

CASE STUDY SERIES

The Heart of Reuters – Part A

by

Jane E. Dutton

William Russell Kelly Professor of Business Administration;
Professor of Management and Organizations; Professor of Psychology

Ryan Quinn

Assistant Professor, Darden Graduate School of Business, University
of Virginia

Robert Pasick

Faculty Affiliate, William Davidson Institute; President,
LeadersConnect

This case was prepared as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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WHEN THE WORLD FALLS APART

“No one has a plan for what to do when the world falls apart.”

The 1,200 employees of Reuters America located in 3 Times Square had a clear view of the World Trade Center from windows above the 22nd floor of its brand new building. After 8:45 a.m. on September 11, people from all over the building flocked to those windows to confirm that an airplane had hit one of the WTC buildings. The thick stream of smoke and the discernable fire made it clear that the rumors were true. It was not until the second plane hit that the disbelief, uncertainty, and fear struck 3 Times Square.

Pandemonium reigned in 3 Times Square for the first hour or two after the attacks. Some employees stayed by the windows to watch the towers burn. Some left for home immediately. Others went out to the streets, but went nowhere in particular. Some made phone calls to loved ones, or to people they knew in the World Trade Center. Some got on the internet to follow the news reports. And some retreated to offices or conference rooms.

Beyond these individual responses, Reuters as an organization had to respond. Not only did they have a data center in the World Trade Center, but they also had four other facilities in New York City, employees at conferences and meetings around the city, employees in Washington, D.C., where another plane hit the Pentagon, employees near the Sears Tower in Chicago, employees traveling on planes all around the country and the world, and countless customers who would be affected in greater or lesser degrees. How many employees and customers might be affected? How would they know where to look for which ones? Who should be responsible for tracking which ones? How many of them were in places where they could be contacted? What would Reuters do if any of them turned up missing or dead? Reuters is a global company—what should the extent of their search and rescue efforts be?

The following account is a reconstruction of Reuters responses immediately following the events of September 11. This description is the product of interviews with 30 individuals from Reuters America done between the dates of October 19th and November 8.

I. CHAOS INTO ORDER

“The rigidity of the organization fell away when it needed to but it reestablished itself when it was needed.”

Phil Lynch, Chief Executive Officer of Reuters America, was at a meeting at Compaq Computers when a person burst in the room to tell them about the attacks. He literally ran back to 3 Times Square. He watched the tower burn from the southern window and, realizing that he needed to take control of the situation, announced that he would be going up to the boardroom on the 22nd floor to establish a Command Center for managing the crisis. When Lynch got to the 22nd floor he found other members of his top team already had the same idea. He joined them in establishing the Command Center—it was up and running in a half hour after the attacks. They had placed a call to London and established an open line with Tom Glocer, CEO of Reuters Group and other members of the top management group in London.

The intent of the managers in the Command Center was to find the people and serve their clients, but this was no easy task. They got to work trying to organize a recovery process, but activity, while more purposeful than much of the activity in the floors below, was also chaotic. It took time to bring some order to the process.

Meanwhile, Ken Iacurto, Vice President of Client Site Services, was dealing with chaos on the 17th floor. He looked out the window and saw hundreds of people in the street. Worried about his

Reuters staff, he went downstairs and gathered them into a corner of the floor, told them what happened, and talked with them about it for a moment. This helped them all to calm down—a little.

They were concerned to know what the direction for the whole company was, and whether or not they should be worried that they were in a skyscraper in Times Square. Iacurto told them not to leave yet, to wait for more instructions, and to either contact their families or leave messages on their voice mail saying they were okay. Then he went upstairs to find out what senior management was doing.

When Iacurto got to the 22nd floor boardroom, he found more pandemonium. The room was filled with people talking frantically. Iacurto suggested it would be helpful if we could bring more order to the room, so he told everyone but the most senior people to leave, explaining that although everyone was trying to be helpful, they needed to be more organized. Iacurto asked two people to stand as “guard dogs” outside the room to prevent chaos from entering the boardroom again. The managers in the Command Center asked Iacurto to stay as part of the team.

Those remaining in the Command Center began to develop their approach for dealing with the issues. As they developed their approach, they recognized that the procedures they were using were similar to those developed in the Millennium Project. The Millennium Project was a 2.5-year process led by Richard Pisani to make Reuters hardware and software millennium-compliant, including procedures for checking on operations and coordinating with London. Some felt it provided a type of map for business continuity planning that equipped managers with ways of thinking through contingencies. The people in the command center called Pisani and asked him to join them. However, the millennium process did not prepare management for the massive task of finding employees, bringing data operations back up, and doing whatever was necessary to help their clients recover from the event’s devastation. They used parts of the millennium plan as guidance, and found it very helpful, but there was still plenty of improvising that they needed to do to find their people and re-build their services.

Kevin Cassidy, Reuters Director of Security, was at 3 World Financial Center when the first plane hit. He helped the security person on duty evacuate people and was himself on the street when the second plane hit the south tower. The plane slowed down, he said, turned its wings vertical to maximize impact, and gunned its engines. He ran from the tower but still found his pant cuffs filled and his face covered with soot from the falling debris. Cassidy then called his security managers, instructing them on implementing the security plan. With the city’s transportation system shut down, he walked the three hours back to 3 Times Square, arriving in the early afternoon.

Organization finally outweighed chaos in the early afternoon of September 11 in the Command Center. Phil Lynch and his colleagues had routines and plans in place, and they began to emerge on an hourly basis to give employees an update. And when Phil Lynch received Kevin Cassidy’s phone call saying that he had arrived, he asked Kevin to come join them in the Command Center. When Kevin arrived, Phil came out of the boardroom to ask Kevin privately if he was all right. Kevin responded affirmatively and entered the room to join the team.

Two months later, as Kevin reflected on the first few days after the attack, he expressed admiration and appreciation for Phil Lynch. When the World Trade Center towers were hit, he said, many of the CEOs in companies around the city ignored their directors of security and took the responsibility for security into their own hands. Not Phil Lynch. The people in the Command Center in 3 Times Square were part of a team. And when security issues came up, Phil turned to Kevin for input.

Joanne Bennett, a Director of HR, reflects that although the experience in those first hours and days was very personal, it was also “like running a business”: Break it into pieces. Give clear assignments. Give accountability. Get everyone involved. Frequent communications and updates. Reporting.

Making sure that the right hand knew what the left hand was doing. Always asking the question, What haven't we thought of? Where are the landmines? What could happen next? What do we need to do next to be prepared?

Clear Priorities

The firm's priorities were very clear from the beginning: **"People first, then customers, then the business."** This message came loud and clear from Tom Glocer, CEO of Reuters located in London, and the message came simultaneously from Reuters America located in New York. This meant: locate and ensure the safety of Reuters staff first, learn what clients needed and help them meet those needs, and then and only then worry about the implications for the business. But first, they needed to adapt their organization to the needs of this crisis. Fortunately, Reuters had a 150-year tradition as an information business.

Keeping Employees Informed

The Command Center was primarily run by people from Reuters Americas Operating Committee (ROC). They played key roles of coordinators and collectors/dispensers of information as it became available. Other command centers simultaneously emerged in many locations—one in London, providing access to senior management of Reuters, another in the data center in Hauppauge, the operations command center on Long Island, and a third at Radianz, Reuters major communications carrier—not an easy task. Lines between them were established, facilitating the flow of communication throughout the first several days. Within each of the operating units people fell naturally into roles that built a capacity to locate the Reuters people and locate the customers and clients as two separate but critically important activities.

One of the issues confronting the team in the Command Center was the question of whether or not to let people go home. Ultimately the decision to leave or to stay was each individual's, but Reuters needed a policy, based on sound, verifiable information. Kevin had relationships with police, the Port Authority, and other relevant public service organizations throughout the city. So the team asked him to set up hourly communication with the relevant organizations to find out what the status of trains, roads, and bridges was. They asked the employees not to leave the building until it was safe. Then, in Phil's hourly reports to the employees, he would tell them the status of public facilities, encouraging them not to go home until it was safe. They opened the cafeteria to employees and offered food for free, and told them that in the event that it was unsafe to go home all night, they would provide places for people to sleep. Fortunately, transportation was safe enough for most people to go home by the end of the day. However, many of the senior managers did not leave the city for days.

Kevin Cassidy made calls to the police and to security before each employee update to ensure that the Command Center team had the most up-to-date information. There was some inconsistency in the messages that got out to the employees, but the managers in the Command Center put their best efforts into keeping people informed, and most of them felt that they were kept up-to-date throughout the crisis. As one long-time employee put it, "The communication flow was constant from above. You knew Phil Lynch cared. You knew they wanted the best for us. Every which way—no matter where you turned, whether it was the daily briefing, the emergency website, or walking down the hall, you just knew that everyone was out for the welfare of employees and their safety. The message was just consistent and very compassionate." The communication let people know of the fluid and changing conditions, but in addition, its regular presence provided a needed sense of security.

The personal updates slowed after the first few days, and communication happened more often by email and teleconferencing, a practice that Reuters America uses regularly to converse with all

employees. At a designated time, they can dial in to a mediated teleconference call to ask questions that are heard by all call participants, who also hear management's answers to the questions. A teleconference call with employees took place two days after the event. Leadership talked openly about what they were feeling at the time and the steps that Reuters was taking on the "business side and personal side." Employees calling in from all over the country asked a full range of questions: What services are available? What are the travel restrictions? What is Reuters doing for the city of New York? Should we consider accounting as we help clients restore service? Phil Lynch concluded an hour-long conference call with the words, "We have very good control over the situation, from our company, product, and client perspective. We will do everything we can to support people. We have a tremendous amount to be proud of both at a personal and a company level."

The communications efforts also relied on assistance from London staff who pitched in to do what was necessary to help. For example, when communications staff in New York were overwhelmed by the deluge of emergency service information, and staff worldwide asking how they could help, they took up London's employee communication staff's offer to help. Paula Harrington, Director of Employee Communication, told of the relief and gratitude she felt for being able to forward to London the information inundating her email, where her colleagues organized and published relevant information to the emergency intranet site. Within two days London set up an internal website containing vital information about U.S. emergency updates, customer and product updates, frequently-asked employee and customer questions, emergency services resources, support relief efforts, and what employees could do.

II. THE SEARCH

"This is the Reuters touchstone: to be there for other people. We are there for clients and we are there for our own."

As managers from all units began the daunting process of trying to locate all 1200 plus employees based in and visiting New York and affected clients, the 3 Times Square Command Center became the central node in their efforts. They used a hunt-and-peck process, relying heavily on managers' knowledge of where their employees were that day, and if they were unsure, identifying who might have leads about how to find them. For example, Gary Mindlin, Vice President, Operations for Reuters Consulting, America, described the process as when where you used your networks to locate people, then you would ask questions like, "Did you see this person. Did you see that person?" As you would find out information, you would find there was a definite 'CONFIRM' or a sighting of a person.

People in the Command Center included the operating heads of units and others who had extensive experience in projects that crossed Reuters disciplines. This kind of knowledge allowed people to quickly locate the organization's 'hot buttons'—who to go to when you needed information about an employee, client or service.

Missing

By the evening of September 11, 20 employees were still missing. The search had been exhaustive and methodical: Who among the Reuters employees was on the hijacked airplanes? Who was attending events in the World Trade Center? Who among employees working at the World Trade Center was not able to get out?

Phil Lynch took it upon himself to make the phone calls personally to the homes of the not-yet-located employees. He explained that these were high-alert phone calls, and he could not see himself delegating them to anyone else. Phil explained to the families that they were looking for everyone, but hoped everything was fine, and they had no reason to believe the contrary. He asked families to

let him know as soon as they heard anything, and he promised to do the same. By the next morning they had it down to eight people, and four hours later there were two whose names kept coming up—Alex Braginsky and Geoff Campbell, who ironically were attending a risk management conference at Windows on the World on the top floor of the World Trade Center. Both were members of Reuters America, the group that Phil was responsible for. Phil and members of the HR group kept in touch with the families as they struggled to learn of the fate of the two men.

The Reuters Group eventually learned that they also lost Steve Tompsett and Anil Bharvaney from Instinet, a Reuters subsidiary, and Douglas Gurian and Chris Hanley from Radianz, a company created by Reuters in a joint venture. The separate reporting structures for these two units meant that Reuters America was focused primarily on the Campbell and Braginsky families and on the Reuters employees who lost family members, friends, clients, and colleagues.

For the Families

As Phil Lynch put it, “It’s all about the families. Just remember it’s all about them. I knew there was nothing I could do that would make them feel better. But it was all about them. What could we do for them? Where do you want to go? Do you have a place to stay? Do you have a way to get around? What do you want to see? Do you want to see where he worked? Do you want to meet who he worked with? It was all about trying to serve them.”

Reuters responded unequivocally to what the families of missing employees needed. They flew Geoff Campbell’s family to New York from their vacation in the Canary Islands, a process involving immense negotiations with the airlines, and also offered help to his fiancée, who lived with him in New York. Monica Albano, Executive Vice President of HR, met the family at the airport for Reuters and personally shielded them from the army of reporters who were covering the story for the British press. For the next 10 days, the Campbell family was provided a car and the services of Angel Miranda, Monica’s personal driver, who used his knowledge of the city to navigate the family through the maze of hospitals and locations set up for families with missing members. Angel was even able to get the family down to Ground Zero—a difficult accomplishment that brought finality to the family’s sense of what was likely for their son.

As a single parent, Nelly Braginsky raised Alex Braginsky alone, and by all accounts, she had done everything to raise her only son to be a successful professional. Phil had called Nelly on Tuesday night and on the next day, Nelly Braginsky found her way to 3 Times Square and asked to meet with Phil Lynch and Sharon Greenholt from HR. Sharon described the meeting, “She refused to believe that anything had happened. This was understandable. Reuters did everything they could to help her with this. Phil Lynch called her in the mornings to make sure she had eaten breakfast. We got her a car to take her around New York. We got her sandwiches to keep her fed on her visits to the hospitals. She shared stories of her son. We were very conscious that we would not challenge what she thought. The family drove the process. It was heart wrenching, as the families would call with possible scenarios that might eliminate the possibility that their sons were in the WTC. We kept saying we will do everything we can, and we did.”

Throughout this difficult time of systematically ruling out possible locations for their sons, Reuters let the families lead. They completely supported their efforts, furnishing resources as necessary. Top managers provided comfort by always being available for the family’s calls, even if at home in the middle of the night seeking advice or exploring new possibilities for where their sons might be. The resolve and commitment were steadfast and unwavering. Employees who witnessed these actions saw the humanity of the organization. As one person said, “I knew Reuters was a wonderful machine, but now I know it is a wonderful machine with a big heart in the middle.” Or as another employee explained, “Watching Phil Lynch get so involved with the families—so quickly—with their personal lives, bringing them in, comforting them, involved with their personal pain—I saw

the heart—not just the company, not just technology and lines—I saw the heart of the company in him responding to the families.”

On October 25th the organization held a memorial service for the families and for Reuters employees who lost loved ones on the 30th floor of 3 Times Square. Reuters flew the available Campbell family members to New York for the service. Each family spoke of their deep appreciation for all of the support, help, and care that had been provided to them during this very difficult time.

The Mobilization of HR on September 11

Human Resource executives found themselves in a tough situation on September 11 because the head of HR, Monica Albano, was in San Francisco and was unable to return until Saturday, the 16th, a process requiring her to take five different flights. Even so, Sharon Greenholt responded quickly. Upon learning the news of the planes that crashed into the World Trade Center, she called a meeting of all the HR people at 3 Times Square. While Albano maintained phone contact with the Command Center and her HR unit to provide general help and direction, Greenholt called the shots locally. People assembled quickly and resumed a frank discussion about how some felt they had to go home—because of fear, or simply to be with their families. Some decided to leave the building after agreeing to call when they reached home. Though the degree to which people felt it was acceptable to leave varied considerably by unit, members who did leave later expressed gratefulness for having the flexibility respond to the pull of other commitments during the crucial time.

The Command Center asked HR to create a hot line and to join their team. HR broke into sub-teams (what they called work streams, each with a leader) and organized around creating the hot line, locating the employees, and locating and hiring counselors.

Rochelle Friedlich, an attorney at Reuters, set up the hot line as a 24/7 line for answering questions and helping locate people. This commitment meant HR employees manned their mobile phones and home phones 24 hours a day. At the same time, HR worked hard to help managers identify and confirm each employee’s status. In addition, HR took on the task of keeping track of the openings and closings of office buildings, notifying employees who were coming into work about what buildings they should report to.

By lunchtime on September 11, HR realized that they needed to have a counseling program in place, and they went into high gear to identify counselors, using both their work- and family-based networks. They went to their EAP vendor, Managed Health Network, and asked for a counselor for Wednesday, the next day. Another HR manager was given the task of finding counselors. Through her personal networks, she was able to provide three or four names, each of which had their own networks of counselors. The response to queries for hiring counselors was astonishingly strong. People were willing to come on a moment’s notice. By Wednesday over 50 counselors had called in. They were able to contact the New York Institute of Mental Health, which activated another very large network. HR also decided they needed counselors in DC, Chicago, and other locations as well. By day two Reuters had two counselors on site. They also distributed a number of handouts encouraging people to contact the onsite counselors. At the same time HR recognized that leaders could use coaches to help them lead in this tough time. Support personnel came on-site very rapidly to help employees deal with the unfolding trauma and events begun on September 11.

One of the counselors on site was Rob Pasick, a business consultant/psychologist who had worked with Reuters before. When he received a phone call looking for counselors, he hopped in his car and drove to New York from Ann Arbor, Michigan, to arrive Monday morning. Finding no pattern for using professional counselors at Reuters, Rob took initiative in giving people the opportunity to talk about their experiences and feelings in informal settings. Rob and the other counselors walked the floors and made themselves available, helping individuals and work teams to work through their

experiences. Each afternoon Rob would meet with the managers in the Command Center to review how people were doing. Reuters showed great flexibility in enabling Rob and his colleagues find the way to work most effectively.

Town Hall Meetings

HR and leadership thought there was a need to have a town hall meeting where people could come together to tell their stories and hear the leaders reflect on Reuters' response to the events. They held three town meetings on Friday, September 21—two with Reuters America and the other with Bridge. The meetings were milestone events in providing an opportunity for the community to come together to reflect and to ask questions. One of the main goals was to help people manage their fear. Times Square had been subject to a number of bomb scares in the days following September 11.

The town hall meeting relied on teleconferencing technology, allowing employees from all over the Americas to connect into the conference call and to ask questions. Reuters has been using this form of communicating regularly since 1999. In addition, the town hall meeting was conducted with several hundred people present in the 30th floor gathering spot from which the call originated, allowing people both to watch and to interact personally with the top management group. They also had a specific issue to address.

During the first week, a group of employees expressed a desire to “fly” the American flag on the digital screen on the outside wall of the 3 Times Square building. At first it seemed like a good way to let the people express the solidarity they felt, and so they flew a digital flag. A short time later, however, the editorial staff insisted that the flag be taken down, because it violated their editorial principles. Reuters, they said, is not an extension of any country. There are people working for Reuters in Afghanistan and Iraq, and if word got out that Reuters was flying the American flag, those correspondents could be killed. This was difficult for many Reuters employees. At the same time, the editorial policy was clear and top management removed the flag immediately. It led Phil Lynch to deal with this issue directly in the town hall meeting.

The meeting opened with Phil's showing a Reuters picture Shannon Stapleton took of Father Mychal, the beloved and deceased chaplain of New York firefighters, being carried away from Ground Zero in a chair by his fire fighting colleagues. He then read the letter from the family of Father Mych that described how grateful they were for the memory preserved in this picture. Phil used this story to affirm the meaning and importance of Reuters, what it does as an organization, and its importance to people as well as to clients and markets. Phil went on to explain that this picture captures what Reuters is as a company—what Reuters does to serve the people of the world. He explained how flying the flag could be seen as undercutting Reuters' global role. It's important, he said, especially in times of crisis, to adhere to fundamental editorial principles, particularly for the safety of Reuters employees.

Then everyone had a chance to talk, and the Reuters employees saw executives openly sharing their feelings. A manager attending the meeting described the meeting's impact this way: “You sometimes forget what our company does. Through these events people saw what Reuters does. . . . You could see the impact . . .” Phil's talking about the picture of Father Mych “had a profound effect on a lot of people, I think. It helped people [to realize] that we provide a valuable service to people.” Another person explained, “I think it reminded them what was important about what we do, rather than it just being about kind of hawking an information product at a customer. That, I think, made a lot of people feel very good about working for the company.”

III. TECHNICAL RECOVERY

“I don’t think any one of us would say that we did anything special. We did what we thought we should be doing at the time. There was no rulebook, or balanced scorecard to measure yourself against. To me, you acted like a human being. I think if businesses just acted like human beings . . . There is no secret . . . You just do what is right.”

Finding and helping Reuters employees was the highest priority, but Reuters employees wasted no time getting to work on their second and third priorities. Reuters services could not be down for long, for they play a crucial role in supplying information that allows the American stock and bond markets to function. Technical recovery was seen as a means for showing the world that the economic system had not been destroyed.

Stock market professionals set a public goal for re-opening the stock market in a matter of days, and officials in the U.S. Government were particularly concerned about getting the treasury market running, given that fixed income bonds are a primary market for investment when the economy is poor. But Reuters lost their Bladerunner data center that was housed in the World Trade Center, and countless telecom lines were lost in the Verizon building, next door to the World Trade Center.

Multiple Initiatives

Once a process was in place for finding and helping Reuters people, hundreds of emails and phone calls went out asking if clients were all right and what Reuters could do to help them. Members of the Command Center also decided to offer customers free access to the normally costly services, “Reuters Investor” and “Reuters Market Monitor.” Command Center personnel also contacted the Securities Exchange Commission, the U.S. Federal Reserve, and the U.S. Treasury to let them know of Reuters’ efforts to restore order to the capital markets. This enabled Reuters to offer services in advance of normal clearances from the major exchanges.

Tony Canderelli, the Executive Vice President for Reuters operations in the Americas, was taking the day off on September 11 until he received two phone calls from members of his operations team telling him about the attacks on the World Trade Center. His home is located halfway between 3 Times Square and Reuters America’s primary data center in Hauppauge, New York. Tony decided that there would probably be emergency barricades preventing his entrance into New York City, so he drove immediately to Hauppauge.

When Tony arrived he found his team had already established a command center for operations and opened a line to the office in 3 Times Square to coordinate his response. They coordinated the tracking of employees with the executives in 3 Times Square, and then got to work on the recovery of operations.

The operations command center consisted of people in charge of Reuters technical and distribution centers, field support, sales, client side services, and internal desktop service. They decided early on to break into two teams—one to focus on internal desktop repair and recovery and another to focus on restoring and improving customer services. The latter depend on Reuters many data centers, on servers in clients’ buildings, and on Verizon’s telecommunications lines between the various data facilities and client sites.

The collapse of the World Trade Center towers destroyed the Bladerunner facility (one of the two key data distribution centers for Reuters), damaged most of Verizon’s telecommunication lines in their building next door, and affected operations in the downtown data caching center. Reuters had redundant systems in place to varying degrees for its customers, and had much of the data backed up in its other data centers, but the extent of damage was unknown. Operations personnel got to work on multiple initiatives.

Replacing Bladerunner

One immediate priority was finding a replacement for the Bladerunner data system lost in the World Trade Center. The command center team in the Hauppauge facility made calls until they found a Triarch digital market data system in the 360 Motor Parkway Drive facility in Hauppauge, and another in 3 Times Square that was devoted to servicing customers through the internet. The Motor Parkway Drive facility system was relocated to the 90 Davids Drive facility in Hauppauge, and people worked through the next two nights to devote the system to servicing terrestrial, leased line clients.

In the meantime, employees on the Retail Financial Solutions team worked on getting Reuters services back online for the clients who were tied directly to the Bladerunner facility. For the next 14 hours people on this team worked with the Reuters Online Marketing team in Times Square through mobile phones, home phones, email, instant messaging, and the internet. They informed customers to re-route requests to Geneva, and they implemented over 2,300 Reuters Market Monitor Internet (RMMi) accounts, redeployed the existing Geneva infrastructure, and created limited-feature public access websites for RMMi services—all by 4:30 a.m. Geneva time, September 12 (10:30 p.m. September 11, EST). Their dedication and sleep deprivation were major reasons for this accomplishment.

As the operations people continued to work on getting the Triarch system on line in 3 Times Square and in Hauppauge, they decided they needed more equipment, and determined exactly what they needed. Somehow, within four days they obtained \$200,000 worth from Nortel. Phil Lynch later commented, “I remember a week later, walking through when our chairman came to visit, and in the middle of a meeting, and they were talking about how they rebuilt the data center, and, ah, you know, 48 hours, and it had taken them eight months to do it the first time . . . I asked, ‘. . . there’s no air transportation, how, where did you get all the hardware to rebuild all this stuff?’ The operations people had taken it upon themselves to get the hardware from other areas and/or circumvented policy or standard operation procedures and got it done.”

The Hauppauge command center team had the 3 Times Square system running by Saturday night, September 15, and had the Hauppauge system running by Sunday night. The DataScope product was also put online in the Valley Forge facility in less than a week.

Reuters had experience with this type of recovery and could draw on that experience on September 11. Approximately one month prior to September 11, a steam pipe ruptured in Goldman Sachs’ building on a Saturday, cutting off Reuters services. The team in Geneva worked all night and through the weekend in order to get Reuters service online for Goldman Sachs before the market opened Monday morning. This experience helped them develop the capability to manage the much larger crisis of September 11.

Securing and Manning the John Street Facility

The Bladerunner facility was not the only Reuters facility affected by the collapse of the World Trade Center. Reuters also has a facility on John Street, and 20% of Reuters client connections in New York City come from the John Street facility—which is about half a mile from Ground Zero. Reuters employees who were working that day heard the “bangs” from the planes crashing into the World Trade Center, and then felt the collapse. John Russo described going down the stairs to the lobby and watching the cloud of soot move across the glass doors, so thick that day became night. The same thing happened when the second tower fell. “If you were outside,” he said, “you would have probably choked to death. It was that thick. And we’re at least half a mile away.” The employees in the data center worked through these events for a while, keeping in close touch with their associates in the midtown facility. The people in the midtown facility told them to evacuate,

but they were unable to because the air quality on the floors below them was so bad. Eventually the downtown employees decided it was okay to leave. They called the midtown facility and decided to evacuate. The phones went down and the employees left and walked across the Brooklyn Bridge to go home.

As evening approached, the operations team decided that they needed to get someone down to man the John Street facility. Patrick Stapleton volunteered, but the managers did not want him to go alone. Going to the John Street facility was dangerous—the news was reporting gas leaks in the downtown area, any of which could blow. The only person available who could volunteer to go with Patrick was his brother, Noel. Patrick was reluctant, but it was the only option. The two of them loaded up on candy bars and soda and began the subway ride and the long walk downtown.

When the two brothers got off the subway it was dark, and ash was everywhere. They got a call from the managers in Hauppauge, who had a change of plans. Rather than man the facility—which was now running on diesel fuel-generated power and could be damaged when the fuel ran out—they wanted the Stapletons to shut the center down. Patrick and Noel agreed and got to work on their next task—getting through police barricades. After several failed attempts they eventually found a sympathetic policeman who let them through.

When Patrick and Noel got into the building, they used their pagers for light and climbed to the ninth floor, only to find it locked. They walked back downstairs, and with some calls from the command center in Hauppauge they met representatives from the generator company and the building manager, who let them in and helped them shut down. John Lasher gave them directions for shutting down the facilities.

By the next afternoon the people in the operations command center had successfully arranged for the diesel fuel needed to keep the generator running. A team of six people went to the facility again, and this time they had to get through two police barricades and a National Guard barricade. This time they specifically looked for police with stripes on their uniforms—they assumed that only those with authority would let them through because others would just obey orders.

When they finally got through they cleaned the air filters, turned on the air conditioning, turned on the power supply, found a fuel truck driver in the street, called his boss to get him to stay with his fuel, and fueled the generator. They arranged for the fuel truck to come every morning.

Three of the men (Allan Budin, Andy Ramos, and Larry D'esposito) who went downtown to power up the data center stayed to work—the National Guard and police would let people out, but would not let people in. They wore gas masks and worked on 30-hour shifts. There was no running water in the building, so they had to bring in food and drinks, had to walk down nine flights of stairs every time they needed to go to the bathroom, and had no way to wash their hands. As the first group approached the end of their 30-hour shift, others came in. They were creative about getting past the Guardsmen—one employee told them, “I just left a few minutes ago—I forgot my house keys—don't you remember?” to get the Guardsmen to let him in.

The technicians in John Street worked under these conditions for two weeks with limited recognition. “But this is our job,” they said. They are professionals, and they were up to the challenge. More importantly, because of them and people like them, Reuters was up to the challenge. On September 13th, the markets reopened.

Working the Client Sites

The people in Client Site Services worked with individual clients to provide them the services they needed as quickly as they could. They offered everything that they could to clients—from offering them space at 3 Times Square to working with them on equipment needs to helping them to

relocate. They described it as going on instinct. “It was something that they believed in, but it was also reinforced from the top. We just did what it takes.” They supplied many with virtual private networks to keep them running until the lines were repaired. Reuters fixed the services for clients outside of New York the fastest because they were not dependent on Verizon to get their services running again. The companies that required the most work in the days immediately following September 11 were those that needed Reuters to re-route their services to the companies’ disaster recovery sites—those that had previously had Reuters services routed to them in the World Trade Center.

Frank Nebbeling, Senior VP of RAM Client Site Services, and his management team out of the 3 Times Square office set up the CSS Command Center and started coordinating the initial dispatching of engineers to client sites. An additional remote Command Center was also established out of the home of Ken Iacurto in Staten Island. This center was staffed with Client Site Services employees from the Staten Island area who could not re-enter the city on September 12. Both CSS centers worked to restore the clients in trouble. Balancing the needs of the clients against the availability of engineers (who were providing the service) was extremely difficult. Some technicians could not get back into the city, and some simply did not feel comfortable leaving their families. This meant Reuters needed to keep track not only of the status of clients but also the status of the technicians and their availability for work.

It meant in some cases that managers had to coach people personally to help them get back in the city. As one manager put it, “We were able to be compassionate, but also talk to people in ways that helped them get back to work and do what it takes.” In consulting, management wanted people to come back to work, to help get to a central place to allow them to respond to customers. “It meant that people who were scared came in and it helped them help each other. It helped them have a purpose, to come together and have a job to do. It helped them have a chance to deal with others about their fear.”

When Reuters received information about the need to restore client services, they asked their employees who was willing to go—nobody was forced. In some cases, only certain people had the skills to restore the services. But the restoration efforts were largely voluntary, motivated, and highly successful. Most of Reuters clients were up—although perhaps not with full redundancy—by Monday, September 17. However, even two months later Reuters did not have all clients on line, or full services restored to all clients. Although Verizon was also making heroic efforts to restore services, the devastation to Verizon continued to be a major bottleneck.

Management made a clear decision from the top: “We will do whatever it takes to make clients work right and work right fast. Just make sure it is done right.” This type of decision seemed to be made at the unit level as well. Management was glad to hear that their gut instinct was the same as the unit’s—it suggested the values ran deep.

There was a constant attempt to do whatever was required to help the clients technically, regardless of cost. For example, if a client was located in a city near high rises and felt they wanted to move to ensure safety, this required doing all kinds of technical work to support the client’s capacity to work at the new location. Reuters Consulting did not hesitate. They sent people to work with them, regardless of issues of contracts, money, or payment. “You need people? Here are the people. Do the stuff and we’ll talk later. Most things were not charged.”

Rebuilding the Treasury Market

The World Trade Center was the home of most of the brokers who facilitate the liquidity in the U.S. Treasury Market. In a crisis there are two markets that everybody rushes toward: the Foreign Exchange Market and the Treasury Market. But the companies that manage trading in the treasury

market were hard hit—especially Cantor Fitzgerald. Reuters took it upon themselves to get the Treasury markets running. This was an important public service, but could also have a significant impact on the industry. Reuters managers had been trying to enter the bond market for months, and had been struggling in their efforts. In the two days following September 11, Reuters employees found a small, electronically-based bond trading firm named Broker Tech. Broker Tech also had the advantage of *not* being located in New York City on the days following September 11. A group of Reuters employees on the fixed-income team negotiated a contract with Broker Tech and got them on the Reuters network in 36 hours. The employees who negotiated this deal knew that negotiating an agreement with Broker Tech was a high-risk, high-reward proposition. On one hand, the negotiations could lead to a significant place for Reuters in the bond markets. On the other hand, Reuters was placing Broker Tech into a dominant position in the bond market, and Broker Tech could choose to work with a different company later on. Glenn Wright, the leader of the project, recalled one of his team members saying, as they conducted negotiations, that this move could have negative effects for Reuters—and it did. Two months later Broker Tech made an exclusive contract with another company, writing Reuters out of the deal. But Glenn Wright still argues that he and his team—and Reuters as a whole—did the right thing. When the treasury market opened on Thursday morning, Reuters had bond prices on their system. They had contributed to creating a safe place for Americans to move their money and an important trading system for the U.S. economy only two days after the disaster.

IV. BUILDING A BRIDGE TO BRIDGE

“There is real people regard. It is like a family. There are incredible relationships between people. So many ex-pats—maybe this is why the work organization is like family. We often put our families on hold for Reuters . . .”

Reuters had been scheduled to purchase portions of Bridge Information Systems with the deal to close on September 15, 2001. When the World Trade Center collapsed, the offices of the 225 employees scheduled to become a part of Reuters also disappeared. Thankfully, no lives were lost. Reuters fully and immediately embraced the Bridge employees even though they were not yet members of the Reuters organization.

It was Tom Glocer’s call. He made it clear to Reuters America management: “Because of the acquisition process, we should open the floodgates: Anything you do for us, do for them—do what it takes.” Reuters actually had more complete records of Bridge employees, allowing them to offer lists of employees to Bridge in their attempts to find and identify survivors. Monica Albano emphasized that the Bridge people are our people even though this was not the case officially. In operational terms this meant helping Bridge employees get relocated, offering them offices at 3 Times Square. It meant providing the same counseling and communications services being used by “regular” Reuters employees.

Bridge employees expressed gratitude for Reuters organized help. One described how the Reuters web page enabled a friend from the West Coast to find out that she was alive and safe. It also enabled her to find out about how her co-workers were doing, learning that no one at Bridge had died.

At the beginning of October, Rob Pasick suggested that Bridge hold a Town Meeting of its own. Reuters fully supported the idea, providing space, technical facilities, and food. For many Bridge employees who had been working at home for weeks, it was the first time they saw each other. Co-workers who hardly said more than “hello” to each other before were suddenly hugging. Employees described the comfort they felt in the littlest things: when they saw that bagels were provided, and that some of the Human Resources professionals they would be working with showed them the

facilities and told them to use them freely. The Bridge employees reported feeling cared for, and feeling part of a family. They expressed gratitude for how organized Reuters was in its response. It helped them and it helped their families.

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