



Gathering in Canada: HR Leaders as Backbone of Resilient Organizations

By Vanessa Chehlawi, Anke Weidling and Joshua Margolis

Overview summary:

Egon Zehnder and Professor Joshua Margolis (Unit Head of Organizational Behavior at Harvard Business School and Chair of Program for Leadership Development) recently organized a roundtable on Resilience for HR Leaders in Canada – from this session, the following themes emerged:

- Current improved productivity levels may hide an exhausted workforce
- Leaders need to acknowledge the stress they and their workforce are under
- Resilience is an effective tool with which to fight adversity
- HR leaders now need to build resilience in their leaders and organizations

Organizations as a whole have been faring far better than their workforces, as employees can struggle under the persistent pressures of the COVID-19 crisis, human resources (HR) leaders from diverse industries in Canada discussed with Egon Zehnder and Professor Joshua Margolis (HBS Professor and Head of Organizational Behavior Unit) in a recent digital gathering.

Many companies are not just surviving but positively thriving amid the current economic climate, boasting higher productivity levels despite the shift to remote work and evolving market demands. In fact, according to Egon Zehnder's survey, many HR leaders are optimistic that their organizations will be entering a post-COVID world in an improved state: some expect their companies to emerge from the pandemic with improved capabilities (30%), if not renewed (43%) or even reinvented (20%) competencies – namely with a greater capacity to adapt to emerging needs.

Behind the scenes, stressed and exhausted employees have a different tale to tell. Since the start of the pandemic, Canadian employees have been working 2.5 hour longer days on average and spending 20% less time on holiday, with 40% saying their mental health has deteriorated, according to Statistics Canada, Canada Mental Health Association, and the University of British Columbia. In other words, current high productivity levels might be masking an exhausted workforce, one HR leader tells Egon Zehnder. "The strain on overworking can pay a heavy toll on physical and mental health. People who are dealing with a lot personally are being asked to innovate and constantly deliver on the work front."

In response, HR executives urge leaders to grasp the emotional fatigue of those very employees they're relying on to take the organization into the future. "Any initial uplift in engagement is now potentially at risk," warns an executive. In the long run, if employee mental health continues to be impacted, quality, performance, and problem-solving ability will suffer.

Leaders need to address the disconnect with their workforces

Leaders need to recognize that whatever they're experiencing may not be the same as what their frontline is facing. On an individual level, 61% of business leaders are thriving, compared with a mere 39% of frontline workers and 36% of new employees, according to research recently led by Microsoft. Bluntly said, senior leaders could benefit from addressing a real disconnect with their workforce.



Nevertheless, even the mentally toughest leaders need to acknowledge the stress they've been under after dealing with multiple challenges for over a year, points out an HR executive. "We're starting to see weak spots. Even resilient business leaders are starting to succumb to the pressure."

The dual impact of adversity

As the initial impact of the crisis recedes, now is the time for HR leaders to take a step back and assess their people's response to adversity. Typically, when adversity hits, humans react in two negative ways, explains Professor Margolis during the digital gathering to the audience.

The first negative response is deflation. "Even for the less heroic among us, adversity can touch off intense bursts of negative emotion—as if a dark cloud had settled behind our eyes, as one manager described it. We may feel disappointed in ourselves or others, mistreated and dispirited, even besieged," Margolis explained to the group.

The second is victimization, where "many of us assume the role of the helpless bystander in the face of an adverse event".

Both reactions tend to result in counterproductive behavior, where we tend to retreat both from the challenge in front of us, as well as from others, who could be resources in tackling the issue, providing new angles or alternative solutions. Instead, we tend to revert to what psychologists refer to as our "dominant response", namely redoubling our efforts in what hasn't worked so far, Margolis shared with the group.

The problem is that what has served us well previously might not necessarily suit the new situation. Right now, leaders need to reflect on whether the tasks, activities, and practices that their people are engaged in are well suited to the current crisis, the challenges they face, and the nature of the teams they have. In essence, when faced with adversity, leaders need to do the right thing to fit the situation, role, and responsibility – and they need to do it well.

However excruciatingly difficult it may be for high-performing individuals, leaders need to be willing to abandon their dominant response before they learn to do something else better. Just like learning to sign your name with your other hand (which Margolis asks the group to try), this can at first seem awkward (and won't



look as good). Nevertheless, in time this process will equip leaders will a more ambidextrous, adaptable approach to a situation.

Use resilience to fight back

How should leaders ideally face a crisis? In Egon Zehnder's opinion, resilience is the best tool for leaders to fight adversity.

So, what exactly is resilience? Egon Zehnder sees resilience as a multi-layered concept. It's not just about "bouncing back", namely quickly recovering from a crisis but about balancing their response towards their team and "bouncing forward", namely learning and even thriving from adversity. Resilient leaders recover first and even thrive from adversity and help their teams and organization to do the same.

Research shows that resilient people know what is good for them and keep doing it, practicing behavior such as self-care. They also know what they are good at, identify their strengths and use them. In addition, resilient people know who is good for them, and nurture these social contacts, reaching out to these individuals when they need support. They also know why they do what they do. Understanding their purpose gives them direction and makes them feel like a master (rather than a victim) of their circumstances. Resilient people continually ask themselves, "What else could be true? What else could I learn here?", reframing any situation in a positive light.

The good news is that resilience can be trained. Egon Zehnder trains leaders on how to foster resilience in their people (through executive development and team workshops). This enables leaders to unearth specific resilience resources and capabilities that they've drawn on in the past, empowering them to rise to current challenges and buildup their individual capacity to deal with emerging issues.

Right now, leaders need to act as a model and root their ability to lead with resilience in their own resilience, "putting the oxygen mask on first before being in a position to help others in a crisis", advises Egon Zehnder.

Moreover, resilient leaders should reach out with compassion to their team members, actively seeking out differing perspectives to learn what else could be true. Over the past year, leaders have done fairly well in reaching out to their teams, our survey reveals. Reflecting CARE (compassion; assessment; realignment; and execution), 70% connected compassionately with their team members and considered their personal concerns. However, only 57% of leaders were able to



clearly communicate and invite joint reflections – an opportunity for improvement, as we look forward.

What's next on the HR agenda?

After a year of unprecedented challenges, now is a time for HR leaders to pause and reflect. "We need to work out what has worked over the last year," reflects one leader. "What are some of the learnings we want to take forward? Where have the gaps been and how can they be filled? On a team level, what do team dynamics need to look like in a post-COVID world?"

Going forward, the majority of HR leaders see one of their biggest focuses caring for employee wellbeing and mental health. This is followed by establishing new hybrid ways of working, such as remote work and flexible hours, they tell Egon Zehnder.

On an individual level, it's going to be important for HR executives to rethink the employee experience, making it more human-centric to compete for and retain the best talent and involve them in creating the organization they want.

On a team level, HR leaders will need to rethink team dynamics in the context of the new normal, rebuilding trust levels while encouraging team learnings and reflection.

On an organizational level, futureproofing the HR function will continue to be paramount, as HR leaders need to increase the adaptability of their organization. "Even as we're hiring talent, the feeling that the talent aligns with the company's purpose and mission is more critical than ever," says an HR leader.

Finally, becoming a truly adaptive organization will include "looking at the current culture and values that drive us and how we're developing our talent", says another.

HR leaders have been through tremendous challenges this past year. Nevertheless, the year ahead will require renewed resilience as organizations and their individuals adapt to a new normal. HR leaders will need to be resourceful, creative, and adaptable as they reveal to senior leaders what they might otherwise not notice, such as escalating employee stress.

HR leaders have played a hugely significant role in the pandemic so far. They now have the opportunity to help develop the necessary resilience in their leaders and in their organizations to continue successfully addressing future, unknown challenges.



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Covid-19 Micro-Website

We have launched a micro-website where this and other informative pieces are posted. This site will be regularly updated: <u>click here</u> for further details.

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