

LEADING IN TIMES OF CRISIS

BY TIM HOERR - APRIL 2020



We find ourselves at a historical inflection point borne of crisis. We're looking for leaders that will discern the urgency of the moment and provide direction to our citizens, our institutions, our businesses and groups of every kind. Not only direction - but also a hopeful vision of the future and how we can best use this teachable moment to achieve it.

If you're a leader that has yet to benefit from significant challenge and failure in your past, navigating this moment will be an incredible growth opportunity. One that will stretch you and strengthen you. One that will likely birth newness in you. New vision. New strategy. New faith.

If you're a leader who has endured considerable difficulty, disappointment and failure on your life journey, then you have a leg up! Your past challenges - and the inner work to resolve them -- have likely instilled in you a spiritual fortitude and resilience, preparing you for a situation that knows no precedent. (Yet you too can experience a profound sense of newness in this time!)

In this brief piece, I'd like to explore three keys for leading in times of crisis.

- ▶ **Getting the proper mindset**
- ▶ **Acting with decisiveness**
- ▶ **Reimagining the organization**

GETTING THE PROPER MINDSET

Look inward. Difficult times elevate the visibility and importance of the leader's role in an organization. But the outward manifestation of leadership behavior starts on the inside -- with the leader being reflective, developing the proper mindset before acting. It's critical to examine your personal constitution before implementing a raft of organizational actions.

Acknowledge loss. We are all experiencing a sense of loss, leaders included. It's okay to grieve and acknowledge what we've lost. The process shouldn't be dismissed or truncated. I would suggest that in dealing with our sense of loss, we adopt a posture of humility - that we likely don't have all the answers at the ready. That we're going to need to draw from one another. That we're going to need innovative ideas to make the best of the new normal. That we're going to need to look to the Creator for strength and a sense of peace.

Stir up vision and hope. While times of crisis are times of loss, they are also times of unique opportunity and growth. Resilient leaders will realize this. They'll realize that from a position of thoughtful reflection, the sense of loss can ultimately be turned into a vision of "what might be," and thus a sense of hope for the future. Let me encourage you to boldly stir up vision and hope!

ACTING WITH DECISIVENESS

Make the hard calls. Tough times call for tough decision making. Now is the time to make the hard calls. Revising revenue forecasts downward. Implementing cost cutting measures in your organization. Pausing hires. Rethinking previously conceived plans. But before acting, I encourage you to tap the wisdom of your team. Leaders that tap the insights of their Boards, the key members of their team and other organizational stakeholders will find a wealth of ideas. I absolutely believe we will make better decision by consulting those around us.

Be people-focused. Your team is your organization's most important asset - and the most important element to focus on in these times. People are more important than operational systems, fixed assets and capital. Acknowledge the individual concerns and sense of loss of each team member and honor them in your decision making. As much as humanly possible, be "for them" in this time. That doesn't mean you won't have to make tough decisions that involve furloughs or terminations. Some of that will be necessary in a very challenging time like this. Even so, these decisions can be made with care, compassion and in a manner that softens the immediate impact.



And as a reminder, know that your people want to be part of the solution in these tough times – so encourage them to think creatively and offer up ideas to address the incredible challenges your organization is facing. This is most certainly a time for innovative thinking and the development of creative solutions – to customer problems, to the markets you’re serving and to the organization’s new challenges.

Communicate openly, frequently and transparently. Times of crisis call for open, frequent and transparent communication. It’s the primary way you’ll maintain trust with your team, your customers and other stakeholders. You’ve invested a lifetime in building relationships through trust – and difficult as it may be, trust must be maintained amidst crisis.

REIMAGINING THE ORGANIZATION

Rather, it’s the perfect time to reaffirm your commitment and that of the entire organization to its core mission, vision and values. Remind those in your circle of influence why your company does what it does and how it does what it does. There is no better time to do so.

Assess cash position, monthly burn and runway. Take a very honest look at the cash on hand, that which can be accessed through credit facilities, from government programs and from current equity investors. Have an open dialogue with your investors and other providers of funding. Communicate your plan. Hear what they have to say. Take an honest look at monthly burn (operating expenses) to evaluate what can be done to lessen it. Understand how much runway (months that the organization can operate before running out of cash) you have – and take steps to elongate it. Take advantage of State and Federal loan programs, like the SBA Disaster Relief Program and the CARES Act PPP Loan Program.

Revisit and revise strategy, frequently. Tough times mandate that the company’s strategy be revisited and revised. The underlying assumptions of your previous plans are no longer applicable. New assumptions, some of which will be evolving, will need to be contemplated. Scenario planning, whereby multiple scenarios are considered, can be a useful tool in evaluating the range of outcomes that the company might expect. Developing worst-case scenarios, as well as more optimistic ones, can help the team sort through the best course of action in the present.

A PERSONAL CHALLENGE

I'll finish with a personal challenge to you, having first directed it at myself. This is a once-in-a-lifetime inflection point. Here are three things to consider.

- ▶ How can you be generous? This may seem counter-intuitive in a time of falling markets, personal loss and increasing fear. But I've found that there is nothing like being generous - with my time, my energy and my money - to get my focus off myself and on to more productive endeavors.
- ▶ What can you do to experience personal shalom? In the Hebrew scripture, there is much said about shalom - or what we might call flourishing. With forced shelter-at-home directives the order of the day, I encourage you to use the time to strengthen your faith, build your inner core and be a curious learner. From that foundation, you'll find that personal flourishing is close at hand.
- ▶ What can you do to embrace and encourage others? All around us are folks adjusting to life change - some experiencing a radical version of it. What can you do to encourage someone who is going through major upheaval or loss, to help them in a practical way? The opportunities are abundant.

I wish you the best on our mutual journey of getting to the other side of Covid-19.

