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## **Resilience, Wellbeing and Healthy Performance Cultures: Covid-19 Leadership Lessons**

### **KDVI Learning Lab Autumn Series**

*“The Chinese word for crisis is a combination of two characters: these are often translated as ‘danger’ and ‘opportunity’. However, this is a mistranslation - the first character wēi does indeed mean ‘dangerous’ or ‘precarious’, but the second, character jī does not mean ‘opportunity’ in isolation, but something more like ‘change point.’” Victor H Mair*

### **Introduction**

We launched the [first learning lab conversation](#) series in Spring 2020 as a way to join with others in an effort to better understand the immediate, unfolding effects of the pandemic on leaders and organisations. Today, the situation has matured and is shifting. Trends already emerging for the future of work have accelerated, creating new demands to evolve or transform, not just adapt to survive.

The world is entering a new phase of dealing with the impact of Covid-19 – a ‘change point’ from managing the crisis to planning what comes next. We see three critical capabilities emerging for leaders seeking to shape organisational cultures where the orientation to change is a core strength: understanding the impact of crisis on culture and people, supporting workplace wellbeing and cultivating resilience.

The three sessions were lead by KDVI Associates, each addressing a different theme.

- **Resilience in Times of Crisis** facilitated by Graham Ward
- **Creating Healthy Performance** by facilitated by Thomas Hellwig & Caroline Rook
- **Taking Stock of Crisis, Culture and New Ways of Working** facilitated by Claire Pointing

Below, we have synthesised the key takeaways and themes that emerged from the series, as well as providing more detailed summaries of each session.

## Key Takeaways

It has been 8 months since the Covid-19 pandemic propelled the world towards new ways of working. Organisations and people have been through significant shocks and the experience has been divergent: some individuals and companies are in survival mode, while others are thriving through embracing new ways of working.

What new opportunities and learnings have emerged, what challenges have come to the fore and what are the key issues we have to contend with to proactively shape our future to create effective and sustainable ways of working? Five themes emerged repeatedly in the Learning Labs:

**Sensitivity to Context:** The pandemic has been individually and collectively disruptive, introducing higher levels of stress, complexity, and perhaps most importantly, divergence in experiences (blue vs white collar workers, companies/individuals who thrive and those who are fighting to survive, virtual vs back to office work, emerging skills/leadership models, etc).

**Self-awareness:** Build the capability to reflect on where one is, emotionally and mentally (check stress levels, energy levels, workload, motivation, resistances), as well as ability to sense and ascertain where other people are. Self-awareness is needed to maintain equilibrium and balance between stress and performance.

**Space to reflect:** Because of complexity, shifting workload, stress levels and splintering, people need a space to step back and take stock, to check in with themselves as well as to connect and share experience with others, develop empathy and cohesion (especially bridging the divergent experiences of people).

**Providing psychological safety:** Create a climate where people can freely express their struggles, needs and concerns, and work together to develop solutions towards re-engagement, re-contracting and addressing business challenges.

**Proactively redefine culture for the future:** There is an opportunity to redefine a new psychological contract, focused on creating healthy and sustainable performance cultures and integrating the learnings from this disruption.

## Synthesis of session themes

Crisis forces people and companies to adapt and change. Covid-19 is particular because of its global impact; consequences are magnified both personally and collectively. Large scale disruptions can expose our fault lines and vulnerabilities and push us to challenge and question existing beliefs and systems. While traumatic, it can also elevate and usher in new types of leadership and organisational cultures.

Across all sessions, we heard stories of individuals and companies responding to the crisis and demonstrating resilience, many even reporting sustained or higher levels of performance. The **Resilience in Times of Crisis** session highlighted research findings that experiencing multiple work-related changes due to Covid-19 increased resilience.

A number of dimensions were explored which support increased resilience in individuals as well as organisations. These include a **sense of purpose, adaptive awareness, a positive self-regard, ability to problem solve and open lines of communication**. Testimonials from participants described the resilience in action, with individuals and organisations able to react and adapt quickly, some with major restructuring and initiatives to accommodate new ways of working.

At the same time, there is a **dark side – the trap of demonstrating resilience**, with a delicate tipping point between overdrive and burnout. Major changes can generate personal and collective resistance as people face increasing workloads and changing responsibilities. One common coping mechanism is for people to go into overdrive, to hide vulnerabilities (which can be perceived as the opposite of resilience), and to become compliant and task-focused. While this can cultivate a sense of efficacy and resilience in the short term, it can also be a recipe for stifled creativity and eventually to burnout.

To add another layer of perspective, the **Creating Healthy Performance** session drew upon disaster management frameworks to illustrate that while the initial “reaction” phase to crisis may be short, the recovery phase takes much longer, spanning years. This means that the course we are on is not a sprint, but a marathon, and the **impact of Covid-19 will be with us for quite some time**.

Therefore, organisations need a **long-term approach** when managing the balance between performance, stress levels and wellbeing. Although these topics are not new, they are rising up the strategic agenda due to the work and life demands of the pandemic. However, barriers remain to people opening up sincerely and seeking support, especially in organisational cultures where it is taboo. In such instances, it may be difficult to assess the impact of stress in oneself and in others.

In response the session introduced a simple yet robust protocol, the [Stress-APGAR](#) to help people managers and coaches observe and articulate factors that may lead to burnout or other stress-related issues.

The pace of change and adoption of new ways of working carry the risks of increasing disconnection, exhaustion and burnout, which can erode the goodwill, trust and cohesion generated from the initial response to crisis. This brings us to the session **Taking Stock of Crisis, Culture and New Ways of Working** and the question of how organisations can support their people through the continued pace and demands of change.

A key theme from group discussions were **psychological safety** as a powerful connector in the organisation-human interface. Organisational cultures which support psychological safety encourage open communication, the ability to speak up, interpersonal risk taking, innovation and creative problem solving. When leaders role model trust, curiosity, confidence and inspiration, they propagate a growth (rather than reactive) mindset, which in turn enables their people to be more motivated, resilient, persistent and engaged. **Reflective spaces** are important to give people an opportunity to engage with one another, to take stock and think through the lessons learned from the crisis, to identify the real drivers of change and how to proactively create the right kind of culture and leadership for sustaining the work going forward.

Seen through a short-term lens, productivity gains, step changes in new ways of working and even increased resilience are clear benefits arising out of the crisis. However, the prolonged period of disruption and blurred boundaries between professional and personal life has been exhausting. Learning has accelerated, wellbeing has been challenged, and there is a growing divergence in the experiences, mindsets and expectations on how and why we work across societies.

Viewed through a long-term lens, some organisational cultures are starting to show cracks and will run out of capacity to sustain and support their people beyond the prolonged crisis. Instead of quick fixes, this is the time to focus on creating healthy, resilient high performance cultures where leaders and colleagues are able to sustain healthy and effective ways of working even in crisis, and where the orientation to change is a core strength and capability.

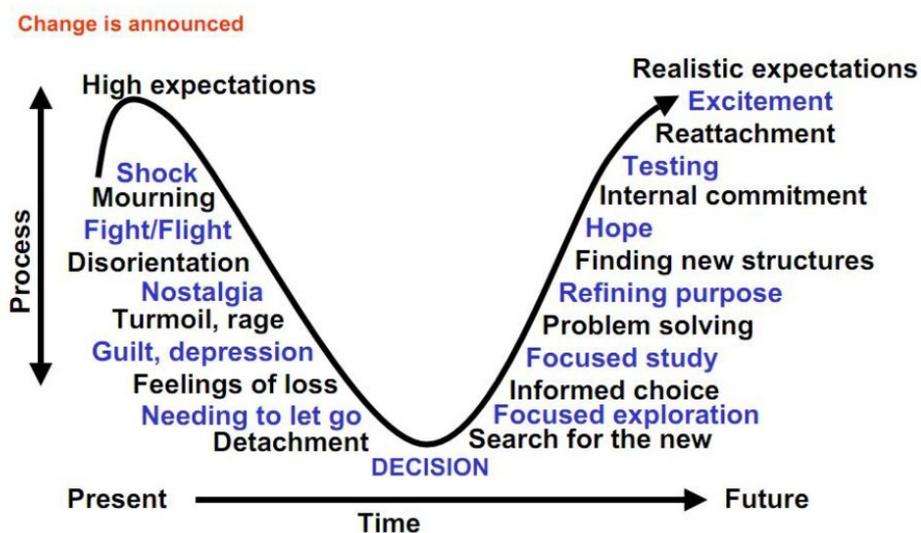
## Resilience in Times of Crisis, Graham Ward, PhD

In times of crisis, building resilience has come to the foreground as a core capability to respond to stress and thrive from it. This session presented a synthesis of key ideas around resilience and explored how we can cultivate it within ourselves and in organisations.

### Resilience in the change journey

Resilience has emerged as a hot topic, especially in response to the stress, uncertainty and rapid change created by the pandemic. We are seeing responses that fall into three broad categories: (1) people and organisations who were already set up to manage their way through the crisis, (2) others who would find a way through the crisis and, (3) those who would succumb and fail. At the intersection of these three is resilience.

Resilience can be defined as the ability to regenerate, renew, revitalise and move forward after difficulties. It is also akin to being able to mentally or emotionally cope with crisis and to return to a pre-crisis status quickly. In the change journey, building resilience involves moving through a series of negative experiences and emotions and regaining hope, energy and direction.



## Building blocks of resilience

Research and intervention studies on resilience suggest the following features in common:

- **Sense of purpose:** Purpose is the reason for being, and can be identified by asking a number of questions related to Why<sup>i</sup>: What am I good at? What do I love to do? What can I be paid for? What does the world need? Purpose is the fundamental driver which gets you up in the morning and keeps you going<sup>ii</sup>.
- **Self-awareness:** In adaptive and crisis situations<sup>iii</sup>, self-awareness is the ability to understand where we are emotionally and recognise when we are in over our heads and need additional resources to help us cope and accomplish our goals.
- **Positive self-regard:** Within adult development theory<sup>iv</sup>, the self-authoring state in which one is independent, driven by one's own compass, and has an internal locus of control and meaning, usually occurs after a series of life experiences, setbacks and successes. Crises can propel us to deeply reflect, learn and consider where we need to go. Similarly, resilient organisations are those who undergo difficult periods and are able to adapt, learn and reach higher orders of purpose and direction.
- **Problem solving:** Resilience is also related to confidence and aptitude to problem solve. Problem solving in turn requires the ability to get on the balcony and take a systemic view, bring in and engage other people, and make decisions.
- **Communication:** Finally, resilience is tied to the desire and willingness to communicate our needs and vulnerabilities. At an organisational level, communication during periods of crisis is made more complicated when people gravitate to tasks and processes, become compliant and dependent on the system for solutions, leading to a spiral of silence and conformity<sup>v</sup>. This in turn affects innovation, constructive conflict and risks a small vocal minority determining the path of the organisation.

## Questions for reflection and discussion

- To what extent has your purpose shifted during the crisis? Has your organisation's purpose shifted and has that been clarified to people?
- Where are you emotionally and how is that congruent with your organisation's emotions?
- What patterns do you observe in your organisation?
- What needs to be said that you are not saying? And why are you not saying it?

## Insights from the Learning Lab

Discussions with participants reveal different journeys across companies and between individuals and their own organisations. There were recurring themes around the tensions between personal resilience and the expectations of their organisation as well as a resilience “trap”, notably the fine line between responding to and working through adversity and burnout.

- **Purpose sharpened or in flux:** Sense of purpose has been sharpened for some organisations and in flux for others. For companies whose original purpose is aligned with the demands created by the pandemic (e.g. health care, technology firms), their sense of purpose has been reinforced, serving as a unifying and motivating factor for its people. For other companies who have experienced loss of work and revenue, the sense of purpose requires rethinking and adjustment in an environment of constant change.
- **Adaptive responses can add extra pressure, taking a toll on resilience:** In response to the pandemic, some companies have responded with major restructuring. While these changes may be an attempt to make the organisation more resilient, it can also carry inordinate amount of work and additional pressures. While adaptive, they can generate personal and collective resistance as people face increasing workloads and changing responsibilities. Without proper channels to communicate their experience and needs, people may act out or be quiet and become resentful, undermining long term resilience.
- **Dark side of demonstrating “resilience” is overwork and burnout:** One common coping mechanism is for people to go into overdrive, to not show vulnerabilities (which can be perceived as the opposite of resilience), and to focus on overcoming obstacles and achieving tasks. Some participants report a lot of pressure, especially in high achieving cultures, to push themselves to maintain levels of performance. While this can cultivate a sense of efficacy and resilience in the short term, sustained periods of stress and heavy workloads can lead to burnout.
- **Need for reflective spaces to disconnect in order to reengage:** To counterbalance the pattern of overdrive, participants noted a need to create spaces to “get on the balcony”, psychologically disconnect from immediate demands to reflect on the issues they are facing and where they are emotionally, in order to renew perspective, motivation and energy.
- **Need for psychological safety to share experiences and express needs:** Participants also described a delicate balance of being able to speak truth to power and address the “elephants in the room” – one of which is the paradox between resilience and overdrive.

Being resilient, for the long term, requires both an ability to deal effectively with challenges at hand but also the space to disconnect, connect, recharge and plan forward. Without this equilibrium between action and reflection, individuals and organisations may be at risk for mental and emotional exhaustion due to prolonged and repeated stress.



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<sup>i</sup> Simon Sinek (2009). How great leaders inspire action.

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<sup>ii</sup> Garcia and Miralles (2017). Ikigai: The Japanese Secret to a Long and Happy Life. Penguin Life.

<sup>iii</sup> Heifetz, Linsky, and Grashow (2009). *The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World*. Harvard Business Press.

<sup>iv</sup> Kegan, R., & Lahey, L. L. (2009). *Immunity to change: how to overcome it and unlock potential in yourself and your organization*. Boston, MA: Harvard Business Press.

<sup>v</sup> Noelle-Neumann (1993). *The Spiral of Silence: Public opinion- our social skin*. University of Chicago Press.

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## Generating Healthy Performance, Thomas Hellwig & Caroline Rook

In this Learning Lab we looked at how organisations can generate healthy performance. We explored the impact of stress on ourselves, our teams and people we work with and exchanged on what can be done to promote wellbeing at work.

### Covid-19 as the new black swan

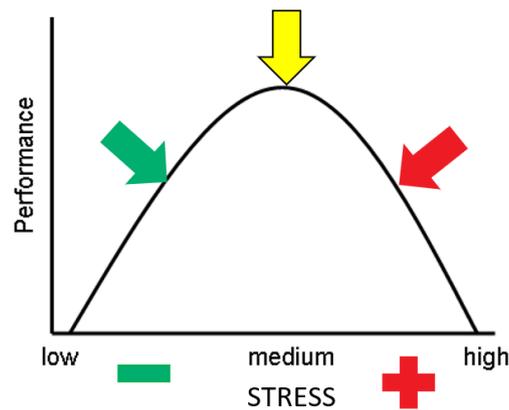
The Covid-19 pandemic has been a disruptive and emotional journey for many of us. The harsh reality is that this is not a sprint, but a marathon. While the initial “reaction” phase to crisis may be short, the “reconstruction” phase takes much longer, sometimes spanning years. Hence, we must **invest now in order to create a healthy working culture**.



### Impact of stress on performance

In general, we see an overall increase in stress levels due to disruptions in both our personal and professional lives, but some employees report also reduction of their stress (due to less travel and commuting time). In any case, the topic of stress, mental health and well-being have been become more prominent in many organisations due to the disruption the pandemic and various lockdowns have created in how organisations and people work.

Stress and performance are correlated. As the [Yerkes-Dodson stress-performance curve](#) (figure below) shows, stress, at different intensities, is around all the time; it is our reaction to stress which determines if we are using that stress to thrive and to drive performance, or heading towards burnout.



The healthy performance zone is just up to the midpoint, where medium levels of stress drive high levels of performance. Unhealthy performance is the result of people experiencing high levels of stress without the capability and energy to cope with it. The danger zone starts already, once we have passed the “tipping point” (just beyond the midpoint) but is often noticed much later.

Hence, one critical challenge for managers and their teams **is to detect where they are on the curve**, to recognise the triggers leading up to the tipping point and not wait until approaching the tail end of the curve (burnout).

### Diagnostic Toolset: From Emotional Triaging to Stress-APGAR

We discussed in this workshop specific frameworks and tools that can enable managers, who are not particularly trained, to understand when individuals need help and consider certain actions. One approach derived from the field of medicine and crisis management is called Emotional Triaging. It contains three parts:

- **Check-in with teams:** How is the energy level? Stress level? Follow up with questions such as what is one key challenge in the last week that pushed your energy levels down or up?
- **Deep drive and explore:** Individual conversation and search for warning signs and how to support that person in a certain area (see Stress-APGAR).
- **Consider actions:** After determining where the person is in terms of their stress experience, a number of actions can be proposed such as leveraging existing support

networks, providing coaching for challenge and support and, in severe stress cases, referrals to professionals.

The [Stress-APGAR](#) (2017) is a simple yet robust protocol that helps managers and HR professionals to identify cases of high stress. Rather than being a test, survey, or assessment tool, the Stress-APGAR provides a set of guidelines to think about and articulate factors that may lead to burnout or other stress-related mental health issues.

- **Appearance (physical):** Sleep patterns, eating habits, exercise and energy levels
- **Performance (mental):** Ability to take decisions, concentration and memory, ability to generate new ideas
- **Growth (spiritual):** Seeking opportunities for personal and professional growth and development
- **Affect control (emotional):** Ability to feel, understand and show emotions appropriately
- **Relationships (social):** Quantity and quality of relationships

## Learning from our clients

Comments in the learning lab revealed a variety of ways in which organisations deal with stress, identified actions to consider and support that may be required. We heard from organisations where:

- The HR leadership has already **created safe spaces to talk** about stress with **support in place to help**. Their challenge is to develop and embed these practices to have a lasting benefit on the culture beyond the Covid-19 crisis.
- The HR leadership has recognised the need to address workplace wellbeing and put in **place initiatives to role model from the top**. They are in the process of developing, testing or embedding initiatives, including a change in mindsets.
- The HR Leadership is working to tackle long-held beliefs that business leaders aren't willing or ready to put the topic on the agenda. They may be able to **partner with influential champions in the organisation to raise awareness**, as well as include a **focus on healthy performance** as part of **performance management**.
- The topic is still taboo. Showing vulnerability is considered weak. The more stress you experience or you are put under, the more you show how tough you are. **Testimonials and support from the C-suite** can help begin to break this taboo.

## Creating reflective learning cultures

Discussions also revealed a number of dynamics which can undermine the effectiveness of stress and wellbeing interventions.

- In some organisational cultures where it is taboo to show signs of vulnerability, it would be hard for people to feel safe to connect emotionally, understand the signs of stress and engage with it.
- Many executives also only realise their stress levels when they have crossed the tipping point; others can carry on for a long time before admitting there is an issue or a need to seek help.
- Wellbeing interventions can also be perceived as one-offs, leading to skepticism around the sincerity of such initiatives.
- Another dynamic is a strong tendency to default into a task mode in response to stress and pressures and to forget to check in and to connect with people emotionally.

While disruptive, one of the positives of this crisis is that it can result in leaders and colleagues being able to open up, speak up and to connect and in doing so, to create cultures where psychological safety is part of the DNA.





- **Team development opportunities:** Bring the team together to reinforce trust, cohesion and learning from one another.
- **Practicing empathy:** Empathy is now being pushed to the top of the competencies list for leaders as a critical skill to manage through crisis and its aftermath.
- **Encouraging vulnerability, transparency and fair process:** Leaders show vulnerability by asking for help and acknowledging that they do not have all the answers but are working through them; they also role model conversely to ask their people if they need help, to demonstrate empathy.
- **Adopting a hybrid approach going forward:** With diverging experiences magnified through the crisis, there isn't a one size fits all approach but different pathways according to individual needs and preferences.
- **Learning from mistakes:** In particular, acknowledge mistakes where trust has been eroded and focus on ways to rebuild it.

## Creating a forward-looking culture: psychological safety and reflection spaces

When we look at where we are now, through a short-term lens, we can see a lot of benefits and opportunities arise out of this crisis, but this period of disruptive change has been exhausting. Learning has accelerated, wellbeing challenged, and there is increasing divergence in experiences, mindsets and expectations on how and why we work. Culture is also starting to show cracks and organisations may be running out of capacity to support their people through the prolonged crisis.

Psychological safety can be a powerful connector in the organisation-human interface. Coined by Amy Edmondson, and defined as “a shared belief held by members of a team that the team is **safe** for interpersonal risk-taking,”<sup>vii</sup> psychological safety is the foundation of high learning organisations where people can be creative and innovative, make and learn from mistakes, and think forward. When leaders role model trust, curiosity, confidence and inspiration, they propagate a growth (rather than reactive) mindset, which in turn enables their people to be more motivated, resilient, persistent and engaged.

Reflection spaces is also another important connector, giving people an opportunity to engage with one another, to take stock and think through the lessons learned from the crisis, to identify the real drivers of change and how to proactively create the right kind of culture and leadership for sustainable work going forward.

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<sup>vii</sup> Edmondson, Amy C. *The Fearless Organization: Creating Psychological Safety in the Workplace for Learning, Innovation, and Growth*. Hoboken, NJ: John Wiley & Sons, 2018.