The Counter-Intuitive Skill Business Builders Need in Tough Times



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Crises are a time for great leaders to distinguish themselves. Crises can also be made into opportunities for cementing a company's culture.

The Covid-19 public health and employment crisis is an intensely human moment that impacts all of us as people. It can range from experiences of personal or family sickness to experiences of job loss and financial insecurity. This is a crisis that we are all experiencing collectively, but which expresses itself in intensely personal ways.

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Uncertainty is widespread. Anxiety is at a high level. That vacuum — when we don't really know exactly how we got here and what comes next — is when leadership matters most.

Leadership's key components during a crisis

On the one hand, leadership requires competence and command. Employees must believe in the vision of the business and in your ability as a leader. Does a company have the right players, the right systems and the discipline to execute well? Do you have the requisite skills, focus and game plan? Have you created a culture of calm, creativity and constant improvement?

On the other hand, leadership requires connection. In normal times people must be inspired by the purpose of the enterprise and empowered by their role. Followers, by definition, have to believe in both the cause and in you. In moments of crises, people must not only trust you but even go beyond that to having faith in you.

To believe requires a human connection, and this connection requires the right amount of vulnerability.

Vulnerability connotes weakness in some circles of thinking. Vulnerability is at odds with the *extrovert ideal* that powers today's attention-grabbing news cycle and manicured Instagram pages. Vulnerability is at odds with the *Culture of Personality* that has dominated venture-backed companies, Wall Street finance and politics over the last decade with its emphasis on image-driven, (over)confident wunderkinds.

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Unwelcome Business Crisis

But, in reality – and especially in a crisis – vulnerability is power. It can be hard to reach for an ethereal character trait like vulnerability, especially under pressure. So it might help to unpack it into three parts – confidence, self-awareness and accessibility:

Confidence: A truly confident leader can admit when uncertainty exists, can admit they don't know everything and can admit errors. A self-secure leader creates both management teams and Board of Directors that respectfully challenge ideas in search of the best solutions via collaboration.

Competent leaders have a plan, hire experienced people to execute it, and then measure, manage and adapt along the way. They know they won't get everything right and that unexpected events will derail that plan at any moment. When difficulties arise, strength isn't defined by downplaying the situation or powering through it with unexplained decisions. Rather, leaders who display their humanity via transparency and candor are able to fortify an environment of trust. This environment is particularly critical when wage decreases, staff reductions and furloughs must be implemented to ensure survival.

Self-Awareness: A self-aware leader can pursue the truth with intellectual honesty. A self-aware leader is open to all possibilities and is empathetic to alternate perspectives.

When employees know they can provide a differing view, it creates a safe environment for innovation. A culture of vulnerability, led from the top, allows people to surpass their insecurities and take the types of risks that lead to breakthroughs for a business.

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Some leaders grasp for survival during periods of uncertainty.

However, crisis environments can be a cauldron for innovation forged out of necessity. Crises should be levered for ingenuity in cost productivity and marketing.

Accessibility: To be human is to be imperfect. To be human is to be shaped by experiences of disappointment, failure and pain. Anyone leading others will gain experience (read, failures along the way). To imply otherwise—to project false bravado—is ingenuine and, therefore, untrustworthy.

The upside of having made mistakes is it allows you to better connect with others. Exposing oneself in the right manner and at the right time maximizes the ability to connect.

Ultimately, in a crisis, this all requires maturity in the face of fear and sometimes even panic. The way through is to manage the day-to-day with some humility and keep your eye on the horizon.

And really all of this comes back to that long-term view.

Great companies and great investment funds have leaders who understand that the largest rewards are harvested over the long-term. Think of Amazon. Think of Berkshire Hathaway. Jeff Bezos and Warren Buffett were never expected to see the black swan coming. It isn’t a requirement as a manager or a CEO that you have explanations for every short-term event. That’s impossible.

They pointed in a general direction, with a strong purpose and have kept moving forward. Crisis moments have often represented their periods of greatest gains in value.

In my own experience as a business builder, it all began with a passion for ideas and creativity. Delivering value from that passion is the long-term goal. Over recent years I’ve learned a lot and restocked our companies with reliable operators, which have facilitated better implementation of those ideas.

A pandemic can create massive headwinds, but any leader that knows where they are going, it won’t blow them off course for long.

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