

Leadership

COVID-19  
An Industrial  
Evolution?

CEO Interview with  
Chris Connor

By  
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**Amrop**

Leaders For What's Next

# COVID-19 | An Industrial Evolution?

## CEO Interview with Chris Connor

### Emerging From the Pandemic

Science (and good logistics) are the future

In Amrop's continuing study of how the COVID-19 pandemic is affecting business worldwide, we speak to a captain of American industry. Chris Connor is CEO of The American Association of Port Authorities, an organization whose members shepherd more than \$2.6 trillion of cargo per year through 130 north and central American ports. Although shipping and trade has in recent months experienced an unprecedented shockwave, the prospects for a bounceback are good, says Connor, thanks to his industry's pragmatic, problem-solving DNA.

Chris Connor has built a reputation for transforming strategy into profit-generating results. His people-focused approach to leadership, combined with agility in the face of evolving market conditions, informs his corporate governance and industry association oversight.

In his current role as President and CEO of the American Association of Port Authorities, he guides the organization's public policy initiatives and convenes industry leaders to create and sustain valuable economic opportunities. He liaises with federal agencies including the Department of Transportation and the Department of Defense as well as federally elected officials to drive policy-making. As former President and CEO of Wallenius Wilhelmsen Logistics (WWL) and Chairman of WWL's Land-Based Holdings, he led the organization toward scalable expansion.

He now provides his expertise as a corporate Board Member. As a National Association of Corporate Directors Board Governance Fellow, he lends deep operational knowledge to both rapidly expanding established organizations and start-ups.

He sits on the Board of The Pasha Group, a privately held diversified global logistics and transportation company, and offers strategic leadership as Chair of Xylyx Bio's Business Advisory Board.

With a BA in Business Administration from Villanova University, Chris earned his cybersecurity oversight certification from Carnegie Mellon University in 2018.



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## Key Messages

1

**The different rates of development of COVID-19 around the world have caused sustained yet uneven operational challenges at ports**

As supply and demand from different markets has fallen out of synch, normal flow has been drastically disrupted. Port leaders are concentrating less on systemic change to logistics, than on crisis management.

2

**Healthcare and banking will emerge better and stronger from the crisis — also in reputational terms**

Biomedical, healthcare and pharma will do well not just in terms of economics, but reputation, given their strenuous efforts to resolve the pandemic and quite literally 'save the world'. Science may well become the new aspirational career for school-age children. Banking acts as the store-front for central governments around the world in their efforts to put liquidity into the system through aid packages in low interest loans.

3

**The virtual workplace will be a boardroom topic**

Adaptation to virtual communications platforms has been swift. These cannot replace the spontaneous interactions that spring from free circulation around a physical space, and binding contracts will prevent office space from being freed up overnight. However, the benefits of virtuality are clear and 'where work gets done' is set to become a strategic agenda item.

4

**Female national leaders have been the examples**

The leaders of New Zealand, Norway and San Francisco are forward-looking and courageous, making the tough decisions on time with a sense of human dignity. As a result, the trust in leadership in those countries has received a massive boost. For their less-exemplary counterparts, the opposite also holds.



5

### Scientists will acquire new value as leaders

During the pandemic the most inspiring headlines have been driven by pharmaceutical progress. The unprecedented trust in science, fostered by its pivotal role during the pandemic, will fuel a demand for leaders with that profile. Doctors and engineers will likely be sought-after by hiring organizations.

6

### Look to the hardest-hit sectors to find the best leaders for what's next

For hard-hit sectors looking to refresh their leadership talent, hiring from lateral, high-performing industries may be a tempting strategy. However if those industries were natural beneficiaries of the crisis this approach will be flawed. Instead, the focus should be on the leaders who have had to take the toughest decisions. The port sector's logistics professionals in particular have shown pragmatism, resilience, and caring - qualities that organizations will prize going forward.

7

### Globalization will forge the path towards recovery

Despite a 30% drop in port traffic, industry insiders believe the irrepressible groundswell of world trade will drive a comeback. The globalization genie can't be put back in the bottle and has created considerable wealth around the world. As a result, current setbacks will likely only be temporary.

8

### Private industry in the US has stepped up to the plate

In the absence of a coordinated federal response, US industry has proactively invested in worker protection and created a strong reputational platform. Maintaining this positive currency will depend on how it sustainably manages a congregated workspace post-lockdown. Pharma, in particular, has distinguished itself in placing people before profit, restoring faith in the sector.

[Read on for the full interview](#)

# COVID-19 | An Industrial Evolution?

## Full Interview with Chris Connor

**Supply chains have faced a major shock during the lockdown, how do you see this affecting global trade?**

Even before the pandemic took over our daily news cycles, there were already disruptions occurring to supply chains. They certainly weren't revolutionary but they were evolutionary.

Two things were happening: a trend towards more near-shoring, to cut down on cycle times and have less of an environmental impact on sourcing decisions; if you are a US importer you would look rather to Mexico and Canada than to Asia and Europe to improve those cycle times. And the second thing was the tariff war between the US and China.

On the front end, people were rushing to buy goods before the tariffs took effect, which created a sort of seasonality effect, but as the tariffs took hold, importers and particularly retailers were scrambling for new sources. And those new sourcing opportunities mainly drove them into southeast and south Asia. When you get that far south it opens up entirely new logistics chains.

What we saw happening was for example cargo that we would previously have seen coming out of China and arriving on the west coast of the US was now coming out of southeast Asia, India and Sri Lanka, and then coming up through the Suez Canal and arriving on the east coast of the US. So it was having an impact on who was winning and losing from a port perspective.

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You saw cargo that was coming in and being abandoned at ports around the world because there was no longer a valid buyer for it — either the buyer had gone belly up, or they simply had no demand for the cargo, and didn't want to rent a warehouse, so they were leaving it in a terminal somewhere.

### What logistical issues have you witnessed in recent months?

It's been its own chaos. Obviously this happened in China first, and Chinese manufacturing was in lockdown first. There was a lot of cargo in the supply chain that never got out, so to speak, so it was bottled up in China. And then with Chinese New Year things became relaxed, just as we in the US were starting to lock down.

In late February-early March there were no great changes in the supply chain. But once the backlog got through and lack of demand on the consumer side took hold, you saw a really different demand picture. You saw cargo that was coming in and being abandoned at ports around the world because there was no longer a valid buyer for it - either the buyer had gone belly up, or they simply had no demand for the cargo, and didn't want to rent a warehouse, so they were leaving it in a terminal somewhere.

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### As we slowly and collectively emerge from the tightest aspects of the pandemic lockdown, which industries have coped best?

Biomedical, healthcare, pharma, and the banking sector — the store-front of central governments around the world in their efforts to put liquidity into the system through aid packages in low interest loans. But I believe and hope that this pandemic will lead to a resurgence in the importance of science. The young kids watching all of this unfold today, instead of wanting to become the next swashbuckling Wall Street financiers, or the next Elon Musk, will realize how important science is, because it can literally save the world. It's big pharmaceutical companies getting ready to produce vaccines on an industrial scale, it's the Oxford University vaccine research program, it's the scientist working 24 hours a day in search of a solution to this invisible enemy.

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### What is the importance of digitization and digital platforms in the post COVID-19 business environment?

I think people have learned that they can survive and even thrive in a digital environment. There is a lot of speculation at the moment about the fact that we are doing most of our verbal and face-to-face communication on digital platforms like Zoom and FaceTime. What will that mean for our workspaces in the future?

Of course it's impossible for a lot of companies to pivot overnight and abandon their 20-year lease agreements on their offices in London or Manhattan or Singapore, but I think the question of where to position people will come into the boardroom, on the strength of this recently gained experience. Again I think that will be an evolution, not a revolution. This is something that's been accelerated by the pandemic, it's been a forced realization, but many of the doubters who were saying that people need to be in the same office environment are now saying that the current alternatives we're using can and do work.

Remote working is not always ideal; you can't replicate that hallway exchange with one of your colleagues, or that quick impromptu meeting that takes place in your office or even in the corridor — that sudden magical moment where you connect and understanding is reached. It's hard to replicate that over Zoom.

### Do you think the perception of business leadership has changed during the pandemic?

I think the leadership equation going forward will be very interesting. In some parts of the world this pandemic has been handled masterfully by leaders, and in other parts of the world less so. As a result there is a loss of faith and trust in institutions in some of those places. But look at where it's been handled well - New Zealand, Norway, San Francisco, all run by women, where they got out in front of it, made tough decisions earlier than anyone else did, and handled it with a sense of human dignity that has been awesome.

The faith and trust in leadership in those places has received a massive boost. If science is the way out of this pandemic, back to some kind of semblance of what we knew before, I think we could see leaders with a science profile emerging. Doctors and engineers, for example, emerging as more trusted figures in leadership roles. If you think about it, the most exciting thing we hear on the news right now is when a big pharma company hits a new stage of progress in a therapeutic development for the virus, or vaccine research.

**Can you see sectors that have been successful during this period having their executives more keenly sought after by less successful sectors?**

The grass is always greener someplace else. Companies that have gone through a difficult period will always look to other companies that are navigating more successfully. To some extent during this pandemic if your industry is one of the more resilient ones it may be more from pure good fortune than shrewd business acumen. Airlines have gotten hammered during this period, their traffic is down 90%. I can't even imagine how difficult it is losing 90% of my business. But if I was on an airline board I would not be looking to hire somebody from Procter & Gamble to save me just because they did well during the pandemic selling paper towels, or [from] Clorox. I would be looking for somebody from within my sector who made good decisions during the pandemic.

Thinking about this question from a logistics perspective, I'm CEO of the Port Authority Association but I don't have a background in ports. But what I have found kind of inspiring, and makes me glad I took on this role, is that the port industry, (and I think this speaks to the wider supply chain question), is a roll-up-your-sleeves type business. There are not a lot of big egos — the questions being asked here are: *How do we get this done? How do we make this better? And, how do we protect our people?*

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What's been remarkable in the port business is the low incidence of COVID-19 infection on port footprints. That tells you that they've put a lot of effort into making port sanitization a priority, treating their people in the right way, and when incidences do occur, moving quickly to quarantine people. So it could well be that logistics talent of this kind could help us get out of this quicker and more effectively. Nobody is crying in their soup. And even though we're down 30% at the moment everybody I know believes that we'll make a good comeback because we are all inherently believers in world trade.

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**During the pandemic we've seen pressure on trade to localize and regionalize. Is there any trend now away from globalization?**

I just don't think you can put the globalization genie back in the bottle. Nor can you change mobility. Global trade in and of itself is a very good thing and it's created enormous wealth around the world. There are elements of globalization that probably went past parallel and the exposure that we saw here in the US and other parts of the developed world in protecting citizens is a good example of that. I have no doubt that there will be an avoidance to sourcing products out of China for a certain period of time, but I think that will probably be only temporary because China is such an industrial force. People have short attention spans generally, so I don't think this will change the long-term position of China.





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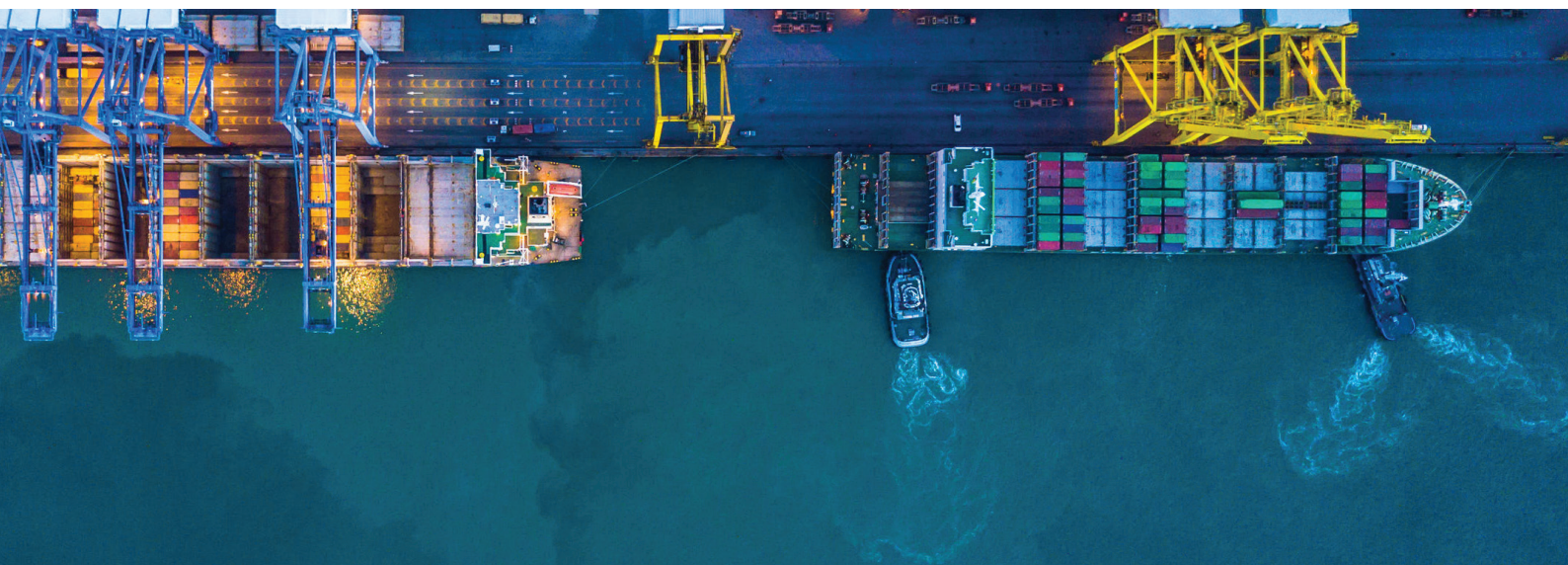
### Is this a good opportunity for business leaders to raise their profiles?

Private industry in many ways had to protect their own workers initially, because there were no well coordinated, federally led efforts to make sure frontline workers, whether they were in healthcare facilities or ports, were protected from getting sick. And what I saw was just an amazing response from private industry to step up and fix it on their own. Sometimes, for example, paying exorbitant gray market prices to get access to personal protective equipment. This will continue to be an opportunity for business leaders to assert themselves. What will be delicate as we get deeper into the reopening phase is how business leaders manage congregated workspaces.

### Bill Gates has said recently how impressed he's been at big pharma companies refraining from profiteering. Have you also witnessed industrial leaders being more interested in problem-solving than profit-making?

Pharma in the past has been heavily criticized for profiteering, for having huge margins on certain drugs. But of course the story that never gets told is the huge sums that they put into research and development. I think the big pharma leaders have been wise recently in signaling that they will sell vaccines or therapeutics at little more than cost.

In general while there's always some bad actors out there trying to take advantage of a given situation, I think the behavior of industry has been exemplary. Specific to Ports, what I've witnessed first hand has been awesome. Normally the fiercest of competitors, Ports have set aside market share interests, and instead have collaborated and shared best practices within the industry to accelerate getting critical materials and supplies to the front lines of the COVID-19 battlegrounds, and to get consumer goods to our doorsteps during the lockdown.



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## About Amrop

With over 70 offices in all world regions, Amrop is a trusted advisor in Executive Search, Board and Leadership Services.

Amrop advises the world's most dynamic organizations on finding and positioning Leaders For What's Next: top talent, adept at working across borders in markets around the world.

Amrop's mission: shaping sustainable success through inspiring leaders.

## The Amrop global Industrial Practice

Amrop's Industrial Practice is configured to anticipate and respond to the talent acquisition needs of globalizing organizations in the following sub-sectors:

**Automotive:** OEM (Manufacturers), OES (1st and 2nd tier suppliers, specialists), Distribution (importers, wholesale, retail, OEM and independent) Services (consulting, engineering, IT, marketing etc.).

**Industrial basic materials:** (steel and aluminum, plastics) to agricultural machines, machine tools, packaging, plant and engineering, aerospace, marine and power generation and beyond.

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## About the American Association of Port Authorities

The unified voice of the seaport industry in the Americas, The American Association of Port Authorities represents more than 130 public port authorities in the U.S., Canada, the Caribbean and Latin America.

For more than a century, AAPA membership has empowered port authorities and their maritime industry partners to serve global customers and create economic and social value for their communities.

Its events, resources and partnerships connect, inform and unify seaport leaders and maritime professionals who deliver prosperity around the western hemisphere.

For its U.S. members, AAPA provides advocacy and public outreach to influence seaports' most urgent public policy issues.

Today, AAPA continues to promote the common interests of the port community, and provides critical industry leadership on security, trade, transportation, infrastructure, environmental and other issues related to port development and operations.

[www.aapa-ports.org](http://www.aapa-ports.org)



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