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Architects of Change

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**Rebuilding
the World's
Confidence**

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Rebuilding the World's Confidence

THE Leadership Challenge

Confidence across the globe has been shattered.

Certainties have been trashed and replaced with a myriad of unknowns. Citizens and employees are “punch drunk” from being impacted by events imposed upon them.

As ‘back to a new normal’ begins to take shape leaders must focus not only on new systems and ways of working but also on their people and rebuilding their confidence. Confidence to act, make decisions, take risks and move forward.

The recovery from the Pandemic needs leaders to ‘Rebuild the World’s Confidence’.

Beyond ‘recovery’ or the idea of rescuing team members it should also be recognised that there is enormous potential, talent and technological innovation that can be realised. Talent needs confidence to create performance.

We have identified **5 key areas** that leaders need to address in ensuring that their employees not only rebound to previous performance levels but move on to higher performance levels with restored confidence:

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Rebuilding the World's Confidence

There is a plethora of advice from the trusted sources of insight. From McKinsey to Deloitte there is strikingly similar advice on the road to Rapid Revenue Recovery. The IBM Institute for Business Value (IBV) in collaboration with Oxford Economics published a report¹ recommending leaders focus on:

- Strategy and company policies that **support remote and distributed work**, with specific guidance and rules in place
- A clear vision of how **culture and management systems** are expressed and balanced in a remote setting
- A culture that applies the underlying principles of agility across all aspects of the business, enabled by **strong digital communication methods, tools, and ways of working**
- Flexible design of both **physical and digital workspaces**, and workflows that encourages a collaborative culture, rapidly adaptable to change—and as effective in a remote, distributed manner as in a co-located environment
- An accelerated **online, personalised skills and development strategy** for employees to adapt to new needs and reshaped business
- A **renewed vision of talent sourcing**, and how work gets done in a remote environment where all resources are now equidistant and accessible digitally, such as job sharing, crowd-sourcing and distributed talent sourcing
- An **innovation mindset** that takes the opportunity to step back and assess where work could be reimaged, refined, or rededicated.

What is missing is leading people. People have already had their belief systems shaken. Any of the above new systems and processes need renewed confidence.

The IBM IBV acknowledge “Communication is key. Be aware that what leaders think they’re communicating isn’t always being perceived the way they intend. Our research shows that 74 percent of executives say they are currently helping their employees learn to work in new ways, yet only a third of surveyed employees said the same: a 36-point gap. Clearly, we need to build feedback loops into all interactions”.

Rebuilding the worlds confidence is THE Leadership challenge.

We have scraped the world of research and identified 5 critical leadership challenges and themes that will need attention. Here we share those themes and guidance on the steps leaders can take.

**Rally the employees
around your**

Purpose &

Goals

1

1.

Rally the employees around your Purpose & Goals

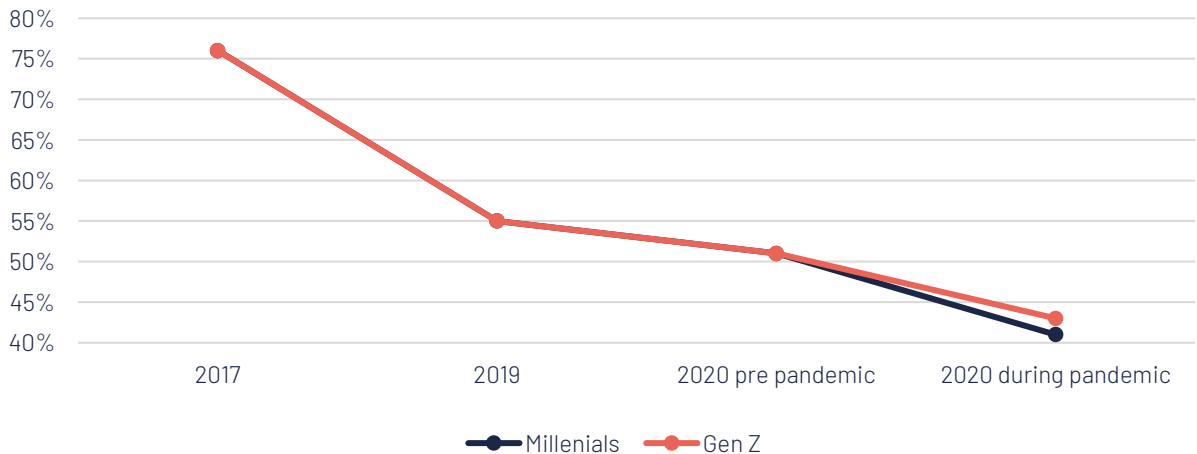
“Leaders must set out a compelling vision with which their employees can identify”

Confidence requires direction. There is a profound psychological difference between ‘event-based thinking’ and ‘goal-based thinking’. Direction and goals provide motivation as long as that direction is purposeful and meaningful. People need confidence to apply their energies. They also need to know that they are applying their energies to something important.

During the Covid-19 pandemic people placed health, family and freedom of movement ahead of work in importance. People need to know and have confidence that the work they do is bringing value.

Deloitte conducted a recent study² of Millennials and Generation Z employees and asked whether ‘business was a force for good’. There has been a marked decrease from 76% in 2017 to just 41% (Millennials) and 43% (Gen Z) in 2020.

Can business be a force for good?



In other words, the younger employees have lost the association between their goals and their employers business goals, and this trend is not new. Left unchecked this disconnect will sever the loyalty of your people.

²Deloitte Global Millennial Survey: 18,000 respondents: The initial 2020 survey was done over the new year period prior to the pandemic in 43 countries: 5 They repeated a mini pulse survey in 13 countries during the pandemic in late April/early May (April 28 to May 17)

Leaders will need to provide a clear vision and to take the time to translate that vision into meaningful actions for each individual in their teams. They will need to make sure they can also translate how achieving the goals is both valuable to the firm, the employee and the wider community to ensure the team is confident that they are 'doing good'.

Goal focus not only creates motivation and confidence but also delivers on the wellbeing and economic agenda.

Purpose is also related to wellbeing and health:

- Purposeful people even live longer and healthier lives. One study³ found that a single standard deviation increase in purpose decreased the risk of dying over the next decade by 15 percent—a finding that held regardless of the age at which people identified their purpose. Similarly, the Rush Memory and Aging project, which began in 1997, finds that when comparing patients who say they have a sense of purpose with those who say they don't, the former are:
 - **2.5x** more likely to be free of dementia
 - **22%** less likely to exhibit risk factors for stroke
 - **52%** less likely to have experienced a stroke
- McKinsey's own research⁴ finds a positive correlation between the purposefulness of employees and their company's EBITDA margin.

Against this backdrop, CEOs and other senior executives should pay more attention to individual purpose as companies return to operations and begin feeling their way into the subsequent phases of the "next normal."

Before you can do any of that, however, you need to help your employees better understand their own purpose and how it operates, starting with the general types that help describe and characterise it.

The Leadership Challenge:

1. Create a **compelling vision**
2. Make the vision **meaningful** for each individual
3. **Connect** the vision to value for the community and social good
4. Drive **goal centric actions** and behaviours daily

³* Patrick L. Hill and Nicholas A. Turiano, "Purpose in life as a predictor of mortality across adulthood," Psychological Science, Volume 25, Number 7, pp. 61482-6, May 8, 2014, journals.sagepub.com.

⁴ Igniting Individual Purpose In Times Of Crisis: McKinsey Quarterly, August 2020

Find your
**Focus &
Identity**
in the multiverse

2

2.

Find your Focus & Identity in the multiverse

"Working From Home (WFH) does not provide the environment and mindset for complex problem solving"

The home has become a multiverse. It's where we work, eat, play, and connect with our families and friends. The context and environment affects our mindset.

All humans have multiple personas or identities. These identities show up in different behaviours, language patterns, vocabulary, tonality, formality e.g. notice the different language you use with your children or relatives compared to work colleagues or your doctor. We all flex depending on the context.

Our environment plays a huge part in defining the personas and also signalling to our brains to flex. Prior to the pandemic many of us will have 'switched on' our work persona as we entered the office building.

All these separations have now been lost. Working from home, living where we work, play, socialise, home-schooling brings with it a new 'multiverse'.




Confidence is directly connected to the image that we have of ourselves when we occupy each persona.

Leaders and organisations need to help employees to 'switch on'. This involves branding their work environment, technology, Zoom platforms as well as making sure their equipment is suitable, safe, ergonomic and that their Wi-Fi connectivity is strong.

Confidence in the environment, technology and company brand is critical to getting into the appropriate state, frame of mind and using the appropriate behaviour and language that is consistent with your company and its culture.

Management of the multiverse brings with it confidence and focus. Living and working in the multiverse provides a multitude of distractions and loss of work identity.

According to McKinsey⁵, over the months of social isolation, consumers' net intent to take part in a variety of distracting activities in the home has shifted, with an increase of 54 percentage points for cooking, 30 to 40 percentage points for at-home entertainment, and 22 percentage points for home improvement. Similar shifts were seen across the globe:

	30%	increase in gaming app downloads
	45%	of consumers report using more online streaming services
	16	million new Netflix subscribers in 5 months
	50	million Disney+ subscribers, doubling it's subscriber base
	200	million from 10 million daily Zoom users over 3 months
	43%	of consumers are watching more television
	49%	of people are using more social media
	28%	are listening to more radio
	39%	increase in readership of online news

Not only does the multiverse create a variety of distractions, but it also presents a different mindset; the kitchen table is associated with food and cooking; the bedroom with sleep amongst other things; the lounge with relaxation and favourite TV shows. Whilst workers hold onto these associations they will struggle to occupy the work identity.

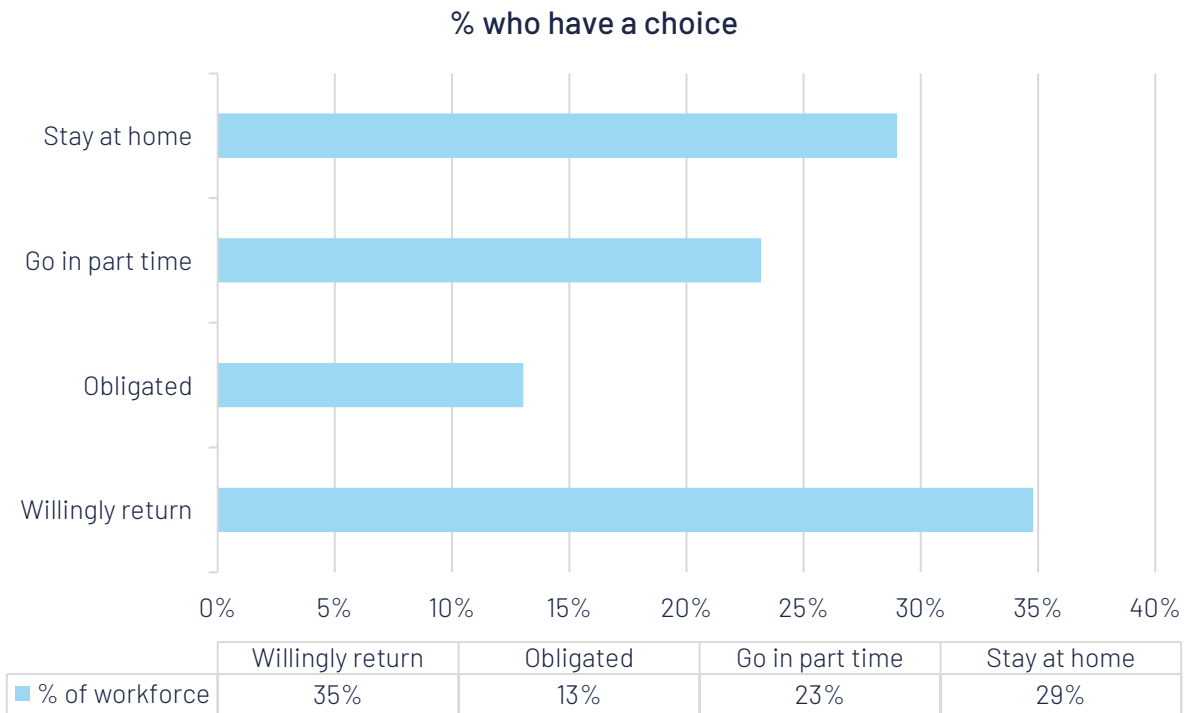
Leaders need to help employees create time space and environments that are easily branded as work, and congruent with the company brand and culture.

Because of the lack of the work environment, there is little depth to thinking about more protracted issues and complex concepts. Ideas are difficult to build upon and with each interruption they collapse to a more basic level.

⁵Meet the Next Normal Consumer: McKinsey and Company August 2020: Victor Fabius, Sajal Kohli, Björn Timelin, and Sofia Moulvad Veranen

What happens when we return to the office?

Many organisations are making strategic decisions to reduce office working and retain elements of home working to reduce operational costs as well as support 'work-life balance' and working preferences for employees. LinkedIn research says only 35% would willingly return.



If teams are mixed between home and office working it will be even more important that everyone has the same sense of belonging and team identity. To have separate cultures in the same team will create further ambiguity and reduced certainty and confidence. If there is a branded office there needs to be a branded home office.

The Leadership Challenge:

1. Create branded **goal driven** environments.
2. Ensure technology and equipment is **fit for purpose**.
3. **Brand** your zoom / WebEx/ virtual meeting environments
4. Create a consistent cadence of **work rituals** for the team e.g. morning goal meetings, 2pm check in meetings
5. Use **office space** for longer team sessions to ensure confidence in the ability to achieve solutioning and complex problem solving rather than surface level tasks and process.

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Sponsor

Wellbeing,

Mental

Toughness &

Resilience

3

3.

Sponsor Wellbeing, Mental Toughness & Resilience

“Leaders must be visible and proactive in addressing health issues”

Without doubt mental health, wellbeing and health has been the number one employee topic during the Covid-19 pandemic and is set to continue into the ‘new normal’.

LinkedIn report that 69% of L&D professionals said that supporting wellbeing and mental health was a new part of their job since the pandemic started.

Leaders need to help employees cope in terms of mental, emotional and physical health, bounce back to prior levels of self-belief and confidence and also thrive and develop new growth mindset and drive for their performance

Covid-19 placed heightened levels of stress, disruption and uncertainty on employees. Financial stress, connected to work stress, connected to personal stress. Graduates entered a much-weakened job market, the elderly faced health and isolation anxiety, families were stuck at home schooling their children, reconfiguring their homes and adapting to new ways of working.

If we look at the generational picture each generation has its own set of issues. Baby Boomers were the “at risk” group and have been isolating at home; Gen X and Y have been worried about parents, doing home schooling, and often had influx of dependent relatives , and on top of all this have been working from home.

All of these things have created a pressure cooker environment.

Deloitte surveys 18,000 Millennial and Gen Z people every year. The study reveals startling trends. This year the study was repeated during lockdown to get a perspective on changes.

The regular survey had established a backdrop over the last 4 years of a rising number of Millennials and Gen Z who declare that they feel stressed “all or most of the time”, peaking this year pre-Covid at 40% for Millennials and 50% for Gen Z.

The issue here is that stress has a cumulative effect if it is continuous. Chronic stress is more damaging to mental health than heightened short term stress. Millennials entered the Covid-19 pandemic with low reserves of resilience.

Since Covid-19 arrived:

- **30%** of millennials and **25%** of Gen Z had lost their jobs or been **furloughed** by then
- Another **27 % M (23% Z)** were working **shorter hours**
- Some were working **longer hours (8% M, 5% Z) without higher pay**
- Only a few were **unaffected (33% M, 38% Z)**



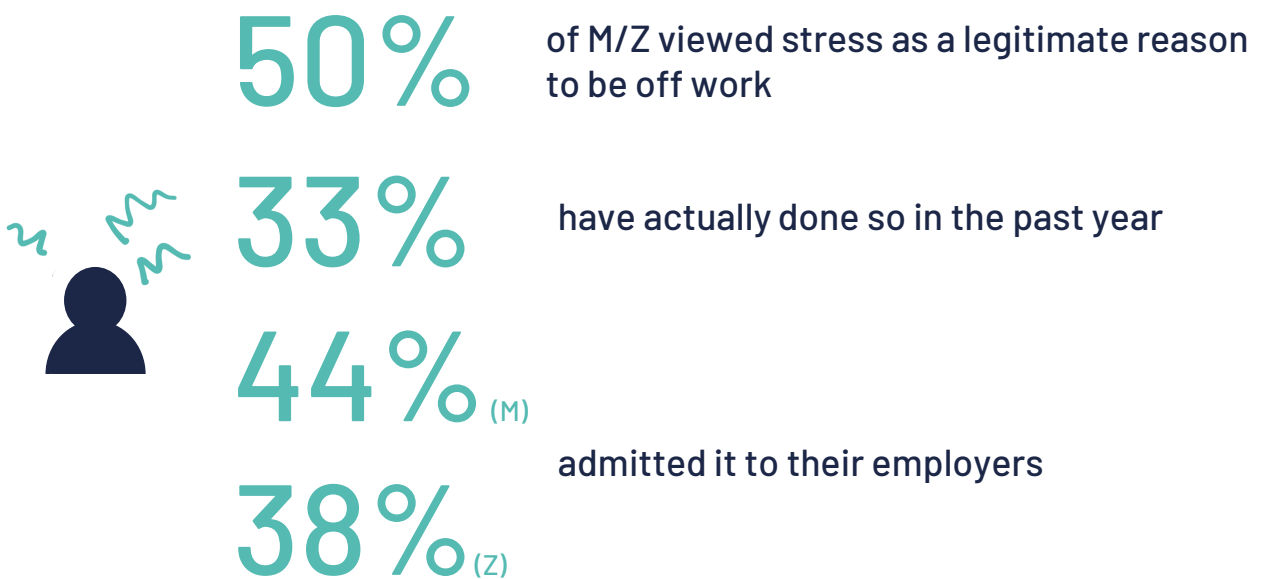
The McKinsey WFH study 2020 reports that “Public health and uncertainty about the length of the pandemic became the primary consumer concerns during the lockdown, with 68 percent saying they were very or extremely concerned. Self-care has climbed up the priority list for most consumers. Here, too, digital is playing a larger role as the use of e-pharmacy and e-medicine accelerates. Of consumers who had to cancel medical appointments during the lockdown, 44 percent accessed telehealth options, and online searches for telemedicine increased more than nine-fold.”

Leaders went into crisis management mode, communicated well in terms of business implications with new operating models. HR were inundated with new mental health and resilience needs but the demands for support is still increasing and unlikely to dissipate.

Deloitte's WFH study⁶ noted that most employees felt that early responses to the Pandemic were viewed as positive but 'my manager supported my mental wellbeing' scored lowest behind:-

- My manager provided regular communications
- They took positive action
- My company had supportive policies
- My company provided good IT support
- My employer reacted quickly

Mental wellbeing is becoming more important particularly to Millennials and Gen Z:



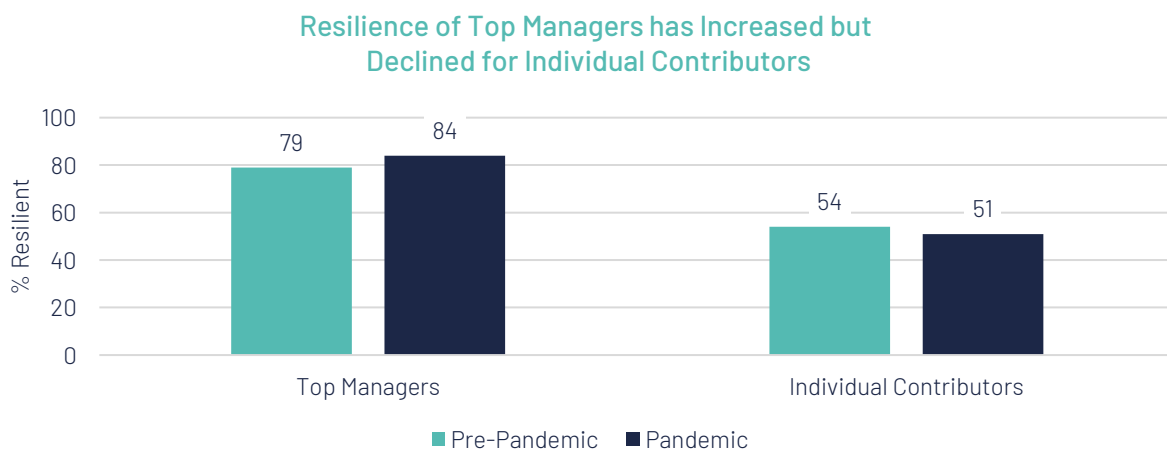
Women were 10% less likely than men to admit the cause. There is also a very strong correlation between organisations who are perceived as good at supporting mental health and the proportion admitting it.

Leaders must recognise their role in the mental wellbeing and confidence agenda.

It is not just about deferring responsibility to an EAP (Employee Assistance Programme). It's not just about catching employees when they fall but rather providing leadership engagement, support, care, connection and rebuilding of confidence on a daily basis.

⁶ Deloitte's <https://www2.deloitte.com/uk/en/pages/consulting/articles/working-during-lockdown-impact-of-covid-19-on-productivity-and-wellbeing.html>. Research was carried out by Ipsos MORI on behalf of Deloitte LLP. It screened a nationally representative quota sample of 2,213 UK adults, filtered to a sample of 1,321 workers aged 16-75, using its Online Omnibus. Fieldwork took place between 14th and 18th May 2020.

According to Zenger Folkman resilience in leaders increased during the pandemic but decreased for individual contributors. This may be because leaders had to step up; or that leaders had access to more resources; or that leaders had more 'built in' experience based resilience strategies. What is clear is that employees didn't feel the same. Rather than expect them to 'pull their socks up' leaders need to own their role in supporting and rebuilding strength, fortitude and self belief.



The 2020 Edelman Trust Barometer Survey ⁷ recommends creating a new position of Chief Health Officer to signal that the company places wellbeing issues at the top table. We believe that the agenda for this role would include the development of mental toughness as a preventative investment as well as resilience based curative measures.

Mental toughness as distinct from resilience, is not only about absorbing the pressure of events and bouncing back to your original state but is also about growing and performing above your original level.

The Leadership Challenge:

1. Visibly and **proactively engage** with resilience and mental toughness programs, mentoring and self-help tools
2. Generate, analyse, and review people **data sources** to create a dashboard of people health in the same way that business performance information is reviewed.
3. **Communicate** vulnerably, intimately and abundantly to enable employees to be vulnerable in return.
4. Don't wait for a problem to manifest, **instigate** individual growth programs to develop mental toughness in advance of the next big change/crisis.
5. **Tailor** and segment your mental toughness programs by generation.

Create
Optimism &
Belief
in the future

4

4.

Create Optimism & Belief in the Future

"Leaders can create and sustain hope"

Optimism is a feeling we have based on a story we tell ourselves about the future. Whose stories should people be listening to? Leaders need to own and manage the narrative. Its not that this should be aimed at ignoring the facts, but rather that it prevents the uncontrolled drift from the facts to a negative interpretation. Left unchecked human beings interpret negative consequences twice as easily as they interpret positive consequences. It's the role of leaders to redress the balance.

Confidence is needed here and now but that confidence is rooted in a belief that the future will be better. A belief that there is a point to it all and the sowing of seeds of energy, commitment and determination will be reaped.

What makes someone feel optimistic about the future? Certainty, security and stability in the present but also, a strong narrative and direction about the future and their role in that future.

When the narrative is dominated by job losses, tax increases to fund the pandemic, business collapse, recessionary market data then both the present and the future look bleak. Add to that the personal narratives:



The Edelman Trust Barometer 2020 Survey reports that many get their information from Social Media (35%) even though they admit that it is unreliable (37%). So, there is a lack of reliable information out there and leaders must fill this vacuum.

Confidence in our future is linked to confidence that we are being thought about, considered and involved in business activities but WFH reduces social interaction. Networking is harder, collaboration is harder and social interaction is harder, so career development and visibility is reduced.

Deloitte’s 2020 WFH Study showed that when people work in their usual workplace environment, they:

...like the social interaction **(45%)**

...are more collaborative **(31%)**

...network more easily **(25%)**

Above all optimism is a group phenomenon. There needs to be constant sharing and reinforcement of optimism about the future driven from leaders. Teams are the place where maximum influence permeates, so induce teams to look to the future, and re-invent themselves. Teams should be encouraged to have regular huddles to problem solve and share wins, celebrate success and fertilise green shoots of recovery.

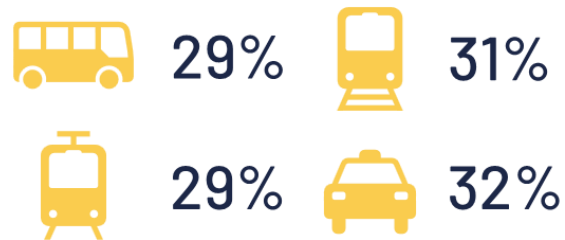
When workplace optimism is present, employees focus on possibility rather than problems. A Growth Mindset looks for the opportunities presented by change. Establishing a growth mindset requires conscious intervention to coach employees on the adoption of positive responses to challenges.

Leaders need to commit to a style of coaching around Carol Dweck’s six fundamental levers of a growth mindset which are:



By advocating and creating a growth mindset employees begin to “learn optimism”, as expressed by Martin Seligman in his book “Learned Optimism”.

In order to address and build the feeling of optimism there are some fundamental basic needs that leaders need to satisfy. The Edelman Trust Barometer 2020 Survey reported that over 70% of people expect a second wave of the virus. They report very low levels of trust in public transport:



They also report that only half of employees regard the office as safe.

The company is not seen as the authority in determining a return to the workplace. Edelman found that Health authorities (22%), Governments (41%), and workers themselves (18%) are all regarded as more important advisors than CEOs (14%). Leaders can demonstrate the steps that have been taken to make the workplace experience safe in advance of employees going back to the environment.

The survey further reveals that a surprising 36% of workers are not sure or would not take a government approved free vaccine if it was offered.

It is important to check the "pulse" of the workforce regularly. Don't wait for an annual survey. There are powerful tools that support feedback from the workforce and dashboard interpretations, which take only a few minutes input from employees.

Leaders need to hold regular one-on-ones and learn first-hand what is going on. This can skip management levels and set a tone for enhancing bottom up feedback. This enables direct engagement of a leader's own optimism into the social narrative.

For leaders its important to espouse and support your company values. Most employees don't consciously identify with the company values or compare them to their own personal values. Leaders should reach out to help this happen and respond to misalignment. This is a good time to dust off the company values and make them work. Apply the values to the current environment and engage a debate with employees about what they mean to them now in these times.

The Leadership Challenge:

1. Use the contagious nature of optimism by **engaging** teams.
2. Promote and develop **Growth Mindset in yourself and your teams**
3. **Communicate quick wins to fertilise optimism in others**
4. Take the **company pulse**
5. Get **bottom up** input

Be

Inclusive

5

5.

Be inclusive

“Don’t just invite people to the party... make sure everyone gets to dance”

Some people are loving working from home. It provides flexibility, reduces travel time and can result in greater productivity. Others are not. For some it simply doesn’t suit their style of working. This shows up in work behaviour as well as consumption behaviour.

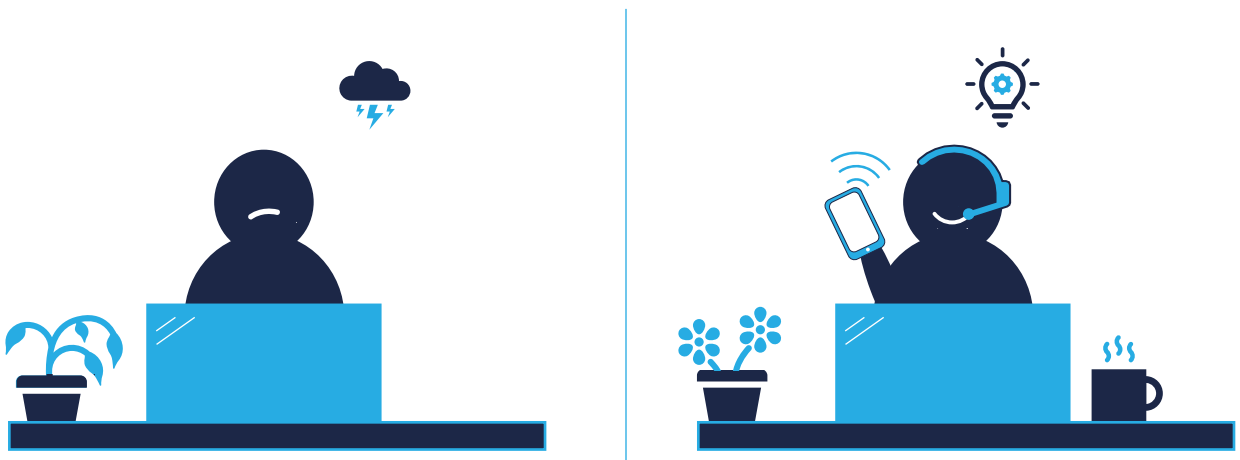
Leaders will need to adapt their communication and engagement strategies to support those that would prefer a socially interactive environment. Confidence and enjoyment or fulfilment go hand in hand in driving activity and performance

For some homeworking is isolating, and they feel distant. For some it has exaggerated existing relationships. Where any bias may have existed, that bias may now have been multiplied. Covid-19 has shone a light on existing prejudice and unconscious bias across gender, colour and sexual orientation.

A lack of interaction, engagement, involvement means an even greater sense of separation.

Less informal conversation, less participation in interesting projects, fewer invites to discuss, ideate, decide the direction of the business.

Millennial and Gen Z women are reporting even higher levels of stress in the workplace than their male colleagues. In the Deloitte pre-Covid survey of stress they reported higher percentages feeling “stressed all or most of the time” M (+7%) Z (+11%).



Don’t assume everything is okay.

In the Edelman Trust Barometer survey Women were 12 points less likely than men to take a free approved vaccine, and People of Color 10 points less likely than White People. Employers have a crucial role in accepting vaccines as they scored equal influence (68%) with Health Authorities.

Confidence in fairness, confidence in being included, confidence in being respected requires an even greater responsibility from leaders and managers

Leaders will need to be culturally aware from communication styles, to archetypes, to cultural responses to mobility and human connection.

We need to be clear on the distinction between diversity and inclusion. Diversity is making sure that everyone is invited to the party, inclusion is making sure that everyone gets the chance to dance if they want to and is allowed to freely express themselves. It is often the organisation that creates diversity but it is the leaders and managers within the organisation that ensures inclusion.

Managers are the front line in developing inclusion and need guidance on how to achieve this balance, and aspects of this cultural training should be available to all employees as they form the peer to peer element of the workplace environment. It is also important to have an employee feedback system and conduct regular assessments

Be sure also to conduct a comprehensive review of your policies. Some of them may contain hidden issues which cut across the modern definitions of inclusivity, particularly on subjects like gender neutrality and vacation policies for different cultures.

In communication with employees, it is important to recognise that few employees will feel comfortable calling out any lack of inclusion. So, leaders need to reach out to potential groups for feedback.

The Leadership Challenge:

1. Make sure that inclusion is **understood** across the management and employee spectrum
2. **Don't assume** everything is OK just because you don't know of any issues
3. Review your **policies** ... they may be out of date
4. **Be aware** that the perspective of diverse groups is difficult to gauge, as it is camouflaged by company culture
5. **Practice inclusive facilitation** of team meetings
6. **Connect more frequently** with those that may feel more separate and isolated

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Summary

6

6.

Summary

For a number of years now there has been the joke image distributed across social networks of the new Maslow Hierarchy; one that has Wi-Fi as the most fundamental need before food, water, safety, shelter, belonging, self-esteem and self-actualisation.

In most business environments Wi-Fi, safety, shelter, and belonging were a given, having a job fulfilled those needs and leaders and managers just needed to focus on motivating the team to perform even better with incentives and achievement based self-esteem.

Right now, and into the post Covid-19, the world requires confidence rebuilding from the base of the hierarchy and, yes, that includes Wi-Fi at home. Many workers set up their Wi-Fi in an ad hoc way, with poor connections leading to intermittent wireless connectivity. A simple health check might fix any problems. This is now the conduit that businesses are relying on for their performance.

Leaders will need a new level of people centric empathy to deeply understand how the pandemic is and has affected their team members. They will need to focus on driving performance and task completion but to do so a far greater emphasis is required on the rebuilding of the psyche of the team, the identity, the wellbeing, the optimism, the engagement and inclusion and to do so the drive and energy because the goals they are focussed on are meaningful.

At the top of this paper you may have noticed it said, 'the local leadership challenge'. Global leaders, CEOs need to continue to bring organisational stability and market confidence but personal confidence comes from proximity and control. It is the local leaders in the community, the team leaders and departmental leaders that have proximity to team members to build personal empathy and connections as well as develop real plans, real goals that are inside the 'circle of control' and as such are actionable. It is the local leaders that are closer to the local truth that makes a difference.

Rebuilding the world's confidence one person and one team at a time is **THE LEADERSHIP CHALLENGE.**

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