

NAVIGATING THE LEADERSHIP LANDSCAPE OUT OF THE CRISIS

As the Coronavirus crisis continues to evolve at a pace, this paper aims to share observations and insights from the Merryck & Co. team to encourage reflection, spark ideas and stimulate discussion. It draws on the conversations we have had with leaders of national and multinational organisations over recent weeks and discusses a common question - how leaders can lead their organisations effectively, in what remains an unfamiliar landscape.

“The quality of everything human beings do, everything – everything – depends on the quality of the thinking we do first.”

Nancy Kline ‘More Time to Think’

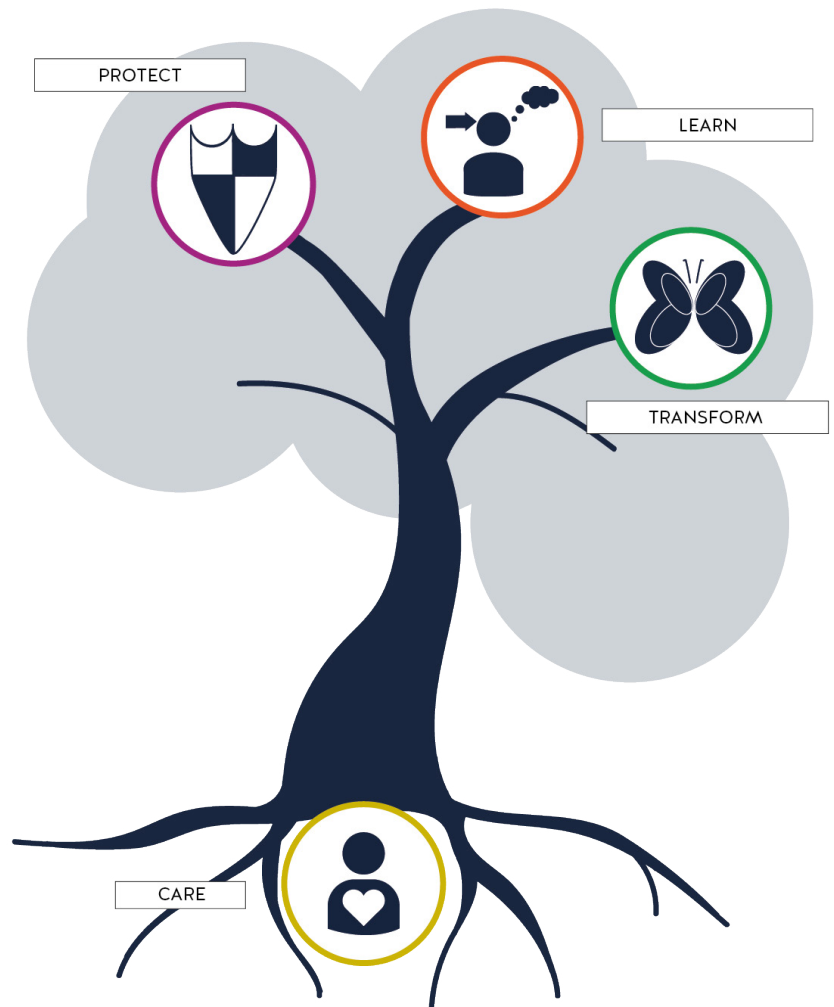
A UNIQUE SET OF CHALLENGES FOR EACH LEADER

In our conversations with leaders, all have encountered unprecedented change. The form change takes, however, carries a unique set of challenges for each and every one of them.

This uniqueness reflects variables relating to their organisation’s markets and territories, the organisational culture and operations and the individuals in the organisation – each of whom react to the crisis in different ways and with different ideas.

This uniqueness means that there is no silver bullet or uniform process to prescribe as a guide to leaders, as they navigate their organisation through the uncertainty ahead.

What is becoming clear from our conversations, however, is a desire in leaders to create a thinking framework where they can reflect, gain insights, have discussions and as a result form clarity on the best approach for the specific leadership challenges they face. Let’s explore for a moment why this has arisen.



DEALING WITH DIFFERENT THREAT STATES

The speed of the Coronavirus crisis as it spread from territory to territory has forced organisations to respond at a pace previously thought impossible.

It has demanded reactionary and fast thinking to respond to the new working and trading conditions imposed by various Governments as they try to halt the pandemic. In global organisations, leaders have had to adjust to different measures and approaches to the pandemic in different territories. For some, organisations have had to deal with employee fatalities as a result of the virus.

Managing the crisis in each of their organisations has placed huge personal and professional demands on leaders. People react and view the threats from the crisis in different ways. These responses impact people’s thinking processes and actions across the organisation. As well as working out their own perceptions of the threats, leaders also feel pressured to understand those of others, in order to mitigate negative threat responses and support their organisation.

REACTIONARY VERSUS STRATEGIC

Many of the leaders we speak with have had to take key decisions quickly in the new environment to safeguard staff and protect employee wellbeing, shore up the business and its supply chains, make cuts to protect liquidity and maintain the trust of shareholders.

With the pressure on them to act fast, leaders' time has been pulled in all directions. Many feel they have to be visible to multiple stakeholders and give assurance that they are calmly leading the organisation through the crisis. Faced with uncertainty there's a desire for leaders to be strategic, but given the pace of the change and its uniqueness, the focus of many has had to be reactionary and on the operational aspects of the business.

There is also a recognition that decisions taken at speed obviously have consequences – both challenging and opportunistic in their form. Current circumstances warrant speed and agility, yet this is both demanding and difficult.

THINKING SLOW

One of the many reasons why this is so challenging is laid out in Daniel Kahneman's book *Thinking, Fast and Slow*. Fast thinking calls on intuition, on past experiences and assumptions to guide it. And yet the current crisis is new with a unique set of challenges for each organisation and its leadership. Assumptions people had no longer apply, or in some respects have been completely broken. Fast thinking, which organisations and their people often favour, falters.

In normal circumstances, when fast thinking is unable to come up with answers, people turn to what Kahneman describes as slow thinking. This represents a more reflective and rational thought process. It can be rewarding though – for example, uncovering answers which were previously unclear.

Slowing down can give opportunities to find the right course to accelerate. But slow thinking, as its name describes, takes time. Time is not what leaders and their organisations have had much of in recent weeks and months.

A THINKING FRAMEWORK TO HELP NAVIGATE THE LEADERSHIP LANDSCAPE IN A CRISIS

Let's return then to that desire of the leaders we speak with to create a thinking framework. Given no one knows how long the current crisis will last, what form it will take and what life will be like after, leaders' resilience and courage will be sorely tested.

The current firefighting will be difficult to sustain, especially as the crisis landscape is unlikely to return to normality (if at all in the form it was) anytime soon.

In considering the value of a thinking framework, imagine a tree. At the top are the branches which have to deal with whatever the weather throws up. These are held up by the strength and sturdiness of the tree's trunk, but that strength is only as good as the framework of roots it has underground.



These roots nourish the tree. They create a space to anchor, supply strength and give a robust structure from which the tree can grow.

For a leader, a valuable thinking framework works in the same way. It represents a space where they can decompress and take a breath from current stresses. It gives them an opportunity to reflect and see objectively what threats they are personally reacting to and what bearing this is having on their thinking and actions.

In their thinking framework they can re-evaluate their strengths in view of the current crisis and explore how they can utilise them better to effectively lead and support their organisation and its people more effectively. For an insightful and recent example of this read Merryck's Annmarie Durbin's article – Stress Triggers and Your Strengths.

FINDING THE RIGHT QUESTIONS

Leaders are often under immense pressure to come up with all the answers, but this is unrealistic. Instead leaders need an opportunity to find the right questions which in turn gain the key answers. The thinking framework encourages reflection and creates an environment to take stock, sense check, identify knowledge gaps or questions, as well as look for clues and insights. It enables leaders to explore new meaning, identify what to ask or delegate to the right people to find the answers and actions that are most needed.

It also forces a leader to review their own energy reserves and wellbeing – to think how best to preserve them amidst the current stresses.

Thinking frameworks can take many forms, as leaders work in different ways and many now face a brand-new working environment and daily pattern. For some it may involve a thinking partner

- a non-judgemental supporter who perhaps isn't an adviser, but who (through regular discussions and conversations) prompts reflection and enables clearer and better thinking.

For others they gain reflection from peer or group discussions. For some, simply carving out five minutes at the start and the end of the day enables them to do the reflective thinking to anchor them in the decisions and actions they have to take. Consider what form your thinking framework might look like?

CURRENT CONSIDERATIONS IN THE CRISIS LANDSCAPE

A thinking framework helps leaders to build the resilience, the courage, the clarity and the core strength (like the trunk in the tree) to deal with all the different demands the branches are facing in maelstrom above.

In the past months this has meant leadership has needed to ensure the organisation reacts quickly to survive. But the crisis landscape is throwing up many other considerations within organisations.

For example, some are looking at how they adapt and sustain progress from the positives which change has brought. Others are looking at how they use their recent experiences to further transform and thrive. Some organisations face a mixture of these and other considerations caught in the 'branches' which the leaders have to support.

Let us take a closer look at some of these current considerations and the thinking they require from leaders.

PROTECT



As Governments moved their countries into lock-down, organisations had to adjust (and in some cases transform) their working model at great speed, many leaders have been forced to lead in a new virtual environment and a different pace and framework of decision-making has emerged in many cases.

Some leaders have been surprised by the positives that have emerged as a result – with teams being more collaborative and less personally driven, with greater transparency, openness and focus in conversations.

This has aided their agility in finding solutions to protect the health and safety of employees, whilst still helping teams stay connected in a virtual world. It has also helped them to cope with the unprecedented financial challenges of Covid-19.

Throughout the initial hiatus, leaders' communications within their organisation and to their wider stakeholders has been crucial. A big challenge has been how leaders first gain clarity of the situation and how the business needs to respond, and then communicate it in a way to people that reassures and motivates everyone.

Here are some of the other questions from Merryck's thinking frameworks as you consider your protection strategies:

- What is critical to the survival and protection of the organisation and our people, as we consider reshaping the business?
- How can we best support the varied physical and emotional wellbeing of the workforce as they react to the crisis – particularly when it is not a consistent and uniform experience for them?
- What should I be delegating now to give me the freedom to lead? What structural changes do I need to make within the leadership team to start accelerating out of the crisis?
- How effective is the current messaging and communication plan relative to each stakeholder group and is the cadence frequent enough?

LEARN



Adapting to the new working environment has happened in different forms and at a different pace across organisations. Having responded to the immediate demands of their various territories' lock-down protocols, a new working pattern continues to evolve.

There have been challenges, but as we mentioned before, positives too. Some of the organisations we have spoken with have taken confidence from what's been achieved in a staggeringly short time. There is greater courage and encouragement to now challenge old norms and ways of operating.

In some cases, leaders have found the crisis has liberated talent – strengths and capabilities not recognised before have become apparent. People's coping approaches and responses to the threats from the crisis have also been varied, and this has highlighted the more resilient components of their workforce, and the less so.

It has meant some leaders are reaching further down into the organisation to generate ideas and open up possibilities.

This is all creating a new set of questions within leaders' thinking frameworks, such as:

- What's working well in the new approach and can we accelerate it?
- What has emerged that we don't want to lose going forward?
- What will 'good' performance look like in 2020?
- In the landscape of the organisation where are the current strengths and how can we make more of these? Have we got the right talent in the areas needed?
- How will we sustain our teams for the next 3 months, 6 months, year...?

TRANSFORM



As it remains unclear when the crisis will end and what life will look like after it does, some of the organisations we speak with are trying to balance immediate concerns whilst also looking ahead.

This goes beyond the adaptations to the new environment in its current form and considers what the next phase(s) or new future will mean for them. In one respect it involves anticipating and responding to changes in consumer behaviour. In other organisations there is a real appetite to use the opportunity to reconstruct and innovate.

One interesting consideration which has emerged is organisations questioning the fitness of their 'purpose' and values for what may lie ahead. Some are even assessing a new purpose as a result of what they have learned in the crisis.

As organisations take stock of the things they have achieved, which were previously thought impossible, they have started to challenge assumptions. It is prompting them to set up teams to explore what different facets of their operations will need to contend with in different phases in the future – for example their supply chain and delivery models.

In their recent article *When Leadership Matters Most*, Peter Tollman and Martin Reeves of the BCG Henderson Institute talk about leaders needing to also anticipate a recession and reimagine the business in a post-crisis world. They encourage leaders to keep imagination alive in their organisations to find imaginative solutions for the unclear path ahead. Recession is now no longer an 'if, a global recession seems inevitable.

Questions in leaders' thinking frameworks relating to transforming and enabling the organisation to thrive in the long-term include:

- How will we know when our people are ready to start thinking about the future?
- What has the crisis revealed about our people that might affect our thoughts about leadership and succession planning?
- What can we do to create new meaning for our organisation that can energise our people? What is our WHY?
- How must we adapt to meet the fresh demands of our customers and markets?

SUMMARY

Experience tells us that those who have demonstrated calmness and courage are the ones remembered long after a crisis. Leaders rightly question whether, if they just keep ploughing ahead tackling what's facing the organisation today, are they optimising the chances to transform and thrive in the future?

As Whitney Johnson and Amy Humble rightly discussed in their Harvard Business Review article, to take care of others, leaders have to start by taking care of themselves.

There is a desire for reflection, for 'slower' thinking to find the answers to the key strategic questions, which organisations have to consider to survive and in time thrive.

We hope this paper encourages reflections, sparks ideas and stimulates discussion to help leaders. As Nancy Kline said in her book *More Time To Think*:

“How do we help people think for themselves with rigour, information, courage and grace?”

Nancy Kline 'More Time to Think'

ABOUT MERRYCK & CO.

Because leadership is the “How” of strategy®, Merryck & Co. helps businesses accelerate the impact of leadership. We are a global executive coaching & mentoring firm made up of experienced CEOs and top business leaders who bring an operator's lens to leadership development and effectiveness. In the current climate we are helping leaders find clarity in their thinking and uncover the answers they need to lead their organisation out of the crisis.

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