

How to recognise, develop and measure Organisational Resilience



Organisational resilience has become the buzzword in the Covid-19 survival playbook, but I keep wondering, what does that really mean? What does a resilient organisation look like? An Amazon search revealed more than 7 000 publications around the topic of individual resilience, whilst combining the search with the word “organisation” resulted in less than 100 products – of which you would be hard-pressed to find one that does not refer to Covid-19.

Traditionally, organisations rely on individual leadership to show resilience in a time of adversity. The internet is flooded with information about becoming an agile and adaptable leader and in most cases, organisational survival and success is closely correlated to leadership capability. While I agree that leadership plays a critical role, putting the responsibility for organisational resilience on the shoulders of leaders and managers could pose some challenges.

For one, it is incredibly difficult to concretely measure individual resilience. It is very much based on perception and varies from person to person. In addition, I believe that even the most successful leaders have a resilience threshold – a boundary where “enough is enough”. In times of adversity, organisations should have mechanisms in place to lessen the burden of survival on leaders in order to preserve their mental and physical well-being. We need our leaders to be able to think, create and communicate in an environment that is not in constant need of their attention.

Another mechanism favoured to showcase organisational readiness in time of crises, is the business continuity and disaster recovery plan. In my experience, these well-intentioned plans are seldom tested, rarely well-communicated and often make for good bedtime reading for those struggling to fall asleep. Yet, auditors have to issue an opinion on their effectiveness – which begs the question, how do they know? Surely if our BCPs and DR plans were effective we would not have seen a world-wide scrambling

for answers when the pandemic broke out? After all, we have been warned for years that this could happen.

The Resilient Organisation: What it looks like

One can define organisational resilience, much as personal resilience, in the sense that it is the organisation's ability to "bounce back" after suffering trauma, loss or disruption. The Covid-19 pandemic, although first and foremost a humanitarian crisis, has caused, and is still causing, significant business disruption. The crisis management approach followed in the beginning of the pandemic needs to be replaced with a sustainable mechanism to continually manage the growing list of unexpected challenges organisations will keep facing on a regular basis. We will be subject to changes in legislation, regulation and elements much wider than were previously under our control, as we learn to live with the virus. Much has been researched and documented on human and personal resilience, so what would happen if we applied what we know about resilient individuals to organisations? What if we could define, in organisational terms, that which has always been defined in humanitarian terms? We would then have a framework for the identification, development and measurement of organisational resilience in a manner that is practical, easy to implement and adaptable to size, industry and environment.

A framework developed on these principles, recognises the role that resilient leaders and employees play, but is not dependant on having them within the organisation. It does not deal explicitly with any particular leadership style, but shows in organisational terms what resilience looks like when being compared to personal (human) resilience.

The table below is an analysis of the traits and characteristics of the resilient person, translated into what these would look like in an organisation.



Sense of Control:

Decisions based on real-time, accurate and readily available information. No one running around trying to figure out what is real and what is fake. Staff receive the same unambiguous message.



Goal Orientated:

Capacity to make and ability to carry out realistic **plans**. Employees know the plans; feel empowered to accomplish them and know their role in fulfilling them. Goals as SMART; all realities have been considered; options include innovative and flexible solutions. Task division is clear.



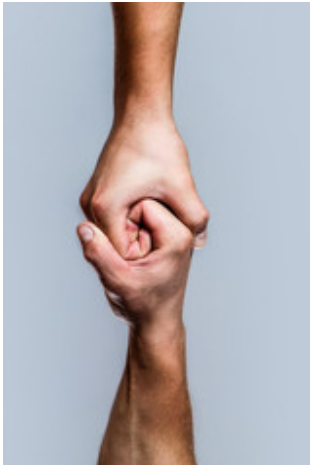
Strong Social Connections:

A clearly communicated and visible practice of the organisational “why”. Having strong connections to staff, peers, clients, suppliers, regulators, legislators and the community. There is a strong sense of measurable trust.



Strong Problem-Solving Skills:

Active scenario planning. Encouragement of innovation and brain-storming activities. Culture where there is no fear of failure and deadlines are more relaxed (Creativity can't flourish under pressure)



Asks for help:

Engagement with and involvement of staff, peers, clients, suppliers, regulators, legislators and the community.

Transparency and vulnerability in communication with an honest intent of seeking and offering assistance.



Survivor mentality:

Viewing change as a challenge or opportunity and having confidence in your strengths and abilities. Positive and energising organisational communication aligned to positive and energising interaction with environment.

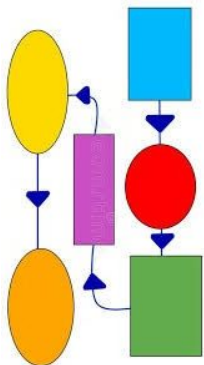
The Resilient Organisation: How to achieve it

There are three foundational elements, based on the above characteristics, which enable Organisational Resilience.



Data: Accurate, real-time and available to enable

- Financial analysis (clients, suppliers and cash flow)
- Regulatory change analysis
- Workforce planning
- SWOT and PEST analysis
- Scenario planning (clients, suppliers and cash flow information)
- Factual media statements and communication



Systems and Processes: Agile and adaptable to enable

- Effective communication (message sent = message received)
- Alignment of the organisational 'Why'
- Problem-solving and decision-making (brainstorming and mapping)
- Goal implementation, tracking and adjustment
- Measurement of control effectiveness
- Measurement of trust



Trust: The following is required

- Organisational transparency (workforce, suppliers, clients, community)
- A workforce committed to attaining results (engaged and empowered)
- Environments free of judgement and allowance to speak freely
- Culture of experimentation (ie no fear of failure)
- Transparency and vulnerability with an honest intent of seeking and offering assistance.

The new matrix for measuring Organisational Resilience

Traditional indicators of resilience would typically address areas of Leadership and Culture, Networks and Relationships and Change Readiness. These indicators would then be applied across functional areas such as supply chain, operations, finance and workforce. The impact on business disruption caused by Covid-19 however brings these traditional mechanisms into question. No amount of effective

partnerships, purpose and planning could save an industry that died overnight – such as travel and hospitality. Phenomenal leaders fell and businesses crumpled for reasons that were completely outside the control of the leaders and their teams.

The new matrix for measuring the requirements of organisational resilience is as follow:

Indicator of Resilience

Data:

Availability
Accuracy
Real-time, relevant
Coverage areas
Use (decision-making)

Systems and Processes:

Analysis (business intelligence)
Flow of information
Communication
Agility - adaptability

Trust:

Attention to results
No fear of conflict
Accountability
Commitment

The Resilience Framework



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