

Lessons for Leaders in a Time of Crisis

Skills and Professional Development





Recently, I was the general counsel of a company dealt with a series of difficult business challenges. It started with a capital cost overrun that resulted in a liquidity shortfall. Before long, assets were being sold and management was being replaced — in some cases, several times over. It took about

two and a half years for things to settle into a new normal, and it was the most difficult and the most educational period of my professional career, not from a legal perspective, but as a leader.

We are in a time of crisis now. The <u>coronavirus pandemic</u> is of unprecedented size, scale, duration, and impact. There are hundreds of law firms providing useful advice about the legal implications of the coronavirus, from employment issues to privacy considerations to public disclosure requirements, and all points in between. But for in-house counsel, there is more to working and leading through this pandemic than legal challenges.

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With the fallout and changes that we all have coming to our work lives, I thought it would be helpful to share what I learned serving as general counsel and a senior leader through a period of long-term transformation. Of course, I came away with specific knowledge that was unique to my situation.

But as I reflect on surviving the crisis, I believe there were some takeaways that have broader applications. Those takeaways read more like a pep talk, but they are all true and honest. And they will help as we navigate these uncharted waters.

You will get through this

A crisis can unfold in infinite ways, and economic recovery, whether your company's or the economy's, takes time. That means there will be changes — lots of them. Daily uncertainty and shifts in your job or employment status are all possibilities. But you will get through it.

Enduring a crisis requires exceptional resiliency. There won't always be a clear path to the other side, so at the peaks of uncertainty, focus on getting through one day a time, knowing that even if you have done your best that day, there will be more waiting for you tomorrow. It will be impossible to get everything done in a day. To expect anything else is unrealistic.

Nobody else is more qualified to manage this (i.e., you've got this!)

A crisis can seem overwhelming. There are countless legal and business issues to identify and manage, many of which will be new — new to you and, in some cases, new globally. It is highly unlikely that someone else has been through the exact scenario you are facing.

This is an area where an in-house counsel can make an outsized contribution to the leadership team and the organization. Crises throw off countless legal issues — more than one person could ever master. But what you have is a deep understanding of your company's business that no external advisor can bring. At a time where decisions need to be practical, pragmatic, sensitive, and well-communicated, an in-house counsel who understands and partners with the business is invaluable.

With your legal training, you may also have the strongest analytical skills at the leadership table. That will be crucial when trying to make decisions based on limited or constantly changing information. Lawyers have the training and experience to analyze information efficiently, discern the key facts, and assess potential outcomes. In-house counsel add business knowledge to the equation, resulting in strong judgment that will help you and your company make mission-critical decisions.

The decisions that you make as a lawyer, or together as a management team, may not be perfect.

Sometimes you may have to change course along the way. But that would be the case even for the most seasoned pro. Make the best decisions you can with the information you have, and always be considering new information as it becomes available so that you can refine as needed. You will not achieve perfection, but you are in the best position to take the information you have and plot the way forward.

Your people need you

"People are our number one asset" is a common phrase when it's business as usual. When the business is suffering a decline, that phrase gets put to the test.

Employees will feel a range of emotions during a crisis, many of which will stem from uncertainty, fear, and a lack of control. Those emotions need to be acknowledged and addressed.

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Unfortunately, leadership is often fully absorbed in navigating the business challenges, leading to two key consequences. First, the time constraints and diversion of management resources may leave little time to focus on the people side of the business or to engage with staff. Second, management may have difficulty empathizing with the feelings and concerns of staff, who have less information, less visibility into the recovery plan, and less control as compared to management.

You need people to execute the business plan, and any plan goes better if you can hold on to your best people. However, they are the most likely to have other opportunities, and therefore at greatest risk of leaving for a more stable job. I would say that no matter how bad the main business crisis is, make sure that employee engagement and retention don't fall far down the priority list. Here are a few quick items that can make a big difference:

Communicate, communicate, communicate

As much as possible, make sure your employees have a clear picture of what the plan is to emerge from the crisis. If there isn't a recovery plan (yet), you should still be communicating with employees so they know what you are doing now to protect them and the business.

In the absence of information, chatter will fill the void, leading to misinformation, worry, and reduced productivity at the time you need the highest levels of engagement. Also, make sure the communication is two-way. Take time to listen to the concerns of staff so that those can be addressed in the communications.

Cut costs, except when it comes to morale

When tightening the budget, be sure to hang on to some of the items that make employees feel valued. If anything, invest in activities that create connections between people. When it comes to morale, engagement, and retention, the little things often have outsized return on investment as compared to salary increases and bonuses, especially in times of uncertainty.

Delegate when you can

If there are others internally who can take items off your plate, it can create development

opportunities for your team. Obviously, leverage external support as well where possible.

Share your learnings with your direct reports

Where you can, talk them through the reasons why decisions were made and key considerations, as well as your personal learnings. Ideally, do this on a regular, real-time basis — perhaps weekly. This type of generous information sharing will keep your direct reports highly engaged, better position them to help you, and support development towards their future careers as leaders and executives.

Balance empathy, authenticity, and leadership

There will be uncertainty and related emotional stress, both your own and the collective stress of the organization and its people. Staff may need an <u>empathetic ear</u> as they process information and changes and how those will impact them. Part of being authentic is acknowledging your own fears as well.

But be warned, it doesn't take very much for the collective ethos to head into a downward spiral. As a leader, you can use your credibility and perspectives to divert the spiral, focus staff on what can be controlled, and highlight the growth and learning opportunities, all of which will help ensure that everyone comes out the other end stronger.

This is your time to grow

While it is hard to see the silver lining in the middle of a crisis, I can assure you that when you have passed through the storm, you will look back at is as one of the most significant professional development events of your career.

Leadership, decision-making, business acumen, judgment, empathy, communication, and a host of other skills and competencies will all be put to the test and improved, every day. Much more so than in years of "business as usual" operations. And in the end, it will make you a better, more resilient leader, with more confidence in your ability to manage and overcome whatever comes your way in the future.

Don't forget about you

I would be remiss if I didn't add something in this piece about <u>taking care of yourself</u>. This is the area that I personally found the most challenging. As lawyers, we are trained to put clients first, and when a crisis is ongoing and there isn't enough time in the day, self-care usually falls to the bottom of the list.

On this one I would say, do your best. Squeeze out what you can. It may not be daily or even weekly workouts, but hopefully you will find time for a short walk to get fresh air, a phone call with a good friend, a dinner out with your family, or a random act of kindness. Any of these will help fill you up, improve your outlook, and help you survive and thrive through the challenges.

For more advice on the coronavirus pandemic, visit ACC's Coronavirus Resource Center.

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