

Driving Leadership Performance and Development in a Crisis

Ten Enduring Lessons

The current COVID-19 pandemic is a global tragedy with profoundly human consequences. It is also creating situations where we have seen examples of extraordinary human performance and growth, as individuals and leaders come together to do what they can to help those around them.

As senior executives naturally focus on the immediate implications of this crisis and its impact on their people and organizations, they will also routinely find themselves in moments that accelerate the growth and development of their leadership talent at all levels of the organization. During historical moments of severe uncertainty, we have noticed that the smartest companies employ the tactics below to drive leadership performance and development in the midst of crises.

YOUR TALENT STRATEGY

1

Take Note of What this Moment Reveals About Your Leaders



During the 2008-09 financial crisis, many companies found that a surprising share of their leaders were unwilling or unable to lead in a challenging environment. Many also found that they had underestimated leaders who stepped up in unexpected, critical ways. Take note of what this period reveals about your bench. The coming weeks will expose empty suits and surface hidden gems.

2

Play Offense and Defense



The biggest shifts in a sector's competitive rankings occur during moments of uncertainty, including downturns. Defensive measures are essential, but the best leaders also think strategically about opportunities to go on the offensive. This lesson applies as much to talent strategy as it does to business strategy.

YOUR ANCHOR TALENT

3

Look for Leaders Who Look Outward



During times of uncertainty, many top leaders succumb to the natural human tendency to retreat inward and fail to support each other. Ironically, they become more individualistic at the very time when leadership matters most. The best leaders recognize and resist this response, and, critically, support peers who need their guidance and mentorship.

4

Bet on Poise, Perseverance, and Resilience



Hemingway famously defined courage as "grace under pressure." A crisis exerts sudden, substantial pressure on leaders and provides a real test of their ability to persevere in spite of it. Look for – and allocate more responsibility to – those who demonstrate a combination of calm, competence, and confidence in the face of uncertainty.

YOUR RISING TALENT

5 Deploy Leadership Talent Strategically



A crisis provides a critical moment to test and develop leaders. You are already assigning leaders to rapid-response teams and forming new initiatives to confront the implications of the outbreak. As you do so, work to ensure that, where possible, critical initiatives are led not only by safe hands, but also by those with high potential. Your established executives should be surrounded by those who will both make significant contributions and flex new leadership muscles.

6 Provide Rising Leaders with the Latitude to Lead



During a crisis, senior executives have a natural tendency to assert control, stripping away leadership responsibility from their direct reports in an effort to mitigate risk. As a result, rising executives become operators and executors, not leaders and decision-makers. Your team's leadership skills will atrophy, and those weaknesses will echo through your leadership ranks for years afterwards.

7 Let Stars Shine



Ensure that senior leaders do not unwittingly allow hierarchy to stifle the emergence of the best leaders with the best ideas. Merit and potential will reveal itself during a crisis, and the strongest leadership will often come from those without leadership titles. Don't stand in the way of the stars that emerge.

YOUR FUTURE TALENT

8 Don't Assume that We Will Soon Enter a Buyer's Market for Talent



Though it may be counterintuitive, external hiring for top talent is about to get much harder. In environments characterized by extreme uncertainty, those in stable roles often become highly risk averse and unwilling to make a transition, even when unsatisfied with their current situation. Many forecasters believe that we are heading toward a buyer's market for talent. We are not.

9 Be Cognizant of (but Not Beholden to) the Signals Sent by Decisions on Talent Investments



You are likely already making painful decisions on your investments in leadership and talent development. As you trim, remember that deep, across-the-board cuts will send a clear message that talent development is a luxury good. Be sure that your approach to reprioritizing talent investments is as thoughtful as your approach to reprioritizing investments in top-line growth initiatives.

10 Remember that Cold Recruiting Engines Take Time to Restart



In the wake of past downturns, many companies found that it took years to restart their recruiting engines (and rebuild talent pipelines) that had been shut down. A thoughtful approach to keeping these engines running – even if at a slower rate – will enable you to significantly outpace your competitors when markets heat up.

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