

Dr. Terry Paulson (Psychologist and Expert on Change Management) reveals how leaders can help their employees during times of recession

Leadership During Recession

IN these chaotic economic times, the interdependence in the growing global economy is clearly evident. A sudden hiccup in American markets sends a shockwave to markets around

our 24/7 world. As futurist Frank and dance with electrons." Ogden said, "With telecommuting, you can have your bookkeeping done in Madras, India, for less than it costs here. Today technology can replace whole new industries, so you have to stay flexible. To survive today, you have to be able to walk on quicksand

There is not a lot of dancing going on right now. Corporate leaders and workers alike are looking for answers from world leaders, but far too many seem trapped in what some have called the depression of our age, "Learned Helplessness." It is described as the "giving up" response that comes from the belief that there is nothing one can do to influence one's outcome--we wait powerless hoping for experts and politicians to fix the problem or tell us what to do!

The actions of world leaders are only part of the answer; and they struggle with their own doubts. Pope John XXIII once confessed what I am sure all of our world leaders are feeling, "Sometimes I awake at night and begin to think about a serious problem and decide that I must tell the Pope about it. Then I wake up completely and remember that I am the Pope!"

An economist in Fast Company wrote: "Optimism is over. ... The layoffs, buyouts, and bankruptcies of the past year are starting to look like the good old days. Business sucks to such a degree that unbridled optimism the kind of wild, harebrained zest to rule the world—is now just a sign that

your medications aren't working." You might be surprised to know that this comment was made in 2001, soon to be followed by a period of unprecedented economic growth. We tend to overestimate the impact of bad economic times and underestimate how long it will take us to bounce back.

This article is about focusing on how you, the world's leaders and workers, can embrace "Learned Optimism" and contribute to the long-term strength of

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How 'You' can be a Better Leader



- · Serving your customers and delivering on your missions remain powerful beacons for priorities.
- Invest your worry time in looking for opportunities that surface in the midst of difficult times.
- Trade victim thinking for constructive action.
- · Use downturns as a time to accelerate innovation.
- · Get people focused on learning strategic skills.
- · Create a network of encouragement, wisdom and support.

our growing global economy. Instead of being stuck in analysis paralysis, it is time to challenge everyone to invest their worry time in constructive actions--actions that can make a difference for you, your organisations and those who work for you.

The true source of any rebound comes from the companies, leaders and workers who have already worked wonders in expanding our growing global economy. Your choices will be driven by one of two basic reactions-panic or trust in what you and others can do together to make a difference. and how to succeed. There are no safe havens for your money if the world's financial system fails. Money is not created to sit in any vault! Money is in motion making capital and payments available to exchange for the products and services we all create and need.

Our countries can print the money, but we are the ones who give it day. And that's what makes economic

value by our actions and economic decisions. No matter what the politistill functioning! Money is still being used to buy goods and services. Loans are still being made, and people with the right skills are still being hired by companies taking advantage of market opportunities.

Franklin Delanor Roosevelt, one of America's most admired Presidents, reminded Americans at a dark point during World War II with words that still ring true in these times, "The only thing to fear is fear itself." As leaders in your organisations, one of your primary responsibilities is to keep hope alive. It is your job to appeal to your team's best hopes, not their worst fears, to their confidence, rather than their doubts. People crave a direction; give them one they can make a differ-

The great game of business has alwavs had winners and losers as well as good and bad economic times. Your job is to help your organisation become one of the winners. It is important to watch your costs and consider letting go of associates that are not adding value to the team, but you will not cut your way to success.

Start by encouraging everyone to invest the time they currently spend watching CNN, the BBC or your country's primary news channel into a constructive answer. The media lives off sharing and generating bad news. A George Washington University study monitoring 100 nights of the evening news documented 8,600 negative to 370 positive news items. We are grossly over-informed about the bad news and poorly informed about what is working

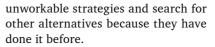
The attitude people bring to economic conditions has an impact. Brian Thompson of the Museum of American Financial History observed, "Wall Street is predicated on optimism. The very acts of raising capital and making investments are based on the simple belief that tomorrow will be a better

growth and opportunity possible." The markets are going to be volatile for cians and media say, businesses are quite a period of time; they do not need vou watching.

Winston Churchill had once asserted, "I never worry about action, but only about inaction." Those who will manage to survive this downturn must demonstrate flexible optimism, resourcefulness, and persistence in the face of adversity and change.

Optimism is more than positive thinking. It is earned by the maturity and resolve that comes from a proven track record of overcoming obstacles over and over again. Research has shown that optimistic people are more willing than pessimists to face bad news. Optimists want to know about the problems they face, because they expect to be successful because they have been successful before. Optimists confront trouble head-on, while it is pessimists who bury their heads in the sand of denial. Far from being unrealistic, optimists are quick to give up on

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Here are seven more things you can do to lead your way to recovery:

Inspire your people by telling stories of past times where teams were able to overcome difficult obstacles. Howard Gardner said it well, "Stories...help individuals think about and feel who they are, where they come from, and where they are headed. It constitutes the single most powerful weapon in the leader's arsenal." Good stories provide a perspective that uses past successes to ensure teams that they too will be able to bounce back again. Many current workers have never had to weather difficult economic times. What legacy stories from your organisation can you use to rally the hopes and the resolve of your team today? Start your next meeting with a familiar lead, "Let me tell you a story about the time our company...."

Serving your customers and delivering on your values-directed missions remain powerful beacons for focusing your priorities. Joel Barker said it well: "Vision without action is only a dream. Action without vision is just passing the time. Vision with action can change the world." Amazing things can be done when teams are focused. Cynicism and optimism are both contagious. Risk being optimistic in pursuit of strategic opportunities that are still available.

Invest your worry time in looking for opportunities that surface in the midst of difficult times. Albert Einstein had a way of making wisdom simple: "In the middle of difficulty lies opportunity." Inaction and powerlessness produce predictable results--nothing good! Seek out the economic facts and trends that indicate both threats and opportunities for your organisation. Min-

imise the threats and focus on the opportunities. What customers do well in poor economies? How can I add value to their efforts?

Trade victim thinking for constructive action. Optimists make the best of their options; victims whine about how few they obstacles and have. Get everyone doing bounce back something to be part of the

solution! Adjust your response as needed, but keep going after the business that is there. As Wayne Gretzky, a great American sports hero, said, "You miss 100% of the shots you never take." Use downturns as a time to accelerate innovation. If you have available team members with time on their hands. challenge them to invest their time in accelerating progress in developing your next wave of innovation. Tough times can be a time to reinvent a business. When the economy turns, you will be ready to lead the way. Not only will such a strategy produce sustained results; you will help rally the morale of others by helping them stay focused on making a difference.

Get people focused on learning strategic skills. Alvin Toffler reminds us all, "The illiterate of the future are not those who cannot read or write, but those who cannot learn, unlearn, and relearn." With the educational options available, keep your people investing 5% of their time in remaining a recyclable asset. Do not just do what you have always done; help people learn the skills that will allow them to invent the future. Let your people know that investing in lifelong learning is their best insurance policy. Good, skilled leaders and workers will always be the first to be hired and the last fired.

Do your part to create a network of encouragement, wisdom and support. Mark Twain warned: "Keep away from people who try to belittle your ambitions. Small people always do that, but the really great make you feel that you, too, can become great." The company

> you keep can bring you up or bring you down. Imagine every member of your network has on his chest a sign that reads, "Make me feel important!" Treat them that way. By working to create a team that celebrates each other's effectiveness and positively gossips about each person's successes, you nurture the morale team's

need to bounce back quickly.

INSPIRE YOUR

PEOPLE BY

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TELLING

The power of the American Dream has been a source of inspiration that helped generate unprecedented economic growth in America. That dream is now a global dream, but it has to be earned and reearned every day. Organisations do not just want a good year; they want to sustain a dynasty that lasts through the good and bad times. As leaders, do your part to help your people invent their future by being proactive, flexible, resourceful, resilient and optimistic. Do not get lost in the problems while others are finding success in that next opportunity and do not let the negative comments of others stop you from leading the way. Mahatma Gandhi summarised the journey for all transformational change agents: "First they ignore you, then they laugh at you, then they fight you, then you win."



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