



MEMBER SUMMARY



## Leadership and adaptation in challenging times

How Forum members are adapting their leadership and organisations during, and in the aftermath of Covid-19.

This member advisory is put together following a series of *Adaptive Leadership discussions* run virtually with close to 50 Forum members during May 2020. Thank you to those leaders for taking part and to Dr Philip Voss from Leading Safety for facilitating each discussion.

**“Leadership and learning are indispensable to each other.”**

**JOHN F. KENNEDY**

### What adaptations are you seeing within your organisation, and what are you learning from these?

#### 1. Leadership

Strong leadership was a key theme discussed by Forum CEOs in our *Adaptive Leadership discussion series*, with these highlights:

- there was a higher trust level from the leadership team to all workers
- some emerging leaders stepped up to be cross-functional leaders, not just of their own teams
- leadership within the organisation blossomed in surprising places, in particular with junior supervisors – the challenge now will be how do you build on that?
- at the same time some CEOs discussed how some leaders within the business hadn't been able to lead well under pressure – highlighting gaps.

## 2. Connection

The need for humans to connect and especially so during times of crisis, was discussed extensively by CEOs. In particular leaders saw adaptations in:

- traditional hierarchy systems that may exist within the workplace – employees were less concerned with this in a time of crisis
- it forced some Executive Leadership teams to learn more about their people
- most CEOs discussed how they had supported their employees in various ways that hadn't been trialed before – such as mobile phone pulse surveys, wellbeing allowances, and more regular check-ins.

## 3. Communication

**“Communication, communication, communication.”**

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More than two thirds of CEOs involved in our discussion series labelled 'communication' as one major area of adaptation, including:

- the need to over-communicate, in many cases daily communications with employees
- the importance of simple communications that reach people through a variety of channels
- using new channels such as social media, webinars and live Q&A virtual chats
- remaining authentic during periods of uncertainty to ensure people know where they stand
- more regular and open communications with supply chains
- being prepared to not have all the answers.

## 4. Technology

It's fair to say almost all organisations have seen adaptations and advances in the use of technology in their business. For the CEOs we spoke with almost all adaptations were positive, including the use of more digital channels and platforms which may not have been palatable in the pre-Covid environment. Many leaders described their organisations as taking exponential steps forward in technology and communication – with their next challenge being how to hold onto those adaptations in post-Covid life.

## 5. Working remotely

With the vast majority of people working from home or remotely during the Covid-19 lockdown in New Zealand, leaders were forced to make adaptations, including:

- completely changing their mindset about remote working and moving to a 'trust' model within their organisations
- productivity gains, with some leaders reporting particular productivity gains during the four-week lockdown period – the challenge will now be to understand why and how those gains happened and how they can be applied in business as usual
- a number of leaders reported that they now have employees who don't want to return to the office, or some who never need to return, with the challenge of keeping those people engaged, ensuring there is social interaction and measuring productivity over time with remote workers
- a small number of leaders found the remote working adaptations less helpful, with the lack of face-to-face discussions and social contact difficult
- a couple of leaders indicated there was an emerging 'them' and 'us' mentality once New Zealand moved out of lockdown with workers divided over who could work from home, and who needed to be physically back at work
- some leaders wanted to know more about what flexibility really means – likely it means different things to different people
- the trust and verify aspect of due diligence had to be re-thought through.

Keeping teams connected throughout a period of remote working proved challenging for many, but some adaptations to continue the 'water cooler' connection were:

- twice-weekly 'coffee' meetings – designed to get small groups of people talking about non-work activities (a virtual smoko room) involving children, pets etc
- friday pub-quizzes run virtually.

## 6. Behavioural

“Silos that were in existence in the organisation previously have been self-perforated by people themselves, without assistance from management, which has been great to see.”

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Trust, wellbeing and leaders stepping up were all key themes of the discussion series. In particular leaders reported:

- noticing better behaviour from their supply chain, or other competitors or companies – prepared to help each other and work together
- silos being removed by the people themselves
- executive leadership teams and management becoming a closer unit both professionally and personally
- earlier adaptations made in organisations to build trust with their people and getting the right fit of people for the organisation have paid off during this crisis
- mental health issues peaked
- earlier adaptations to support employees to understand mental health issues via mental health first aid training have paid off significantly during this time
- understanding that wellbeing initiatives are not a one-size fits all approach – having to rethink the organisation’s entire wellbeing strategy
- early productivity gains while in the initial part of the crisis started to reduce as tiredness set in and people lost the ‘urgent’ nature of the work.

## 7. Other adaptations made were:

- as simple as staggering breaks.
- diversifying job roles and staff having to upskill
- an opportunity to have an ‘operational pause’
- having a constant process for review of decisions.

“The practice of mobilising people to tackle tough challenges, and holding them through a sustained period of disequilibrium during which they identify what cultural DNA to conserve and discard, and invent or discover the new cultural DNA that will enable them to thrive anew.”

**THE PRACTICE OF ADAPTIVE LEADERSHIP, RONALD HEIFETZ, ALEXANDER GRASHOW, MARTY LINKSY.**

## What was happening for you personally, and how is this shaping your responses?

**“It’s not a short-term crisis, it takes long-term stamina to get through this thing.”**

**“It’s been exhausting, and being the ‘happy’ face at the end of each call is difficult.”**

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Other personal challenges included:

- working through mis-information, while trying to provide accurate updates for staff
- decision fatigue – having to make decisions on uncertain information, and on the run
- accepting the perfect outcome is not always possible and trusting yourself to make the best call you can make at that time
- focusing on what you can control and be comfortable with adapting
- managing energy levels was important – realising it was not a sprint, but a marathon
- a few CEOs talked about the importance of sticking to their values, especially when everyone’s eyes were on them and looking to them for information and support
- for CEOs new to the role, they had the added challenge of building trust with their teams remotely.

For one CEO who had teams operating as ‘essential workers’ under lockdown, there was a significant challenge of connecting with those workers to see how they were doing.

**“In that sense, I weighed it up and declared myself an essential worker so I could go and see how they were doing, and by doing so staying true to my values.”**

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While working at home many felt there was an expectation they were available 24/7, and also found:

- losing the commute on the way home made it difficult to wind down at the end of each day
- work, home boundaries could be blurred – although some leaders enjoyed the extra flexibility working at home provided
- there was ‘meeting overload’ via virtual channels which made for intense screen time
- some leaders discussed how they personally had to adapt to communicating and engaging in a virtual world
- many CEOs discussed how routine was crucial for them, with some moving rooms, committing to regular exercise schedules, or changing clothes regularly to provide a distinction between ‘work’ and ‘home’.

There were also positives:

**“I got glimpses into other people’s lives and homes – there’s real beauty in that human perspective.”**

**“We had some great team connections via virtual means or social media – it was fantastic to see so much engagement in those channels.”**

**“I found getting out in the community to volunteer a fantastic way to wind down and connect.”**

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## Looking forward 12-18 months, where does adaptation fit into your strategy?

**“Never let a good crisis go to waste.”**

With the adaptations made already and continuing to be made, a number of leaders talked about how they can sustain that momentum once their business moves out of crisis mode.

In particular, some thoughts were:

- what is the wider responsibility we have as organisations to society?

**“During lockdown we saw a big reduction in road traffic and emissions which is partly tied to the view of a 9am-5pm workday which we now know is just not needed, so how do we build this into our strategy for a broader commitment to NZ Inc?”**

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- how can we continue to invest in technology and sustainability? For some businesses who have been less effected financially by Covid-19, what is their social responsibility and opportunity to New Zealanders and employing people?
- building on flexible working, what does that look like in 12 months, and how do we continue to measure productivity?
- setting up a specific team who has the sole responsibility of capturing learnings from Covid-19 and looking at why the adaptations were made, how they were made and how they can adapt in future to become part of the organisation’s business model

- not trying to over-design the future, letting teams find new rhythms and approaches rather than designing work from the top.

For many businesses however the prospect of a 12-18 month strategy is too far off, with some looking to just stay afloat financially and having to focus on the day to day.

**“It’s too early to make any calls yet, that thinking is so far out for some businesses right now.”**

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### Reflection with your leadership team

After reading through this summary, we recommend considering the following questions as you look to include adaptive leadership in your management practices over the longer term:

1. Of the adaptations you’ve seen – what cultural DNA are you keen to discard, invent or discover further?
2. If you had 18 months to foster resilience as an organisation, what would you do?
3. How do you understand and build on the hidden leadership that emerged through the crisis?
4. How will you understand why and how productivity gains happened, and how they can be embedded?
5. How has this experience informed your “well-being strategy” or approaches?