



The perseverance of resilient leadership

Sustaining impact on the road to Thrive

Combating COVID-19 with resilience

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A longer road ahead

A FEW MONTHS AGO, we imagined “thriving” as leading our organizations to a better normal after the COVID-19 pandemic. Yet our responsibilities as leaders now are further compounded by concurrent challenges of racial injustices, climate change, and economic uncertainties. Getting to “Thrive” appears more arduous and lengthier than many of us imagined ... or hoped for.

The first wave and recurrences of COVID-19 continue to plague many parts of the world. Seventy-six percent of companies and many geographies in our most recent analysis are still in the Respond and Recover phases of the crisis.¹ In late July 2020, our biweekly [Deloitte State of the Consumer Tracker](#) told a tale of two worlds: increasing consumer anxiety in nine countries across five continents, including India, Chile, China, Australia, Spain, and the United States, but more positive sentiment in nine other countries (seven of which are in Europe).² Varying epidemiology curves and local responses further

complicate matters for multinationals, which can’t apply uniform playbooks and investment priorities across the globe. Even companies and geographies that have entered the Thrive phase realize that we are all in this long journey together, because our prospects are inextricably linked.

The future of each of our organizations, though, is not preordained. As resilient leaders, one of our most critical roles right now is to *sustain*: to sustain *our people*, many of whom are experiencing not only fatigue but more stresses than they ever have; to sustain *our organizations* in continuing to create value for all stakeholders; and to sustain *society* as it experiences multiple existential threats. But just as important, we must also sustain *our own ability to lead* so that we can continue to serve over the long journey ahead.

Pondering these four imperatives as Deloitte Global CEO, I wanted to share my thoughts with you as fellow leaders on this journey, as well as some questions we should all be asking ourselves.

Sustaining our people

OUR PEOPLE ARE undergoing unprecedented levels of stress and uncertainty: workers who have suffered deep personal losses from COVID-19 and/or racial injustices; parents stretching to navigate childcare and major uncertainties over schooling responsibilities while still meeting work commitments; even the loss of basic grandchild-grandparent physical connections. It requires both empathy and courage on our part to lead them forward.

Am I walking this road alongside our people, our clients, and our ecosystem partners, and mirroring their needs?

As leaders, we need to empathize with and acknowledge the myriad challenges our people are currently coping with—many of which have no end in sight. Psychologists describe “ambiguous loss” as losses that are inexplicable, outside one’s control, and have no definitive endpoint.³ Typically experienced when loved ones are missing or suffering from progressive chronic illness, the uncertainties our colleagues are enduring today surely also constitute ambiguous loss:⁴ The loss of our familiar way of being in the world is difficult to understand, beyond our control, and uncertain as to when we can return to some semblance of normal.

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As we discuss in our upcoming *Bridge across uncertainty* guide for leaders, there are three types of stress: good stress, tolerable stress, and toxic stress, the last of which is critical to relieve before people become overwhelmed.⁵ With both ambiguous loss and toxic stress, the better definition of an endpoint and a reduction in uncertainty are important ways we can support our teams. For example, Deloitte has hosted Zoom-based workshops where a cross-section of our people helped to inform return-to-the workplace programs—giving them a greater sense of control. Likewise, sponsoring projects that have a defined endpoint and outcome—where teams can declare that they are “done”—also helps to counter both ambiguous loss and toxic stress.

Am I engaging in—and modeling—courageous conversations to ensure rapid, impactful decisions?

One of the five qualities of resilient leaders we noted in the [article we released at the outset of the COVID-19 pandemic](#)⁶ is *speed over elegance*—taking decisive action with courage based on imperfect information, knowing that speed is essential. “The need to make critical decisions under conditions of extreme uncertainty” is the core context for the emotional fortitude that is part of [the inner work of the CEO](#)⁷.

Courageous conversations are at the heart of such decisive, bold leadership actions, which are even more critical now to sustaining our people. Such conversations enable us to deliver truthful messages and real-time feedback amid the crisis, and require courage:

- To *address* difficult situations such as business closures, layoffs, and furloughs rather than ignoring them and hoping they go away
- To *decide* and implement a course of action, even when unpopular
- To *speak* the truth about the situation, why each decision was made, and acknowledge the implications

And especially:

- To *listen* to the minds and hearts of our people—even if the message is something you might not be comfortable hearing. This can not only help us to formulate a more well-informed decision, but is also essential to sustaining the organization.



Sustaining our organizations

COURAGE ALSO MEANS making short-term decisions with the long view in mind. Now more than ever, our organizations need to preserve and create value over the long term for all our stakeholders by supporting employment, our industries, the community, and the overall economy.

Am I playing offense, not just defense?

In the Respond phase of the crisis, most organizations' leaders found they needed to play defense: keeping their values, their people, their customers, and their business at the forefront. But to thrive in the next normal, we will have to play both defense *and* offense, working to protect our people and our business, but also taking the longer view. We need to lean into the wind and make contrarian moves now so we can come out of the crisis with momentum and a competitive edge. Many companies will play defense, not offense. Winners will do both.⁸

In a June 2020 [survey](#) sponsored by Deloitte and *Fortune* of more than 140 CEOs in the global *Fortune* CEO community, 77% said that the pandemic created significant new business opportunities to play offense.⁹ Prior to the pandemic, [a study of C-level executives](#) found that 56% prioritized investments to *protect* their organizations from disruption by competitors (playing defense), while just 26% prioritized investments to *disrupt* competition with new ways of doing

business (playing offense).¹⁰ This ratio has held close to 2 to 1 for the past three years of this survey.

Am I proactively envisioning the business models toward which I need to steer the organization?

Crises typically prompt major opportunities such as accelerating innovations, expanding ecosystem relationships, anticipating changing market structures, and creating new business models. For example, the current health and social crises are prompting CEOs to rethink their business models. What functions do I need to reshore to build resilience? What functions should I further outsource to provide redundancy and rapid adaptability? Which segment(s) of my workforce can be permanently virtualized, and what digital/cloud technologies should I accelerate to get there?¹¹ Many of us watched silos crumble almost overnight in the rush to respond to COVID-19: Teams became more cross-functional, while ideas, experiences, resources, and expertise were quickly shared in ways that enabled organizations to take more informed, holistic actions. Which of those barriers can be permanently removed?

CEOs believe that the pandemic has triggered an unprecedented need for structural and organizational changes. In a recent survey, we found that their highest strategic priorities involve lasting changes in consumer behavior and customer engagement (70%), technologies or tools that will become part of “business as usual” (61%),

and sustained performance of new/emerging business models (45%).¹² Sometimes, implementing new business models requires bold decisions to invest, even when capital is tight. A recent [study of 200 German C-suite executives](#) revealed that 25% of the respondents experienced EBIT improvements of 15–30% through digitization. And it's not too late to play offense with digital: The most successful companies in the study started their digitization journey less than two years ago.¹³

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Sustaining society

SUSTAINING SOCIETY REQUIRES us as resilient leaders to take an even more active role in influencing social systems and structures for the greater good. Leadership for the greater good requires followership, and followership is engendered by trust.

Am I valuing trust as the currency of effective social impact?

We believe that trust is not ethereal, but rather is a tangible exchange of value; it is the [currency of resilient leadership](#).¹⁴ Recent research has found that 62% of customers who report “highly trusting” a brand buy almost exclusively from that brand for that category. Employees who highly trust their employer are only about half as likely to seek new job opportunities as those who don’t, yet 42% of employees do not highly trust their employers.¹⁵

Sustaining society requires us as resilient leaders to take an even more active role in influencing social systems and structures for the greater good.

Within society more broadly, trust is needed now more urgently than ever, particularly amid the [uncertainties of social disruption and the changing role of institutions](#).¹⁶ According to the Edelman Trust Barometer’s May 2020 update, just 38% of global respondents believe business is doing “well

or very well” at putting people before profits.¹⁷ Further, 62% believe that companies are not doing well at helping their suppliers and partners stay in business.¹⁸ As we consider the organizational and institutional changes in systems and structures, building and “spending” trust will be essential to successfully guiding society.

Am I using our platform and relationships to strengthen social systems and structures?

Whereas philanthropic and social causes often seek time and resources from organizations, one of the most impactful and lasting contributions is influence. Where there is racial or economic injustice, it is often ossified systems and entrenched institutions that perpetuate the unfair status quo. Given each of our organizations’ vast web of relationships—with customers, vendors, ecosystem partners, governments, communities—how do we connect and leverage the full potential of these networks to reform social systems and structures?

Climate change is one area where coordinated action can make a difference. Deloitte is actively leading, convening, and/or participating in ecosystems of like-minded organizations, because tackling the world’s most complicated climate challenges requires teamwork on a massive scale. An outcome of one such effort is [UpLink](#)—a platform developed by Deloitte, the World Economic Forum, and other contributors—that connects innovators and

entrepreneurs with experts, mentors, and investors so that they can collaborate to solve global challenges aligned with the United Nations' Sustainable Development Goals.¹⁹ Initial focus areas for UpLink include the [Ocean Solutions Sprint](#), which has sourced almost 50 entrepreneurial solutions from more than 15 countries,²⁰ and [it.org](#), an initiative to ensure the conservation and restoration of a trillion trees within this decade.²¹

How might we find the *and* between profit and social responsibility? How can we address major social issues using the assets of our core business in a way that is accretive to shareholder value—or even retool our business to concurrently align shareholder value and societal impact? In a [study of C-level executives](#), eight in 10 CxOs reported

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having developed products or services in the past year that make a positive impact on society or the environment.²² These positive impacts extend beyond products and services to the workforce: Cargill regularly sponsors employees in the Partners in Food Solutions program, where they volunteer with more than 900 small and growing food producers in Africa. Besides delivering a social good on the continent, the employees benefit from gaining hands-on global experience and Cargill benefits from innovative ideas and solutions their teams bring back.²³

Sustaining our ability to lead

WE OWE IT to our people, our organizations, and society to be personally fit in mind, body, and purpose to serve them over the long haul. Facing what may be the most extraordinary leadership challenge in our lifetimes, the risk is that we will cross the depletion point before we recognize it. We must not only sustain others—we must sustain ourselves. Doing so means asking ourselves difficult questions.

Am I honestly looking inward?

To lead outward, you must first look inward, echoing Plato's "know thyself." In times of stress, it is easy for us as leaders to revert to old, less healthy patterns of leadership. I have found that the best leaders exhibit keen self-awareness and personal vulnerability. *New York Times* editorial columnist and author David Brooks described the effective leaders he studied using the metaphor of two mountains: "If the first mountain is about building up the ego and defining the self, the second is about shedding the ego and dissolving the self. If the first mountain is about acquisition, the second mountain is about contribution."²⁴

Honest introspection by a leader affects the organization as well. As Brooks adds, "I've come to recognize first- and second-mountain

organizations too ... Second-mountain organizations touch people at their depths and leave a permanent mark ... These institutions have a collective purpose, a shared set of rituals, a common origin story ... They don't merely educate; they transform."²⁵

Am I managing my energy— which is much more important than my time—to be at my most productive?

The secret to productivity is not time management, but energy management. High-performing athletes engage in interval training, which tears down the muscle and then gives it a rest to rebuild itself stronger. Likewise, high-performing executives have perfected the art of oscillating between spending energy and recovering energy, following natural human rhythms of 90- to 120-minute periods of work punctuated by intentional short periods of recovery (which can be as simple as walking up and down the stairs or doing a puzzle) in a mental version of interval training. As authors Jim Loehr and Tony Schwartz put it, "The richest, happiest and most productive lives are characterized by the ability to fully engage in the challenge at hand, but also to disengage periodically and seek renewal."²⁶

Sustaining our impact

NONE OF US know how long the COVID-19 crisis will last or the path the virus will take. Likewise, the major disruptions stemming from racial injustices, social inequality, climate change, and economic stress may further lengthen the path to a “better” normal. As CEOs, we are called upon to sustain through the crisis.

These sustaining responsibilities are akin to a stone dropped in a pond: The stone drops deep into the water, sustaining our ability to lead by looking inward; the ripples reach out to sustain our employees by walking alongside them, our organizations by courageously refining the strategy and playing offense, and society by investing in trust to make positive social change in institutions and systems.



Endnotes

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About the author

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Punit Renjen became Deloitte Global CEO in June 2015 and was reelected in 2019. Deloitte operates in 150 countries, with more than 300,000 professionals and 2019 revenues of US\$46.2 billion. Renjen is also a member of the Deloitte Global board of directors.

As Deloitte Global CEO, Renjen set in motion a global strategy to achieve undisputed leadership in professional services. In his first term, he led collaborative strategic efforts that resulted in more consistent experiences for Deloitte's clients, professionals, and communities. Under Renjen's leadership, Deloitte launched WorldClass—a global effort to prepare 50 million futures for a world of opportunity—based on the belief that when society thrives, business thrives.

Prior to his current role, Renjen served as the chairman of Deloitte LLP (US member firm) from 2011–2015. As chairman, he led the board in providing governance and oversight on priority matters such as firm strategy, operations, risk mitigation, and talent development.

In 2020, Renjen was awarded the Oregon History Makers Medal by the Oregon Historical Society in recognition of his visionary business leadership. Outside of Deloitte, he is a member of the Business Roundtable and the International Business Council of the World Economic Forum. He also serves as the member of several not-for-profit boards, including the US-India Strategic Partnership Forum (vice chairman). Previously, he served as the chair of the United Way Worldwide.

Renjen was born and raised in India. He moved to the United States on a Rotary Foundation scholarship to attend Willamette University, where he earned a master's degree in management; he previously served on the Willamette University board of trustees. He is married and has a son.

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Acknowledgments

Special thanks for content contributions by **Brenna Sniderman**, **Claire Hassett**, and **Kara Shuler**.

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