

MARKET INSIGHTS:

Leadership during the COVID pandemic in the Canadian mid-market: A roundtable of owners

Q1 - 2020



COVID-19 has upended billions of people's lives. The economic damage is already significant and far-reaching. In Canada, mid-market business owners are deeply concerned about the viability of their companies, and what they should do next.

The four lower-mid-market leaders we interviewed for this virtual roundtable (their bios and pictures are found throughout the paper) agreed that resilience, transparency and empathy are the fundamental qualities of those who will successfully lead their organizations out of this pandemic. **All alluded to their ability to cash in their "culture chips" with their staff and broader stakeholders, and emphasize the need to stay true to core competencies and the vision.**

Specifically, they spoke of five 'pillars' of resilience, transparency and empathy:

1. Lead with both heart and head
2. Guide the entire organization through re-prioritization
3. Move quickly and decisively
4. Own the delivery of the hard truths
5. Anticipate opportunities in the long run

To understand these pillars, we asked them the following questions. We selected some of their answers below:

FP: *Obviously, you have had to make hard, rational calls re: staff, projects, customers and suppliers, to ensure your business survives. Yet, it's also clear that compassion and authenticity have been critical. How have you managed to switch between the two on a daily basis?*

MW: Yes, being in the business of bringing people together to throw axes at our 25+ locations in North America, we had to right-size the organization from 400+ people to 7, and hunker down. Key was to make sure that everyone knows the sacrifices that each team member is making. Full transparency.

JA: The pandemic hit us at what we thought would be an inflection point for Konfidis. We were readying ourselves for a Series A in Q2, with all sorts of great commercial traction. I've had to get the team to acknowledge that it's just not going to happen, that we needed a major mindset reset. And that major reset allowed for a wide range of conversations, the hard and the soft ones.

WR: Authenticity has always been part of our operating system, and although these are incredibly difficult times, from an internal messaging perspective it was business as usual: understand the situation, come up with a plan, and communicate it in a way the team can all see a path through it. No need to sugar coat.



Will Richman (WR)
CEO, GrowthGenius

[Will Richman](#) is a co-founder and the CEO of venture-backed [GrowthGenius](#), an expert-assisted sales development and prospecting platform for B2B businesses, founded in 2014.

Previously, Will co-founded and was also the CEO of BitMaker, a leading tech accelerator in Toronto, which was sold to General Assembly.

FP: *The ball game has changed. How do you re-triage what your org is doing and allocate resources? Get your staff to land in a new normal, doing the most optimal activities?*

MW: It's not easy. Things are changing daily, so our senior team checks in every morning. Whole team (including laid off staff) are getting weekly updates. Our priorities are government assistance applications; staff and customer communications; and rent relief. Also, we have some space and time to get done our longer-term, big thinking projects.

IJ: You can't reprioritize too much. You may be in a stormy ocean, if all you're worried about is now capsizing, you'll never get out of the storm. You have to know where you're going.

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WR: In terms of landing in a new normal, from a mental health perspective, we were remote already, but the isolation outside of work means they need more support at work. Also have let the team know it's okay to be stressed and anxious, and those feelings will pass. I also help them curate their news sources, knowing how wild it gets on social media.

JA: We had recently lined up everything we needed to start closing deals and had phenomenal traction. Now, I tell them 'don't expect sales today, but prospect empathetically and hard for the next few months.' Specifically for us, economic stimulus will find its way into house prices, and we have to be there for that.



Matt Wilson (MW)

CEO, BATL; Commissioner, IATF

[Matt Wilson](#) is the founder and CEO of the private equity-backed [Backyard Axe Throwing League](#) (BATL), which has 20+ locations and 400+ staff across the US and Canada, and the Commissioner of the [International Axe Throwing Federation](#) (IATF), which operates in 4 continents and 85 cities, with over 6,000 league members.

FP: *Has your decision making changed? You have way less information, given things are shifting on the ground all the time, e.g. government assistance, interest rates, payment terms, etc.?*

WR: New developments hit us daily, so I wanted to create more space and time for myself to handle them as they come. As a counterweight, I've asked the rest of my staff to stick to their specializations, so that each person has to cover less ground.

IJ: Uncertainty changes decisions. But ultimately, as a leader you have to be cognizant that uncertainty puts your leadership to the test, whether you want it or not. People gravitate towards their leaders even more, and look at every word they say even more, and rely on them even more. So go back to your "why?" (Simon Sinek) often and repeat it.

MW: Fortunately, I have the right people, so just as before, I rely on them to help. We adjust daily. I help them feel that it's okay that something out there has changed, to manage the emotions associated with it. The objectives remain crystal clear.

JA: This is interesting. It is my first time at the helm of a start-up. In many ways, we've got much less to lose than the much larger organizations I used to run, so we're willing to make some gambles. But, being in the real estate business, health and safety of my agents and staff overrides everything in this crisis, and I've had to get a much tighter grip on that.

FP: *How have you spoken to your staff about this crisis? Do they know what you truly believe, your plans, your anxieties, your aspirations, etc.? What is morale like?*

IJ: You really have to care about the actual individual "next to you". They are not just a pawn in the game. I ask the questions that aren't business related, e.g. how are they getting groceries, are they taking time to exercise, are they lonely...

JA: I share the problems I face with the people who can help on each of those. I also tell them when I'm not having a good day. Being a start-up, I picked each person in the first place, I know what kind of people they are, and I know they want to help. People step up, and they won't shy away from challenges. Already, in a surprising way, that we're all building stronger relationships.

WR: Yes, I've spoken to each of them and we talk regularly. We're not sure if they truly believe our plans, anxieties, etc., but what they do know is that it comes from the heart. And it's a conversation vs an announcement, which has helped the message be received better.

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John Asher (JA)
President, Konfidis

[John Asher](#) is the President and a co-founder of [Konfidis](#), a real estate tech start-up servicing investors looking for residential properties.

Previously, John was the SVP Finance and CFO of RSA Canada for 2 years, and before that, he was VP, Finance, Corporate Actuarial and Business Development at The Co-Operators.

FP: *Do you believe you'll bounce back to the status quo, or is this an opportunity to transform, to become better, to thrive again, for your business and others?"*

MW: Axe throwing will definitely change. I believe social distancing will linger beyond COVID in some way, and our guests will ask for more private experiences. Staff safety, signage, cleanliness, the configuration and capacity of our locations, all of that will be reviewed and updated, hopefully for the better.

IJ: To me, it's crystal clear that businesses who have invested in culture will get to cash in their chips of culture, and that will be via employees doing whatever is necessary to see their organizations through this. Those who haven't invested in culture will realize it's one of the best ways to get through crises like this pandemic, and will hopefully start doing that.

Also, this is a great time to figure out what gives you an edge, what you should double down on.

WR: We hope the latter as we're a remote team working on a platform for remote business development and lead generation. We are very excited about our product roadmap.

JA: Everyone has been forced online, so there will be a greater appreciation for online services like ours.

FP: *What about society as a whole? Is there a new model for it out of this?*

MW: Trauma that society is experiencing is significant. As a race, we can't exist without being in-person social. How to rebuild that trust starts with safe spaces that recognize the risk that people will be taking in returning to them.

JA: The state of work will absolutely change. No more big office spaces, flexibility in work from home. People will be more mindful of their own health. Having lived the 2008-2009 crisis at a regulated financial institution, we'll likely see more regulations to plan for these gargantuan backstops better, and to incentivize businesses to be more resilient.

WR: With sensitivity for the health crisis out there, we believe these kinds of shock can usher in some good in the long run.

IJ: Society will change drastically, for the good. People will save more, more personal responsibility. Healthcare system will change. We need to address the global mental health issues that will arise out of this.



Ilan Jacobson (IJ)
CEO, FirePower Capital

Ilan Jacobson is the CEO and founding partner of FirePower Capital, a private capital and M&A advisory firm servicing Canadian mid-market companies. The firm has over 40 deal professionals in Toronto and Montreal.

Previously, he was a portfolio manager at BEST Funds, a technology investor and lender in Toronto.