

SPECIAL REPORT

COVID-19



“Now is the time to boldly reimagine what a post-pandemic world could look like.”

Letter from the Editor

Where were you when your country went into lockdown?

I had just returned home to Canada from our Palladium office in New York City, soon after declared the epicentre of the coronavirus pandemic in the U.S. Like so many others across the globe, my family began to prepare for what authorities were saying could be two (or even three!) weeks in a quarantine designed to “flatten the curve”.

Five months later, we’re all still in the throes of this global crisis.

COVID-19 has revealed broken systems, inequalities, and injustices, and while some countries have proven themselves better equipped than others to deal with the outbreak and subsequent fallout, there’s no question that viruses have little respect for borders.

Our team has applied their expertise and resilience to this global pandemic – from our health experts on the front lines, to our logisticians procuring protective equipment, to our security teams

advising our people across the globe. We’ve worked together to design solutions, but now is the time to be bold when it comes to reimagining what a post-pandemic world could look like.

The articles in this report have been curated from those published by our thought leaders in response to the COVID-19 pandemic since March 2020. Each article approaches the topic from a different perspective, reflecting how incredibly far-reaching this crisis is and the many facets of life it has affected.

I hope you’ll find something in these pages that resonates with you, and if so, I welcome you to get in touch.

All the best,

Elizabeth Godo

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Inclusive Growth Beyond the COVID-19 Crisis

BY
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“We know that companies do not need to choose between social impact and their bottom line... and there is no better time to create stronger, more equitable societies.”

A WAKEUP CALL AND A SILVER LINING

As countries around the world close non-essential businesses to reduce virus transmission and save lives, companies are reminded of how much a thriving society impacts business, how unsustainable corporate philanthropy can be, and the need for innovative new strategies.

In the face of these difficult truths, inspiration can be found as educators devise new ways to teach their students, businesses use video conferencing to connect their teams, and air quality continues to improve in large cities.

These reminders can serve as both a wakeup call and a silver lining.

STRONG SOCIETIES ARE GOOD FOR BUSINESS

Businesses of various types and sizes are suffering as authorities order citizens to stay home. While these measures are necessary to save lives in the short-term,

they also avoid the long-term economic catastrophe we would endure if the entire population became infected. This situation amplifies the basic fact that economies are more productive when consumers have income, physical and emotional safety, knowledge, accessibility, and choice. Many of these factors are currently constrained; a simple trip to the market for food is unsafe at present (a reality that conflict-affected countries know deeply).

This pandemic and its economic consequences have also thrown into sharp focus the social inequalities that plague communities across the globe, from the disproportionate infection rates amongst African Americans, to food insecurity for informal laborers in India, and a dearth of ventilators in South Sudan.

Given these facts, it's practical to consider how much economic opportunity is lost due to fragile social systems and systemic inequality. These challenges are larger than any single company, but is the lost

opportunity significant enough to prompt corporate investment?

CORPORATE PHILANTHROPY VS. BUSINESS CONTINUITY

A crisis can bring out the best in people and corporations. There are feel-good business stories of coffee chains providing free coffee to front-line workers, organisations donating personal protective equipment (PPE) to healthcare systems, and community funds being set-up or expanded. Realistically, each of these philanthropic efforts have limits. The free coffee is set to stop in May, PPE donations cease when existing inventory runs out, and community fund grants are often gifts-in-kind or drawn from the corporate foundation and not the company itself. There is still a place for corporate philanthropy, but it must necessarily fall second to business continuity.

The mining industry serves as a clear example of this limitation. Commodity

prices have been falling since before the COVID-19 outbreak, but the decline is now more pronounced, making the business case for continued operation challenging for some mines. With less cash available and more acute local community needs spurred by the pandemic, mining operations are being forced to reconsider how they support their host communities and maintain the health and livelihoods of their workforce.

INCLUSIVE GROWTH IS SCALABLE IMPACT

We know that companies do not need to choose between social impact and their bottom line. Inclusive Growth strategies are those that capitalise on opportunities to implement enduring, profitable, and scalable solutions that address business, social, and environmental challenges while benefitting vulnerable or underserved populations.

Examples are plentiful. Some multinational chocolate companies are reimagining the cocoa supply chain to boost farmer income while reducing supply risk. U.S. healthcare giant Kaiser Permanente is investing millions of dollars in building housing for the homeless, addressing a key social determinant of health in the community and reducing burden on its hospitals. A global mining company is exploring opportunities to use the process of decommissioning a former mining site to restore the land, create profitable and sustainable agroforestry businesses, and reduce decommissioning costs.

“As companies emerge from the short-term focus on business continuity, how they reshape their strategies will matter.”

NO BETTER TIME

In a recent publication in the Harvard Business Review, Palladium partnered with George Serafeim and Robert Kaplan to identify four principles for Inclusive Growth and supplemented that article by reflecting on the critical role of a “catalyst” in applying those principles within a business ecosystem.

With the building economic consequences of COVID-19, it seems there is no better time to apply Inclusive Growth strategies to help global economies recover, while creating stronger, more equitable societies in the process.



INCLUSIVE GROWTH PRINCIPLES IN THE CURRENT CRISIS

Be Bold | Ambitious goals need ambitious projects

“Necessity is the mother of invention,” as the saying goes. There is no end to the needs this pandemic has spurred, from unemployment to treating the sick, and from food security to mental health. Research has shown that only 2% of corporate sustainability programs achieve their goals, and while the reasons cited for underperformance are wide-ranging, our analysis points to one main culprit: a lack of ambition. Companies simply tend not to think big enough.

As organisations emerge from the necessarily short-term focus on business continuity, how they reshape their strategies will matter. Will they retrench or will they see the market disruption as an opportunity? Will organisations think narrowly about adapting existing products or meeting adjacent needs of existing customers, or will they boldly take systems-level perspectives and consider the Inclusive Growth opportunities within their business ecosystems?

Collaborate | Partnership drives transformation

Communication is occurring as governments enforce emergency declarations, businesses lobby governments, supply chains modify their needs, and politicians pass legislation. Collaboration is also occurring as organisations come together to increase production of necessities, stand-up temporary hospitals, and find shelter for the homeless that allows for physical distancing.

Because Inclusive Growth strategies typically require system-level changes, a wide range of stakeholders need to be aligned and invested. The collaborative sentiment borne of this crisis has created an opportunity to build and sustain not just momentum, but purposeful relationships.

Car companies have welcomed partners into their new ventilator supply chains. Governments have forged new ties with the private sector through their shared social goals. Rather than returning to business-as-usual, each of these has established a foundation of mutual purpose on which to build post-crisis.

Unlock Capital | Sustainable growth requires investment

As corporations focus on continuity, many are working to become more risk adverse, constrain strategic investment, and retain cash if they can. Unfortunately, bold Inclusive Growth strategies require capital.

Governments, development banks, and foundations see how challenging the current situation is and are willing to spend money to help vulnerable people and businesses. Policy makers should encourage more Inclusive Growth-oriented strategies by making sustainability a requirement for grant money and subsidised loans to businesses. Businesses could well attract impact capital or grant funding with a compelling Inclusive Growth strategy that truly solves for a social issue highlighted by COVID-19.

Govern & Scale | Adaptive management is key to success

Effective governance may feel more acutely needed in crisis, but the reality is that no strategy ever progresses completely according to plan. Shared governance throughout the life of an Inclusive Growth strategy is key given the reliance on multiple stakeholders. The pandemic has brought about further innovation and acceptance of the tools and practices that allow for effective remote work and management.

When it comes to scaling what works, COVID-19 is also serving as a reminder of lessons that we already knew. Success requires that we listen carefully, understand cultural contexts, partner with local communities, be creative in the absence of typical infrastructure, and demonstrate a willingness to adjust the model.

GETTING STARTED

From Palladium’s client and observed experiences, Inclusive Growth begins with a catalyst. Just as the pandemic response requires a leader to convene the resources within each country, an Inclusive Growth strategy needs a trusted organisation that is willing to provide unbiased leadership, envision and champion change in traditional behaviour and relationships, engage and integrate system actors, raise the necessary funding, and hold all participants accountable for measurable shared outcomes.

This role can take several forms. For example, [Kennemer Foods](#) engaged the cocoa and banana ecosystems as a supply chain intermediary, and found an expanded catalytic role linking farmers with financing, service providers, and end-purchasers. The catalyst does not take on all the risk of an Inclusive Growth strategy, but does need to show a willingness to share in it.

In our present crisis, the catalyst for collaborative action against the virus tends to be clear in each country, spelled out by law or appointed by political leaders. For social issues material to a business

ecosystem, that clarity does not often exist, and given the range of tasks required, a good catalyst can be difficult to find. We see this in our current food system, where over-supply in some places is mismatched with demand in others, resulting in both waste and shortages. A catalyst with the right relationships, governance, and access to finance could help remedy the situation.

Different types of catalysts can be effective in practice, providing they have the ambition, trust, fortitude, and foresight to do so. Whether you’re an internal catalyst (such as Syngenta’s sustainability team), an intermediary like Kennemer Foods (described above), or a third-party like Palladium, here are a few steps that can get you started:

1. Map your ecosystem – After clarifying what ecosystem(s) your organisation is part of, list out the various other actors, their roles, and their motivations. Arrange this information in a map that illustrates a broadly defined value chain.
2. Identify inefficiencies – Within the ecosystem map, highlight those transactions or actors that are inefficient and identify why this is (e.g., lack of access to capital, misaligned incentives, insufficient motivation, etc.). Articulate how the system could be changed to benefit all actors.
3. Start conversations – Engage other actors in the ecosystem to see how well the ideas you’ve identified resonate.

These initial steps are the first toward harnessing the promise of Inclusive Growth strategies for your ecosystem. We need Inclusive Growth solutions now more than ever as our world seeks to restore economies and societies to a stronger place than before the COVID-19 pandemic started. [↪](#)

Businesses Need to Think Like Healthcare Workers

BY
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“Many businesses are planning to return to the office without a full appreciation of the unique challenges they’ll face.”

Faced with constantly shifting guidance from agencies and officials at every level, businesses are being asked to operate in a way that’s entirely unprecedented. Infection control for a business of almost any size used to be limited to basic hygiene, and now we all find ourselves becoming armchair experts in epidemiology.

Businesses need to be ready for almost any COVID-related eventuality and be able to pivot on a dime. Fortunately, there’s a group who has always had to operate this way: healthcare workers.

Business owners need to plan for their business the way healthcare workers plan for patients and infection control.

This means treating everyone as both potentially infectious and potentially susceptible. It means developing protocols for all physical processes and training staff to implement them. It means using airflow to engineer airborne risk out of the physical space. It means adhering to physical distancing and navigating a confusing minefield of guidance, guidelines, recommendations, and regulations from the CDC, OSHA, and beyond.

The average business owner may be rightly overwhelmed, but this is the way healthcare workers think, plan, and operate under all circumstances, providing plenty for businesses to emulate as they develop their reopening plans.

BALANCING ADAPTABILITY WITH RISK ASSESSMENT

First and foremost, businesses need a highly adaptable strategy that can flex up and down to match the course of the epidemic in their city or state. Currently, New York and California have seen an increase in the spread of the virus since initially reopening, and have begun to close again. Healthcare workers know that the road to our new normal is far from a straight shot, and stay ready to take steps in any direction at any time.

Businesses also need to recognise that risk cannot be eliminated, and determine what level of risk is tolerable in their context. Many large companies

with nationwide footprints need multiple plans, each translating broad CDC and local health guidelines and predicting what epidemiologic shifts mean to their business. This takes sophistication, particularly when previously benign actions (such as the use of public transportation, elevators, and common bathrooms) now come with new risks.

Inside the office, new best practices are constantly emerging, from mask removal for telephone calls to a new trade in Perspex shields and sealed kiosks. COVID-19 may have even struck the death knell for the controversial yet ubiquitous open-office plan. There are no sacred cows in healthcare and the same must be said for the office environment.

Clinical settings take a “cohorting approach”, which has a lot of potential when it comes to office access, and is already being discussed for schools. In California, one recommendation is to consider a student cohort model, keeping and moving groups of students together as part of a comprehensive COVID-19 plan. If one person from a cohort is exposed or infected, the entire cohort can be isolated and tested, avoiding an entire school shutdown. Similar strategies can be applied to offices with staggered schedules, making contact tracing easier to do, and managing the impact when an employee is exposed or infected. Some businesses will require temperature checks, symptom reviews and even on-site testing and making that determination may require help.

Overall, businesses must maintain a “living” strategy with constant feedback and management that tracks the health of a workforce to prevent or detect infection, and control it when it inevitably happens. Staff must be engaged continuously, which for many businesses has become more difficult with the loss of easy touch points.

The reality is that many businesses are planning to return to the office without a full appreciation of the unique challenges they and their employees will face. Moving forward is not business as usual, and organisations will need to think of new and innovative solutions to problems that did not exist before this pandemic. Thinking, planning, and operating like healthcare workers is one place to start. [↪](#)

When it Comes to COVID-19, Foreign Aid is Domestic Aid

BY
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Alonzo sits on Palladium's Board of Directors and brings over 30 years of international development and global leadership experience. He has lead U.S. government development policy, and advised the Secretary of State, National Security Council, and Congress on leading organisation change. Alonzo was the first Chief Operating Officer of the United States Agency for International Development (USAID) and was appointed Acting Administrator of USAID by President Barack Obama in 2009. He is currently the President of Galileo Energy Partners, BV.



“Health experts have identified the weakness of developing countries’ healthcare systems as one of the biggest risks to the global spread of the virus.”

On the 21st of April alone, the U.S. reported over 25,000 new cases of COVID-19 and over 2,800 deaths, just shy of the death toll on 9/11. We’ve watched for decades as the world grew increasingly interconnected – an abstract notion thrown into sharp focus by the current outbreak.

That interconnectivity lies at the heart of the decisions we face as a nation, plotting a path out of this crisis. Reflecting on my time as Acting Administrator of USAID, development work overseas has always been in America’s best interests. American-led aid helps people to improve their lives through better health, education and jobs, and in doing so, curbs undocumented immigration, builds stronger foreign markets for American

companies, and stabilises conflict that would otherwise put Americans and our allies at risk.

It also detects and protects us against infectious disease threats. And now, it helps to stop the spread of COVID-19 – a disease with no respect for borders or the misguided, zero-sum debate between sending aid overseas, and investing it at home. We must recognise that these two sides are one and the same; that there is no long-term success to be had as a nation if COVID-19 continues to surge across the globe.

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claims a recent press release from UK Aid. “They have also warned that if coronavirus is left to spread in developing countries, this could lead to the virus re-emerging in the UK later in the year.”

U.S. Secretary of State Mike Pompeo agrees. “Through decades of U.S. global leadership in health and humanitarian assistance, we know that smart and strategic investments have proven critical to protecting the homeland,” he says. “As history proves, we can fight pandemics at home and help other nations contain their spread abroad.”

We can, and we must, or our efforts at home will be in vain.

USAID’s experience on the front lines during times of global environmental and medical crisis is well documented. In our recent history with MERS, H1N1, SARS, and the most recent Ebola outbreak, our engagement was both a priority and a success story, as USAID interacted with our global partners in the Middle East, Europe, Asia, and Africa to stem the tide on pathogen spread, triage and treat the sick, maintain international trade pathways, and advance our strong investments in infrastructure building and resource development.

As I write, there is a small army of highly intelligent and dedicated people, from the Ronald Reagan office complex in downtown DC to suburban homes in Reston and Alexandria, burning considerable midnight oil designing plans, implementing strategies, and advising

governments on how to halt the spread of COVID-19 at home and abroad.

But while the current crisis is immediate, it won’t be the last we face as Americans or as part of a global community, underlining the need for USAID and others to continue pursuing longer-term development goals alongside our pandemic response.

USAID’s efforts have been crucial to mitigating not only the direct impacts of outbreaks around the world, but the indirect increase in deaths caused by reduced capacity across healthcare systems overall. Pandemics expose the fragility of our systems, and as other priorities are put on hold in a crisis, “collateral damage” in the form of increased (and otherwise preventable) mortality is inevitable.

Development builds resilience, which will be required across health systems in the next pandemic, economies in the next financial downturn, and societies as ever-stronger natural disasters risk lives and livelihoods across the globe.

A community of partners stand at the ready to help USAID deliver on its mandate, and I believe, so too stand the American people. As John Barsa, USAID’s current Acting Administrator noted when introducing himself last week to the USAID workforce, “The work you’ve been doing must not only continue, but has become even more important.”

US-led and financed development work is crucial, both at home and overseas; in the current crisis and in preparation for the next. [🔗](#)

Companies of the Future Show “Kindness”

BY
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Rosanna is Palladium’s Chief Diversity Officer and Global Sustainable Business Lead. She draws upon a 20+ year record of multi-sector achievement that includes embedding D&I contractor requirements into Europe’s largest infrastructure project, High Speed Rail (HS2). Underpinning her experience are a PhD and membership of the Chartered Institute of Personnel and Development (CIPD), as well as a significant body of research and internationally published work on a range of D&I-related topics.



Companies have always had a stake and a role to play in the mental health of their employees. Employee engagement and well-being have been buzzwords for years, with a clear line drawn to productivity, retention, and other measurable business outcomes.

Even prior to the current COVID-19 crisis, companies had begun to look critically at the role of a corporation in society – at how far their duty of care extends and what they really owe to the individuals and communities that enable their success. Now, the theme of the UK’s Mental Health Awareness Week (and Mental Health Month overall) provides us with a new lens: “kindness”.

“Even prior to the current COVID-19 crisis, companies had begun to look critically at the role of a corporation in society.”

If kindness involves generosity, helpfulness, and care, then companies have a unique opportunity to mainstream these qualities into their culture and strategy.

KINDNESS IN THE WORKPLACE

The reality is that giving and receiving acts of kindness from the people around us – whether strangers, supervisors, or friends – boosts our mental health, strengthens relationships, and develops communities. With a staggering one third of our lives spent at work (that’s 90,000 hours over the course of a lifetime), it is crucial for our mental well-being and for those around us that we give and receive acts of kindness in our everyday working lives.

Researchers from the University of California found that kindness in the workplace can create a positive ripple that impacts the whole workplace culture. Acts

“Using kindness as a lever to support the mental health of our people is a strategy for resilience.”

of kindness don’t go unnoticed; rather, they have a huge impact on the overall positivity in the workplace and on employees’ sense of well-being. Employees experience more autonomy, feel more competent, and enjoy higher levels of life and job satisfaction.

And it’s not only the recipients of kindness who reap the benefits – the well-being of those giving kindness increases as well.

Employees should have an expectation that they are going to be treated with kindness, empathy, and understanding, and should be happy to reciprocate. Leaders have a key role to play, building trust and engagement through genuine acts of kindness between them and their people.

A STRATEGY FOR RESILIENCE

While a company’s willingness to treat their employees with kindness during the current crisis and beyond will not go unnoticed, the same is true of their treatment of the communities in which they operate.

We’ve all heard of people hoarding food and disregarding measures intended to protect the most vulnerable amongst us, but for each of those stories, there are dozens of kindness and community spirit. Ordinary individuals from all walks of life are “doing their part” for others in a common cause. Similarly, many organisations have been taking this opportunity to create the world they want to see, filling gaps in support and resource and leveraging their capabilities to join in the fight.

Organisations have a key role to play in building stronger economies and more inclusive societies, with the resilience to not only overcome the current crisis, but to withstand the next. The mental health of all stakeholders, from employees to customers to shareholders to supply chains, cannot be discounted as we set out to accomplish this important work.

It is hard to imagine that things will ever get back to normal, and harder still to reimagine the future in a new way. During these unprecedented times, organisations must recognise that the way they behave now will be remembered for years to come, leaving an indelible mark on their people and communities.

It’s no secret that purpose-driven businesses whose actions clearly reflect their values are best able to connect with their stakeholders, and applying a lens of kindness over interactions with employees and customers alike builds trust, engagement, and loyalty. As we reimagine the purpose of the corporation in society, using kindness as a lever to support the mental health of our people is a strategy for resilience. [🔗](#)

Terrorism Thrives on Hopelessness: The Impact of COVID-19 on Terrorist Activities

BY
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ABOUT THE AUTHOR

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The economic fallout from the COVID-19 pandemic threatens to push upwards of 100 million people into poverty [according to The World Bank](#), and will be “the first increase in global extreme poverty since 1998, effectively wiping out progress made since 2017”. As the situation continues to evolve, it’s difficult to predict the full impact, but the human cost – of lives lost, careers upended, and rising levels of poverty to this point – are contributing to social unrest and upheaval across the world.

“Fundamentally, terrorism tends to pick up during times of instability” says Palladium Managing Partner Rhys Morris. “There are economic indicators such as joblessness, recession, and people losing careers and family, that tend to drive an uptick in recruitment and a hardening of resolve around terrorist groups.”

It goes without saying that the pandemic has exacerbated these issues, creating a sense of hopelessness among some of the most vulnerable populations globally, and in some areas, putting them squarely in the sights of terrorist propaganda and recruitment.

“Fundamentally, terrorism tends to pick up during times of instability.”

PREYING ON THE VULNERABLE

Morris draws the comparison between the COVID-19 pandemic and Palestinian refugee camps in Lebanon and Jordan in the late 1990s and early 2000s, which he describes as ‘happy hunting grounds’ for Al Qaeda to recruit. The camps contained a population of youths without hope for a future, chance of career, or life outside of the poverty in which they found themselves.

“That’s what I’m really concerned about when it comes to global affairs,” Morris says. “It’s the loss of jobs, the loss of a future that brings people in and attracts them to terrorist groups.”

In their [June 2020 Global Prospects](#), the World Bank reported that the economic effects of COVID-19 will be long-lasting,

and will create a population of new extreme poor, concentrated in countries that are already struggling with high poverty rates. Projections show that almost half of the ‘new poor’ will be in South Asia, and more than a third in sub-Saharan Africa.

According to Palladium Safety & Security Manager Charlotte Land, there’s potential for groups to exploit grievances in communities and turn people against authorities, particularly with anti-COVID propaganda. At a time when children are home from school and spending more time online, terrorist groups have more opportunities to spread propaganda and misinformation.

“The usual recruitment methods aren’t accessible right now, but it doesn’t mean it’s not happening,” she says.

While the pandemic has shut down most movement around the world, it’s meant that terrorist groups have fewer opportunities for ‘spectacular’ attacks in populated areas, at events, or in large groups of people. It’s also meant that displaced groups are stuck in place.

“If there’s a massive economic impact on those areas and a massive impact on their ability to move, you’ll have a group of people who are very marginalised and will listen to the recruiting call of something that will give them hope for the future,” explains Morris. Terrorist groups often utilise religious rhetoric in these situations, providing a strong rallying cry for groups of marginalised people looking for hope.

Morris also points out that though COVID-19 is new, the economic consequences of a pandemic are fairly predictable. “The impacts and effects of poverty and disparity in areas with vulnerable populations are well understood.

“Terrorist groups often provide a strong rallying cry for marginalised people looking for hope.”

COVID-19 and the economic fallout may drive a spike in joblessness and hopelessness that will potentially give us a terrorist legacy that will last a lot longer.”

THE FIGHT AGAINST TERRORISM CONTINUES

Just last month, the terrorist group Boko Haram released an execution-style video of the murder of five aid workers in Northern Nigeria. The violence may have come as a shock to many as the news cycle has been dominated by the COVID-19 pandemic in recent months, but terrorism and the fight against it continues, even while the media is focused elsewhere.

For instance, there have been at least six large detonations in Kabul in as many weeks according to Palladium’s Safety & Security team, which monitors situations across the globe on a constant basis.

“While most of the public is focused on what’s happening with the pandemic, others are still pushing against terrorist groups and undertaking operations to fight them,” says Land.

“If you’re not digging into it, you’re likely to miss the trends,” Morris adds.

As for the Palladium teams working in areas affected by terrorism and regular conflict, security infrastructure is built into their project strategies, and many have embedded security teams as a matter of course. “It’s an everyday lived reality for our teams who are operating in spaces where conflict occurs,” Land explains.

While they focus in-country, the global Safety & Security team engages in what Morris calls ‘horizon scanning’, constantly looking for events across the globe, assessing how people may be impacted, and working to diminish the risk as best they can.

COVID-19 is only making this work more necessary. [♻](#)

The Power of Capitalism in Service of Society: 4 Stages of COVID-19 Response

BY
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Managing Partner, Palladium

ABOUT THE AUTHOR

Jose Maria has more than 20 years of experience helping government and private sector organisations transform the societies where they operate, most recently in Europe, Africa and India. As Palladium Managing Partner in EMEA and head of Impact Investments, Jose Maria is passionate about unlocking the power of capital to deliver long-lasting solutions to socioeconomic challenges.

“Governments will not be able to deal with the consequences of this crisis on their own.”

AN UNPRECEDENT DISRUPTION

At the time of writing, the coronavirus crisis has impacted our societies in ways we couldn't have imagined. Global trade and travel are disrupted, and the facilities we take for granted – from restaurants and cinemas to offices and schools – are closed or soon will be. In some places, the restrictions are even greater.

Authorities are predicting that this disruption, while temporary, will last longer than many governments expect, and the impacts will extend well beyond public health. As the crisis unfolds, it's clear that governments will not be able to deal with the consequences on their own.

In times when governments struggle to respond, corporations need to step up to put their imagination, assets, and value chains to work in service of society – for society's sake and their own.

FOUR STAGES OF COVID-19 RESPONSE

Global companies have gone through a journey since the outbreak of the virus, and Palladium is no exception. These include (1) Safety, (2) Continuity, (3) Sustainability, and (4) Proactivity.

[Click here for an overview of the four stages](#)

This journey has begun with Safety, as the wellbeing of our staff and their families is our primary concern. We set up crisis steering groups, updated safety guidelines and policies, and developed processes to ensure that everyone is supported, wherever they are in the world.

We then moved quickly to Continuity, adapting our business and processes to continue delivering the products and services our clients need. While companies in many sectors have been forced to

close, others have the ability to modulate continuity plans in each market based on their circumstances.

Many of us are now in the Sustainability phase, looking at how we will sustain a prolonged disruption in our markets. How will we adapt our business models to continue providing the value that our clients have appreciated, in this period of uncertainty? We need to recognise that this disruption will continue to be profound, and our business models will need to evolve. For instance, companies that source from farmers in South East Asia or Africa, may find their businesses unsustainable in a few months, when the virus spreads into low income communities with less resilient health systems.

With these risks in mind, there is a final phase only few companies have entered: Proactivity. Private sector companies, in

“The private sector has the power, imagination, and organisational capacity to contribute with solutions.”

particular those with a global footprint, have a unique set of assets that can be activated to respond to the crisis and support governments across the world. We have global operations. We have talented professionals. We have unique knowledge in spaces that are needed now, including pharmaceuticals, apparel, medical devices, mathematical modelling, and logistics, as well as the organisational power to use our combined capabilities to deliver those products and services.

CAPITALISM IN SERVICE OF SOCIETY

The power of capitalism needs to be redirected in service of society through our core businesses. We need to adapt our value chains, product development, marketing, systems, and processes to create solutions that offer value in a drastically different and changing world - in the short, medium and long terms.

Inditex, one of the biggest apparel companies in the world, is working on producing protective equipment and sanitary products, transforming its unparalleled value chain into a force for good. Hotel chains are providing accommodation to patients who don't have a place in a hospital. Car makers are shifting production lines to provide medical equipment. We need more companies to reimagine their business and the role they play in society.

To a large extent, success will depend on our ability to partner with governments to deliver new solutions in the right place at the right time. In the United Kingdom, for example, the forced long-term reclusion for the elderly will need distribution

companies to help this vulnerable group. All over the world, children and parents will need solutions to enable both working and studying from home. Communities in emerging markets will feel the hit of demand shocks in developed economies. Health systems will be distressed and need equipment they cannot afford.

The private sector has the power, imagination, and organisational capacity to contribute with solutions. Leaders in the organisations that have this capability need to guide their teams through the four stages with speed, agility, and a recognition that the future of their business depends on how they respond today.

We cannot miss this opportunity to contribute to the COVID-19 response, transforming our businesses and changing the ecosystems in which we operate, for the better and for good. [eP](#)

About The Catalyst

The Catalyst is Palladium's online publication, delivering news, perspectives, and in-depth reports from the front lines of our global work. Many of the stories are written by Palladium employees and partners, sharing their experiences and expertise as they work to solve the world's greatest challenges.

The Catalyst aims to inspire, educate, and embolden readers, from experts in international development and C-Suite executives, to impact investors and community leaders.

About Palladium

Palladium is a global impact firm, working at the intersection of social impact and commercial growth. For over 55 years, we've been helping our clients to see the world as interconnected – by formulating strategies, building partnerships, and implementing programs that have a lasting social and financial impact. We simply call this “positive impact”.

We work with corporations, governments, investors, communities, and civil society. With a global network operating in over 90 countries, Palladium is in the business of making the world a better place.

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