LEADING DURING **COVID-19**

CONVERSATIONS WITH COMMUNITY SECTOR LEADERS IN VICTORIA

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PLANNING FOR THE FUTURE AND MANAGING THE PRESENT

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A Conversation Resource

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Contents

Introduction

Welcome to Our Conversation on

'Planning for the future and managing the present'

Community sector leaders are grappling with an environment that is seriously disrupted, unfolding and profoundly uncertain. How do you plan for the future when these circumstances demand that at the same time, you respond to the present? In our facilitated conversations with a small group of community sector leaders we talked about:

- How leaders and boards deal with the dilemma of responding to the immediate and unfolding needs within their organisations as well as planning strategically for the future.

- How leaders and boards support one another in fostering good governance and decide where and how to focus and direct their time, resources and energy.

More specifically we discussed:

- Practical strategies to reconnect reengage and reenergise your board to plan for the future while remaining connected with the present. How leaders can help their boards deal with the anxieties amplified by what is still unfolding and navigate the transition between the old and the new.

- The challenging conversations that need to be had to grapple with these questions.

- Strategies that might help leaders purposefully and productively disrupt the board's thinking. The value of a regular strategic conversation program and planning for different scenarios.

- How you can assess if what you are doing now is enough and what approaches are likely to be effective.

In our preparation for these conversations we have been undertaking research over the past few months on emerging

concepts and ideas that may be helpful to leaders; as well as practical suggestions that can help in the everyday work. This resource provides some useful information, tips and ideas. It captures emerging thinking on planning during these difficult times.

The information in this resource should not be taken as a comprehensive analysis of the subject. We have tried to present current information simply and succinctly. Links to resources and discussions are provided if you would like to read some more.

How leaders and boards can deal with the dilemma of responding to immediate and unfolding needs and plan strategically for the future?

Many leaders have recognised the importance of not letting go of the strategic thinking they and their boards are responsible for. They know they must keep a firm eye on the future to ensure the organisation continues to pursue its purpose, realise its vision and remain sustainable. Community sector leaders say that this is often a struggle when the constant changes and rapid adaptations needed to cope with the pandemic keep leaders and boards immersed in dealing with a host of unexpected and unforeseen situations. These dual and sometimes competing concerns require leaders and boards to operate in two related but different mindsets at the same time. This raises some interesting questions – what behaviours does this dilemma trigger, how can leaders best respond, and do we need to approach our planning differently?

The dilemmas of anxiety, transition and reconnection

Our research tells us that most helpful thinking and advice revolve around three central points – the need to:

- Acknowledge the anxiety boards and leaders feel, the grief and loss that sit underneath that and how it is managed.

- Consciously manage the series of transitions that characterize the situation currently unfolding to enable boards and leaders to shape a meaningful future.

- Reconnect with purpose.

Anxiety is understandable especially in the early stages but if it persists it can undermine the capacity to plan at all—resulting in behaviours that either avoid or slow down decision making about strategic directions or that cause boards to make rash decisions.

The behaviours associated with anxiety in organisations include:

- Panic and disorder.

- Feeling stuck and not responding.

- Rigidity and, risk aversion.

- Undue interference in operations by board, slow and overly cautious decisions or conversely precipitous decision making.

- A perceived lack of support for and by both leaders and boards.

- A reluctance to plan for the future until things are more 'settled'.

All of these undermine the planning that is so badly needed to steer the organisation through the now and to plan for the future.

The role of grief

Many, including the leaders participating in our leader conversations, see these manifestations of anxiety as part of a grief response which if not acknowledged and managed, can undermine efforts to deal well with the present and to consider the future. This can affect everyone, board members (who are also dealing with similar issues in their own

organisations), leaders and managers, staff and clients. If not addressed, the personal and organisational cost can be considerable. A recent article discussing 'The hidden perils of unresolved grief' explores the role and impact of grief and offers some guidance about what organisations can do about this[1]. A few key points are summarised here:

- Grief in the organisational context manifests from our natural resistance to change and involves many losses including loss of attachment, territory, structure, identity, future, meaning and control.

- Leaders and boards who attempt to drive a planning process that fails to acknowledge this will struggle to make headway.

- Leaders can help the board and leadership team understand the impact of grief, how to bring it up and how it can be actively managed. William Bridges (2001) offers a way to do this through his work on managing transitions[2].

What you can do about anxiety and grief – the value of managing transition

Bridges uses the grief model to frame his approach to understanding and managing transitions. Without doubt, the situation we find ourselves in with Covid-19 involves a series of transitions as new realities rapidly unfold and change. Transition is the inner reorientation process people go through to come to terms with the new situation. It is about people's emotions, feelings, attachments and values. Transition is an intensely psychological process but is not just about individual responses—it plays out in how effectively or not the board contains their reactions and enables a focus on deciding sound strategic responses to support the organisation now and to plan for the future.

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[1] (Dhanaraj & Kohirieser, 2020)
[2] (Bridges, 2001)
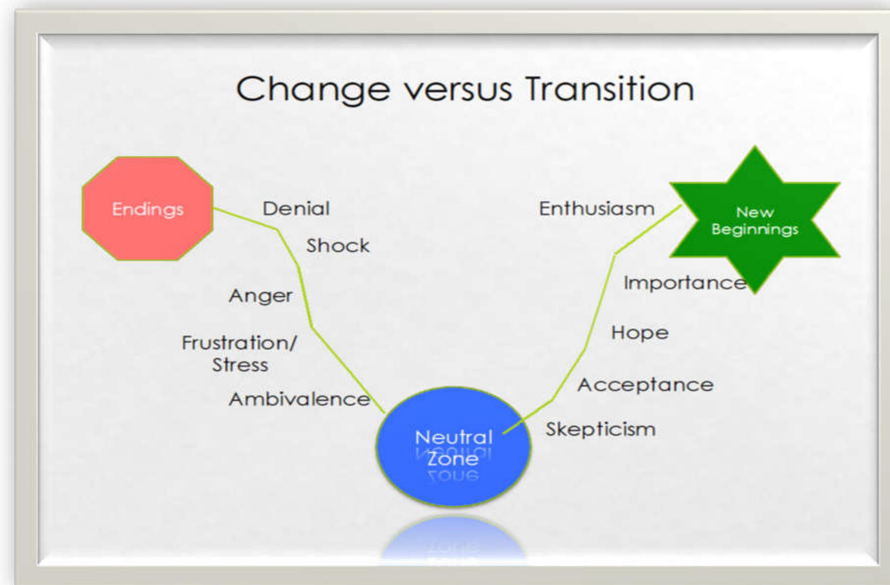
Boards and leaders need to:

- Carve out the space for these responses to be expressed especially the confusion and uncertainty.

- Be patient as people grapple with the impact of disturbance and losses.

- Provide opportunities for dialogue so that anxieties and concerns can be articulated and acknowledged and adjustments gradually made.

Appreciating the dynamics of transition and actively managing it helps leaders design an approach to planning that responds to what is really going on for the people they are dealing with in their different roles.

Strategies for managing transition

Bridges offers a very practical set of strategies to help leaders navigate each stage of the transition. He advises us to pay attention to the following:

Endings

Acknowledge, normalise and explore feelings of loss and anxiety, respond rapidly to expressions of discontent and help people redefine roles or exit with dignity if needed.

The neutral zone

Normalise, check in and provide time and permission to reflect and allow fears to be expressed. Acknowledge problems and resist the push of certainty. These are normal features of the 'valley of despair' that characterises this phase. Mixed with this is the 'well of creativity' this can be tapped by creating temporary project teams with short range goals, encouraging experimentation and learning and helping people who have a future see it.

New Beginnings

Formal and informal recognition of new practices, structures and ways of working. Celebrate milestones and successes. Review and reflect to learn (Bridges, 2020).

Be mindful that the conversations embedded in these strategies need to occur more than once as people go through the transition cycle in different ways over different time periods and will experience more than one transition as things continue to evolve and change.

Reconnect with purpose

We know that clarity of purpose is a powerful anchor and driver for everyone in grappling with change and transition. It is crucial to link all planning discussions with how questions of strategy and direction serve the organisation's purpose, vision and mission, and values. This keeps everyone grounded in what the organisation is on about and on track. It also helps board members feel more personally engaged and energetic and focused on their core responsibilities and role.

To connect with and unpack this, board members could consider the organisation's vision, mission and value statements and ask themselves:

- Why am I here on this board?

- What matters to me most about my role?

- What is the one contribution I want to make to our decisions about strategy and the future that will help our organisation be successful*?*

Then share the responses and tease out what you hold in common and any differences. Discuss what this means for how the board works together to fulfil its responsibilities.

The challenging conversations that need to be had

Boards will be more confident that operations are continuing effectively if they are connected with the leadership team. This is especially important when undertaking planning as the Board relies heavily on the team so they can understand key issues and their implications. Some useful conversations are:

- *Surfacing worries* is a facilitated conversation to find out the specific issues that your board may be worried about and then develop principles to guide how the board can take up their role, e.g. 'what's really worrying you' 'what keeps you awake at night' Followed by: how can we work together to address the issues?

- *A frank conversation* is important to identify what the board and CEO need from each other to undertake the planning task, e.g. the board needs clear, concise information about the key internal and external issues (SWOT information) and the CEO needs active inquiry that explores and challenges the information provided.

- *An honest and clear-eyed assessment* of board composition is important to explore the knowledge, skills and attributes required by the board to navigate this period; what will be demanded of directors, and how they might address any gaps. This includes consideration of directors' capacity, time and commitment and external sources of input to challenge internal understandings.

- *Ongoing monitoring and review* involves periodic and simple evaluations of board performance to provide data to

strengthen what is working, change what is not and the adjustments needed to achieve needed change.

Having such conversations enables board members and the executive to raise challenging issues early, understand each other's perspectives and concerns and strengthen their collective decision making. These are all essential to strong and effective leadership and sound planning especially in difficult circumstances

Strategies that might help leaders purposefully and productively disrupt the board's thinking?

Because the situation leaders and boards find themselves in is genuinely unprecedented and inherently uncertain, we don't have a roadmap or clear guidance as to what to do. The temptation is to do what we currently do faster with adaptations and to some extent that is reasonable, especially in the immediate crisis response. But as this goes on and we realise things will not go back to what they were but are very unsure of how or what our organisations will look like and how they will operate; many experienced researchers and practitioners say that unprecedented times will need unprecedented leadership responses not business as usual tweaked.

Drawing on such thinking, the following discussion offers leaders and their boards a reminder about how they might frame the task of planning for both the present and the future – the mindset they need to bring to the task and to guide their boards; and some strategies to help with this.

Shift the mindset

The authors of 'Delighting in the Possible'[3] offer a way of responding to the task of planning in the midst of great uncertainty. Rather than falling back on the familiar i.e. 'managing the probable' (appropriate in times of relative certainty), they advocate a shift to 'leading the possible' (in very uncertain and complex times). This is about breaking out of familiar patterns and using an approach that allows the board and leadership team to expand options and experiment in low-risk ways'. This is hard to do when you are immersed in the situation so external help is recommended.

Strengthen board and leader planning conversations

To strengthen planning conversations, the following may help[4]:

Ask different questions

- What do I expect not to find? What might I be discounting or explaining away a little too quickly? What would happen if I shifted one of my core assumptions on an issue, just as an experiment?

Take multiple perspectives

- For example, someone who frustrates or irritates us. What might that person have to teach us? Seek out the opinions of people beyond our comfort zone such as younger people, junior staff and dissatisfied clients or people from outside organisations like ours. Listen with the intention of learning not defending.

Adopt a systems view

- Look for the patterns of behaviour, broader forces at work and the bigger picture. Try out small 'safe to fail' experiments. Resist the urge to disaggregate problems and solve them right away, hold opposing views without trying to reconcile them – reframe choices away from 'either/or to 'both and ,ask what's missing, don't argue about the best solution - pick several good solutions and experiment with them in a small way.

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[3] (Achi & Garvey Berger, 2015)
[4] (Achi & Garvey Berger, 2020)
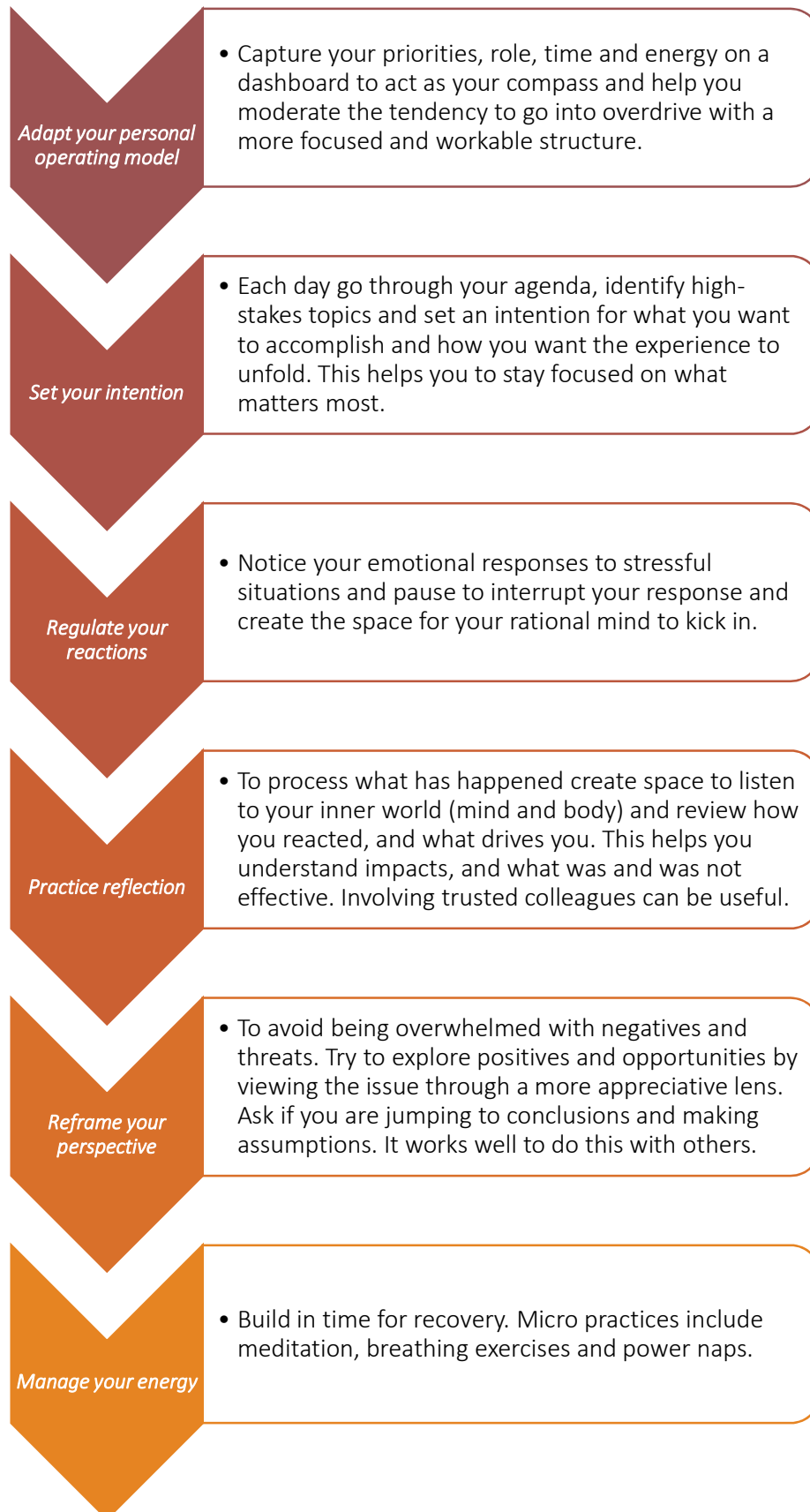
Stay calm and optimistic under pressure

This is a core task of leadership both from the CEO and her team and from the Chair and her board. So how do you do this when you are, amongst many other things and at the same time, trying to keep your eye on the present demands and work with the Board to plan the future[5]?

Establishing leadership supervision/coaching and or connecting with professional colleagues and peak bodies will enable the board and operational leadership to create and inform a reflective and review space. Practicing the following may help:

- *Integrative awareness* is where we connect situational awareness of large amounts of complex information; and contradictory views and strong emotions with self-awareness; so that we can connect our outer world with our inner word. This helps leaders avoid overreaction or jumping to conclusions to stop feeling uncomfortable.

- *Deliberate choice* involves the practice of a calm state of mind. This enables leaders to pause, step back and reflect and be less vulnerable to becoming unhinged by fear and anxiety. This helps with reframing threats as opportunities. Compassion and acceptance for self and others is a key ingredient and can have a multiplier effect on others – it interrupts the anxiety chain.

- *Bounded optimism* is about projecting confidence that the organisation will find its way through the crisis and recognition of its severity. This is effective if it springs from authentic values and trust in people's capabilities. Involves making meaning of what we are doing and why with stories and vision.

So how can you put all this into practice? The following steps are suggested:

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[5] (Brassey & Kruyt, 2020)

Adapt your personal operating model

- Capture your priorities, role, time and energy on a dashboard to act as your compass and help you moderate the tendency to go into overdrive with a more focused and workable structure.

Set your intention

- Each day go through your agenda, identify high-stakes topics and set an intention for what you want to accomplish and how you want the experience to unfold. This helps you to stay focused on what matters most.

Regulate your reactions

- Notice your emotional responses to stressful situations and pause to interrupt your response and create the space for your rational mind to kick in.

Practice reflection

- To process what has happened create space to listen to your inner world (mind and body) and review how you reacted, and what drives you. This helps you understand impacts, and what was and was not effective. Involving trusted colleagues can be useful.

Reframe your perspective

- To avoid being overwhelmed with negatives and threats. Try to explore positives and opportunities by viewing the issue through a more appreciative lens. Ask if you are jumping to conclusions and making assumptions. It works well to do this with others.

Manage your energy

- Build in time for recovery. Micro practices include meditation, breathing exercises and power naps.

We need to plan differently

In an environment of uncertainty and flux, leaders and boards need to reconsider their planning approaches and methods. Existing approaches are rarely agile and responsive enough to deal with the current situation and very unclear future.

Despite attempts to build in flexibility and allow for emergence, most community organisations' strategic planning processes remain relatively linear and based on an assumption of reasonable degree of continuity and broad predictability. Have a look at the article by Our Community (2020) on questions for board members about finances[6] for a quite thought-provoking view of our tendency to underestimate uncertainty and the different levels we need to consider as we plan.

The view of most commentators is that boards need to undertake short and long term planning simultaneously. Both must be guided by and anchored in the organization's overarching purpose, vision, intentions and values. This will require:

More cycles of shorter to medium term plans

More flexible and adaptable planning cycles with rapid reviews that allows for the regular folding in of data, changes and learning as this information emerges is essential. Initially this might focus on, for example, creating a Covid safe/hybrid workplace. Our community.com has a useful template outlining detailed questions and tasks to guide this[7].
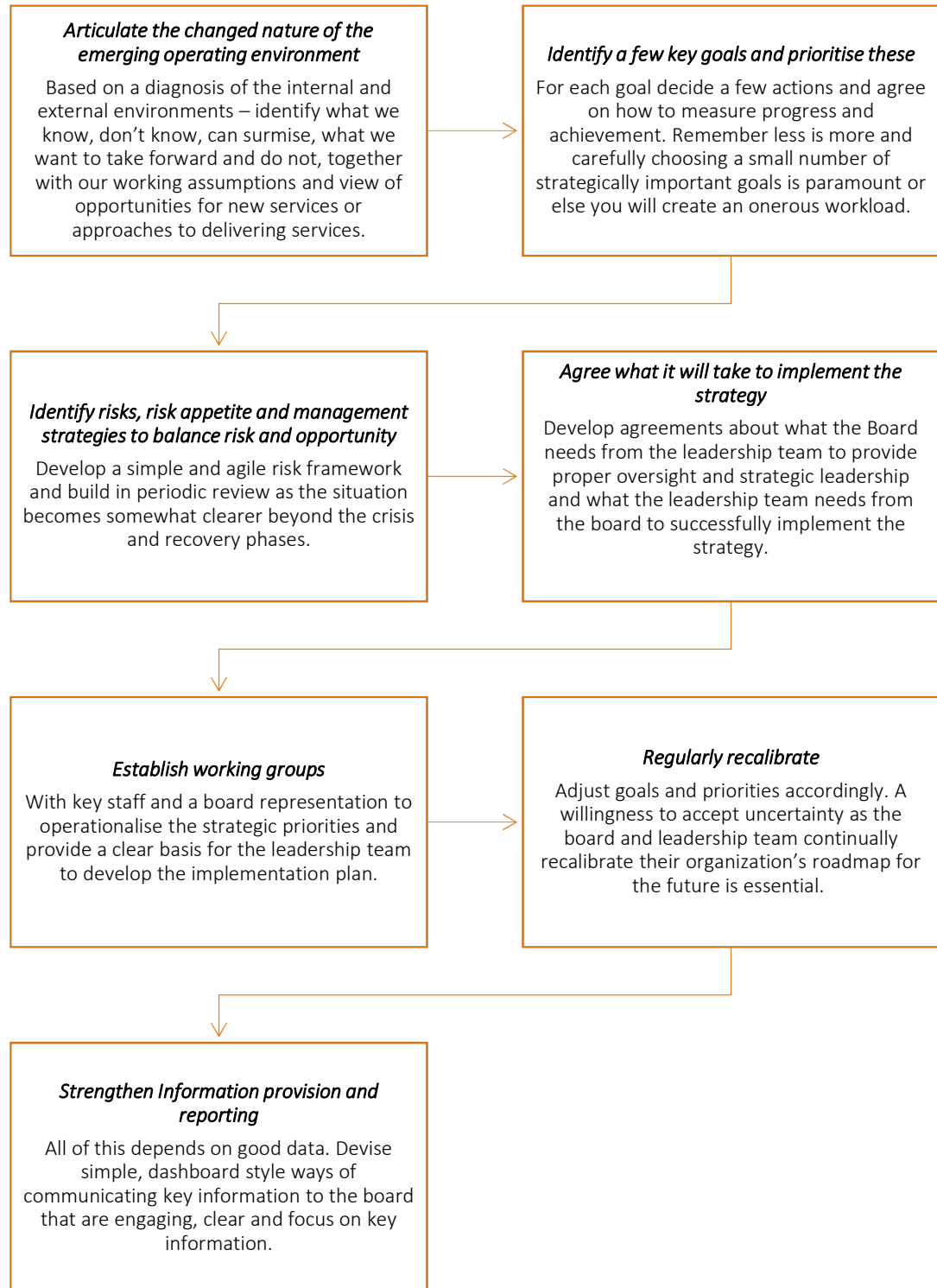
Specific plans for short to medium term initiatives to address opportunities and required changes prompted by Covid such as the development of a different service delivery model are another likely planning task. Business and strategic plans need to be revised and adjusted in light of these assessments.

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[6] (Our Community.com.au, 2020)
[7] ibid.

Sound thinking and analysis

Our experience in working with community agencies tells us that the pieces of work that remain consistent for all planning tasks include the need to:

Articulate the changed nature of the emerging operating environment

Based on a diagnosis of the internal and external environments – identify what we know, don't know, can surmise, what we want to take forward and do not, together with our working assumptions and view of opportunities for new services or approaches to delivering services.

Identify a few key goals and prioritise these

For each goal decide a few actions and agree on how to measure progress and achievement. Remember less is more and carefully choosing a small number of strategically important goals is paramount or else you will create an onerous workload.

Identify risks, risk appetite and management strategies to balance risk and opportunity

Develop a simple and agile risk framework and build in periodic review as the situation becomes somewhat clearer beyond the crisis and recovery phases.

Agree what it will take to implement the strategy

Develop agreements about what the Board needs from the leadership team to provide proper oversight and strategic leadership and what the leadership team needs from the board to successfully implement the strategy.

Establish working groups

With key staff and a board representation to operationalise the strategic priorities and provide a clear basis for the leadership team to develop the implementation plan.

Regularly recalibrate

Adjust goals and priorities accordingly. A willingness to accept uncertainty as the board and leadership team continually recalibrate their organization's roadmap for the future is essential.

Strengthen Information provision and reporting

All of this depends on good data. Devise simple, dashboard style ways of communicating key information to the board that are engaging, clear and focus on key information.

Scenario Planning

This refers to an approach to planning that is suited to environments where, because of significant disruption, the way forward is not clear. It is described as 'a disciplined method for imagining possible futures'. Scenarios enable organisations to steer a course between the certainty of a single forecast and the confused paralysis we face in very uncertain times.

This approach involves developing a few possible futures in advance of the full knowledge of what is most likely. While the specific details vary according to the organisation, often scenarios revolve around the following broad categories:

1. Wait and see until things become clearer – business as usual with minor tweaks.

2. A significant shift - for example a new service design or set of work practices.

3. A limited shift – adjustments or enhancements to the existing service model.

Building and analysing scenarios means the board is prepared and more able to respond quickly when information becomes available and the situation becomes clearer.

As each scenario is built, the growth question emerges and needs to be explored – to grow or not to grow and in what direction and what does growth mean in our context?

A brief guide to scenario development and analysis*:*

1. *Identify assumptions* for each scenario, the knowns, and continuities, unknowns, gaps in information – ask what data we are drawing on and how we know it is reliable and adequate.

2. *Map* stakeholders and their interests and influence, identify key economic, social, political and industry trends.

3. *Check that each scenario resonates and has a memorable title* – if it doesn't it's probably off the mark or too diffuse to make sense to people.

4. *Assess each scenario* in terms of how it addresses links to; purpose, mission and values, continuities and trends, the extent to which it enables uncertainties to be accommodated, takes into account stakeholder interests and stacks up in terms of sustainability especially financially risk.

Challenge our thinking - lessons from a futurist

As we make decisions about how we plan in the current and emerging situation, boards and organisational leaders can benefit from consciously challenging their thinking. Have a look at what this futurist oriented planner says:

'Futurists think about time differently. When looking at any uncertainty about the future — risk, opportunity, or growth — they tend to think in the short and long-term simultaneously'[8]
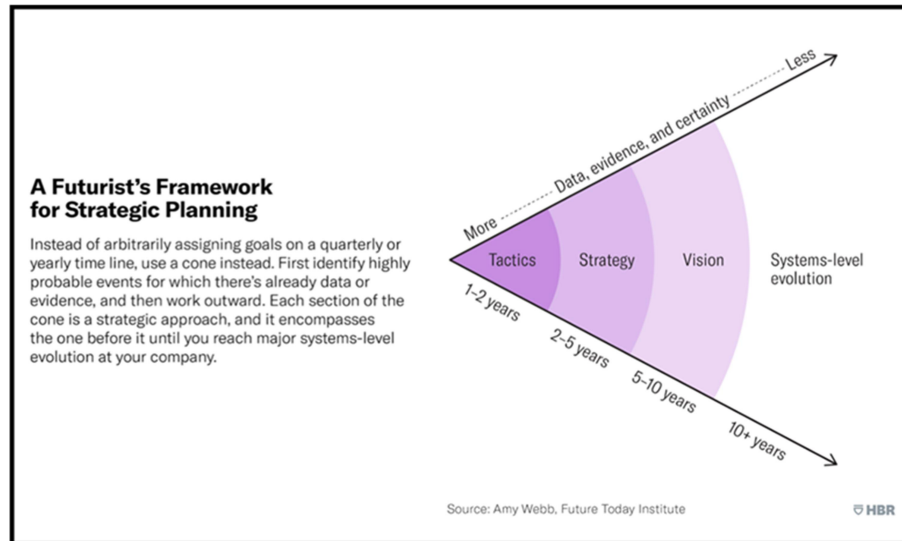
This framework measures certainty and charts actions, rather than simply marking the passage of time as quarters or years. For every foresight project she constructs a cone with four distinct categories: (1) tactics, (2) strategy, (3) vision, and (4) systems-level evolution. The author notes that organisations (and their boards) tend to get stuck cycling between strategy

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[8] (Webb, 2019)

and tactics – this feels like you are planning for the future but results in a perpetual cycle of trying to catch up: to competitors, new entrants, external sources of disruption.

She also observes that leadership teams (and we would say boards too) get caught in a cycle of addressing long-term risk with rigid, short-term solutions, and in the process, they invite entropy. When we rely on traditional linear timelines, we can get caught in a cycle of tactical responses to what feels like constant change being foisted upon us from outside forces. Over time, those tactical responses—*which take significant internal alignment and effort*—drain the organization's resources and make it vulnerable to disruption.

Plan for the longer term

Shorter cycle planning and scenario planning must coexist with longer term planning. It is important to create the space to have such conversation with the board and to set plans in place. While timing will depend on your organisation's circumstances and priorities it is important not to delay too much. Deep uncertainty merits deep questions, and the answers aren't necessarily tied to a fixed date in the future.

Have regular strategic conversations

A way of developing a practical commitment to this approach and keeping an ongoing strategic focus is for the board to establish a strategic conversations program – regular, scheduled conversations to more deeply explore bigger picture questions to guide longer term planning. This helps the board to keep a strategic focus on their agenda, challenge their thinking, avoid entropy and quickly take account of emerging information.

Here are some overarching questions to shape your conversation:

1. Where do you want to have impact?

2. What will it take to achieve success?

3. How will the organization evolve to meet challenges on the horizon? What will it need to look like and be able to do?

How do leaders and boards work together and support one another to foster good governance?

Our work with boards has shown that there are a number of practical things that leaders and boards can do to provide the support and guidance that is so critical in these times and to ensure that the organisation is governed well and remains solid. The following summarises those learnings.

How to work effectively with the board

Paying attention to the actions identified here enables a more coherent and united approach to dealing with and navigating the organisation through and beyond the Covid 19 crisis.

1. *The overarching point is to invest in the board/CEO working relationship* – the quality and robustness of this relationship is vital and needs explicit attention on an ongoing basis. This includes regular, scheduled check in's and the timely exchange of relevant and meaningful information between CEO and Chair especially.

2. *Revisit and clarify roles* – demonstrate to the board that the CEO and leadership team have a way forward operationally and reinforce their role in supporting that. Acknowledge that support does not usually require

involvement in operations but when it needs to, what would that look like and how can it be contained.

3. *Address anxiety* – name and discuss this and acknowledge that anxiety can result in boundary crossing into operational matters or becoming disengaged. Provide targeted up to date information, a pandemic (and beyond) risk register and clear plans to address risks as well as opportunities. Demonstrated sound financial management and planning is particularly critical.

4. *Discuss expectations and needs* – so the CEO and team and the board are clear about what each need from the other, consistent with their roles.

5. *Develop a board work plan* to provide the structure, discipline and timeframe to address key organisational issues and risks and keep short, medium and longer term planning on track – review and adjust regularly.

6. *Establish quality information exchange* - clear targeted dashboard information for oversight and planning. Agree on content, form and frequency and the range of areas covered such as financial, service delivery, stakeholder and government relations, key risks (financial, reputational, legal, business continuity, OH&S etc) and opportunities for change and growth.

7. *Monitor review, reflect and evaluate* - a robust reflective practice and learning approach together with periodic and simple evaluations of board performance will provide data to strengthen what is working, change what is not and make the adjustments needed as new information and understandings emerge. This is essential to support agility and flexibility in such rapidly unfolding and uncertain times.

8. *Review board make-up* – assess whether the board collectively has the skills, knowledge and experience needed in the emerging environment including sufficient understanding of the community sector context. Do directors have the capacity, time and commitment to provide the level and type of input and oversight needed in these times? Plan recruitment and succession in light

of this. A capability matrix is a very useful tool to assist this process[9].

Is what we are doing enough and what is likely to be effective?

This is an important reflective and evaluative question and can help leaders and boards feel more confident about the soundness and validity of their decisions. It also challenges the tendency to rely on the familiar and opens up other possibilities for new and different responses. An excellent starting point is to work through the following questions with the leadership team and the board:

1. Can we be confident we are accessing the key information we need to plan? How do we know this?

2. Are we open to hearing challenges to our usual way of thinking? What evidence do we have of this?

3. What might we do to purposefully disrupt our thinking to open up other possibilities to consider? What is stopping us?

4. What will we do to strengthen our planning? What's one thing we can do?

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[9] (Smyth, 2020)*This resource can be obtained from LDC Group on request.

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LDC Group consults to government and health and community services. This resource is part of a series of initiatives by LDC Group to support community service organisations during the COVID-19 pandemic and beyond.

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