

THE RESILIENT WORKPLACE: FOUR PRINCIPLES for DISASTER RECOVERY

Mark Braverman, Ph.D.

What is Resilience?

Why do some people have the ability to successfully withstand the most extreme stress, abuse or trauma without any seeming ill effects, while some people succumb to severe and long-term disability? The concept of “resilience” was developed in an effort to answer this question. Victor Frankl wrote about it in reference to survivors of Nazi death camps. Child psychologists have asked why some children seem to survive hardship or abuse in childhood without apparent ill effects in adulthood. Researchers in the management field developed the concept of “hardiness” to describe executives, who, while working 80 hour weeks and seeming never to stop pushing, seemed immune to heart disease and reported high levels of satisfaction in all aspects of their lives. Thanks to these writers and researchers, we now understand more about what makes people resilient, and what we can learn from them to make our own lives better and healthier.

Resilience and the Workplace.

Recently, however, we have begun to apply the concept of resilience to organizations. In the last decade we have seen our workplaces confront major threats to survival because of natural disasters and terrorism. In the face of this challenge, it has become clear that the management of disasters and other major crises has become a prime test of company leadership.

Most people have the ability to recover from even the most severe crises, especially if they have the benefit of prompt attention to their most basic needs for safety, shelter, medical care and sustenance, and reliable, ongoing social support. This is where the role of the employer is key. Our experience over the years of dealing with the full range of crises, emergencies and disasters to impact businesses is that the actions and policies of the employer are the lynchpin of recovery for employees and for the business as whole. The employer’s readiness to provide “Psychological First Aid,” solid emergency care, and good communication on an ongoing basis has a direct effect on employees’ resilience and indeed on the ultimate recovery of the enterprise as a whole. Recently, in response to a growing need to understand clearly what are the qualities that make for this, the concept of the “Resilient Organization” has been advanced. Drawing on this work and on our own experience working with organizations in the midst of disasters and major crises, we have developed the “Four Principles of the Resilient Organization.”

PRINCIPLE 1: Leadership purpose, clarity and authenticity: Finding Moral Purpose

A company bounces back. On September 11, 2001, Sandler O’Neill & Partners, a hugely successful investment bank housed in the South Tower of the World Trade Center, lost over one third of its people, including 2 out of 3 of its managing partners, and all of its physical assets and records. One year later, the firm was not only still in

existence, but was earning record profits, expanding its business and continuing to provide support for the families of the associates who had died. In an important and insightful paper, Dr. Steven Friedman of the University of Pennsylvania proposed that the firm not only survived but prospered because it was motivated by a strong sense of “Moral Purpose” to find a way to keep going. Another way of saying this is that the surviving managers of the firm were able to find *meaning* in the struggle to restore the firm and its business, a meaning that had to do with the *people* of the firm – those that survived and those who did not. The employees of Sandler O’Neil, although severely traumatized and even afraid of returning to New York City, were able to follow their leadership in their determination to (1) fulfill what they knew would be the wishes of the partners who died, (2) support the families of those who died, and ultimately, (3) rebuild the firm for the sake of those who perished.

Connectivity, Meaning and Moral Purpose. What happened to Sandler O’Neil is a phenomenon that we have observed over and over again in our work with traumatized workplaces: It is as if the effect of the disaster acts like a dye suddenly injected into the organization to reveal the interpersonal bonds that make a workplace vital and productive. It is the role of leadership to ensure that employees have the opportunity to unite around a common meaning that they take out of the disaster, loss or shock they have experienced. Evidence exists that resilience is a trait that it can also be taught. Similarly, the leaders of an organization can increase the resilience of the entire workforce by exhibiting empathy, authentic communication, and a commitment to finding Moral Purpose directly linked to the values held by the members of the organization.

Finding Moral Purpose has practical implications as well. The leader of a resilient organization is able to set clear priorities for the allocation of resources related to disaster relief and business recovery. The leader will work closely with the management team to gathering information about what is needed, by listening to the workforce and by continuing to monitor as recovery proceeds. In a truly resilient organization, therefore, the leader’s recovery effort, in other words, is not an impulsive effort to “do good” or make humanitarian gestures, but rather sustained attention to the situation and needs of his people. A leader of a resilient workplace is willing to get advice, but at bottom she will trust her gut and follow her values.

PRINCIPLE 2: A Culture of Empowerment

The work culture of the resilient organization possesses the following characteristics:

- A strong sense of trust between employees, management, suppliers and partners.
- People assume responsibility without questions
- People commit to action and do what has to be done – regardless of rank, title, or job description.

Teamwork an responsibility after the hurricane. A family-owned manufacturing company employing 800 people on the Mississippi Gulf Coast had undergone a long-

term initiative to create a very flat, team-based organization based on personal accountability to the team. This initiative has produced a culture in which a high level of interconnectedness, and interdependency existed among employees. People at all levels took on high levels of personal initiative and responsibility. The culture had also created a high level of trust between management and production workers, and a high work effort that had resulted in high productivity levels that had risen steadily for over 4 years. On September 1, 2005, flooding and wind damage from Hurricane Katrina had rendered the manufacturing facility inoperative and unsafe, and had caused the evacuation of most of the employees of the firm from their homes. Owners and facility management found that close to 450 of the 600 person production staff were absent or unaccounted for. They were faced with an urgent task: (1) how to contact their employees and (2) how to gather them together in order to begin the process of restoring the operation. The owners decided that, rather than issue instructions about return to work or projected production schedules, they would simply invite all employees (and their families) to return to the (now dry but still idle) manufacturing facility for what was essentially a celebration. Food was brought in, representatives of social service agencies were invited to set up information tables, counselors were brought in, Human Resources offered information about emergency assistance and benefits, and paychecks were distributed. It was left up to the employees to begin to discuss how production could be restored. Eighty percent of employees returned immediately to the workplace, and the self-directed teams spontaneously regrouped to begin planning. Organizational resilience was displayed here as a result of the high level of mutual responsibility and connectedness between employees. Indeed, all leadership had to do was provide for basic needs, step out of the way and create the opportunity for the organization to function, even more efficiently than before the disaster.

The mail must go through. Resilience can also be taught. A United States Postal Service facility in Michigan closed for four days after a terminated worker returned to the workplace and killed 4 managers before taking his own life. The Postal Service, still revealing its legacy as a government agency, was hardly a model for self-directed teams or non-hierarchical management. However, employees, traumatized by the horror of the event, were hungry for an opportunity to come together to talk about the event, and the Postal Service provided that opportunity. For four days following the shootings, workers and supervisors met at a public library across the street, where they were able to talk, grieve, and receive counseling (and be fed through contributions from local businesses.) When the facility re-opened, Postal workers, on a non-scheduled basis, sorted and delivered 4 days worth of mail in one weekend morning -- an unprecedented phenomenon in an organization based on highly regulated work rules and quantified performance expectations.

PRINCIPLE 3: Systems for communication, signal detection and connectedness

Keeping the lines open. We have discussed above how a resilient organization depends on a high level of interpersonal connectedness. In order for this potential to be fully realized in responding to a crisis or disaster, there must be a robust infrastructure on an enterprise level to support this connectivity. This is particularly important with respect

to effective early warning systems and timely, effective communication throughout the stages of disaster response. These systems must be fully institutionalized and exercised to ensure their effectiveness – it's the difference between a manual on a shelf and a well-functioning Team. These lessons were learned during 9/11 as systems distinguished themselves, for better or for worse, in their effectiveness in saving the lives of people in the Twin Towers. Certainly, this was a very hard lesson to learn as the story of Hurricane Katrina unfolded.

While systems for early warning and emergency response tend to be well-developed, the ongoing process of recovery is a relatively neglected area. Nowhere is this more true than in the attention given to management ranks in a company still recovering from a major disaster. Resilient companies distinguish themselves from the rest to the extent that they provide managers the tools and resources to care for the well-being of their workforces. In times of crisis and organizational challenge, managers at middle and line levels are the group most likely to feel frustrated by the unavailability or lack of useful direction from top leadership. They are as well the group most likely to be in touch with the realities “on the ground” with respect to the ability of the organization to fulfill the expectations coming from the top. In the absence of established, well-designed forums for communication and data-gathering initiated by top leadership, no news, good or bad, will reach the top levels. Furthermore, in the absence of this kind of communication, it is possible that middle and line management will feel increasingly beleaguered, isolated and demoralized. There is nothing more important, therefore, both from a business standpoint and from the standpoint of organizational morale and health, for top leadership to do than to establish consistent, regular, and two-way communication with middle and line management ranks.

Supporting managers. FashionLine (not the company's real name) sells a discount line of women's apparel. Eighty percent of the Company's administrative, design, purchasing and catalog production was housed in 6 floors of an office building on 7th Avenue in NYC. In the weeks after the 9/11 attack, close to 30% of employees were unwilling to return to the office because they are afraid of using the tunnels or bridges that are the only way to reach Manhattan from the other boroughs, surrounding counties, and New Jersey. Many who returned to work reported that they couldn't concentrate. They found themselves daydreaming, or beset by intrusive images of the attack from TV or memories of their hours-long escape from Manhattan the week before, when they feared for their safety and their inability to reach their families. Line and middle managers are suffering from the same shock, fears and intrusive images as the other FashionLine employees, but they had an added issue to deal with: production deadlines. The pressure they feel about production was in direct conflict with this sense of caring for the wellbeing of the people on their teams. How could they reconcile this? Do I adjust my performance expectations? When do I require my sales force to begin their 5 day/twice monthly travel schedule again? What about the 24/7 rush to the deadline, how can I expect that under these circumstances? How hard to I push? Under the guidance of Human Resources, FashionLine held weekly sessions for managers to discuss their management issues, dealing with employees' stress reactions, adjusting performance expectations, and reconciling the needs of upper management with the realities of the workforce.

PRINCIPLE 4: Flexibility and Innovation in Work Design and Employment Practices

The ability to be flexible in adapting to drastically changed or compromised resources is a key quality of the resilient workplace. Plans for redundancies in communications and infrastructure, as well as provisions for replacement staff are of course built into companies' Emergency and Business Continuity Plans. However, the scope of disaster requires a level of flexibility and innovation on a system level that far exceeds the contingency planning that most companies have developed. This point was driven home after 9/11 in our work with companies recovering from the losses and traumas stemming from the September 11th attacks. It became increasingly clear that the attacks had produced shifts in employees' work life balance priorities and their needs in relation to safety and security. These shifts caused companies to (1) Re-evaluate arrangements for flex time. (2) Modify explicit or implicit expectations for greater than a 40 hour work week, especially for "exempt" or non-hourly workers. (3) Explore alternatives to travel for business activities such as sales, merchandise buying, training and business meetings. These alternatives typically included utilizing technology for teleconferencing and telecommuting. In virtually every company we have worked with on this issue, the technology was available and installed, but *underutilized*. (4) Revisit existing security and safety procedures.

It remains to be seen to what extent this quality of flexibility will become an important component in the post-Katrina recovery of some companies. Early indications is that it is, especially given the extent of widespread and long-term displacement of employees and the need for relocation of facilities. In any case, it is important to add that these innovations, adjustments or policy changes should not be offered as a unilateral, benevolent gesture by top management, but that they emerge directly as the result of deliberate, two-way communication between top leadership and all levels of the company. And this is precisely the point: at times of crisis, loss, uncertainty and threat, people require the sense that they have a voice and that there is a listening, responsive leadership. This, more than anything else leadership can do, creates a sense of confidence, loyalty, and trust. It continues to come down to *communication*: authentic, consistent, reliable, and flexible.

SUMMARY: THE OPPORTUNITY FOR LEADERSHIP

Resilience is the ability to maintain stability in the face of highly stressful circumstances. Some workplaces, by virtue of their leadership, culture, and level of emergency preparedness, are more resilient than others. What is important to realize, as we experience the lessons of one disaster after another, is that organizational resilience can be learned and developed. Furthermore, the development of resilience is not limited to disaster recovery, but is expressed in the fundamental policies that guide everyday organizational functioning. In a resilient organization, systems devoted to supporting people are not given over to lower level beaurocratic procedures, but is a high level corporate function informed by values and mission and linked to business strategy.

Systems are designed to support people regardless of time, space, circumstance, and the watchword is: *people first*. The challenge to corporate leadership, as well as to professionals in the disaster recovery field, is to continue to identify those qualities that produce organizational resilience, and to translate them into practical steps to prepare for the disasters and crises that are sure to come.