

# Leading the Way

Guiding your team is difficult enough when business is booming and morale is high. But in uncertain economic times, what does an effective leader look like?

By Gail Golden

Karen leaned back in her desk chair, staring out of the window. At 7:30PM, she was just bringing her workday to a close. As she massaged her aching neck and shoulders, she reflected on how different she had been feeling this time last year. As a vice-president of her company, she was a successful and effective leader, building a high-performance team, earning the loyalty of her people and driving big profits. It had been hard work, but it had also been really fun, giving her the opportunity to use her brains and personality to bring out the best in people. And now...

The company was in a tailspin. Both sales and profits were down, and it wasn't likely to improve any time soon. Karen and her team kept cutting costs, and that meant cutting people. Morale was in the dumpster, and Karen was finding it harder and harder to feel good about her job or herself. She found herself wondering, "How the heck do you lead in a time like this?"

Karen was already seeing signs of stress in her people. They were less focused and productive. There was more griping and gossip. People seemed more isolated and less generous to each other. Sick days were up, and people were talking about looking for other jobs. It seemed to her there were more petty arguments and emotional outbursts. She wanted to turn the tide, but she wasn't sure what to do.

Business leaders everywhere are feeling like Karen. They suffer from feelings of helplessness and anxiety, while at the same time their people are turning to them for guidance and reassurance. At RHR International, our research and experience have provided insights about specific leader behaviors that work in times of unpredictability and change. We have found there are four key concepts: Inform, Connect, Guide and Unite.

## Inform

As your people struggle to make sense of the new economic environment, they are hungry for information and analysis, especially early on. Don't wait until you have a perfectly crafted message and complete data – seize early opportunities to share available information. Needless to say, honesty is critical. Leaders must candidly acknowledge the downsides and the unknowns. Although this may seem discouraging, it builds your credibility, so people will believe you when you paint a picture of your company's strengths and encourage them to focus on the solid fundamentals. Your job is to help people make sense of what is happening so they can anticipate what lies ahead and make good decisions.

- Communicate early and frequently. Otherwise, people will fill in the gaps with catastrophic rumors.
- Embrace humility. Tell the truth; over-promising will only backfire.
- Emphasize that recovery is a marathon, not a sprint.



## Connect

You are going to be asking a lot of your team. They will only step up to the challenge if they trust you. That won't happen if your communication seems distant or artificial. Your people need to feel your personal presence and connection. Leaders who reach out to their people with warmth and support are more credible sources of reassurance and information. It's okay to show that you, too, are affected by bad news. Demonstrating your concern or sadness in a moderated way is no sign of weakness. In fact, it makes you seem more human and caring.

- In order to be there for your team, you need to take care of yourself. Make use of your support network – friends, family members, mentors and counselors.
- 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 – don't let yourself hide even if you want to. Encourage other leaders to do the same.

## Guide

During times of uncertainty, people want strong leaders who are comfortable giving clear, firm direction on what to do and what not to do. That doesn't mean premature direction to "put this behind us" and "get back to work." And it doesn't mean talking about the long-term vision when people are bracing for further bad news or recovering from the last batch. Instead, start by providing clear guidance on business-critical priorities that everyone can rally around and to which they can contribute. Invite people to think about the unique skills and qualities that have kept them in business. How can they use those skills to drive the business even in tough times?

- Give steady guidance. Focus on the concrete steps everyone can align around.
- Empower people to be part of the solution within that framework.
- Patiently hammer home your message – consistency is as important as content.

## Unite

Turbulent times reinforce the importance of community. People need to rally behind the things that bind them together. Leaders can draw their employees closer to the company by reinforcing what makes them a unique group. It's crucial to crystallize those feelings in order to energize the group towards joint action. Pulling together to deal with a difficult situation enhances people's sense of togetherness and resilience as a community. The best leaders send 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."

- Celebrate who you are as a community. Emphasize connectedness to your industry, your company, your customers and each other.

## Connect with Customers

The concepts outlined above also apply to your customers. Don't be afraid to pick up the phone and let customers know your company is there for them and will help however you can. Customers value a partner who will be on their side in difficult times.

- Reach out to customers on a regular basis. Maintain relationships even when you're not doing any concrete business.

## Show the Way

In uncertain times, it's essential to lead, not just manage. True leaders show the way forward and create a sense of energy and inspiration. They are visibly involved, translating visions into concrete and sensible action plans, then following through on those plans.

- Create a time and place where your leadership team can discuss all options frankly and flexibly, then stick to a common message to employees and the outside world.

## Final Thoughts

Karen knew there were going to be more tough times ahead. She knew that most likely, uncertainty would remain high for some time to come, taking its toll on individuals and the business. She recognized that people in her company would be looking to her for direction more than ever. She squared her shoulders, took a deep breath, and thought, "Rising up to this challenge is the essence of leadership. Whatever happens, if I can lead with forward-looking energy, honesty and connectedness to others, that leadership will continue to bring rewards long after this current period of uncertainty is over." ■



As a management psychologist with RHR International, **Gail Golden's** work encompasses a broad range of consulting with senior executives about the human side of strategy. Besides providing in-depth assessments and coaching for business leaders, Gail helps organizations to build team effectiveness, develop future leaders and manage the increasing pace of change. Dr. Golden received her Ph.D. in Clinical Psychology from Indiana University and her MBA in 2003 from the University of Western Ontario.