, hey, in this environment, we can't go and we've got to find a different way to support things. So, you're right, one of few times where it's just while this is crazy, I'm not sure what comes next.

Lenny Murphy: Yes.

Rick West: Lenny, let's talk about that, the crazy that hits and then it just goes up and you can just feel it. The concern that I have with my organization is that the crazy goes up, everyone feels exactly what we're talking through and then three months from now, it's something else. Six months from now, it's something else, nine months from now. It's just the next thing, right?

Lenny Murphy: Yes.

Rick West: The encouragement as an organization is less about the top-down we're going to go fix it. I mean listen, I've worked for P&G for 17 years and with the money they have and the dollars and the recruiting, it's still really, really, really hard to make change and that's one of the best organization in the world of doing what they do around diversity and inclusion, et cetera. I guess as a small organization, we're trying to figure out what to go do and so, should we start it out by – my challenge to them was every role that I've ever had has been through the path of relationships, hasn't been ACT, SAT, GPA, hasn't been an amazing resume. It has all been relationships. When I look at my organization, 100-plus people, I said, "How many of you have people of color as a true relationship? Not a friend that you have on Facebook that you know in college 10 years ago, I mean really have relationships." That's been really interesting conversation for our organization and say, well – well, there's this one person that will hit that part of our issue. It's relationship. That's the first part. The second piece is my organization has spent a lot of time trying to reinvent like we're going to go solve this problem by doing this, this and this. I'm like, "Slow down." Just like Chris has said, there are people that have dedicated their lives to diversity and workforce and inclusion. Why don't you go where those people are working and get involved? Then through



relationships and that involvement, I think we can make a change into our organization and that's the path that we have taken. I simply don't think that we can be smart enough sitting in a room to go fix it on our own.

Lenny Murphy: Yes.

Rick West: It's way too hard and it's a long-term piece. When you find someone that has dedicated their life like Chris was talking about his father, his grandfather. Those people that are out there are like, "Oh, well, you can spend six months trying this but let me tell you where you can go," it's reassuring. Now, that being said, the hard part of the relationship, Lenny, and going where people are working, you still feel unsafe at times because of all the craziness, because what if I say the wrong thing? What if I just engage in the wrong way and what if people see me in a certain way that all of a sudden, on social media, my family and my kids, my wife, everyone is just, "Well, Rick said this?" That's concerning as a leader because you want to be in front driving but all it takes is one stupid mistake and you're toast and that's the struggle that we have. I don't know how to fix that right now and I think it will eventually solve itself but it's not for the faint of heart to be in the front right now leading. It's really hard.

Lenny Murphy: Yes. No, I hear you. Guys, I want to be conscious of time. We said in the beginning, we would just go as long as we needed to do but we are coming up on an hour. One, I want to compliment each of you. All of these are really good for me personally. Some touched me more than others. I've actually got myself tearing up a couple of times during this conversation because I'm just a big old wimp. [Laughter] Your empathy and honesty and transparency have been really fantastic so thank you, each of you for doing that. It sets off lots of triggers for me in a good way. Now, as a wrap-up, what **I'd like to hear from each of you is words of advice, a lesson that has really hit home for you through all of this and that you would like to share with somebody else.** Whatever it is, whether it's personal, business, it doesn't matter but something that you've just realized this was important for me to learn through all of this.

Tamara Charm: I'm going to go back to something I think, Rick, you were talking about which is the importance of connection and personal connection. I do think in this time,



relationships are always important and building connection is always important but for all of us who might be fast-paced and hard-charging at certain times in our lives and I'm sure will be through this as well that taking the pause to connect and really, really listen to what's going on with others I think is going to be so extra important during this very vulnerable time for all of us and for society. That's been a huge takeaway for me and that that pause and that connection has all sorts of benefits that we don't really think about rationally but that we should and that we should take forward post-COVID times as well.

Lenny Murphy: Thank you. Jay?

Jay Ruparel: Yes. I think for me, the biggest takeaway has been accepting that change is for real. When we started looking at this, we said, "Let's plan for things to be different the first 30 to 60 days" and then it became six months and now, it's probably 18 to 24 months or even more. As a leader, being able to accept that the needle has moved and this is a big change that is going to be there for us for employees, for clients, for everyone and once you accept that as a leader, being able to navigate that with your teams, with clients saying how things are going to be different and being prepared for that. Everyone talks about, "Will it be a hockey stick recovery, V or U or a sleeping ship?" Well, no one knows and we keep getting different messages but it's better to be accepting sooner than later that things are not going to bounce back that soon and so, that's really been the biggest learning for us. Working with teams for that long duration with the required empathy, everyone is under stress and everyone is looking for answers and you, as leaders, are also struggling for the same answers. How do you provide comfort in this kind of a scenario when no one really knows what's the reality and you still need to provide them – deal with it and empathy.

Lenny Murphy: Thank you. Thank you, words of wisdom. Chris?

Chris Barnes: To me, the biggest lesson is being reminded to be an amplifier, whether it's our respondents who give us their time, our junior employees who are just starting out but work hard and represent our diversity, we really have a responsibility to amplify their opinions, their attitudes and really help them make the change. I can't help but really feel deep down that that's a responsibility that we hold as



leaders in an industry that's based on opinion. We collect that data. We aggregate it. We know what it means and right now, more than ever, when we collect information, we have a responsibility to amplify and tell people what it means.

Lenny Murphy: That's great. Scott, big lesson?

Scott Litman: I'm pretty well-connected to a large number of entrepreneurs and whether it's because of being on boards and advisory and things like that and I've not seen so many people that are downtrodden and that are at that point of all day, they have to be the positive voice and the empathy to their employees but then when they get to talk amongst their peers, they're in that mode of the last three years of good work was just undone in three months and how hard that is. The message I remind myself and the one that I've been sharing with them is that you never stop, you never quit, you never give up. You fight the good fight. You fight it every day because somewhere out there is that next customer. It was a lot easier to find that next customer in Q4 and beginning in Q1 but they're still out there. One customer can change the trajectory. One of the companies I'm an investor in, 60 days ago, they're like, "We don't know if the PPP money is going to be enough to see us through" and they landed two customers in a week. It was something that they've been working on a lot but they got these two customers and they're like, "Okay, we're good. We're hiring again." It's amazing how quickly things can change for the bad. We've all experienced that. It's also one customer can – we might not be able to change the whole economy quickly for the good that quick but one business with one major customer or the right win can change everything and so, you fight for it every day.

Lenny Murphy: Yes. Thank you. We need to be reminded of that as well. As an entrepreneur with multiple companies at various levels, we're all experiencing different pieces of that at one point or the other so yes, thank you. Rick, bring us on home, buddy, so, share your wisdom.

Rick West: Yes. I grew up in Appalachia and everyone has the story that I would call a flood story. In my case, it was the flood of '77, Lenny, and my little town of 13,000 people had a massive flood of '77. After that flood, it was 6,000 people. Not that they all died but they all moved away because the destruction did destroy the coalmining



town. My grandfathers are coalminers that have black lung. My brother is a coalminer right now, hardworking people in Appalachia. I give you that story to say that everyone in their life has a flood story. It's not a little thing. It's a massive change or massive thing that happens in your life and we're either going to live a legacy after that or we're going to run away. This COVID thing, for many people, especially young leaders that are out there today, this is your flood. This is the moment that you're either going to lead and people are going to look back and say, "Wow, look at how Lenny handled this. Look at how this worked out" and you're going to leave an amazing legacy or you better hold off and just hold off and just fold up your ship and let everything go and move on and go somewhere else. Legacy making is hard. It's really, really hard when you have a flood story and so, for all of us here, this will be the one that literally 20 years from now, if you're a 25 or 30-year-old today, you're going to be in your 50s saying, "I remember back in 2020 when COVID hit and my leader, Chris or Jay or Tamara or Scott, here's what they did, here's how they led us through it and here's the things I learned from that." This is an amazing opportunity for momentum. It's an amazing opportunity for a legacy and I encourage everyone as Chris, Scott was saying, look to the positive, look at creating that legacy because this will be talked about for decades and you want to be on the positive side of this.

Lenny Murphy: Thank you. Again, thank you all. This felt like group therapy a little bit, didn't it?

Rick West: Yes.

Lenny Murphy: Thanks for sharing, each of you, really appreciate it. Should we hold hands and say the words - prayer or something to wrap up? Anyway, thank you, appreciate the time, appreciate all of your wisdom. Be well and be safe and be sane as 2020 continues to unfold. Thanks a lot, everybody