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WHAT THIS PRESENTATION IS NOT...

A course in...

- · Media or public relations
- Image or reputation control
- Navigating the external environment
- · Reactive risk management

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WHAT THIS PRESENTATION IS...

An exploration of some of the concepts and strategies that will make leaders effective in times of crisis, major change, and instability...

... hopefully making our organizations stronger after than they were before.

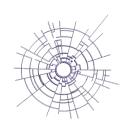
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OBJECTIVES

- Define crisis concepts and mechanisms
- Discuss organizational stress and resilience
- Discuss your stress and resilience
- Establish effective and ineffective leader behaviors

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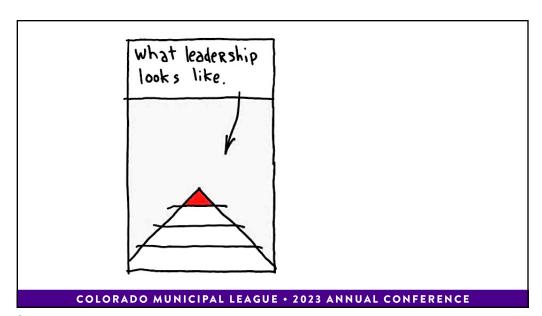


DEFINITIONS

Leadership, Crisis, Stress, Resilience

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DEFINITIONS

Leadership

Influencing, motivating, and developing people to achieve organizational objectives. During crises and instability, this includes guiding people to the best possible outcomes.

- Crisis
- Stress
- Resilience

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DEFINITIONS

- Leadership
- Crisis

An event or situation that threatens the existence and significantly affects the operations of an organization, marked by intense stress, uncertainty, and a sense of urgency in decision making... can be precipitated by systemic deficiencies.

- Stress
- Resilience

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DEFINITIONS

- Leadership
- Crisis
- Stress

Challenges that knock our physiological and emotional systems out of balance, triggering automatic and involuntary physiological and cognitive reactions.

Resilience

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DEFINITIONS

- Leadership
- Crisis
- Stress
- Resilience

The amount of stress a person or organization can endure without a fundamental change in capacity. The process of adapting or "bouncing back" in the face of adversity.

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MECHANISMS OF CRISIS

Types and causes...

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A crisis does not clearly announce itself before arriving. It often edges forward, disguised as "business as usual," away from the closely monitored centers of interest.

The classic reaction is, "I couldn't act any earlier. I did not have enough information."

~ Patrick Lagadec, 1997

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PHASES OF CRISIS

- Signal Detection
- Preparation and Prevention
- Damage Containment
- Recovery
- Learning

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PHASES OF CRISIS

Signal Detection

Red flags and warning signs. Up to 50% of organizational crises can be attributed to management activity or inactivity.

Preparation and Prevention

With proper planning and preparation, organizations can avert many crises, particularly those caused by failures to attend to warning signs and red flags.

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PHASES OF CRISIS

Damage Containment

Limiting harm and managing to end the crisis. This is what most people focus on in crisis discussions and it is extremely important, however, limiting external harm is not the same as leading people. Work to limit internal damage as well.

Recovery

The period of returning to relative stability... but be very careful of "business as usual."

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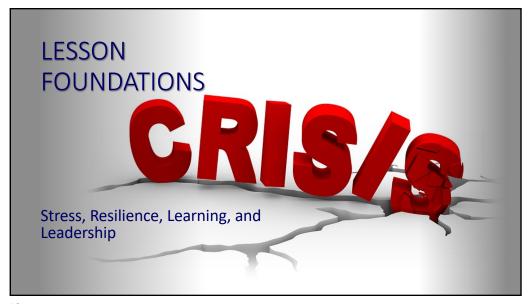
PHASES OF CRISIS

Learning

- Not just adopting a defensive or reactive stance because of what occurred and thinking it is proactive.
- Honestly assessing and understanding any organizational factors—including leadership—that contributed to the crisis and using this insight to drive change.

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EXPECT AND PREPARE FOR...

- Palpable stress and uncertainty
- Heightened emotional reactions
- Rumors and misinformation
- Schisms and factions
- Morale and motivation issues
- Emerging leaders

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IMPLICATIONS FOR LEADERS Manage Stress and **Emotions** Palpable stress Uncertainty Heightened emotions and emotional reactions **Lead With Purpose** Schisms and factions **Toward Something Rumors** Morale and motivation issues Communicate. Don't Just Talk. Realize the **Emerging leaders** future of your organization. COLORADO MUNICIPAL LEAGUE • 2023 ANNUAL CONFERENCE

UNDERSTANDING STRESS

Including your own...

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PHYSIOLOGICAL STRESS RESPONSE

- Designed for survival in immediate crisis
- Autonomic nervous system sympathetic & parasympathetic
 - Flood of hormones, including adrenaline
 - Release of glucose
 - Heart rate, breathing, physiological changes
- Flight or flight response

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PHYSIOLOGICAL STRESS RESPONSE

- The response is innate and automatic
- It activates in milliseconds
- Within one second, our muscles are prepared for defense or attack
- The key is to work to control our thoughts, emotions, and perceptions as much as possible

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STRESSORS

- Predator chasing prey running for its life
- Armed person threatening another person
- Municipality facing millions in liability because of a bad decision by your department
- Senior manager preparing for a hyper-political council meeting to discuss a controversial proposal
- Person stuck in traffic thinking about bills
- A new policy or organizational change

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STRESS RESPONSE IN HUMANS

Because of our large brains and complex social structures...

- We live in the past, present, and future
- We have taken a system designed for immediate survival...

... activated it chronically

... and it is literally making us sick

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EFFECTS OF CHRONIC STRESS

- Fatigue and irritability
- Negative effects on the immune system
- Negative effects on cardiac health
- Problems with sleep
- Weight gain
- Impaired memory and concentration

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UNMANAGED ORGANIZATIONAL STRESS

Unmanaged organizational stress leads to tension, ambiguity, and conflict, which lead to:

- Low job satisfaction, which can lead to...
- Increased turnover, which leads to...
- Increased workload, which leads to...
- Increased tension, sensitivity, and more... 5772553

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How can we break this cycle?

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MASTER YOUR SELF

- You are not your position do not lose your self in your role
- Find sanctuaries and reach out
- Be both realistic and optimistic
- Keep perspective... crises are not insurmountable
- Understand that your demeanor affects your followers

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MASTER YOUR STRESS

- Move, meditate, stretch get physical
- Practice good nutrition habits
- Keep doing things that you like to do
- If self-help isn't helping... seek help!

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MANAGE ORGANIZATIONAL STRESS

- Maximize internal and external resources
- Encourage people to talk and seek help
- COMMUNICATE and message CONSTANTLY
- Manage the flow of accurate information
- Ensure that effective leaders are visible and accessible

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RESILIENCE

Part I: The amount of stress a person or organization can endure without a fundamental change in capacity.

Part II: The process of adapting or "bouncing back" in the face of challenge and adversity.

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INDIVIDUAL RESILIENCE

- Maintain connections and relationships outside of work
- Do things you enjoy with people you enjoy
- Stay away from negative influences
- Take care of yourself physically and mentally
- Avoid seeing crises as insurmountable

"The Road to Resilience," American Psychological Association, 2020

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LEADER RESILIENCE

- Expect that more bad things are likely to happen
- Understand this... learn, teach, and move on this is power
- Expect that good things will happen, and pay attention when they do
- Look for the lessons and keep learning
- Discover yourself in adversity... engage in self-reflection

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DSICOVER YOURSELF...

We cannot grow without challenges. You are going to feel mad, bad, and sad, even feeling sorry for yourself at times. Don't stay there. **Resolve** to get up and remember that the path to your goals is NEVER a straight line.

Where you are now could not have come to be if you had not experienced challenges, setbacks, and adversity.

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ORGANIZATIONAL RESILIENCE

- Availability of resources: material, financial, technological, emotional
- Preparedness—planning and training
- Communication and information management
- Valuing and motivating people
- Dedicated and engaged leadership →

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ORGANIZATIONAL RESILIENCE

Dedicated and Engaged Leaders...

- Communicate a clear shared vision
- Engage in inclusive decision making when possible
- Understand and engage in motivational strategies to keep people moving
- Use challenges to motivate and develop people for the future

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ORGANIZATIONAL RESILIENCE

- Emphasize mental and physical wellness
- Encourage peer support and "talking about it"
- Let everyone know that strong emotional responses are normal
- Groom formal and informal leaders

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ORGANIZATIONAL RESILIENCE

- Invoke the best aspects of what you do E.g., justice, service, sacrifice, courage, integrity
- Promote a group identity
- Promote group cohesion
- Continuously lead your people toward something

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AVOID BLAME

- Culture of blame leads to fear of mistakes and inaction
- Can lead to "fighting" the wrong enemy
- Stalls innovation and stifles learning
- Stifles learning
- Gets in the way of moving... slows down an effective response

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BLAME VS. ACCOUNTABILITY

- Blaming is an instinctive emotional process that discredits people and provides an early and deceptively easy solution to often complex problems.
- Accountability, on the other hand, is an on-going organizational process that seeks to understand root causes, make systems stronger, and encourage adherence to guiding principles.

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Affection Remorse Surprise Disgust Romance **EMOTIONS** Peace Anger Sadness Confusion Perceive Hurt Trust Sadness Pride Excitement Understand Happiness Envv Hatred Manage Adoration Joy • Use Love Anxiety Compassion Fear Satisfaction Anticipation Worry Amusement COLORADO MUNICIPAL LEAGUE • 2023 ANNUAL CONFERENCE

DOMAINS OF EMOTIONAL INTELLIGENCE

- Self Awareness
- Self Management
- Social Awareness
- Relationship Management

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UNDERSTAND AND MANAGE EMOTIONS

- Positive emotions—happiness, pride, enthusiasm...
- Negative emotions—anger, envy, hatred…
- As a leader, your emotions are the most contagious
- You can create positivity or negativity

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UNDERSTAND AND <u>USE</u> EMOTIONS

The value or destructiveness of emotions is context-dependent. The challenge is to display the appropriate emotions.

The leader's emotional response affects both followers' performance and perceptions of organizational performance.

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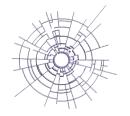


Extraorganizational Resilience™

- Offer support for significant others & families
- Provide information on resources, peer & family support groups
- Share what they can expect and what to watch
- Explain the nature of the crisis, context, current events

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LEADER COMPETENCIES

Finally...

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LEADER COMPETENCIES

- Manage stress and emotions
- Understand the importance of trust
- Make effective decisions
- Communicate
- Lead

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IMPORTANCE OF TRUST

- Credibility is the foundation of leadership
- Trust can take years to build but can be destroyed in an instant
- When you are viewed as credible, you have a larger margin of error—mistakes are inevitable
- Education, training, and experience mean nothing if your integrity is compromised

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MAKE DECISIONS EFFECTIVELY

- Seek counsel from a diverse group of the right people
- Avoid the perception of abdicating responsibility
- Use your own insight senior leaders
- Always consider long-term implications
- Gather objective facts... your beliefs don't always matter

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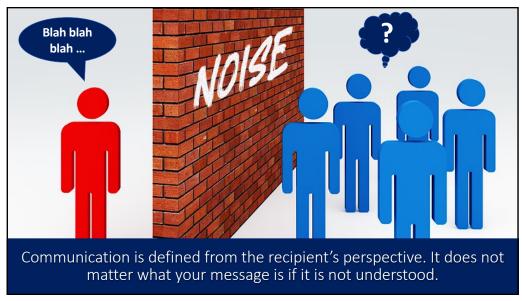
EFFECTIVE DECISION MAKING

Take time when you can to consider alternatives but be careful here.

Avoid the impression of inaction, which can leave your organization in a state of ambiguity...

... and alienate your community.

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COMMUNICATION IN A CRISIS MUST...

- First of all, be done... effectively and often
- Be honest and transparent
- Flow up and down accurately
- Be more than information... there is a difference
- Address the dangers of the status quo

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COMMUNICATOR COMPETENCIES

- Understand your audience's emotions
- Reassure stakeholders and work to positively shape perceptions
- Be confident and persuasive
- Be careful what you say in the beginning... you will be held to it

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TRANSFORMATIONAL LEADERSHIP

- Inspirational Motivation
- Idealized Influence
- Individualized Consideration
- Intellectual Stimulation

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TRANSFORMATIONAL LEADER BEHAVIORS

- Show concern for others in the organization
- Demonstrate self sacrifice and selfless behavior
- Communicate confidence, mission, shared vision, and identity
- Motivate people to keep moving

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TRANSFORMATIONAL LEADER BEHAVIORS

- Model the organization's values hold yourself and others accountable
- Do the right thing over doing things right
- Act with integrity some crises can be perceived as betrayals externally <u>and</u> internally

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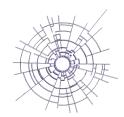
DESTRUCTIVE LEADERSHIP

Systematic and repeated...

- Behaviors that violate or undermine the interests of an organization
- Destructive ignorance, thoughtlessness, or incompetence
- Subordinate leaders stay away from them
- Senior leaders, remove them if necessary

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A FEW THINGS TO THINK ABOUT

Not just during troubled times...

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TRAPS TO AVOID

- Commiserating with the troops
- Falling into an "us vs. them" trap
- Failing to manage your stress
- Maintaining a narrow view
 - → Get out of your comfort zone
 - → Talk to other people
 - → Think beyond the day-to-day



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RUN FASTER THAN EVERYONE ELSE

- Executives' actions (or inaction) determine the fate of organizations
- Change is accelerating with no end in sight
- Business observers believe that some organizations will be in a state of constant crisis
- Innovate... or else

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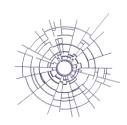
SOCIOPOLITICULTURAL CONVERSATIONS

Recognize that external pressure mirrors social phenomena

- Why wait until it becomes pressure?
- Join community conversations early and often rather than being forced into them
- Move forward instead of being dragged kicking and screaming into the future

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CONCLUSION



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Crisis Management leadership

- Not giving management a bad rap, but...
- Most organizational crises are over-managed and underled
- Don't forget the human element
 - You
 - Your people

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POST-CRISIS

- Understand there is no finish line
- Absorb losses and consolidate gains
- Reflect and learn opportunities in chaos
- Never let up

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"It's not the crisis itself that threatens most organizations but the handling of the crisis."

~ James & Wooten, 2004

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