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The age of compassion post Covid-19



In the case of the Covid-19 outbreak, organisations that take a more assertive and longer-term approach can spark innovations that will define the 'next normal', says Geoff Hudson-Searle

Covid-19 is a crucible within which resilient leadership is refined. Acting without perfect information, often with only a few hours or days to spare, CEOs have to guide their organisations through myriad decisions and challenges, with significant implications for their company's whole system; employees, customers, clients, financial partners, suppliers, investors, and other stakeholders, as well as for society as a whole.

Clarity of thinking, communications, and decision-making will be at a premium. Those CEOs who can best exhibit this clarity, and lead from the heart and the head, will inspire their organisations to persevere through this crisis, positioning their brand to emerge in a better place, prepared for whatever may come. Crises like these, with deep challenges to be navigated, will also lead to opportunities for learning and deepening trust with all stakeholders, while equipping organisations for a step change that creates more value not just for shareholders, but for society as a whole.

From time to time, we lose our bearings as individuals, especially when facing overwhelming challenges, as we are today with the coronavirus pandemic; it is in these moments that we lean into our core, our character and personal values, to find strength and focus on what really matters. Leaders facing the unprecedented times and circumstances of the moment are also looking to their organisation's core, its communal culture and values, to inspire resilience, unleash agility, and help employees to thrive, not simply survive.

Providing guidance and trust

Setting a regular cadence with a clear voice is critical. Incomplete or conflicting communications can slow the organisation's response rather than providing better guidance.

In a time of crisis, trust is paramount. This simple formula emphasises the key elements of trust for individuals and for organisations:

Trust = Transparency + Relationship + Experience

Trust starts with transparency: telling what you know and admitting what you don't.

Trust is also a function of relationships: some level of 'knowing' each other among you and your employees, your customers, and your ecosystem. And it also depends on experience: Do you reliably do what you say?

In times of growing uncertainty, trust is increasingly built by demonstrating an ability to address unanticipated situations and a steady commitment to address the needs of all stakeholders in the best way possible.

Addressing emotions

It's also important to recognise and address the emotions of all stakeholders. This is not just about charts and numbers. Narratives can be powerful ways to acknowledge the fears that naturally surface in times of crisis, while at the same time framing the opportunity that can be achieved if stakeholders come together and commit to overcoming the challenges that stand in the way.

A survey I carried out by DataPad asked employees questions on 'trust and respect' in relation to their executive leadership, heads of department and their immediate line managers. The closer the manager's role was to the respondent, the more likely it was for the employee to answer positively. Immediate managers were trusted 'a lot' by 48% of those who responded and 'a little' by 36%. Sixteen percent of immediate managers are not trusted at all.

Purpose-driven cultures

Working with CEOs over the years, I have found that thriving cultures are those that are purpose driven and characterised by vitality and a growth mindset. Organisations where leaders are purposeful and intentional and open to personal change, and where every employee has a voice and is actively engaged in living the organisation's values, are those with thriving cultures. Many organisations entered into this crisis with such a culture. Others were struggling. But, like the process of glass blowing, in which beautiful structures are created by manipulating molten glass in a hot furnace, we have observed healthy and resilient cultures emerge from the fires of crisis.

How can an organisation maintain or build a thriving culture in this crisis?

At their core, organisations are shadows of their leaders. Leaders who greet crisis with perspective and compassion, confront the current reality with optimism for the future, demonstrate personal resilience, and inspire that resilience among their employees are those who will make the difference.

Authentic leadership

Authentic cultures are not formed by values posted on the wall; they are the result of leaders being purposefully committed to living those values and willing to personally change in order to model the behaviours and actions that maintain integrity. When values are real, employees and customers know the enterprise is authentic and true to its culture. Especially in a crisis, comparing actions to values is a litmus test of a company's authenticity.

Culture, we know, is the core of resilience, but it alone is not enough. Other work by our firm has shown that organisations that accelerate performance during good times and bad are able to mobilise, execute, and transform with agility. During today's pandemic, agility matters more than ever. Amidst rapid-fire health updates, market volatility, and the extreme spread of the coronavirus, a company's foresight, ability to learn, and adaptability will set it apart. Companies strong in these areas have leaders who are future-focused, demonstrate a growth mindset, are able to pivot quickly in times of rapid disruption, and maintain resilience to navigate their organisations.

From swift decisions to shutter offices, institute work-from-home policies, and scale the technological tools to stay connected to customers and stakeholders, agile leaders have assessed the risk and pivoted quickly. They must also reassess the medium and long term, building on past crisis interventions and associated learnings to evolve operations and innovate to meet changing needs, all while staying true to their culture.

Purpose

In any time, thriving organisations are true to their purpose, rely on their values, and model agility. Today's pandemic, which will reduce profits all over the world, is a searing test of every organisation's culture and values.

Leaders who have laid a solid culture foundation, authentically committed to a set of values, and defined and depended on an inspiring purpose are leading through this crisis by making a difference in the lives of employees and the communities they serve. This crisis also serves as a furnace for change for those companies that haven't yet laid the foundation for a thriving culture.

Uncovering authentic organisational purpose can come quite simply from finding ways to be of service. What's needed today is for all leaders to look beyond profit and ask, 'What do I have that could help someone right now? Where can I practice abundance where there is short supply?'

Organisations will be changed by their actions to make a difference in these times of crisis. Connecting with employees at a human level as we enter into one another's home offices and living rooms, meeting children and pets on the screen, is organically changing and strengthening cultures. It's happening today by default; tomorrow leaders can shape their cultures with lessons learned by design. Leaders and organisations that count on their core culture and values and make a difference while pivoting to solve for the future will emerge from the fires of this crisis and thrive.

Yet amid the crisis, a company's purpose should remain steadfast: It's never negotiable. Purpose is where the head and the heart unite. While many organisations today have articulated a purpose beyond profit, purpose risks getting ignored in day-to-day decisions. In a recent survey, 79% of business leaders believe that an organisation's purpose is central to business success, yet 68% said that purpose is not used as a guidepost in leadership decision-making processes within their organisation.

Making decisions that tie back to the organisation's purpose is particularly important during a crisis, when companies are under increased pressure and stakeholders are paying close attention to every move. We know from research on purpose-driven organisations that they tend to thrive during challenging environments:

- Purpose cultivates engaged employees. When companies are cantered on an authentic purpose, employees feel that their work has meaning. Research shows that employees who feel a greater sense of connection are far more likely to ride out volatility and be there to help companies recover and grow when stability returns.

- Purpose attracts loyal customers who will stick with you in a downturn. Evidence based research have shown that eight in ten consumers are more loyal to purpose-driven brands, which can help sustain customer relationships in a downturn and beyond.
- Purpose helps companies transform in the right way. Companies that are guided by their purpose when they face hard decisions have a sharper sense for how they should evolve, and their transformation is more cohesive as a result. When purpose is put first, profits generally follow; when profits are first, the results can be more elusive.

Moral and ethical leadership is the key to successful business, yet it's clear from the news that the leaders of some of our most influential governments and corporations are making morally questionable decisions. These decisions will lose the trust of society, customers and employees. Trust is the foundation of high functioning relationships and can only be achieved by meaningful dialogue. It is clear that this is not happening. Instead we're using electronic communication, where it should never be used.

My latest book, *Purposeful Discussions*, demonstrates the relationship between communications (human to human), strategy and business development. It provides a holistic overview of the leading methods and techniques. It is a hands-on guide for business professionals, and those in higher education, to help guide them through the next decade and the fourth industrial revolution

Any period of volatility can create opportunities that businesses can leverage if they are prepared. In the case of the Covid-19 outbreak, organisations that take a more assertive and longer-term approach can spark innovations that will define the 'next normal.'

Geoff Hudson-Searle, is a serial business advisor and author of *Purposeful Discussions – book five of his popular business series.*

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