

EXECUTIVE INSIGHT

# Leadership in Times of Uncertainty

Helping People Cope in Challenging Times

WHAT WE THINK

## It is nearly impossible to escape from the unending stream of global unrest and financial upheaval.

And yet, in extraordinary times people turn to their leaders for guidance and reassurance more than ever before.

While no one can predict with confidence what will happen next, it would seem likely that uncertainty will generate volatility for some time to come. It is important to note that CEOs and others in senior management positions have no immunity from feelings of helplessness and apprehension fostered by these events.

The prudent CEO may ask, “What can I do or say to help the people in my organization cope with what has happened and what is to come?”

This question acknowledges that the dynamics of current events are unique and may need to be approached in a different way. Based on RHR’s years of experience in leading change and what we know about the behaviors of those facing times of uncertainty, we have put together our insights regarding the specific challenges you may be currently facing as a leader.

There are four key concepts when leading people during times of uncertainty: Inform, Connect, Guide, and Unite.

### Inform

As people struggle to make sense of a new situation, they are particularly

hungry for information and analysis during the opening stages. For this reason, you may find that they are most open to communication efforts delivered at the onset. Seizing early opportunities to share available information can have greater impact than waiting to deliver “perfect” news at a later date.

### Four key concepts you may find useful when leading people during times of uncertainty are Inform, Connect, Guide, and Unite.

For obvious reasons, honesty is critical in such communications. Leaders must candidly acknowledge the downsides and the unknowns. This will create credibility when painting a picture of their organization’s strengths and encouraging people to focus on the solid fundamentals. Most importantly, it is the leader’s job to help people make sense of the changing conditions, anticipate the likely scenarios ahead, and make up their own minds about how to best deal with these situations.

**TIP:** Communicate early and frequently. The risk of overcommunicating is far less important than leaving the field open to catastrophic rumors. Embrace humility. Tell the truth; overpromising is only likely to backfire.

Emphasize that recovery is a marathon, not a sprint.

### Connect

It is important to generate a feeling of trust with your employees. This will not happen if your communications appear remote or artificial. People need to feel a highly personal presence and connection. Senior executives who reach out to their employees and foster warmth and support will be seen as a credible source of reassurance and information.

On the personal side, leaders need to acknowledge that they, too, are affected. Admitting it is not a sign of weakness. On the contrary, it signals that they are in touch with their own feelings and with others as fellow human beings.

Everyone, including senior executives, may need to seek out support—from friends, family members, mentors, and counselors.

**TIP:** If and when dramatic events occur, give people opportunities to safely express their emotions. Reach out to employees on a personal basis. Get out of your office and into the hallway. Be there for them. Encourage everyone to do the same.

## Guide

More than at any other time, during periods of uncertainty people want strong leaders who are comfortable giving direction on what to do and what *not* to do. However, inconsiderate or too early calls to “Put this behind us” and “Get back to work” will probably be counterproductive. Talking about the long-term visions and strategies of the company will not be effective when people are bracing for further bad news, or emotionally recovering from previous disclosures.

You may find it beneficial to start with more basic elements. The first step is to provide clear guidance on business-critical priorities that everyone can rally around and contribute to. As those concerns are being addressed, invite people to think of the unique skills and qualities that have kept them in business with their internal or external customers. How can they leverage those and make a difference to others who are dealing with the same issues?

**TIP:** Give steady guidance. Focus on the concrete steps on which all employees can align. Empower them to be part of the solution within that framework. Patiently hammer your message—its stability may be as important as its content.

## Unite

Turbulent times remind us of the importance of human community. People value it. They need to rally behind those things that bind them together. Leaders can pull their employees closer to the company by reinforcing what makes them a unique group. Chief executives can help crystallize these feelings to energize a group toward joint action. You may find that actively dealing with a difficult situation will actually enhance a sense of togetherness and resilience as a community.

The leader who taps into aspects of who people are and how they function sends a strong message in times of uncertainty: “What we’re doing now validates what we’ve always done; we can adapt to change and still be true to who we are.”

**TIP:** Celebrate who you are as a business community. Emphasize connectedness to your industry, your company, your customers, and one another.

## About Customers

The concepts outlined above also apply to your customers. Executives up to

the highest level must not be afraid to pick up the phone and let customers know that the organization is there for them and will be of whatever help it can be. Customers need to know they have a partner who will be on their side in turbulent times.

**TIP:** Reach out to your customers on a regular basis. Maintain relationships even when no concrete business is discussed.

## The Importance of Leadership

In uncertain times, it is essential to bridge the conceptual difference between “leading” and “managing.” Organizations need leaders to show the way forward and instill a sense of energy and inspiration. They need the same leaders to be visibly involved, making sure that visions are translated into concrete and sensible action plans, and that those programs are actively pursued and followed through.

**TIP:** Create a separate “decision room” where your management team can discuss all options frankly and flexibly, then stick to a common message toward employees and the external world.

### RHR HAS FOUND THAT PEOPLE UNDER STRESS REACT IN PREDICTABLE MANNERS.

- Lack of focus
- Decreased productivity
- Heightened conflicts
- High increase in rumor mill output
- Increase in internal competition
- Increase in silo mentality (both in function and level)
- Reduced communication
- Delays in analysis
- Increased paranoia
- Lack of motivation
- Emotional outbursts
- Significant increase in questions
- Frequent sick days
- Job searching at work

These behaviors are typical during times of anxiety and are impossible to eradicate. However, their effect can be mitigated.

#### **ABOUT RHR INTERNATIONAL**

RHR International LLP is a global firm of management psychologists and consultants who understand the distinctive challenges and pressures that CEOs and senior executives face. Its singular focus on senior leadership and research-based practice sets it apart from other executive and organizational development consultancies. For more than 70 years, RHR has been helping leaders and their teams transform themselves and, in turn, the performance of their organizations. RHR offers Board & CEO Services, Senior Team Effectiveness, Leading Transformational Change, Executive Development, and Executive Assessment.

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