

# Brief

## For those too busy:

The latest research, thinking  
& news on growth pace and delivery  
from around the world

## Leading in turbulent times

### We are not back to business as usual

All good leaders anticipate continuing change. Few are truly ready for the arrival of rapid and mould-breaking uncertainty, where suddenly the big questions outweigh the answers.

Most agree that the recent banking-led recession was not like previous downturns of living memory. It lasted longer, and has not followed a neat, linear, upturn/downturn/upturn flow. Perhaps most importantly, the post-recession era is one of continuing unpredictability and turbulence,

How do you, as a leader, respond in order to stay effective and keep delivering? How much do you continue essential good practice, how much depends on doing things differently?

### Research and expert opinion suggests five features of successful leadership in times of turbulence

#### 1. *Be more certain about the destination, be more agile about how to get there*

Communicate and repeat your long-term goals and purpose more strongly and more frequently than normal and keep your executive team aligned around these. Be prepared to change your routemap, to focus team energy and to promote agility. Failure to manage this was key to the demise of leaders at Merrill Lynch and Lehman Brothers.

#### 2. *Choose a few fundamentals to defend, allow other cherished priorities to change*

Survival and success usually requires making some changes to plan and being more flexible. Make sure that everyone is clear about the fundamentals that will not change. These must remain your personal priorities. Delegate and encourage flexibility about everything else. This was at the heart of turnarounds at Shell and Corus.

#### 3. *Stay positive, but always authentic and credible*

As CEO, what you say and do is amplified continuously. Instilling confidence around you is your unique task – being clear about what you know and credible about the unknowns. This is part of the reason Robert Ayling lost his job at British Airways. Avoid the trap of staying silent because you do not yet know the answers. Celebrate each step forward – however modest or short-term.

#### 4. *Stick to what only the CEO can do: manage the outside context, manage your team*

Avoid the temptation, as risks increase, to be more hands-on about everything. You have two essential tasks: keep the Executive productive, and maintain your unique joined-up management of stakeholders. Getting this right is how James Fletcher rescued NASA. Getting it wrong lost Greg Dyke his job leading the BBC.

#### 5. *Increase your pace and delivery*

A normal response for most during uncertainty is to get cautious, slow-down and delay decisions. But it is vital during such times to lead from the front, keep up the momentum, and focus on short and medium-term delivery. This has been key to turnarounds at BT.

During downturns, 20% of lagging businesses become leaders in their sector. Recessions are not just about crisis and risk management, there are real opportunities for leaders who choose to do the right things.