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Leadership in a Time of Crisis



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Trip.com is China's leading travel company. How did the pandemic, coming on the eve of Chinese New Year, affect your business?

This is an unprecedented event. None of our countries has ever had a rehearsal for it. There are two stages where we confronted lots of difficulties. First, when Wuhan was locked down the government put a travel ban on Chinese tourists, to prevent them from traveling abroad. That was a very good thing that the Chinese government did. Our call centers had to handle 20x our normal volume, to cancel, delay, or change trips. In the first wave, we announced free travel packages for patients with the virus or healthcare providers. No matter where they wanted to go, we reimbursed them, 100 percent. In the second wave, we launched a ¥100 million disaster relief fund—we later added another ¥100 million—to help our customers handle the stress during this time.

Why did you personally decide to take zero salary?

When the travel ban started in late January, and we realized volumes would fall dramatically, I moved to conserve cash. I wanted to ensure our financial position was very strong and that we have enough cash for the next two years. I told our HR team that they have my blessing to tell people that Jane and James (Chairman James Liang) have agreed to take no salary. On March 9 we made a formal announcement. I'm proud that our leadership team also volunteered to take a pay cut up to 50 percent.

How have you managed during different stages of the crisis?

The first stage was very intense. We had to put the best interests of customers, partners, and employees first. In this crisis mode, the whole team worked and executed efficiently. I am very proud of our team.

At first, the virus hadn't spread abroad, and the global community wasn't as aware. I was fighting in the front lines with my call center employees. But our global partners were so far away from China that they did not really know what was going on. We were handling changes—for hotels, airlines, cruises, etc.—on a case-by-case basis. And that was not scalable. I reached out to the CEOs of those partner companies saying we needed to develop a scalable model. Some of the hotel CEOs trusted our judgment and let us know, “whatever you suggest Jane, we will go for it.” Others were less easy to convince. They said they had never given a blank check to their business partners, and wanted to deal on a case-by-case basis. Gradually they could see that our recommendation made sense.

At the same time we needed to help the ecosystem. We set up a ¥1 billion plan to help partners who were struggling with cash flow. And of course we had to focus on our call centers, where we needed to keep our 10,000 employees safe.

You have over 40,000 employees. How do you make them feel safe, as individuals, and allow them to put aside their fear and help customers?

At the beginning, when the city was locked down, we all needed to be online to handle the volumes. Ten years ago, we started a pilot program for working from home. This time around, we were the first company in the travel industry to adopt working from home while we were self-isolating. It worked well, without sacrificing much efficiency. Our business was not impacted that much.

For call center employees, we needed to ensure they were very well-protected. We immediately set up emergency procedures. Even before the government set up rules, we bought masks and hand sanitizer. We had supervisors taking employees' temperatures every two hours. And we emphasized that every employee must take care of themselves, and not come to work if feeling sick.

The second stage was after February 10. That was when we told our team we needed to go back to work. The first week we allowed everybody to call in. The mass market was not yet back to work. Starting February 17, we had face-to-face meetings. Every morning, we take everyone's temperatures. We tell them that if they don't feel well, to isolate themselves. We also make sure the whole building is disinfected.

On other levels, it was difficult to resume work. Some employees needed a certificate from their residential area. Different provincial governments have different procedures. Some forbid employees from traveling or going to the building. If the economy doesn't get back on a strong footing, many more people will suffer. On the

other hand, China is under tremendous pressure to control the virus. We need both in order to make a full recovery.

Our procurement team worked extremely hard to get gloves, get masks, get sanitation ready. Resources were diverted to Wuhan and Hubei province at first, so the supply of these things was very tight. Our teams from Korea, Japan, and other countries were buying masks to support China. Now China is well under control. We donated one million masks abroad. I truly hope that this teaches people all around the world that no country can be isolated. I hope we can be united as one globe, one team.

Trip.com is known for pro-women policies. Did you do anything special for women at this time?

Women make up more than 30 percent of senior management, 40 percent of mid-management, and 50 percent of our workforce. We provide special support for mothers to work at home and have more flexible hours, as children are all taking online classes.

Are you starting to trim some employees?

It's quite stable. Some of the bonuses are linked to volume, so as the volume comes down, the compensation cost will come down.

What has been the hardest about the crisis?

It was very difficult to see so many young nurses and doctors being sent to Wuhan. They are the real heroes who risked their own lives to support Wuhan. We offered them the highest membership for free, to thank them. They made a personal sacrifice for the best interest of the people in Wuhan and in China.

During the crisis for me personally it was intense. In the morning I would work with our team. In the evening I would reach out to our partners in Europe and the U.S. I needed to work hard, very hard to make them aware of what was going on.

When I look at our team—the average age is only 26 years—and how unselfish they are, I am very grateful for the contribution they are making. It's also very tough to see the impact of the virus on the whole nation.

What is your plan now?

After two months of lockdown, people are scared and worried about their personal safety. The government needs to have a consistent policy throughout the country to support the recovery of the economy. People are probably not ready to go travel right away, but the demand is there. We thought, how can we be creative and encourage them? So, we came up with a recovery plan, Plan V. V stands for victory. Hotels and tour operators are offering a 50 percent or 80 percent discount on pre-paid packages. Great hotels and restaurants that are normally really hard to get into.

Is your empathetic and inclusive approach to the crisis enhancing the brand?

We shouldn't focus on the short-term gain or loss. But if you focus on the best interests of customers, partners, and employees, it is always a very good investment.

What can others learn?

Others can learn from Asia's experience. We should be all be very disciplined. In Asian countries people tend to listen to the government better. In the U.S. and Europe people are not used to wearing masks. In the U.S., every state is reacting in different stages. That is prolonging the process.

Going forward, businesses need to reach out to governments to open up borders, on the one hand, and still control the virus. International exchange is essential for the economy.

To the extent we can do something to be supportive for government and also have the government think ahead not only on how we can control the virus but also help the recovery of the economy in Asia—it's not only good for one country, it's good for the whole world.

How can Asian countries collaborate for a stronger recovery?

I think the first step is to stabilize China and increase the consumer confidence in domestic travel within China. Second, Singapore, Japan, and Korea also need to stabilize their outbreak. If the outbreak is well under control, then these countries should talk. When I talk to Singapore, about 20% of the travel volume is from China. We can resume partially, if not fully, international flights within Asia. That will be beneficial for everybody.

How is this going to change traveling?

In terms of travel I don't think it will have any long-term impact because demand is very strong. Together as a world, we will be able to overcome any challenges.

Interviewed April 8, 2020 by Mark Clifford, Jill Baker, and Colleen Howe