15 | *Leading an (Unusual) Academic Institution through a Crisis: A Personal Reflection*

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The COVID-19 crisis was a perfect storm for an independent business school like International Institute for Management Development (IMD). On the positive side, we started the crisis on the wings of a substantial revenue-growth momentum – 2020 was going to be our best year ever by a mile! On the negative side, more than 80 percent of our revenues come – or rather, came then – from nondegree programs requiring one party to travel to another, overwhelmingly across national borders. Within the 20 percent of revenues coming from degree programs, more than half came from the executive MBA (EMBA) program, which also requires extensive international travel for students. In other words, as of February 2020, more than 90 percent of our revenues were suddenly at very severe risk.

On the organizational front, January 2020 was the launch of a new governing body called the Executive Committee, a larger group – nine members versus the previous five – including key staff function heads reporting to me. The year also started with us sharing with IMD's staff the pretty negative results of an internal climate survey conducted in late 2019. Faculty responses were very positive, but the staff (outnumbering faculty six to one) reported a very clear lack of trust in the management team – in terms of both competence and intentions. The report had made for very painful reading, and the town-hall meeting in which I reported the results and faced anonymous questions from more than 200 staff members was brutal.

Given our economic model, the crisis became very much of a reality for us quite early in the process, as Open Program executive education (ExecEd) participants and Custom Program corporate partners started calling us to ask for postponements. In the following weeks and months, I experienced a very interesting case of "theory meets practice." As a professor of leadership and organizational development, I had been studying and educating leaders for about three decades. So I "knew what to do," at least in theory. Having to "do it," especially

311

under the intense pressure created by the risk of revenues grinding to a halt (and nobody to bail us out if we failed), led to four major insights that I would like to share in this chapter.

I am acutely aware that I could have organized these insights differently, so I am not presenting them as "the way" to lead in a crisis. Please consider them as a humble personal reflection on what has been a fascinating – and so far, very successful – experience. Befitting this personal reflection positioning, the style of this chapter is conversational – I will be addressing you, the reader and the leader of your organization.

These four insights are not presented by order of importance – I think they are all equally important – but hopefully, the *sequence* in which they are introduced will appear logical to you and will make them more memorable.

Insight 1: Maintaining a Very Engaged and Aligned Leadership Team

As critical as the leader is, the performance of the *leadership team* (LT) is going to be at least as important. In particular, it is even more important during a crisis for the members of the LT to all be *engaged* and *aligned*.

You need all members of the LT *engaged* because in a crisis, you can't be everywhere at the same time, even less so than in normal times. If you try to do it all alone, you will exhaust yourself in addition to becoming a bottleneck. In addition, the troops would for sure notice that some LT members are not fully engaged, which would undermine their morale and your efforts.

You also need all the members of the LT to be even more *aligned* than during "normal times." Research has shown that human beings are fundamentally programmed to look for threats, even under normal conditions.[1] Unsurprisingly, this propensity to look for threats becomes even more salient during a crisis. As a result, faculty and staff

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[1] See, among others, H. A. Rued, C. J. Hilmert, A. M. Strahm, and L. E. Thomas (2018), "The Influence of Stress on Attentional Bias to Threat: An Angry Face and a Noisy Crowd," *Psychonomic Bulletin & Review*, 26(2), 1–8. Or more generally, R. F. Baumeister, E. Bratslavsky, C. Finkenauer, and K. D. Vohs (2001), "Bad Is Stronger Than Good," *Review of General Psychology*, 4(4), 323–370, https://doi.org/10.1037/1089-2680.5.4.323.

analyze communications from the LT even more carefully than usual, actively looking for any sign of individual weakness in, and of lack of alignment between, members of the LT.

Outside of crises, most LTs have learned to look at least moderately (if not always perfectly) engaged and aligned. Crises ought to bring the best out of LTs, so why would they suddenly start underperforming individually and/or collectively? For two reasons.

The first reason is individual: While some members of your LT will immediately "step up" during the crisis, showing the confidence, the willingness, and the ability to take on more responsibilities, *other members of the LT will tend to wither* because they lack one or more of these qualities. This withering can manifest itself in different ways. Some individuals will seem to produce a lower – or at least a less-than-maximum – level of effort and engagement. Others will be "working hard," but their time and effort will seem to you to be misallocated (too much time and energy on lesser priorities, at the expense of real "must-win battles"). Another sign of withering is increasing indecisiveness/inability to make basic decisions.

An LT member's insufficient individual effort, incorrect prioritization, and/or growing indecisiveness will rapidly become problematic and potentially debilitating for employees reporting to them. It is also very frustrating for the leader and for the LT colleagues who are "stepping up." Frustrated leaders can react aggressively – increasingly berating the withering team member(s) – or more passively, by avoiding them and withdrawing from interactions. Both are suboptimal solutions.

The second reason why an LT's performance may decrease during a crisis is that *the crisis may reveal heretofore undetected fault lines within the team*. These fault lines are due to less-than-100-percent alignment on the organization's strategy and/or priorities. Less than 100 percent can still involve a relatively high degree of agreement, and that degree of agreement may be sufficient to go unnoticed in an environment that is not hyper-stretched. But in a crisis, where resources become very scarce, questions from staff become very pointed, and decisions need to be made very quickly, the imperfect alignment will start to become observable and problematic.

What can the leader do to contribute to a higher-performing LT?

1. One important step is to remain patient and compassionate toward the team members who wither. Understand, with empathy and

compassion, that their withering is not intentional and probably reflects forces that are currently overwhelming them. When you can accept your colleagues' difficulties with compassion, it becomes easier to see that the solution is neither berating them (which will only increase their fear of failure) nor disconnecting from them (which will simply trigger a vicious circle of decreasing performance). The solution is instead to make sure you remain *engaged* with the withering team member(s) and spend *more* time with them rather than less. These discussions will enable you to help increase the individual's confidence, willingness, and ability to contribute more during this challenging period.

2. With respect to alignment, you should invest *even more time and energy* in making sure that you and your team are strongly aligned on the key parameters. (This was particularly true during the COVID-19 crisis because it forced LTs to work remotely to a large and often complete extent. The lack of ongoing, informal contact made it more challenging to stay organically aligned.)

In a way, the crisis acts as a dam that lowers the level of water in a river. When the water sits at, say, 1 meter high, the 60-centimeter-high rocks are not a problem. As the water level falls to 70 centimeters, the 60-centimeter rocks are not yet observable, but they start becoming a problem for the canoes. At 50 centimeters of water, the rocks are now observable. That's what the crisis does. By lowering the level of the water in the river, smaller rocks – including a small lack of alignment among LT members – become a problem.

Looking back, this is the one dimension on which I probably did the least well, especially during Q1 and Q2 of 2020 (i.e., until I identified this insight and realized that I had started withdrawing from interaction with two of my ExCo members, which had only made things worse over time). I knew better than to berate them, but the method I (unconsciously) chose to prevent expressing frustration was to withdraw from it. That was decidedly a less effective approach than engaging consciously and compassionately with them, which I did thereafter.

Insight 2: Communicating with the Troops

As mentioned previously, research shows that human beings are fundamentally programmed to look for threats, even under normal

conditions. That's simply the result of evolution, where for the longest of times, our ancestors lived in a world where underestimating a threat could be deadly.

Very legitimately, crisis situations intensify this tendency. When things all around us are relatively positive, we're on the lookout for threats. But when things all around become unmistakably threatening, our amygdala becomes hyperactive, and we start to *really* scan the world for dangers.

In this context, it becomes clear that as a leader, one of your key objectives during a crisis should be to help everybody to *stay calm and focused*.

Clearly, you don't want to go to the other extreme and pretend that that situation is not problematic at all and that all is going to be well. If your people believe you, they won't act with the sense of urgency you need them to have in this crisis. More likely, they won't believe you, and they will think that either you're a fool or you're taking them for one. Neither alternative is a good basis for a strong, positive relationship.

Rather, your goal ought to be to acknowledge that "there are indeed some threats, but (1) these threats are well understood and we have a plan. (2) Executing on this plan is our best bet to get through this crisis."

This, of course, requires you – the leader and the LT – to have such a good understanding of the situation and such a plan to guide productive action. Clearly, this is more likely to happen if, as per the first insight, you have a very engaged and aligned LT.

At IMD, we understood and acknowledged immediately that this crisis could become highly problematic for us, but we also rapidly identified *productive actions that we could take to mitigate the problem*. We placed these actions in the context of our ongoing strategy to highlight the fact that they were very *credible and feasible* actions.

LT members had clear ownership for categories of actions, but they also made sure they engaged their first reports and encouraged these first reports to engage their own staff in the fine-tuning of these actions. The architecture of the plan came from the top, but a lot of ideas and suggestions came from the "bottom up" through a series of connections with subgroups within the organization.

The COVID-19 crisis added an unusual element to a typical crisis: the overwhelming majority of our staff was working from home and

was hence deprived of regular physical human contact. We understood that *these conditions of relative isolation would be conducive to a lot of rumors and anxiety*.

As a result, we made two important decisions: First, we immediately named a *Task Force* to gather information on the crisis and its various components. We simply did not want hundreds of people to feel they needed to spend several hours every day just to keep up with the news. So we explicitly gave that role to a few carefully selected individuals. Two, this Task Force and the LT gave very regular updates to the troops on the evolution of the crisis and its impact on us.

Again, the *frequency of communication matters*. We started with weekly "community meetings," then moved to bimonthly (virtual) connections, with updates in between as and when needed. Overcommunicating is dangerous because it feeds everyone's anxiety and devalues the LT's words. But you must still communicate enough and often enough to *maintain this strong sense of calm and deliberate action*.

We even coined a phrase to remind ourselves of this desired state. "At IMD," we say, "we don't get worried; we get busy." And this phrase has now become part of our common folklore.

If keeping the troops calm and productively busy is your first objective, your second objective must be to *inspire them*. To do so, we focused on two aspects.

First, we *highlighted the opportunity* that this crisis represents. Yes, the COVID-19 pandemic had the potential of having a very negative impact on IMD, but it could also be a great opportunity. For example, in our case, the downtime that the crisis imposed on us enabled us to dramatically accelerate our investment in technology-enabled learning. We had already started going in that direction, but with this crisis, (a) we suddenly recovered time to do it, and (b) our clients became increasingly open to it. In fact, increasingly, they asked us what we could propose to them on this front.

Our second lever to inspire the troops was to consciously and consistently reinforce our staff's *sense of community, shared purpose, and shared destiny*.

In particular, we used every piece of communication to connect actions and activities to our purpose. IMD exists for a reason: *challenging what is and inspiring what could be, we develop executives who transform organizations and contribute to society*. All of our faculty

and staff know this purpose, but on a daily basis, what each of us does is typically a lot less glamorous. So we needed to remind ourselves that although this or that action may feel mundane or even uninteresting, it is one component in a multiplicative model that leads to value creation for executives, organizations, and society.

Also connected with the purpose, we emphasized the importance of the IMD community. Whereas some organizations around us used this crisis to implement cost-cutting measures that they were thinking of but heretofore had not dared to put in place, we chose instead to emphasize *solidarity within the community* by resorting to partial unemployment and Voluntary Salary Reduction (VSR; starting with a 25 percent VSR by the LT). We encouraged employees to use the intranet to stay connected at a personal level; we supported and celebrated their charity activities; with the help of our IMD coaching community, we also offered staff members free coaching sessions to give them an opportunity to express their concerns and possibly discuss them with a professional.

Our staff understood that IMD's financial means were not infinite and that if the situation worsened, we would have to resort to more painful cost-cutting measures.

Actually, we did end up reducing about 10 percent of our staff positions at the end of the year. By then, most companies in our region had started laying off employees, we had exhausted our ability to use government-sponsored furloughs, and our staff could clearly see how much program activity had dropped and how much money we were losing. The inevitability of layoffs to reduce our cost base was hence very clear by then. Still, to maintain the sense of community in spite of layoffs entirely directed at the staff, we also obtained a near-unanimous vote from faculty accepting a reduction in their 2021 ExecEd rate.[2]

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[2] As I reread this chapter one last time, I am struck again the importance and helpfulness of the faculty's willingness to (a) contribute over and above the call of duty on the teaching and revenue-generation side and (b) contribute to the cost-reduction effort by accepting some reductions of compensation in 2020 and 2021. Staff working in academic institutions often feel a significant "faculty–staff divide," which can obviously reduce their sense of community and shared purpose. The IMD faculty's unambiguous and immediate "stepping up" was a key component of keeping the IMD community – including its staff and alumni – committed to our collective success.

In the meantime, we think that we maintained our organization at the peak personal and professional levels by pursuing two complementary objectives: First, we communicated frequently, candidly, and resolutely on the challenges and the solutions to ensure that our staff remained *calm and focused on their tasks and their priorities*. Second, we made sure that our communication also *inspired our staff* by (a) highlighting the opportunity that this crisis represented (if we do X and Y, we will come out of the crisis a stronger organization), (b) connecting all our actions to IMD's purpose, and (c) nurturing our employees' sense of community by sharing financial sacrifices for long enough to allow the inevitability of layoffs to become clear.

Insight 3: Balancing Offense and Defense

During a crisis, numerous stakeholders reinforce very regularly to the LT the need to "play defense" – that is, to protect liquidities, line up financing sources, and reduce cost as much as possible. In our case, our alumni, our Foundation Board, and the bank(s) from which we borrowed made sure that my LT colleagues and I remained very focused on this dimension.

But alongside playing defense, you and your LT must also ask a very important question: *Will you come out of the crisis a stronger organization, fit for the post-crisis world, or will you survive but exit the crisis pretty depleted*?

There are two major reasons why an organization could come out of the crisis *weaker* than it started it: One reason is the future impact of the sacrifices you may (feel you) have to make in order to survive the crisis – reduced investment in people, in systems, in research and development, and/or in business-development activities.

For example, during the 2008–2010 global financial crisis, most organizations and most countries made pretty severe cuts in these areas in order to survive the crisis and/or to maintain their financial performance during that period. In contrast, the Singaporean government decided to draw on its reserves to support companies and help them to upgrade their human capital by retaining and retraining their employees during the crisis.[3] Singapore came out of the crisis much

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[3] See, for example, https://eresources.nlb.gov.sg/infopedia/articles/SIP_1489_2009–03-20.html.

faster than most – and with a momentum that contributed to Singapore's remarkable success over the last 10 years.[4]

As IMD's Executive Committee and with the support of our Board, we decided that as much and as long as humanly possible, we would pursue a Singaporean strategy, and we would avoid, as long as possible, making cuts in areas that would reduce our medium- to long-term success.

The second reason why an organization might come out of the crisis weaker is by failing to make the *additional investments* needed to succeed in the post-crisis world.

Some crises bring about a major disruption but do not fundamentally change the rules of the game. Other crises do change the rules of competition, and if you don't make the decisions needed to excel in that new world, you may survive the crisis, but you won't thrive thereafter.

At IMD, we decided pretty rapidly that this COVID-19 crisis would change the rules of the future game to a nontrivial extent. In particular, we felt that after months of using technology-mediated interactions (TMIs) increasingly effectively, executive-development participants and clients would want to continue to use TMIs in the future, at least for part of our activities.

This meant that we should take advantage of this crisis to accelerate our investments into (a) new technologies enabling us to support executives at a distance and (b) developing our faculty's and our staff's capability to design interventions and interactions that make the most of these technological possibilities.

So we decided that alongside playing defense, we would also play offense by using this crisis as an opportunity to prepare ourselves for the world that will follow. Our rallying cry became: "Let's innovate as much on technology-mediated pedagogy over the next 3 months than we would have otherwise done over the next 3 years."

This effort included significant investments in "technology" (hardware and software). We outfitted most of our classrooms with state-of-the-art equipment, equipped another 15 or so smaller rooms for individual faculty members to "teach from," and accelerated the development of a state-of-the-art classroom and system enabling us to interact

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[4] See Sanchita Basu Das (2010), *Road to Recovery: Singapore's Journey through the Global Crisis* (ISEAS Publishing), https://doi.org/10.1355/9789814311045.

in a very engaging way with up to 120 individuals at a time. Over the next few months, we also developed a new multimedia studio to enhance our capabilities in this area. We also acquired two very professional "self-recording booths" to enable faculty to record short videos by themselves.

Looking back, I realize that although I was part of the discussions on playing defense, I (somewhat unconsciously) decided to take a leading role on the "playing offense" front. I think this was a good idea because "defense" already had quite a few natural champions – our chief financial officer (CFO), several members of our Board, several senior faculty members – all quite vocal on the need to cut down, hunker down, and retrench. Playing offense needed a strong champion, and in our case, the best champion was probably the dean.

Having a champion for "offense" is a necessary, but not a sufficient, condition for success. I gave two of my strongest LT members a very clear "innovation mandate," encompassing the launch of new programs, the acceleration of pedagogical innovation (especially on TMIs), and the scaling up of effective practices across all our programs. We also identified a few innovative colleagues willing and able to be at the forefront of innovation, and we secured support from key opinion leaders.

One of the key decisions we made was to launch, in June 2020, a liVe (synchronous technology-mediated) version of our signature Orchestrating Winning Performance (OWP) program, which normally gathers between 400 and 500 executives, coming from all over the world, for a week on campus. We resolved to design, market, and deliver a liVe version of this program and gave ourselves 10 weeks to do so. We really had no idea how to make this happen when we made the decision, so this was a real "man on the moon" moment for us.

Although faculty and staff understood the revenue-generation impact of this program, the LT had three major objectives more important to us than the financial one. First, we could feel the energy of our faculty and staff dissipating after 2 months of confinement, and we wanted to create another burst of collective energy by giving ourselves a risky collective project. Two, we knew that planting such a stick in the ground would help accelerate pedagogical innovation at a time when our faculty didn't have enough opportunities to innovate and practice. Third, we wanted to show to ourselves and to our clients

that this kind of liVe program could be satisfying and impactful for participants; this was a proof-of-concept endeavor.

The program gathered 350 executives from all over the world. It was not a financial boon – we decided to double faculty compensation for this program because it required substantial additional investment on their part. Much more importantly though, OWP liVe was a major energy boost, an effective innovation accelerator, and a very successful proof of concept. It has since then been repeated several times.

We also spent significant time keeping our Board informed and engaged to ensure that they remained confident in the strategy and in the LT's ability to implement it successfully. For 2021, we even negotiated a special additional investment budget for TMIs.

Managing up effectively is potentially even more important during a crisis than in normal times. Your bosses and your board are probably facing anxieties of their own in their respective areas, and they have much less understanding than you do of all the good decisions you and your team are making. So keep them informed and engaged to help them remain, like your staff, calm and focused on their job instead of trying to do yours.

On the investment front, we also maintained marketing investments, increased communication expenditures, and hired several individuals to help us to innovate faster.

It has been very interesting, over the last few months, to work this balancing act between short-term survival and longer-term preparation. The balance between these two poles has varied up and down over time and will probably continue to do so as the crisis continues to evolve, hopefully toward a resolution. In the meantime, maintaining our focus on "offense" has required a strong resolve and discipline on my part. The "playing defense" forces are strong, and they can easily slow down even agreed-upon key investments if you take your eye off the ball and your foot off the gas. At the same time, you must also play enough defense to maintain support from the board and fund some of the key investments. It's been an interesting balancing exercise.

I don't know how high the return on our investments will be, but I do know one thing for certain: in the meantime, our decision to keep playing offense has been a powerful energizing force for the LT, as well as for all our faculty and staff.

Faculty and staff engagement are particularly important dimensions during crises because crises reduce slack resources, and world-class

performance hence requires significant "beyond-role," "over-and-above" efforts from the organization. By staying clearly focused on our purpose and supporting our community, by giving everyone a clear path forward and reasons to be confident in our ability to survive the crisis and then thrive in the post-crisis world, we reduced the rise of individualistic, parochial, short-term-maximizing behavior.

Napoleon said that leaders are "dealers in hope." Leading through a crisis does require that you give your troops a reason to keep fighting together toward a common goal. In the absence of such a sense of shared destiny, centrifugal forces will ensure that the whole becomes less than the sum of the parts.

Insight 4: Why and How Leaders Actively Need to Manage Themselves

This fourth insight comes last *not* because it is the least important or because, from a timing point of view, you must address it after the others. In fact, quite to the contrary. *It is probably the most important insight* because, as highlighted in the first three sections, so much rests on the leader's shoulders during a crisis. Granted, there's also a lot resting on the leader during normal times, but crises reduce the time available to decide and execute, as well as the amount of redundant resources available to pick up and compensate for errors. In a crisis, everyone's paying a lot more attention to what you say and do, and the decisions that are being made have very high stakes. During a crisis, the sensitivity of the system to your and your LT's actions is very high, and a drop in performance on your part can hence have even more massive consequences. As a result, your goal shouldn't be to maintain yourself in *functional* order; it should be to maintain yourself at *peak performance*!

Managing yourself to remain at peak performance through a crisis involves a range of dimensions – some *physical/physiological*, others *cognitive and emotional*. These two domains are obviously linked; in particular, your level of physical energy influences your ability to think straight and to manage your emotions productively. In the other direction, feeling productive, engaged, and connected will, in turn, nurture your level of physical energy.

But connected as they are, these two domains still involve different sets of action. On the more *physical side*, many books are now

available discussing how leaders can manage their energy levels. Tom Rath's (2013) book provides a good analysis of the interplay between nutrition, exercise, and sleep to help leaders to maintain a high level of productive energy and a positive attitude across good and bad times.[5] I imagine that by now, most of you have developed a point of view and probably also some practices and even rituals in this area.

Interestingly, a crisis introduces two additional challenges on this front: (a) time pressures, which may lead you to feel that you don't have as much (discretionary) time as usual to dedicate to self-care, and (b) a likely sense of guilt over taking valuable time away from your colleagues or even your family to "take care of yourself."

These are very fair concerns, and they may lead you to make some trade-offs; at the end of the day, leadership is about trade-offs. But as you consider these trade-offs, do keep in mind that there is a reason why airlines tell us to put the mask on ourselves first before we help someone else. Throughout a crisis, your team, your staff, and your family will rely and depend on your ability to think clearly, to have enough energy to power yourself and inspire them, to deal with your and their emotions, and to do so every day and throughout the crisis. So you must place a high enough level of priority on managing your own energy-generation system.

In particular, you should be mindful of your sleep patterns. It is easy for leaders to develop sleep disorders, in part because it is harder to manage thoughts and feelings while we sleep. Research shows very clearly how quickly and how significantly human beings' intellectual performance and emotional mastery decrease when we are sleep deprived, even in relatively minor ways.[6] So you may want to pay particular attention during these times to your sleep rituals – how you prepare yourself for sleep. There are excellent resources on this topic

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[5] See Tom Rath (2013), *Eat, Move, Sleep: How Small Choices Lead to Big Changes* (Missionday).

[6] See, for example, June J. Pilcher and Allen I. Huffcutt (1996), "Effects of Sleep Deprivation on Performance: A Meta-Analysis," *Journal of Sleep Research & Sleep Medicine*, 19(4), 318–326; W. D. Killgore, E. T. Kahn-Greene, E. L. Lipizzi, R. A. Newman, G. H. Kamimori, and T. J. Balkin (2008), "Sleep Deprivation Reduces Perceived Emotional Intelligence and Constructive Thinking Skills," *Sleep Medicine*, 9(5), 517–526; C. M. Barnes, L. Lucianetti, D. P. Bhave, and M. S. Christian (2015), "You Wouldn't Like Me When I'm Sleepy: Leaders' Sleep, Daily Abusive Supervision, and Work Unit Engagement," *Academy of Management Journal*, 58(5), 1419–1437.

that you can easily access online. Too many people complain that they don't sleep well and treat this condition as an exogenous one – "It's genetic" and/or "It's not my fault." And there's no doubt that genetics plays a role in this area, as it does in most areas. But that doesn't mean that we cannot improve our lot in this realm by taking more effective actions.

Again, *you cannot use or give to others the energy that you don't have*, and your ability to get the cognitive and emotional dimensions of your job right relies in significant part on your ability to get the physiological component right as well.

Beyond minding your physiology through nutrition, exercise, and sleep, leading in a crisis presents leaders with *emotional challenges*. Leaders' emotions tend to be quite contagious under any circumstances, but they are even more so during a crisis, when so much depends on the leader's ability to remain calmly and resolutely positive. Unfortunately, remaining calm and positive is bound to be much harder than it normally is because in a crisis, you will have to deal with a lot of emotions – both yours and theirs.

One powerful emotion you and your staff will have to deal with is *grief*, that is, the psychological-emotional experience following a loss of any kind, from physical losses (e.g., the death of a loved one) to symbolic or social ones (e.g., divorce or loss of a job) or even simply the loss of a future that we desired or expected. In addition to the functional loss (i.e., the loss of the benefits associated with the expected outcome), the situation also highlights one's (partial or total) powerlessness vis-à-vis the situation, which magnifies the sense of frustration.[7]

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[7] This unexpected crisis led to many dimensions of loss for all of us: loss of normalcy; loss of physical and emotional connection; loss of freedom (of going where we want when we want and meeting with whomever we want to meet with); loss of safety, of security, as a result of the uncertainty related to our health and the health of our loved ones, as well as the economic situation. This COVID-19 crisis has been tough on people! More generally, see www.alzinfo.org/articles/bereavement-and-grief for a simple explanation of the difference between grief, bereavement, and mourning. See also the excellent article "The Hidden Perils of Unresolved Grief" by my colleagues Charles Dhanaraj and George Kohlrieser in *McKinsey Quarterly* (September 2020) for a discussion of the pervasive presence of grief in organizations and how leaders can help, available at www.mckinsey.com/business-functions/organization/our-insights/the-hidden-perils-of-unresolved-grief.

Another emotion leaders experience during crises is *fear*. "Am I going to be able to do this? Am I going to be up the task?" For some leaders, this crisis awakens or reenergizes their "imposter syndrome"[8]: "Is this the time they will realize I'm not as good as they think I am?" The fear can also pertain to the fate of the organization: "Are we going to be able to come out of this crisis on top? Or will it bring us to our knees, or worse?"

Yet another emotion you have probably been experiencing is *frustration*, and potentially anger, because some people don't perform the way they should and/or some outcomes fall short of your expectations. That's always frustrating, but it is *particularly* frustrating when you are working at or slightly beyond your own maximum.

Compounding your own emotional challenge is the fact that *as the leader, you must also help your colleagues*, starting with your LT colleagues, *to deal with their emotions*. At a minimum, you will be exposed to their emotions, which may further intensify yours.

Ignoring your emotions, pretending that you don't have them, or trying to suppress them is unlikely to help. The emotions *will* resurface – tomorrow, next week, next month, during the day or at night when you're trying to sleep. Ignoring them won't help. Managing them *will*.

Managing one's emotions is obviously a skill that can be developed. Here are a few helpful avenues.

First, it really helps to be aware of the emotions that you are experiencing. For part of the day, particularly when you're interacting with others, you are managing your state – you are leading yourself to feel and act calm, confident, and resolute. Remember that this process takes effort, and *make sure you have moments where*, by yourself or with a close confidant, a mentor, or a coach, *you can connect with and acknowledge your underlying emotions*. Naming these emotions is a first step toward managing them.[9]

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[8] The term *imposter syndrome* was first coined in 1978 by P. R. Clance and S. A. Imes in "The Imposter Phenomenon in High Achieving Women: Dynamics and Therapeutic Intervention," *Psychotherapy: Theory, Research & Practice*, 15(3), 241–247, https://doi.org/10.1037/h0086006. See also Manfred Kets de Vries (1990), "The Impostor Syndrome: Developmental and Societal Issues," *Human Relations*, 43(7), 667–686, https://doi.org/10.1177/001872679004300704.

[9] Research using brain-imaging technology shows that naming emotions reduces activation of the amygdala (the part of the brain associated with fear and other emotions). See, for example, M.D. Lieberman, N. I. Eisenberger, M. J. Crockett,

Research also shows that writing about your emotions and experiences in a journal can be a very effective way of processing negative emotions.[10] So if you can discuss with a trusted advisor, great, but you can also become a quasi-trusted-advisor for yourself when you write to yourself.

Beyond naming and potentially writing about your emotions, you could also consider three very powerful practices. The first and most powerful practice of all is *conscious breathing*. Conscious deep breathing has two very fundamental benefits: One, physiological benefits. Breathing deeply sends a message to your brain to calm down and relax. Your brain then sends the same message to your body, which helps decrease the stress symptoms we often experience, such as increased heart rate, shallow breathing, and high blood pressure. So first, your stress level goes down.[11] Second, conscious breathing helps to bring you back to the here and now; it is a very simple but very powerful mindfulness training exercise.

Bringing yourself back to the here and now is a very effective way to manage anxiety about the future: "I don't know what may happen later, but for now, I'm OK."

It also helps you to choose your response in specific situations. *If you're not present in the here and now, the habit wins*. But if you are here, now, then you have a choice, and you can choose to craft your behavior more productively than you would if you were on autopilot.

S. M. Tom, J. H. Pfeifer, and B. M. Way (2007), "Putting Feelings into Words: Affect Labelling Disrupts Amygdala Activity to Affective Stimuli," *Psychological Science*, 18, 421–428. More recently, psychologist Dan Siegel referred to this practice as "name it to tame it." See Daniel J. Siegel and Tina Payne Bryson (2012), *The Whole-Brain Child: 12 Revolutionary Strategies to Nurture Your Child's Developing Mind* (Bantam).

[10] Writing down thoughts and feelings about personal, meaningful topics or events has been shown to have many benefits. See J. Frattaroli (2006), "Experimental Disclosure and Its Moderators: A Meta-Analysis," *Psychological Bulletin*, 132, 823–865; B. C. DiMenichi, A. O. Ceceli, J. P. Bhanji, and E. Tricomi (2019), "Effects of Expressive Writing on Neural Processing during Learning," *Frontiers in Human Neuroscience*, 13, 389. Or see the interesting historical perspective in James W. Pennebaker (2018), "Expressive Writing in Psychological Science," *Perspectives on Psychological Science*, 13(2), 226–229, https://journals.sagepub.com/doi/pdf/10.1177/1745691617707315.

[11] For a short and easy introduction to the impact of (different types of) conscious breathing, see the video by Stanford neuroscientist Andrew Huberman at www.youtube.com/watch?app=desktop&v=S3oZ5dp5wfk&feature=emb_title.

Finally, bringing yourself back to the here and now enables you to manage your state to bring it to where you need it to be right now. You may not feel very confident as you're about to appear in a virtual meeting with dozens or hundreds of employees, but they need you to look and come across as confident, so now's the time to make yourself feel this way.

Second important practice: when we feel frustrated or annoyed, it helps a great deal to be able to *maintain a strong sense of compassion* for the individuals we are interacting with. Notice that I referred to the need for compassion rather than empathy.

Over the last few years, leaders have been strongly encouraged to develop their empathy for their staff. But research actually shows that empathy (which involves adopting the perspective of the other party and feeling similar emotions) is not necessarily the best approach. Over time, it can even prove damaging for oneself, leading to emotional distress and even burnout.

A more effective approach is to show compassion, which, "in contrast to empathy, . . . does not mean sharing the suffering of the other: rather, it is characterized by feelings of warmth, concern and care for the other, as well as a strong motivation to improve the other's well-being. Compassion is feeling *for* and not feeling *with* the other."[12] In a crisis situation, you may well have to inflict pain on parts of the organization (e.g., by ordering layoffs or otherwise reducing investments or opportunities). When inflicting pain, actively feeling this pain (empathizing) won't be as helpful as you being able to relate to it and being intent on doing your best to reduce it.

Concretely, maintaining your compassion for people starts with you reminding yourself that they are very probably doing their best. Yes, this best may not be enough for you, but it is still their best right now. In addition, this best may not be enough, but it's generally not completely crappy either; there are typically some areas that are still going well. Connecting with their good intentions and their partial good performance will help you to be more patient and more helpful toward them.

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[12] In T. Singer and O. M. Klimecki (2014), "Empathy and Compassion," *Current Biology*, 24(18), R875–R878 (quote is from p. R875). For a less scientific and perhaps more easily readable treatment, see Robin Stern and Diana Divecha (2015), "How to Avoid the Empathy Trap," *Greater Good Magazine*, https://greatergood.berkeley.edu/article/item/how_to_avoid_the_empathy_trap.

You may still decide that this won't be enough and that you will have to make more drastic decisions somewhere down the road, but again, *for now*, your compassion will help you to get the best out of them – and to create a more supportive atmosphere for all your other colleagues who are watching these interactions.

The third powerful practice that can greatly help you to stay at your best during a crisis is to *nurture your sense of gratitude* via a gratitude practice. Yes, some things are very tough right now, and you deserve better. Yes, this crisis is requiring you to step up considerably, at some cost to yourself and maybe your family, and it's forcing you to make up for the underperformance of some of your faculty and staff colleagues. Darn, this is frustrating and annoying!

It certainly is (frustrating and annoying), but do try to *also pay some attention to all the things that are going well* in your life. Start with all your body parts that are working relatively to very well. Then, are your family members healthy and well? Well, that alone is a great blessing. Look also at all the folks around you who are going over and above the call of duty to help you, their colleagues, and the organization. Some of them are even finding time to volunteer outside the school to help their communities! You can also be grateful for the client who will stand by you or the supplier who's giving you a break. Think of all the things that went well today and all the people who were admirable. Actually, no matter how difficult the situation is, we always have so much to be grateful for!

Gratitude helps leaders on several fronts. First, research shows that a regular gratitude practice contributes to better physical and mental health.[13] Also, by helping you to place your setbacks and frustrations in a proper perspective, gratitude can help you to deal more philosophically and calmly with these setbacks and frustrations – which will lead to better outcomes. Gratitude can hence be a foundation for resilience (the ability to rebound after a setback), a quality that leaders can greatly benefit from in times of crisis.

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[13] See, for example, A. L. Boggiss, N. S. Consedine, J. M. Brenton-Peters, P. L. Hofman, and A. S. Serlachius (2020), "A Systematic Review of Gratitude Interventions: Effects on Physical Health and Health Behaviors," *Journal of Psychosomatic Research*, 135, 110165, https://doi.org/10.1016/j.jpsychores .2020.110165. Or see Summer Allen (2018), "The Science of Gratitude" (White Paper prepared for the John Templeton Foundation), https://ggsc.berkeley.edu/ images/uploads/GGSC-JTF_White_Paper-Gratitude-FINAL.pdf.

Summarizing this fourth insight: during a crisis, your role as a leader is more critical – and also more challenging – than ever. This combination of high stakes and high challenge means that you must be consciously looking after yourself to make sure you remain in peak performance throughout the crisis. This "self-care" has a physiological foundation building on the interdependent tripod of nutrition, exercise, and sleep.

Maintaining yourself in peak performance throughout the crisis also requires you to understand and manage your (and your colleagues' and staff's) key emotions. You cannot manage what you're not aware of; being able to identify and name your emotions will hence be very helpful. So will developing a mindfulness practice (starting with conscious breathing exercises), nurturing your compassion for others, and developing a gratitude practice to remind yourself regularly of how lucky you are.

Wrapping Up

It is important to acknowledge that some of the ideas proposed in this chapter do *not* feel "natural" to most of us. In fact, in many cases, they feel almost like the opposite of what we would be inclined to do. And that is *precisely* why leaders need to discuss and practice these ideas. Leaders do not need help to feel stressed and to become inhibited or frustrated; we can all do that pretty easily and pretty naturally! What is more challenging is to develop practices that are sometimes counterintuitive and oftentimes quite challenging, in order to become better versions of ourselves as leaders and as human beings. A crisis is a great opportunity to do so.

One last thought: rereading this chapter, I imagined some readers thinking that our situation at IMD was greatly helped by the clear sense of urgency we developed early in the crisis as a result of our dependency on non–degree-program activities. There is no doubt that faculty and staff understanding the severity of the situation was indeed helpful for the IMD LT, but please allow me to point out two elements in return.

First, a sense of urgency can and must be nurtured. In speaking with some colleagues at other schools over the last 18 months, I have been surprised at how many of them are looking forward to life post–COVID-19 "returning to normal." I do *not* think that life will return

to what it was pre–COVID-19, certainly not on all fronts. This crisis created a real discontinuity in the evolution of business schools, and I think smart deans will follow Rahm Emanuel's admonishment to "never waste a good crisis"[14] and will use this one to introduce fundamental changes to their model.

Second, the slight benefit we may have gotten on the initial sense-of-urgency front was paid dearly when more than a third of our revenues disappeared, considerably reducing the resources available for continued operations and for investment. The point, I believe, is that smart leaders make the most of the situation they're in and leverage whatever advantage they may have to "make happen what otherwise would not," as Sumantra Ghoshal was fond of saying.[15]

Crises reshuffle the cards and raise the stakes. They put leaders under enormous pressure and require even more dedication and commitment on their part. I hope these modest reflections will stimulate yours and will help you prepare for the next crisis.

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[14] See a November 19, 2008, *Wall Street Journal* video interview of Rahm Emmanuel at www.youtube.com/watch?v=_mzcbXi1Tkk.

[15] In Sumantra Ghoshal and Don Sull (1997), "A Crisis of Faith in Management?" in James Pickford, ed., *Financial Times: Mastering Management* (Pearson), pp. 1–10 (quote is from p. 3).