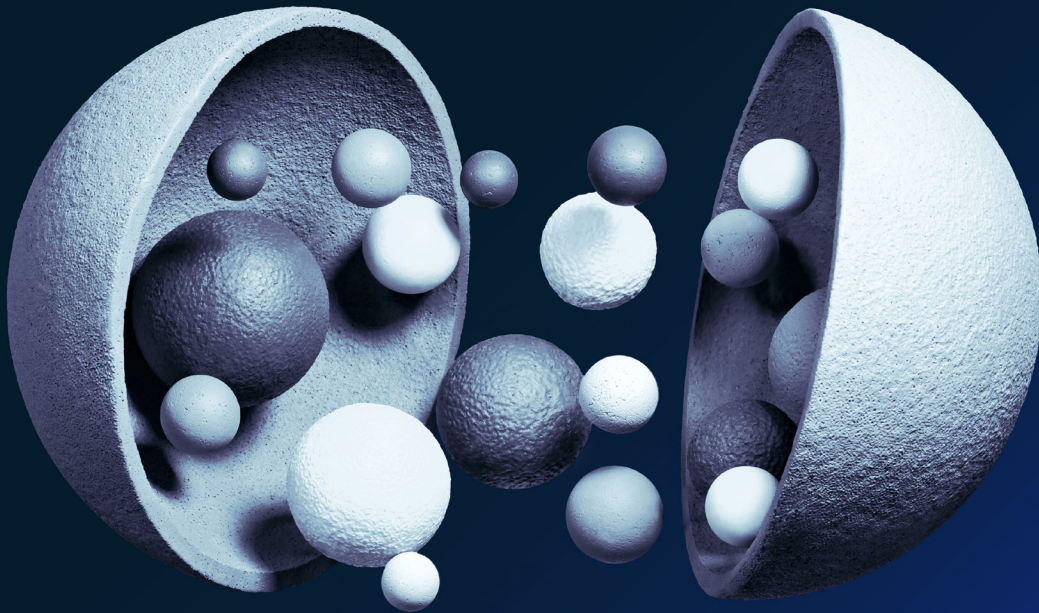


Risk Practice

COVID-19: Briefing note #59, June 16, 2021

Life beyond the COVID-19 pandemic holds much promise.



There's a lot to look forward to once the COVID-19 pandemic eventually fades into history. As viral-spread and economic-fallout curves both flatten in some parts of the world, signs of change and growth indicate a bright future. Our central pandemic-related analysis this week explores a possible new age of global prosperity, with high rates of economic growth and surging healthcare innovation. Individual groups and industries—including Black US entrepreneurs, medical researchers, and the hospitality sector—have the opportunity to benefit from a reset in context and attitudes.

In the postpandemic era, much is possible. Just with the technology that is currently available—no unheard-of breakthrough required—it's possible to achieve 3 to 4 percent global economic growth each year for a decade. Leaders won't need to make a hard choice between sustained and inclusive growth. Instead, growth can be better overall if it's more equitable. The pandemic experience provoked what could become a renaissance in public-health innovation and delivery. McKinsey's analysis goes deep and broad to discover what could happen next (exhibit).

Black US entrepreneurs face unequal access to capital, which makes recovery harder for their businesses. But the recent racial-equity reckoning in the United States has focused multiple industries

on finding solutions to that and other obstacles for Black business owners. Banks can increase access to capital, and corporations can offer emergency grants. Financial institutions can both increase financial education and design systems that are more user friendly and communicative.

How can corporations maintain their cultures in a world of hybrid work? On the *McKinsey Talks Talent* podcast, talent experts Bryan Hancock, Bill Schaninger, and Brooke Weddle discuss the opportunity that companies have to reinvent their cultures. Leaders can focus on helping employees find purpose and make the office the new off site, a place where intentional togetherness occurs. There is a risk, however, that a divide will grow between remote workers and those who come into the office.

If the office is the new off site, the home is the new clinical-trial site. To the growing list of unintended pandemic consequences, add the decentralization of clinical trials. In the face of severe disruption to clinical-trial research during lockdowns, trial sponsors mobilized rapidly to preserve continuity of care and data integrity—for example, by adopting remote consent and patient monitoring, videoconference assessments, and at-home phlebotomy. The medical industry can now build on the unplanned migration to off-site trial settings.

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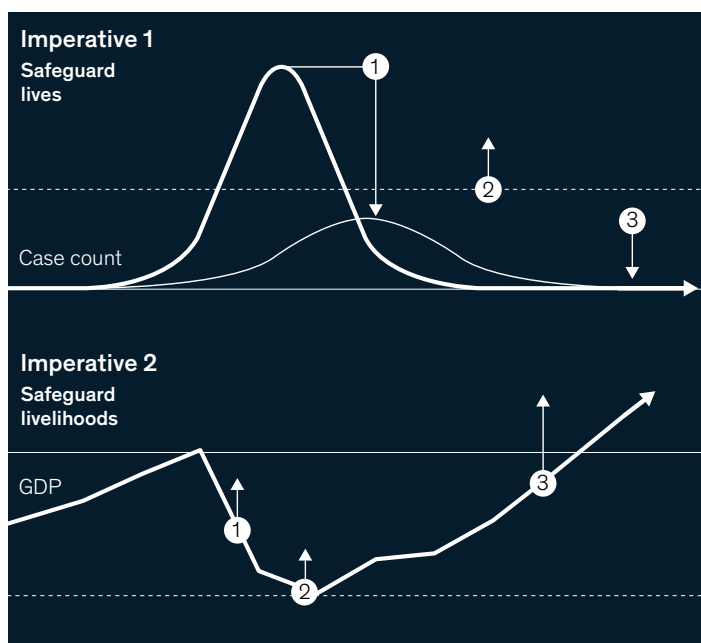
Exhibit

One year later, some countries seem to be nearing their pandemic objectives.

Early in the pandemic, the imperative was to flatten two curves ...

- ① Suppress the virus as fast as possible
- ② Expand treatment and testing capacity
- ③ Find better treatment, drugs, vaccines

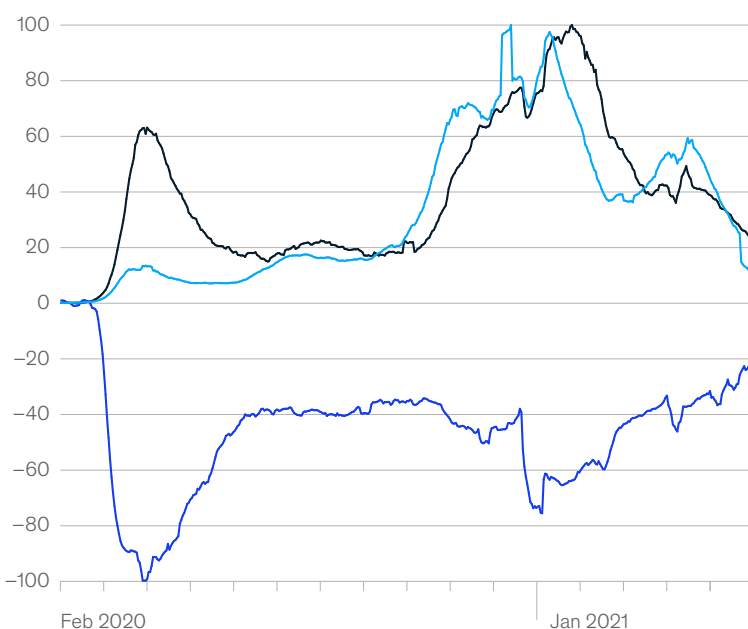
- ① Support people and businesses affected by lockdowns
- ② Prepare to get back to work safely when the virus abates
- ③ Prepare to accelerate a recovery from an estimated -8% to -13% trough



... but one year later, the end is in sight for some countries.

- **New cases.** Although new cases surged twice, in early 2020 and again at the end of the year, they are now falling quickly.
- **Deaths.** Mortality followed a similar pattern as cases; today, deaths from COVID-19 are diminishing in OECD countries.
- **Discretionary mobility.** Consumers went into lockdown in early 2020, reemerged in the summer, endured a second set of lockdowns, and are now nearing 2019 levels of activity.

COVID-19 and consumer activity in OECD countries,¹ index (Feb 2020 = 0)



¹Consumer activity in retail and entertainment, groceries and pharmacies, transit stations, and workplaces. Activity related to parks and home movement is excluded.

Source: Google COVID-19 Community Mobility Survey; Our World in Data; McKinsey analysis, in partnership with Oxford Economics

Leisure travel, particularly to outdoor and beach settings, is likely to be a bright spot in the US hospitality industry's recovery. In a video conversation, Vik Krishnan, leader of McKinsey's work in the US travel industry, discusses the hospitality sector and suggests pockets of emerging demand in which industry leaders should focus resources.

The *Inside the Strategy Room* podcast steps back and examines lessons from the pandemic experience of managing through extreme uncertainty. McKinsey experts Patrick Finn, Mihir Mysore, and Ophelia Usher discuss how leaders must be willing to revisit assumptions, change direction, and admit mistakes when the firmament is shaking. Also key: an integrated nerve center of decision makers who can think and act quickly. Above all, leaders who have lived through hardships are essential in such circumstances.

Our Author Talks series features Kirsten Neff, an associate professor of educational psychology at the University of Texas at Austin, discussing her new book Fierce Self-Compassion: How Women Can Harness Kindness to Speak Up, Claim their Power and Thrive. Neff examines why women shame themselves for failure and how they can learn to be kind to themselves while fighting for their professional wants and needs. Our most recent edition of McKinsey for Kids introduces younger audiences to mangrove forests and explains why building a business case for mangroves can help protect Bengal tigers and king cobras. For more perspectives, please see the full collection of our coronavirus-related content, visual insights from our "chart of the day," a curated collection of our first 100 articles relating to the coronavirus, our suite of tools to help leaders respond to the pandemic, and how our editors choose images that help readers visualize the impact of an invisible threat.

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