

Leading through a Downturn

Both managers and employees are under stress in an economic downturn. HR should be guiding managers on how to lead in tough times. HR may want to do face-to-face training, put on a webinar or just send around an email. Whatever method you use, make sure you are proactively supporting your managers.

What should worry you most is managers doing the wrong things. For example, managers making cheery promises that they won't be able to keep. However, it's usually better to frame suggestions in a positive way. Here are five specific tips you can share.

1. Be Visible. Managers who themselves are under stress may not feel much like being out in the open when they have no good news to share. Nonetheless, now is the time for managers to be out walking around with their workforce answering questions, giving encouragement and generally just being present for their employees. How do you know if you are visible? A simple self-test is ask yourself if you have at least said hello to every employee in (for example) the last two days. The specific goal will vary depending on the number and geographic dispersion of employees, but in every case managers should set themselves a measurable visibility goal.

2. Be Realistic in Your Promises. Employees want managers to say "Everything will be ok" and so managers may be tempted to say just that. The only trouble is that no one knows how long or deep the recession will be and what sort of cuts the organization will make. Managers need to be careful not to make promises they can't keep. The sort of promise they can make is to say that they will keep their staff informed. This promise can be fulfilled by having regular communication meetings. Even if there is not much to communicate a quick update shows employees that managers care.

3. Build Employee Morale. If employees are stressed they won't be productive. One good way to build morale is through some sort of team event; celebrate birthdays, have a pizza night—anything that ensures people don't feel alone. The other powerful tool in building morale is setting goals. Keep people busy with realistic goals. It's also worth talking to employees one-on-one to see if they have any particular personal issues that need to be addressed. If an employee is having difficulty whether it be financial, emotional, or even simply transport (maybe their car broke down and they can't afford a new one) then an informed manager may be able to help. Reminding employees of support that HR offers, such as employee assistance programs or financial management courses, can also help.

4. Build Your Own Morale. As Dr. Richard Boyatzis has documented in his book *Resonant Leadership*, when managers are under chronic stress their performance declines. Worse they don't notice that they are becoming grouchy and narrow minded. Boyatzis

cites research that shows mindfulness, hope and compassion effectively counteract the damage stress can do.

Mindfulness refers to reaching a state of quiet perspective on life, something people often achieve through prayer, meditation or a relaxing walk. Hope refers not to wishing and dreaming, but to a realistic view of how things may improve over time. Compassion means taking time out to help others. Again HR should help managers set specific goals around these three healthy activities. Managers should be able to show they spend at least a little time on one of these three activities every day.

5. Treat Staff Like Adults. Some managers may feel this is this time to be the grand leader and say “I’ll take care of you.” This is not a good approach because you want your employees engaged as adults finding ways to get things done in difficult times. You don’t want passive employees waiting for managers to fix things.

Manager need to put the onus on employees to be leaders too and contribute ideas, energy and spirit to the team. In fact, Dr. Wayne Cascio’s research on downsizing showed that the companies that handled downturns most successfully were the ones where employees played an active role in finding solutions.

Communicate and Communicate Again

Given that this will be a long recession, HR should plan to give this message, repeat this message after several months and periodically check to see that the lessons are being applied. Facing adversity can be a major learning experience for people. Help position your managers so that they don’t learn everything the hard way.



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