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Mark Aslett: Kindness, Empathy and Compassion as Business Imperatives

A Q&A with the CEO of Mercury Systems



MARK ASLETT CEO OF MERCURY SYSTEMS

When COVID-19 shut down the United States in March, Mercury Systems, an aerospace and defense technology company, had already been tracking the virus for several months. President and CEO Mark Aslett immediately stood up a crisis-response team and set the firm's first primary goal: to protect the health, safety and livelihoods of Mercury's employees.

With that focal point, Mercury has persevered through the pandemic crisis, not only establishing an employee relief fund and developing industry-leading health and safety protocols, but also recording its best annual results on record. This September, Aslett was named the highest-rated CEO during COVID-19 by Glassdoor, the jobs and recruiting website.

Aslett, who has been CEO at Mercury since 2007, recently spoke with Spencer Stuart's Jason Hancock about his company's COVID response and his commitment to corporate culture.

Q: Take us back to the beginning of the COVID-19 crisis. What was your company's response?

A: We began tracking COVID back in January, perhaps sooner than most companies or individuals, as we saw it impact certain elements of our supply chain in Asia-Pacific. That extra couple months helped us move quickly when it hit the U.S. with full force in March.

We immediately stood up a crisis response team that met daily to assess the situation, get as much information as possible to allow us to make high-value decisions quickly, and then communicate that to the organization in a timely manner.

In the first meeting, I defined three goals. First, the health, safety and livelihoods of our employees were going to be the primary decision-making points. The second was to do everything we could to mitigate the operational financial risk to the business. And third, we committed to delivering on our commitment to customers and shareholders. Every action we took during the crisis centered broadly around those goals. Because of what we had seen in Asia and then Europe, we shut down travel very early on. When the lockdown began, we got as many people as we could working from home. We transitioned 60 percent of our employees to remote working seamlessly over a single weekend. We benefited from the fact that we had invested heavily in our infrastructure because communication and collaboration are so important.

I also wanted to make sure that we took care of the most economically challenged during the pandemic itself. We started a \$1 million employee relief fund. The intent was that I wanted to make sure that the people who were coming into the factories were able to stock up on the supplies — medication, food, cleaning supplies, whatever they needed to be able to take care of their families. The way I looked at it was that if we do the right thing for employees and their families, they're going to do the right thing for us.

I think that approach is reflected in the strong financial performance we have had this year. The pandemic began in the second half of our fiscal year, yet we still ended the year with record financial performance across the board. I think that by putting employees at the center of our decision making, they responded in kind.

Q: How much did your existing culture and organization drive your crisis planning?

A: The importance of culture and values has been my biggest learning as the CEO. You study leadership and people, but it's really not until you're tested that those things come to bear. An organization's culture and values are the glue that binds you all together.

This is the softer side of leadership: having the courage to lead with empathy, be more compassionate and put employees at the center of your decisions. Kindness, patience, empathy, compassion were the key words for our company at the start of the crisis, and they continue to be so. Organizationally, one of the biggest things we did was changing how we communicate, given the speed at which the pandemic was moving. We dramatically flattened the communications hierarchy, using live video to distribute our message effectively and engage in an open dialogue with our employees. All people managers attended video calls — daily at first, and then weekly — consisting of 20 to 30 minutes of prepared remarks followed by an open forum. We stayed on the calls until every question was answered. This helped ensure everyone was on the same page as decisions were being made rapidly.

Q: What past experiences guided you as you confronted the pandemic?

A: After I graduated from high school, and prior to attending university, I worked as an apprentice in the shipyards of my hometown, Sunderland, during the 1980s. I remember that we were on strike frequently as the UK economy was in transition. It didn't affect me as much because I was living at home at the time, but I was working with people who had families. The impact that economic crisis had on them and their families left a lasting impression on me.

When we established the emergency COVID-19 relief fund at Mercury, I did it with Sunderland in mind. Early in my career, I remember thinking that if I was ever able to positively affect the quality of someone's life through the decisions that I make, then I'm going to try to do that.

It's usually the folks lower down the economic ladder who are most impacted during a crisis — the lowest paid, the first to be laid off, the longest to find a new job, etc. That was why it was important to me that we not only guarantee our employees' health and safety, but also try our best to protect their livelihoods and families as well.

To me, it's about leading with purpose. Our purpose is innovation that matters, by and for people who matter. We put employees at the center of our purpose statement. This served as an anchor for our COVID response which, in turn, led to record financial results over the last five-plus years.

"An organization's culture and values are the glue that binds you all together."

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INTERVIEWER

Jason Hancock (Boston)

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