



ARTICLE

# Leadership through these strange times

## Overcoming the 'stress test' of COVID-19

Much has been written, and much more is being learned every day, about the expectations and desired attributes of leaders during the COVID-19 crisis.

*“One could scarcely imagine a more effective stress test for “good” leadership than coronavirus. It is obvious that a conventional leadership playbook relying on hierarchy and control won’t enable the kind of agility and speed needed to deal with the unexpected.”*

Prior to this crisis, corporate conversations were already moving towards the need for a greater sense of corporate purpose. This generally translates into increased transparency in respect of corporate beliefs and actions that are tied to environmental, social and governance (ESG) issues – to people wanting to belong to something bigger than themselves and stakeholders wanting to know what organizations are doing to influence social and political issues and to face up to broader societal challenges.

The essence of corporate purpose can be defined as “why we exist” – what do we want to give, how do we make meaning in the world and how do we contribute beyond traditional means. It is about how we humanise our organisations.

Covid-19 has, in a few short weeks, put this thinking to the test in very practical terms in an extremely challenging environment. One could scarcely imagine a more effective stress test for “good” leadership than coronavirus. It is obvious that a conventional leadership playbook relying on hierarchy and control won’t enable the kind of agility and speed needed to deal with the unexpected.

## The demands of the time

Psychologists refer to the need, in times of crisis, for cognitive complexity in leadership. This is the ability to draw on multiple frames of reference or intelligences at the same time. This is categorised as follows:

- First, there is **contextual intelligence**. Context intelligence is critical for enabling timely action. Is the ability to filter, absorb and contextualise the rapidly changing factual narrative. The corona virus is dramatically changing our lives, our understanding of normality, of public life, of togetherness. We are being tested as never before. Each day yesterday seems like a lifetime ago.
- Then there is **moral intelligence** – being clear about the values that in turn shape our purpose. Social and emotional intelligence in turn express our values which determines how we interact with and influence others beyond our authority to compel. Leaders connect with others through their empathy and compassion. This is what enables them to inspire and motivate. The hardest decisions are balancing the health and safety of our people with protecting their jobs in the context of a sustainable business.  
  
This requires that leaders be clear with employees about the company's situation; how they're assessing risk, that the well-being of their people is the priority, and how they can be prepared as the situation unfolds. This is the time to over-communicate the values of the organisation.
- **Generative intelligence** is the ability to birth new ideas in this time of chaos and realize value from them. Generative intelligence requires openness and the ability to orchestrate diverse talents. Reiterate your organization's plan for business continuity and managing risk and engage your people to benefit from their insights. Clearly lay out the steps your company is taking to reduce the health risk to employees and other stakeholders, as well as the business risks to the organization. Transparency is not a sign of vulnerability but of sensible risk management and sound governance that enables leadership to draw on the collective new ideas of the organisation.

- And it depends on **technological intelligence**, a literacy with emerging technologies and their potential value. Caring for your team and keeping a business alive in the current circumstances can only be achieved through the intelligent use of technology. The reliance on trust is ramped up significantly at this time – but you can't see your team. Not being visible makes it more difficult to assess their mental and emotional state. It's also more difficult to assess the interpersonal climate. The dependence on technology and how to use it to preserve the personal connections is key. In order to do this, we will probably need to learn new skills. Some of them are hard skills, e.g. using the right hardware and software for remote meetings and using these well.

While it may seem counter-intuitive, we are also reliant on technology as the medium through which we will use our soft skills. At this time, most of what we have to learn will be using soft skills through a new medium. How do we communicate sensitively? How can we facilitate well in a remote work situation? How can we spot and solve conflicts when people can just turn off their webcams? How can we deal with severe stress? How can we deal with change in extremely volatile situations? Technology is now the only platform for our human interaction.

- Finally, **transformational intelligence** involves the ability to create and drive a roadmap for change that motivates people to act and align efforts. Such a roadmap comes alive with clear, credible communication, compelling narratives and evangelism by leaders that drive a sense of urgency. It requires being explicit with employees about how they will receive information from leadership throughout this situation. Focus on physical and emotional wellbeing to optimize resilience and provide a support network. Encourage employees to connect (remotely) with their colleagues regularly on business matters but also on a personal level. Consider the behaviours of your leadership team in response to the crisis. Leadership behaviour and tone carries weight, particularly because company leadership is the most trusted source of information for many employees. Humanity and empathy must be preserved at all levels. This crisis breaches the line between home and work and extends to family and friends beyond the business.

## In conclusion

Angela Merkel addressed the German people on Covid-19 with a message that was simple and direct. Yet what gave her address its force was her tone, which was direct, honest, and searingly empathic. She laid bare not just the test we all face but also the solace that leadership can provide. Without accusations, boasts, hedges, obfuscations, dubious claims, or apocalyptic metaphors she did what a leader is supposed to do: explain the gravity of the situation and promise that the organisation's help would flow to everyone who needs it.

While this crisis will test leaders, leadership no longer stands above the organisation and its people – all stand together, shoulder to shoulder, with a single purpose – to help each other through this crisis and to emerge stronger, more resilient, and more united.

## FTI Consulting COVID-19 response

*Each of our clients will face their own unique challenges as they focus on both the safety of their people and the continuity of their operations. Our business consulting, economic, regulatory, forensic & disputes and communications experts across the globe are partnering with our clients to navigate this disruption and assess its impact on their key stakeholders.*

*We do not take the importance of advising our clients through these extreme difficulties lightly, and we recognize that our experience managing through change and crises and mitigating risk is critical at times like this. Please visit our <https://www.fticonsulting.com/insights/featured-perspectives/covid-19> page for important COVID-19 related updates and insights to help your organization maintain resilience in these uncertain times.*

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