

Wrocław, 16 March 2020

Leadership during the time of epidemic

Three key decisions affecting Poles' health and the economy

According to the best business training in leadership, in difficult times the quality of leaders and the efficiency of their organizations are the critical success factors. The same goes for businesses, international organizations, and entire countries. The value of leaders in difficult times is measured by whether they are able to quickly comprehend the dynamics of a changing situation, take accurate, forward-looking decisions and consistently implement them.

There are many CEOs and directors in the world, and two hundreds or so prime ministers and thousands of ministers. How many of them are true leaders?

Currently Europe is experiencing a rapid spread of coronavirus, which creates a risk that in many countries the number of infected will exceed healthcare system capacity, and doctors will be faced with dramatic choices putting some patients on a ventilator, perhaps leaving others to die. In addition, many industries are unable to trade as usual and are already now suffering millions of losses, which will obliterate thousands of firms – mainly small and medium-sized, often family-owned businesses.

To add to the complexity of the picture, it is worth noting that the rate of the spread of the disease and the number of infected people will depend on e.g. difficult decisions affecting the lives of entire societies. Last week I talked with Selena managers from all countries in which we operate. These talks reveal a multi-faceted picture: where politicians and businesses made quick and bold decisions, the first wave of coronavirus was successfully suppressed. This is the case in many Southeast Asian countries. The decisions made by politicians in Europe are belated, causing considerable chaos in societies and putting excessive strain on the healthcare system. Our Italian, Spanish or German colleagues have more and more concerns as to whether their governments are taking appropriate measures in response to the threat.



Having said that, I suggest that the following three decisions be considered in Poland, as they will benefit our health and the health of our economy:

- First of all, reduce passenger traffic between and within cities. Traffic should be limited to freight transport and commuting. Where possible, firms should instruct their office workers to work from home. Closing cities and reducing traffic is the first prerequisite for slowing down the disease and giving our health authorities a chance to cope with such a large number of new cases. The recent decision by the Spanish government may also be a model for the rest of Europe, including Poland.
- Secondly, I encourage the government to allocate significant funds to strengthen the healthcare system and support the liquidity of businesses in Poland, especially small and medium-sized companies. Perhaps we will need to part with the idea of a balanced budget in 2020. I am aware you are proud of such a budget, so dropping it will certainly be a tough decision image-wise. However, suffice it to visit the nearest hospital to see how pressing the need for support is.
- Thirdly, the opposition should consider an equally difficult decision – to slightly let go of the regular backlash against the government, which is common practice in European democracies in normal times. At the moment, the government should fight the crisis rather than engage in squabbles with the opposition. It is up to you whether or not you will give the government a chance to focus on this major problem affecting all Poles.

Leadership in difficult times is about making bold decisions, as well as going beyond own comfort zones – by the business, by the government, and by the opposition. Let's remember, however, that our Colleagues from the healthcare system are working outside the comfort zone, and that firm owners who have had their business disrupted – give jobs to thousands of Poles.

Krzysztof Domarecki

Management Board President of Selena FM SA

For more details, go to: selena.com

Additional information:

Selena Group is a global leader and distributor of construction chemicals and one of the four largest global producers of mounting foams for construction. The Group's product range includes foams, sealants, adhesives, waterproofing products, insulation systems, fastenings and complementary products. The Group comprises 30 companies in 16 countries. The Group's manufacturing plants are located in Poland, Brazil, South Korea, China, Romania, Turkey, Spain and Kazakhstan. With its international experience gained in diverse markets, Selena Group can grow fast as an innovative company that develops new solutions adapted to increasing users' needs.

Selena Group received multiple awards in the most prestigious rankings, including:

- an award from the President of Poland in the category "Sustainable Success" of the Polish President's Economic Awards competition
- the "Teraz Polska" accolade in the "Foreign Investment" category
- the "Jedynka Gazety Wyborczej" award for the "30th Anniversary Companies chosen by *Gazeta Wyborcza*" for significant contribution to the region's development
- the *Wprost* Eagles award, granted to the companies which have gained the highest average net profit in the last three years and those with the highest average percentage increase in net profit.

Awards granted to the company's founder Krzysztof Domarecki include, for example:

- Medal of Poland's 100th Independence Anniversary in recognition of his contribution to the Polish economy;
- Wektor 2017, an award from Employers of the Republic of Poland
- The "Personality of Lower Silesia" award in the "Business Stars" competition as part of the Lower Silesian Economic Plebiscite.

The Group was also awarded for the innovation of its products:

- In 2018, for the seventh time, it was honored with the title: "Construction Company of the Year"
- It also received the Golden Emblem of the Consumer Quality Leader 2018 in the "silicones and foams" category

Selena's modern products of highest quality are appreciated by the Group's partners and customers in 70 countries. The Group's portfolio is topped by such outstanding brands as: Tytan, Quilosa, Artelit and Cool-R. In April 2008, the shares of Selena FM S.A., the Group's holding entity, became admitted to trading on Warsaw Stock Exchange.