

Brief

Leading During Times of Uncertainty—What Now?

The most able leaders inspire trust and communicate with empathy and clear facts.

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At a Glance

- ▶ In times of adversity, effective leaders stand out for their empathy, transparency and humility.
- ▶ The new world of Covid-19 is full of uncertainties; it's OK not to have all the answers.
- ▶ Research shows leaders who trust and empower their teams unleash powerful potential.

If you are like us, the last few weeks have felt like an eternity: a never-ending series of sprints into the fog of the unknown. One Zoom meeting after another, one mini-crisis to the next, the pace has been exhausting. It's time to find our second wind.

Covid-19 has forced senior managers to change their routines and flex new leadership muscles. Many have risen to the challenge. It is also becoming clear

that there will be no quick return to normal. Executive teams face a prolonged period of uncertainty, and that will require a different style of leadership.

In times of adversity, effective leaders stand out for their empathy, transparency and humility. Governor Andrew Cuomo of New York has shown how powerful these traits can be in unifying a diverse public behind a difficult common cause. As infection rates soared on April 5, he said, *“I wish I could promise New Yorkers this will be over soon. I can't. Here's what I can promise. I will continue to give you the facts and I will make decisions based on science and data.”* Cuomo’s compassionate, truthful approach has shored up public trust in the governor and support for his stay-at-home directive.

Many business leaders have taken a similar approach in communicating with workers, partners and communities. Once the crisis abates, though, the impulse may be to revert back to pre-Covid-19 routines. That’s a missed opportunity. Technological, demographic and macroeconomic disruptions are changing our world and have spurred a call for greater corporate citizenship. Those who use the current crisis to reflect, learn and adapt will be best positioned to emerge stronger and respond to the challenges ahead.

Businesses increasingly must learn to thrive amid uncertainty and accelerating change. The challenge: Run the business efficiently while positioning it for new opportunities. As society grapples with the fallout of a long recession, multiple stakeholders will define a company’s success:

- *customers* who are grateful that the business solves important problems for them;
- *employees* who feel secure and inspired to learn, grow and help the business achieve its purpose;
- *shareholders* who value enduring success over short-lived profits; and
- *communities* that admire the contributions of the business to their welfare.

The Covid-19 pandemic has pushed executives to strengthen their leadership ability as individuals, with teams, and in the broader framework of organizations. The opportunity is to recognize these changes and make the most of them in the months ahead. Senior executives can start by asking themselves three questions:

How have I personally changed?

The most adept leaders know themselves well. They are conscious of their state of mind and the factors influencing their behavior. They also recognize that in turbulent times, an open mindset and willingness to learn from experience are assets. The hallmark behaviors of a learning mindset include:

- **Managing by trusting and enabling others.** Research shows leaders who trust and empower their teams unleash powerful potential. Compared with employees at low-trust companies, those working for high-trust companies report 74% less stress, 106% more energy at work, 50% higher productivity, 13% fewer sick days, 76% more engagement, 29% more satisfaction with their lives and 40% less burnout, according to Paul J. Zak's *The Neuroscience of Trust*.
- **Active listening.** Ask questions, not only about the business but also about how people are doing. Connect and create inclusive experiences, so people feel they are part of a bigger group, mission and valuable purpose.
- **Willingness to show vulnerability.** The new world is less certain, and you as a leader won't have all the answers. It's more credible to acknowledge that you don't have a crystal ball.
- **Acting on behalf of the greater good.** Crises test our sense of purpose. Covid-19 has prompted many capable leaders to reassess their own purpose and that of their companies. What makes a firm distinctive for its customers, employees and society? What is a good corporate citizen? Many executives are taking a fresh and honest look at the company's mission and reflecting on the firm's impact on society.

How have my team interactions changed?

Teams that trust their leaders outperform. And the qualities that inspire trust are credibility, reliability and intimacy. Many leaders struggle in particular with intimacy. A seven-year study with more than 72,000 respondents by Trusted Advisor Associates showed only 18% of people feel intimacy is a core strength, though it is the most important factor in building trust.

The current work-from-home environment has provided a unique window into our team's lives. We see our coworkers' kids, their pets, their kitchen remodels in the background of every video conference. This kind of intimacy is hard to come by, and it can be a foundation for developing trust.

Teams in which members get to know one another well, and understand one another, are inherently more productive and high performing. How can companies foster stronger connections among team members in the months to come? On some of our regular calls, we spend the first five minutes in small breakouts of two or three people. Current video conference technology has enabled this to happen at the click of a button. There is no agenda for these breakouts; the only goal is to catch up with someone on your team for five minutes. Think of it as a virtual "water cooler" chat. It first started as an experiment, but it has proved so powerful in strengthening trust and affiliation that we are beginning to include them in every meeting.

Take the case of a global restaurant company preparing teams to implement a major transformation. Working with the leadership team, we originally planned a daylong, in-person training session, before work-from-home mandates required that we help lead a virtual training program. To minimize conference-call fatigue, we split the program into two-hour segments over three days. We also emphasized employee participation, limiting the amount of one-way dialogue and ensuring time for small-group discussion and exercises. The result was powerful. One participant wrote: "*I walked away*

feeling like I made new friends along with learning some really valuable tools that will help me be a better partner to our leaders AND also help me be a better leader myself.” As successful companies navigate through recovery, they will seek to balance the day-to-day work with the trust and connection that is necessary to help their teams excel.

How am I engaging my organization differently than before?

As we mentioned in our [last post](#), there is a science behind communicating during times of stress. Mental noise reduces the ability to process information by about 80%. People’s attention spans shrink to just 12 minutes or less. They want to know that you care before they care what you know. As a result, it’s important to keep messages short, lead with empathy and communicate via trusted messengers.

Going forward, it will be important to address the more fundamental need for change and give managers and workers confidence about the future. Indeed, strong leaders are able to inspire and stimulate hope. We like to use the metaphor of [articulating “the beach”](#)—paint a picture of where you are headed and why it will be a worthwhile journey.

A global company recently brought its partner owners together for a virtual town hall to discuss the impact of the Covid-19 crisis on the business and the outlook for the future. The CEO expressed empathy for what individuals were going through and told stories of bright spots the company was experiencing around the globe. He acknowledged that there would be tough times ahead, but said the firm had a solid plan and was prepared to weather the storm. Next, the CFO presented the financial facts and figures and outlined several possible scenarios. He acknowledged that no one could predict the future, but that this was the most detailed view possible given currently available data. The combination of facts and stories about the company’s achievements in

the midst of a crisis strengthened partners' trust and resolve. Despite the uncertainty ahead, participants walked away feeling as if they had more control over the situation. As one attendee put it, the meeting “inspired confidence that we have steady hands at the wheel, and that’s all you can hope for.”

The public health crisis and economic disruption from Covid-19 are far from over. Talented leaders are taking stock of what they’ve learned during the acute phase of the global shutdown and assessing how it can help them steer their companies through each stage of recovery. Those who increase trust throughout their ranks and put empathy, transparency and humility first will be better prepared for unexpected turns in the road ahead.

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