Organisational Resilience: Part 1

The world is in the grip of the Covid-19 pandemic which has disrupted life and fundamentally changed the way business has been conducted at a quite unprecedented rapidity.

Running a Financial Mutual is challenging enough, but when you have to lead it from a position of self-isolation or quarantine, no longer able to rely upon those familiar face-to-face human interactions, the normal structures, policies and working practices and routines you have developed and become accustomed to, it must feel very challenging indeed.

Instead of normality, leaders are faced with an increasing array of bewildering and taxing demands. Where ambiguity, complexity, uncertainty and volatility increases, our feeling of psychological safety decreases. Good leaders in these circumstances do two things, only one of which I plan to share fully with you here because, in stressed situations, people can forget that: "when you are up to your neck in crocodiles, the purpose of the exercise is to drain the swamp". I will revisit purposeful or virtuous leadership another day, as it is a key strategic differentiator in its own right and one that leaders of mutual organisations should place particular focus on if they are to build strong, competitive and sustainable organisations that are resilient for the future.

Pressurised conditions like a swamp full of crocodiles exacerbate anxiety and, when you are leading remotely, can create a heightened sense of dislocation, isolation, perhaps a sense of paranoia and in many, an increased sense of a need for control. The emotional and rational responses of leaders need to be reflected in the light of the need for continued performance, financial return, the delivery of key outcomes and also of the health and well-being of both the leaders and employees alike.

Redefine and manage expectations and outcomes

Traditional organisational structures, norms and working practices are based on rational hierarchical models where direct supervision has been achieved by the proximity of employees in the workplace. Regulators have placed proximal requirements on organisations, insisting on appropriate organograms being available demonstrating roles and clear lines of responsibility and have further mandated competence frameworks be populated to attest and demonstrate capability and rightful accountability. Cultural socialisation challenges much that can be codified in standard formats. The latter states what we do in this financial institution, the former what we really do when the boss isn't here. Remote working means that leaders become increasingly reliant therefore on the morals and values of those they serve. Trust becomes an essential value and, without the direct supervision capability that comes from working together in the same office, under the same working conditions, with the same work schedule, it is a value that is easily lost.

In a remote environment, leaders must help their teams shift to asynchronous work patterns and allow for a diversity of needs to redefine and reset expectations for how work gets done, letting go of when and how tasks are accomplished, allowing each individual to accomplish their responsibilities on their own terms. This means focusing on the virtues of the organisation to win through, define the nature of the results delivered and offer greater flexibility. With flexibility comes risk, which in this case can be contrary to what many leaders might be most concerned about. The concern of many leaders is that with too great a latitude offered, workers don't perform and work hard enough. Much research however points out that the opposite is often true; workers blur the lines of work life balance, work too hard and burn out.

Communicate, communicate, communicate

Evidence suggests that shorter communication cycle times are more effective in building and sustaining individual and team morale so consider how effective two directional engagement can be developed. Social

digital media is a simple system to form the basis for regular contact and current best practice suggests that employees shouldn't go for more a half day without being checked in on. Digital huddles are another technique to enhance engagement, ideally using video links like Zoom and Microsoft Teams (other technologies are available), and consider using these events as an opportunity for a team member to demonstrate their leadership of a particular field or topic so as to grow their capability. Prioritise the importance of these meetings over other tasks, ensuring everyone is both present and mindful, so that individuals receive the message that the team, even though it is virtual, is of vital importance.

Remember, uncertainty creates anxiety, and in the absence of communication, the natter and gossip of others will fill the void. Ensure you avoid an information vacuum within your team. Communicate regularly, even if there is no new information to share. It is vital to maintain transparency when faced with a crisis, with frequent updates being the ultimate expression of good faith, empathy, and a genuine concern for your team member's well-being. Remember also that, in times of heightened anxiety, employees will be receiving communication from other sources concerned for their well-being. Many company policies prevent staff from using equipment for personal use which may in these circumstances prove counter-productive. Staff in the surroundings of their own home will resort to the use of other technologies, thus increasing the chaff interfering with their focus and so decrease productivity. Lessons in good time management techniques may need to be re-learned.

Learn quick, learn fast

The virtual world is a haven for learning and new digital technologies are a perfect play-ground for classroom lessons. As above, encourage individuals to share their daily learning maybe for just five minutes at the end of each virtual meeting. Micro learning every day over a long period becomes macro learning that can significantly differentiate an organisation and deliver a real competitive advantage. Turn mistakes into learning opportunities by building a trusted environment where criticism is seen as constructive and always thank people for their trust in sharing their mistakes and for learning lessons. Consider capturing these lessons among team members in writing, so as to allow the team to identify key themes and topics for training to other teams in the organisation. If interested, allow team members to lead on the training, making them ambassadors for your team, demonstrating your trust in them as a valued member of it.

Parallel mentoring and learning buddies

We live in a diverse world where skills, capabilities and valuable experience lie in every individual. Traditional mentoring models rely on hierarchical structures being in place. Remote leadership prevents such structures from working effectively and, if enforced, can become both exhausting and time consuming for the leader. Consider therefore distributing responsibility so that individuals are allocated learning buddies with set learning objectives. Parallel (often also known as reverse mentoring) should also be considered. All leaders should mentor and be mentored so as to increase the breadth of their world view and not just in regard to a specific task or performance objective. This creates strong bonds of mutual respect and trust, as support is developed in all directions. It also protects leaders from emotional isolation, builds their personal resilience and helps their well-being.

Narrative and storytelling

Leaders working remotely will lack the benefit of visual cues in regard to how people are feeling and consequently will have to develop new emotional intelligence techniques. Written and verbal narrative can provide context and tone as well as patterns of communication as proxy indicators. Leaders should pay particular close attention to the rate, volume, pitch, and inflexion of voice communication; and any physical gestures in video communication. Changes in these patterns help identify early health related matters like stress, anxiety and depression and indicate that a team member may need some space for a supportive conversation. Whilst leaders are not clinicians and so not capable of making professional or clinical support

judgements, be aware that in stressed situations an employee may reveal their need for professional clinical support. In this case, make sure you are aware of your company's policy for accessing professional support services. Listen also to the stories people are telling. Stories are rich in values based information and an indicator of the cultural health of the team.

Provide hope, practice realism and tackle fear

"Without hope they shall wither on the vine". Leaders who demonstrate hopefulness and confidence about the future also provide meaning and purpose (remember the swamp) especially under stressful conditions. Hope without a sense of reality however can soon lose a leader their credibility. You have to practise both and consequently leaders need to either enable their team to break down the hope into meaningful and acceptable bite sized chunks or show their team members where the vision has been practised before with evidence of a successful conclusion. The former drives innovation when in the face of adversity. The latter drives adaptation. Fear can be the downfall of both, so leaders must spend time making fear a legitimate emotion to feel so that it can be discussed openly, mitigated for and turned into positive energy. Fear, in my experience, has never appeared on a corporate risk register yet is one of the greatest corporate risks, especially in the high stakes world of insurance and financial services.

Turn stress into a positive force for good

We all need pressure but none of us needs stress. Pressure is when capacity and capability are in equilibrium with demand. Stress is when demand exceeds capacity and capability, and eustress is when capacity and capability exceed demand. The symptoms of stress and eustress are the same. The cure completely the opposite. To turn the stress of situations into positive energy, leaders must first make it clear that the health and well-being of their team is their chief concern. Take time therefore to monitor your engagement periodically and assess how stressed your team members are in regards to this important balancing act, and identify what might be impacting on their individual psychological safety: their levels of connectedness to each other and the organisation's purpose; their levels of hope and optimism; their sense of identity and meaning; and their perceived levels of empowerment are all important elements to consider.

Where individuals and teams feel engaged, safe to learn, contribute and challenge without fear of being bullied embarrassed, marginalised, or punished in some way, they continue to perform, contribute and, perhaps most importantly, compete even when faced with the adversity of a complex and uncertain world. When organisations have individuals and teams led in this way, even at a time like this with Covid-19 still at pandemic levels, then they must most likely be more resilient. Organisational resilience however has more to it than just these few factors and, therefore, further elements intrinsic to a whole system understanding of organisational resilience will be explored in future newsletters.

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