



Dealing with the aftershocks

How are leaders motivating the “corporate survivors” in the aftermath of the credit crisis?

By Anita Caputo, CMA

All you have to do is read the daily headlines to know that the foundation of our economy has been significantly shaken and that the companies closest to the epicenter of this global financial crisis have been destroyed. Relief efforts continue in the form of bailout rescue plans for the companies struggling to survive the aftermath. One does not need to look too far for examples. At the time of writing this article, General Motors and CanWest Global are on the brink of bankruptcy, while Canada’s once darling company, Nortel, is in bankruptcy protection.

A news release issued by Nortel on Jan. 14, 2009, states: “The Company’s normal day-to-day operations are expected to continue without interruption.” Are these expectations realistic, considering the people who keep the operations running are ready to run away from the business?

Managers/leaders must not be complacent about the people left behind to carry the company through in these uncertain times.

Simply put, people make up companies. Without people, companies wouldn’t exist. Research tells us that at the heart of successful companies are satisfied customers created by satisfied employees. Reason tells us that the inverse is also true. At the heart of failing companies are dissatisfied customers created by dissatisfied employees.

In the face of our economic woes and unrelenting layoffs, I set out to gather information about “corporate survivors,” those employees who are viewed by some, and maybe even themselves, as the “lucky ones” — the ones who still have a job, the ones who have not yet been laid off. I wanted to know



what day-to-day life was like for them in their struggling companies. Grateful to have a job, are they motivated, satisfied employees?

What gets missed in all of the news headlines and in most boardrooms are the people — those who make up the company. Within any one of these companies, you’ll find real people with hopes and dreams, people with children, people with mortgages, loans and other financial commitments, people trying to make ends meet.

During my discussions with the employees, I expected to hear about their feelings of relief, sorrow, guilt, gratefulness and fear. To my surprise, what I heard was a critical assessment of their leaders.

The employees that I interviewed at the companies that were tinkering with bankruptcy were dispirited. They reported being frustrated, overworked and stressed. One employee passionately started our conversation with, “Where’s the humanity?” After speaking with other employees of the same company, interestingly, the number one issue that was mentioned was the lack of trust and confidence in the



leadership team. Senior management was reported as being incompetent and having a history of bad decisions. They were perceived as unethical and they were accused of taking actions which were self-serving as opposed to being focused on customer success and employee satisfaction. At one company, employees reported the level of stress, frustration and pent-up anger being so high that employees are concerned that someone will “snap” under the pressure and endanger the safety of others. At the core is the loss of trust and respect of the management team by the employees. The question becomes, “How should a leader lead in these uncertain times?”

Leadership expectations

That got me thinking about leaders who have touched my life. I thought about memorable political and corporate leaders, my teachers, managers and even my parents. Those leaders have had a significant influence on who I am today. The most memorable leaders are those who touched my heart and helped me grow. Under their leadership, I was inspired, challenged, motivated and rewarded. I trusted and respected them, and in return, they earned my loyalty.

And then there were the leaders who significantly contributed to the stress in my life. Their self-centred and cunning ways served to diminish my spirit, my confidence and my belief in myself. Under their leadership, time could not pass quickly enough and I am forever grateful that they are not in my life today.

We look to our leaders for focus, inspiration and hope. We respect them for their competence, integrity and courage. We look to them to “walk their talk,” to

demonstrate confidence, and to behave in compassionate, ethical ways. Because we are loyal, we are forgiving when they make a mistake.

Managers/leaders must not be complacent about the people left behind to carry the company through in these uncertain times. Caring for employees has to be management’s number one priority. After all, it is the people who do the work and create value for the customers. It is the employees who create customer success, which in turn, creates profitability and business success.

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As a leader, you must show your employees empathy. You must acknowledge their feelings, even if it means just being a sounding board. You must also communicate in a way that tells them you understand the difficult circumstances they find themselves in. You must provide them with hope for the future, for it is that hope, combined with their confidence and faith in your ability to lead them back to prosperity that will energize and unite them to do what needs to be done to emerge from these tough times.

I will leave you with one of U.S. president Barack Obama’s inspiring quotes: “Change will not come if we wait for some other person or some other time. We are the ones we’ve been waiting for. We are the change that we seek.” Be courageous, dare to be different if you must. Make the time to be compassionate and to put your employees first. You and your business will be rewarded in more ways than you will ever know. ■

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Lead your team back to prosperity by “walking your talk” and living the following simple principles:

- 1) **Be authentic** — As a leader, you must genuinely care for the success of the customer and for the well-being and success of your employees. Your decisions and actions must be congruent with your communications (words, tone and body language).
- 2) **Customer and employee focused** — In order to have a strong correlation between satisfied employees and satisfied customers, you must engage your employees by making them feel good about themselves. People are intrinsically rewarded by challenging work and knowing that they have made a valuable contribution to the results achieved. Invite employees to contribute ideas and to be an active player in creating company success. Listen to what they have to say. Take their suggestions seriously.
- 3) **Goal oriented** — Be focused and be realistic about what can and should be done. Don’t try to do everything. Prioritize what needs to be done to prevent employees from feeling completely overwhelmed and demotivated.
- 4) **Give hope and inspiration** — U.S. president Barack Obama is a wonderful example of someone who is giving the people of America, and perhaps the world, hope and inspiration. It is this positive influence that fuels our energy when the chips are down.