

# Agile HR: Leading talent through the COVID-19 crisis

What HR leaders are seeing as their biggest challenges right now, and some proven principles that can help.

The chief human resources officer (CHRO) has now become the "chief crisis officer." The most vexing dilemmas and painful choices land on HR's doorstep. CHROs are facing unprecedented demands for crisis management, resilience, and adaptability in real time. COVID-19 has ravaged businesses and workers, putting CHROs at the center of tough choices about safety, layoffs, benefits, compensation, engagement, and business continuity. Most are operating from home full time for the first time. Given the high percentage of HR leaders who are women, many with young children and dual-career families, a work-life balance that was always tricky is now a juggling act of staggering proportions.

In recent weeks, Heidrick & Struggles has conducted a series of roundtables with HR leaders across sectors during which they shared with their peers and learned from one another. Below we offer their take on critical issues as well as our perspective on how HR leaders can help themselves and their organizations remain agile and resilient throughout this once-in-ageneration disruption.

# What we are hearing

There are no easy answers or precedents in this pandemic, yet CEOs and C-suite leaders are looking to CHROs to solve problems such as keeping frontline essential workers safe, pivoting an entire workforce to be able to work productively from home, and managing large-scale virtual layoffs or furloughs while trying to protect health benefits.

Almost every HR policy and practice has been affected by this crisis. CHROs are shelving pre–COVID-19 priorities as they grapple with immediate needs. The shift to working from home for huge swaths of the workforce is just one example of a complete shift in priorities for many companies. One CHRO spoke for many, noting that CEOs have opposed and resisted prior requests for flexible work arrangements. As a result, many companies were ill prepared for their entire workforce now being home; it took this particular company two weeks to set up for business continuity. Another area of concern for CHROs in industries in which frontline leaders have been empowered to make many decisions is managing new decision-making processes. That's because, in response to the crisis, more decisions in areas such as staffing rules have to be made and implemented quickly from the top down.

Another crucial area in which HR leaders are being called on is communication: what to say about ill employees, what to say if leaders become ill, and how to communicate with the entire organization effectively and meaningfully. Most are using every method they can, from town halls to video messages to emails and texts; a few have found they're overcommunicating, and some are encouraging managers to end calls early to ensure everyone can take a break. In every case, what to say and how to say it have become more difficult and urgent decisions than ever before.

Experienced CHROs say this has been the most stressful time they have experienced, even more so than the global financial crisis, the September 11 attacks, or the dot-com bust. They are trying to help their teams cope, as every HR leader is now a COVID-19 responder. There are high levels of burnout and stress on their teams and among the executives they support. One HR leader is coordinating three regional calls a week with an organizational psychologist to talk about stress for executives across functions.

Their view can be summed up as: "The biggest challenge we are facing in our workforce is the anxiety level. Being away from the office and colleagues is hard, but not knowing what is coming next in terms of health, economy, and return to work creates ambiguity and uncertainty that are hard to manage." HR leaders must be out front in terms of communication, engagement, and caretaking while ensuring that senior leaders stay connected and supportive.

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# **Building HR's agility**

The COVID-19 crisis is demanding HR leaders be more agile than ever. But how? We define agility in terms of resilience, adaptability, learning, and foresight.<sup>1</sup>



#### Resilience: Bouncing back, staying connected, and remaining healthy

It would be difficult to find a comparable crisis that has tested the resilience of HR leaders across the globe as this one has. This crisis, however, also provides an opportunity for HR executives to lead the way in building resilience that will help them and their organizations transcend these difficult times. To build and sustain resilience through this crisis, HR leaders should take the following actions.

Mind their leadership shadow. HR leaders must stay visible and positive, but also authentic and sincere, as many colleagues are looking to them for cues during this uncertain time. HR leaders equip other leaders to cope and ensure that they have what they need to support their teams, especially those working remotely for the first time or those whose jobs have suddenly become dangerous.

Lead with purpose. Reinforce the company's mission and higher calling. If the organization has not aligned on a clear purpose, it will benefit from finding one in the crisis; leaders at organizations with a clear purpose make better decisions and have more engaged employees. This is a time when an organization's culture and values shine through. Connect emergency actions to a larger social purpose, whether that purpose is the role of the company's products or services in meeting essential needs or highlighting compassion for employees with a focus on wellness as well as basic safety.

Overcommunicate. Conduct frequent community calls and town halls to hear questions, concerns, and suggestions. Be transparent but not alarmist—strike a balance. Host open forums for live feedback, and widely share the most prevalent questions and comments. Determine the best media, but keep information flowing via multiple channels. For one CHRO, for example, this means communicating using email, Slack, LinkedIn, and the company's intranet.

Promote people-centered leadership. Acknowledge and address anxiety and stress personally and with HR team members, taking steps to reframe thinking and replenish energy. One CHRO uses a stress-management app; others promote their hotlines, employee assistance programs, virtual counseling sessions for employees and their family members, meditation, and other resources to address health and emotional concerns. Encourage managers to end calls early so people can get up, stretch their legs, and breathe. Suggest employees go outside and take breaks to replenish energy and de-stress. Create space for personal sharing.

Take accountability. HR leaders must own the moment—the soft touches as well as the tough decisions. One CHRO, for example, proposed staggered reentry plans for 30, 60, and 90 days, and independently brokered on-site antigen testing to minimize the risk of contagion when employees return to the office.

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<sup>1</sup> For more on the research underlying our view of agility, see Heidrick & Struggles, "Developing leaders for the 21st century: How leaders can mobilize, execute, and transform with agility," February 8, 2018, heidrick.com.

<sup>2</sup> For more on the role of purpose in organizational performance, see Alice Breeden, Becky Hogan, and TA Mitchell, "Bringing your organization up to speed," Heidrick & Struggles, September 12, 2019, heidrick.com.



#### Adaptability: Shifting HR priorities and practices quickly

We're already seeing that HR leaders who adapt faster are improving outcomes for their businesses, employees, and customers. For example, one CHRO referenced the adage "never let a good crisis go to waste" and devised a plan to roll out Microsoft Teams. The CHRO expected the rollout to take months due to resistance, but after just two weeks every leader had adopted the new tool, and virtual meetings have become more productive. Several steps can promote adaptability during a crisis:

Reinvent HR practices in real time, shift the frame, and break old assumptions. We heard creative new ways of thinking that included ensuring the continuity of subsidized health benefits for laid-off employees, adjusting enterprise-wide compensation models to cut costs while reducing layoffs, and providing new antigen testing and safety equipment for critical roles. Tactics that can be successful include deploying a devil's advocate to quickly encourage contrarian, alternative views and setting up virtual brainstorming sessions to challenge and refresh old models. Given the need for fast decisions and action, it is paramount that people feel empowered to poke holes in ideas and make suggestions without fear. Finally, CHROs are in a good position to highlight when a team is restricted by old ways of working or thinking. For example, one CHRO had to shift the thinking of peers in finance and IT about the feasibility of managing equipment return, such as laptops and phones, as a precondition for severance payment.

Value speed over perfection. "Don't let the perfect be the enemy of the good!" With many unknowns, HR leaders need to try promising solutions, rather than waiting for one that is bulletproof. Waiting to get the software just right and dotting all the i's and crossing all the t's has slowed healthcare systems transitioning to telemedicine, for example, but some have succeeded by bootstrapping and are now able to serve patients more effectively.

Be accessible and learn from feedback. To effectively adapt, HR leaders need to listen, support, coach, and empathize while being action oriented. This is not a paradox; it is a necessary balancing act. Many HR leaders expressed the need to actively seek feedback and input from employees about how they are feeling. One set up an internal site where employees can post questions and comments and where the CEO and CHRO are available for chats and daily video messages.

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#### Learning: Staying curious in a crisis

There is no playbook for leaders to reference during the COVID-19 pandemic and its myriad disruptions. Since many HR leaders are responsible for driving the overall workforce response to COVID-19, it is critical that they model a learning mindset and influence others to stay inquisitive and open to learning.

HR must take the lead to cultivate and model a culture of experimentation and "failing forward" to quickly learn from tough choices. This crisis can be an opportunity for HR leaders who have struggled to create learning cultures in their organizations in the past, as there may be less resistance to trial and error from execution-focused leaders. To promote learning and curiosity in a crisis, HR leaders should implement the following actions.

*Be visible, transparent, and vulnerable.* It is especially important to be forthcoming about what leaders do and do not know. Rather than putting everything on the HR team or HR leader, enlisting teams, colleagues, and HR leaders in other organizations to be thought partners in working through unfamiliar issues will help. This can also deepen working relationships and professional networks.

Model learning in real time. Commit to a culture of rapid-cycle iteration. If plans go wrong, get curious about what happened. Recognize and celebrate those making the effort to try new things, even if they don't succeed. Most organizations are dealing with a sudden shift to working from home. For many who have never worked from home before, this requires frequent feedback to ensure they have the necessary support. It may require several cycles of rapid learning to achieve optimal productivity. On the issue of safety, an HR leader explained how the company has continued to learn and modify safety practices for employees, including reconfiguring work areas to allow a minimum of six feet of distance as people work and move around the facility.

Run small experiments. Testing new approaches can lead to gains. A global consumer products company, for example, is testing job sharing for the first time ever among its executive leadership team. If it works, the company will mine the lessons learned and implement them throughout the organization.

Conduct after-action debriefs. For companies with operations in China, there are lessons to be learned as they reopen operations there while the rest of the world is locked down. HR can spearhead these conversations and create an environment in which people can comfortably speak up. Deliberately pull out lessons from successes and failures with rich afteraction reviews. Ask "What can we learn?" and "What more can we do?"

Course-correct based on disconfirming evidence. We have heard from many HR leaders who are surveying employees more frequently and monitoring intranet communities for real-time insights about how employees are doing. When new information arises that contradicts previous decisions, admit the flaw and adapt.

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#### Foresight: Anticipating and being prepared to navigate a crisis

A common challenge for HR leaders is remembering to look forward rather than backward. Being a top HR leader requires not just great execution but also great foresight. Although COVID-19 has thrust HR into immediate firefighting, CHROs must move beyond battlefield crisis management and prepare for when conditions change again. Companies will benefit most from making human-capital decisions that not only respond to the moment but are also future proofed for tomorrow. In past crises, too many businesses cut essential resources, compromised future growth, and were not prepared for "winning the long game." Today, it's heartening that many HR leaders are already thinking about a range of return-to-the-workplace scenarios. Several actions can help promote similar foresight during a crisis.

Scenario plan for 6, 18, and 36 months out. Some HR leaders are using this time for a "big rethink" about the future of work, digitization, travel, and real estate. Things will not go back to how they were. Some CHROs are actively gathering data now to be ready four or five weeks from now when they expect to start planning for bringing employees back or decide to pivot some teams or functions permanently to working virtually.

Balance short- and long-term planning. HR leaders should stress test their organizations' crisis mitigation actions and separation plans to anticipate unintended consequences. What permanent changes, practices, and policies will outlive the recovery? One HR leader set up a cross-functional reemergence committee to envision the future and challenge old assumptions.

*Think options*, not *either/or*. People tend to default to binary thinking under pressure; it is either go or no go. However, foresight in a crisis requires several options. It is true that HR must move fast, but leaders should quickly brainstorm a few possibilities instead of providing just one answer.<sup>4</sup>

Succession plan for key talent. Another important area of foresight for HR leaders is ensuring succession plans are in place for critical roles in case leaders get ill or key people leave for opportunities with companies better positioned from this crisis. HR leaders must stay close to emerging leaders, particularly those who are agile, inclusive, and well suited to lead resilient organizations,<sup>5</sup> and they should also identify any potential flight risks and design plans to mitigate that risk.

Study innovators and first movers. How are innovators responding quickly yet still looking forward? One company, for example, put a plan in place to ensure critical roles would be maintained in the event of a pandemic, along with roles that could be suspended in the short and long term without undue harm to the business.

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<sup>3</sup> For more on succeeding today while preparing for the future, see Steven Krupp and Paul J. H. Schoemaker, Winning the Long Game: How Strategic Leaders Shape the Future, New York: Public Affairs, 2014.

<sup>4</sup> For more on what the world of work could look like in three years, see Yulia Barnakova, Eric Skoritowski, and Scott Snyder, "COVID-19 and the future of work: Four scenarios," Heidrick & Struggles, April 14, 2020, heidrick.com.

<sup>5</sup> For more on the role of inclusion in the crisis, see Jennifer Flock, "Why diversity and inclusion are more important than ever during the COVID-19 crisis," Heidrick & Struggles, April 27, 2020, heidrick.com.

# HR crisis leadership for today and tomorrow

In our roundtable discussions, we heard about the overwhelming demand on CHROs to tackle this once-in-a-generation catastrophe. HR is at the forefront of the crisis, and we are already seeing many remarkable examples of leadership agility. In this article, we have offered the best ideas we can provide to help all HR leaders navigate COVID-19 and prepare their organizations for a resilient future.

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