Heidrick Consulting



Leading through the crisis by counting on purpose and values

An authentic and resilient culture is helping some companies navigate the coronavirus crisis. Here is what all companies can do now to build—or maintain—a thriving culture.

From time to time, we lose our bearings as individuals, especially when facing overwhelming challenges, as we are today with the coronavirus pandemic; it is in these moments that we lean into our core—our character and personal values—to find strength and focus on what really matters. Leaders facing the unprecedented times and circumstances of the moment are also looking to their organization's core—its communal culture and values—to inspire resilience, unleash agility, and help employees to thrive, not simply survive.

Working with CEOs over the years, we have found that thriving cultures are those that are purpose-driven and characterized by vitality and a growth mindset. Organizations where leaders are purposeful and intentional and open to personal change, and where every employee has a voice and is actively engaged in living the organization's values, are those with thriving cultures. Many organizations entered into this crisis with such a culture. Others were struggling. But, like the process of glass blowing, in which beautiful structures are created by manipulating molten glass in a hot furnace, we have observed healthy and resilient cultures emerge from the fires of crisis.

How can an organization maintain or build a thriving culture in this crisis? At their core, organizations are shadows of their leaders. Leaders who greet crisis with perspective and compassion, confront the current reality with optimism for the future, demonstrate personal resilience, and inspire that resilience among their employees are those who will make the difference. On March 13, for example, Delta CEO Ed Bastian e-mailed all employees a message of resilience: "We have been through turbulent times before, and what has always carried us through has been our commitment to our values, our culture, and each other. I am confident that we will emerge from this crisis as a strong, trusted global brand that truly connects the world like no other. And we will be stronger for having gone through this experience." The message rang true for employees because Bastian's actions were aligned with his words, shaping the organization in his positive leadership shadow with steps such as sensible fiscal decisions to stabilize the company's balance sheet, including Bastian's own commitment to forgo 100% of his salary.

This example highlights something we have seen over and over in organizations of all kinds and sizes: relying on an organization's values is possible only when those values are real and lived by leaders at all levels of the organization. Authentic cultures are not formed by values posted on the wall; they are the result of leaders being purposefully committed to living those values and willing to personally change in order to model the behaviors and actions that maintain integrity. When values are real, employees and customers know the enterprise is authentic and true to its culture. Especially in a crisis, comparing actions to values is a litmus test of a company's authenticity.

Culture, we know, is the core of resilience, but it alone is not enough. Other work by our firm has shown that organizations that accelerate performance during good times and bad are able to mobilize, execute, and transform with agility.¹ During today's pandemic, agility matters more than ever. Amidst rapid-fire health updates, market volatility, and the extreme spread of the coronavirus, a company's foresight, ability to learn, and adaptability will set it apart. Companies strong in these areas have leaders who are future-focused, demonstrate a growth mindset, are able to pivot quickly in times of rapid disruption, and maintain resilience to navigate their organizations. From swift decisions to shutter offices, institute work-from-home policies, and scale the technological tools to stay connected to customers and stakeholders, agile leaders have assessed the risk and pivoted quickly. They must also reassess the medium and long term, building on past crisis interventions and associated learnings to evolve operations and innovate to meet changing needs, all while staying true to their culture.

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¹ Heidrick & Struggles, "Developing leaders for the 21st century: How leaders can mobilize, execute, and transform with agility," February 8, 2018, heidrick.com.

On March 15, for example, Starbucks announced it was "pausing" seating in its cafes to create social distancing, a public health practice for curbing the spread of the coronavirus. Starbucks was the first major restaurant chain to announce this sort of drastic operational change. Being first to make a decision that anticipated the trend of the pandemic showcases foresight and agility at its best, and it models Starbucks' value of "acting with courage, challenging the status quo." CEO Kevin Johnson explained: "As part of communities worldwide, we are navigating this crisis with nimbleness, learning, and adapting as new information is made available." That same week, LVMH started to convert some of the factories where it normally makes fragrances for Christian Dior, Givenchy, and Guerlain to make hand sanitizer. The company made its first deliveries within a week, being true to its purpose, "Engaged with society," and living its values.

In any time, thriving organizations are true to their purpose, rely on their values, and model agility. Today's pandemic, which will reduce profits all over the world, is a searing test of every organization's culture and values. Leaders who have laid a solid culture foundation, authentically committed to a set of values, and defined and depended on an inspiring purpose are leading through this crisis by making a difference in the lives of employees and the communities they serve. This crisis also serves as a furnace for change for those companies that haven't yet laid the foundation for a thriving culture.

Uncovering authentic organizational purpose can come quite simply from finding ways to be of service. What's needed today is for all leaders to look beyond profit and ask, "What do I have that could help someone right now? Where can I practice abundance where there is short supply?" Organizations will be changed by their actions to make a difference in these times of crisis. Connecting with employees at a human level as we enter into one another's home offices and living rooms, meeting children and pets on the screen, is organically changing and strengthening cultures. It's happening today by default; tomorrow leaders can shape their cultures with lessons learned by design. Leaders and organizations that count on their core—culture and values—and make a difference while pivoting to solve for the future will emerge from the fires of this crisis and thrive.

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About the author

Rose Gailey

is the leader of Heidrick Consulting's Center of Excellence in Organization Acceleration and Culture Shaping; she is based in Heidrick & Struggles' Costa Mesa office.

rgailey@heidrick.com

Heidrick Consulting

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Leaders of Heidrick Consulting

Global	Andrew LeSueur New York alesueur@heidrick.com
Europe and Africa	Dustin Seale London dseale@heidrick.com
Asia Pacific and Middle East	lan Johnston Singapore ijohnston@heidrick.com

Heidrick Consulting's Centers of Excellence leaders

CEO & Board and Team Acceleration	Alice Breeden London abreeden@heidrick.com
Organization Acceleration and Culture Shaping	Rose Gailey Costa Mesa rgailey@heidrick.com
Leadership Assessment, Development, and Coaching	Sharon Sands London ssands@heidrick.com
Digital Acceleration and Innovation	Scott Snyder Philadelphia ssnyder@heidrick.com