



Managing People Through Uncertainty

Employee Well-Being and Strategic Surveys
Conference, April 23rd and 24th



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The Presenter



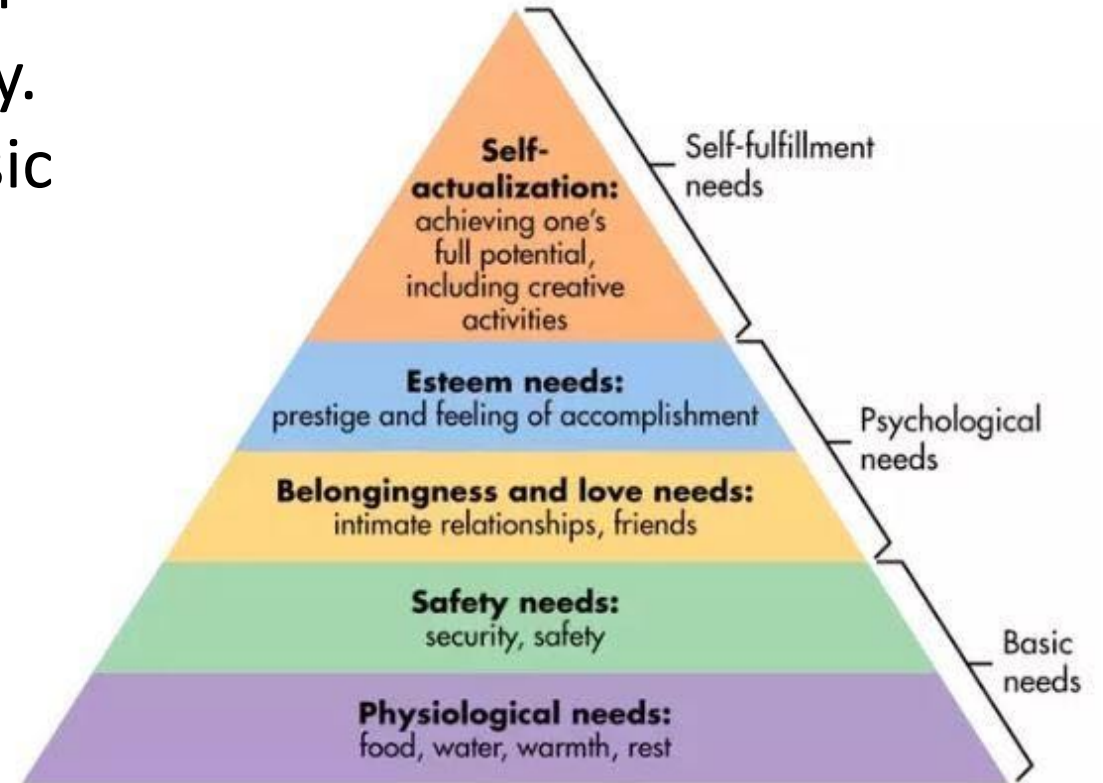
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Author of the following books:

- Lifecycle Surveys: Individual and Organizational Journeys. In Employee surveys and sensing: challenges and opportunities. Oxford University Press. (2020 – with Scott Brooks & Victoria Hendrickson)
- Creating the Vital Organization, Balancing Short-Term Profits with Long-Term Success (2016 – with Scott Brooks)
- Strategic Surveying in the Global Marketplace (2010), appearing in Going Global (with Scott Brooks)
- My Jeans are Irregulars (2009)
- Five Global Truths (2008), appearing in Building High Performance People & Organizations (with Jeff Jolton)
- Well, I Don't Think that is Going to Grow Back (2008)
- A Moose in the Distance (2007)
- Regular blogger (jeffreysaltzman@wordpress.com)

Things you should know...and likely already do.

People tend to revert to lower level needs during periods of uncertainty. There is a strong desire to have basic needs met.



Maslow's Hierarchy

Things you should know...and likely already do.

What causes that reversion?

1. Fear (normal reaction emanating from amygdala) + Uncertainty (lack of information, neocortex) = **Anxiety**
2. Anxiety + Social Contagion (social media) = **Panic**



Worry from anxiety leads to more anxiety and becomes a feedback loop. Decreasing worry can lead to reductions in anxiety. Worry by itself doesn't solve anything.

Judson A. Brewer, MD, PhD

Things you should know...and likely already do.

Uncertainty and fear can lead to changes in behaviors.



	% Very Greatly or Greatly Concerned about Personal Financial Well-Being, who are Delaying Purchases	% With Little or Very Little Concern about Personal Financial Well-Being, who are Delaying Current Purchases
Currently	86	6
Over the next 6 months	82	6

2008 Survey of 15,000 random full-time employed workers on Employee Confidence in 12 countries

“...we are so tightly interconnected that a virus can reach each one of us, yet so insular that we cannot conceive of what happens in one place repeating itself in another.”

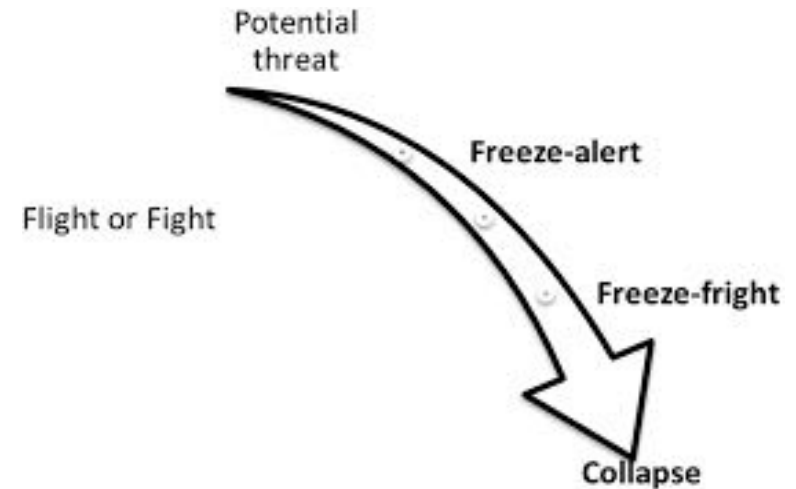
Gideon Lichfield, Editor MIT Technology Review
vol 123, no 3, May/June 2020

Things you should know...and likely already do.

Uncertainty increases fear and fear can lead to paralysis and inaction, or alternatively to heroism.



“Courage is not the absence of fear, but rather the assessment that something else is more important than fear.”



Things you should know...and likely already do.

Chaos is not an organizing principle or a way to achieve a higher levels of creativity or performance, it is simply chaos, and leads to greater uncertainty.

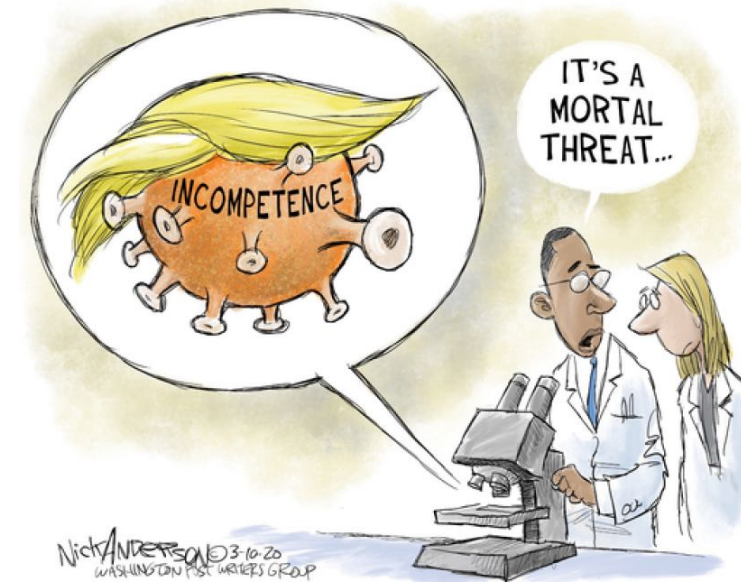


Models of behavior or organizational performance can act as guidelines even if they are not perfect.

Things you should know...and likely already do.

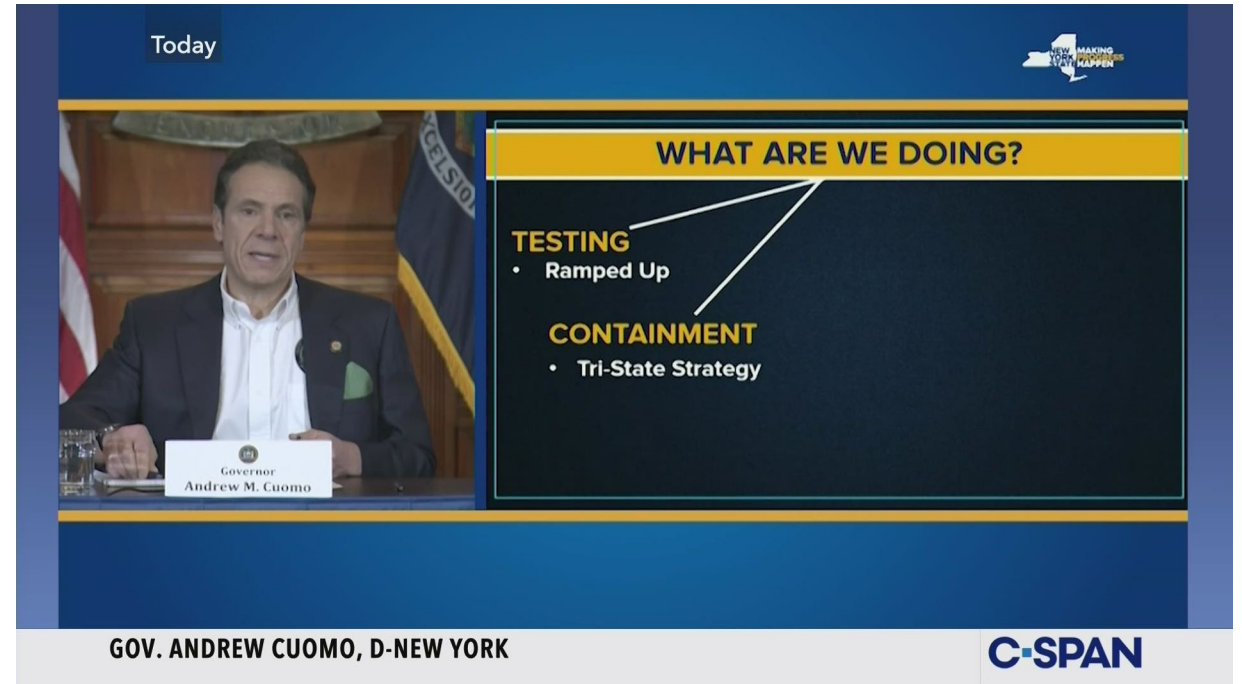
In uncertain and fear inducing situations, effective, trustworthy, decisive leadership, which points to a solution path is desired.

After 9/11 Trust in Leadership scores increased from a normative perspective. But trust once squandered doesn't “magically” return when needed.



Things you should know...and likely already do.

The desire for information is insatiable, as information can reduce uncertainty.



Open, honest, trustworthy communications are critical, as is giving information that is useful in reducing uncertainty.

Things you should know...and likely already do.

In the absence of accurate information, people make up their own stories or are open to lies, false information, and misinformation predominates.

Employees want to hear the truth and they want to hear it from the CEO.



“In a crisis the only asset you have is your credibility.”

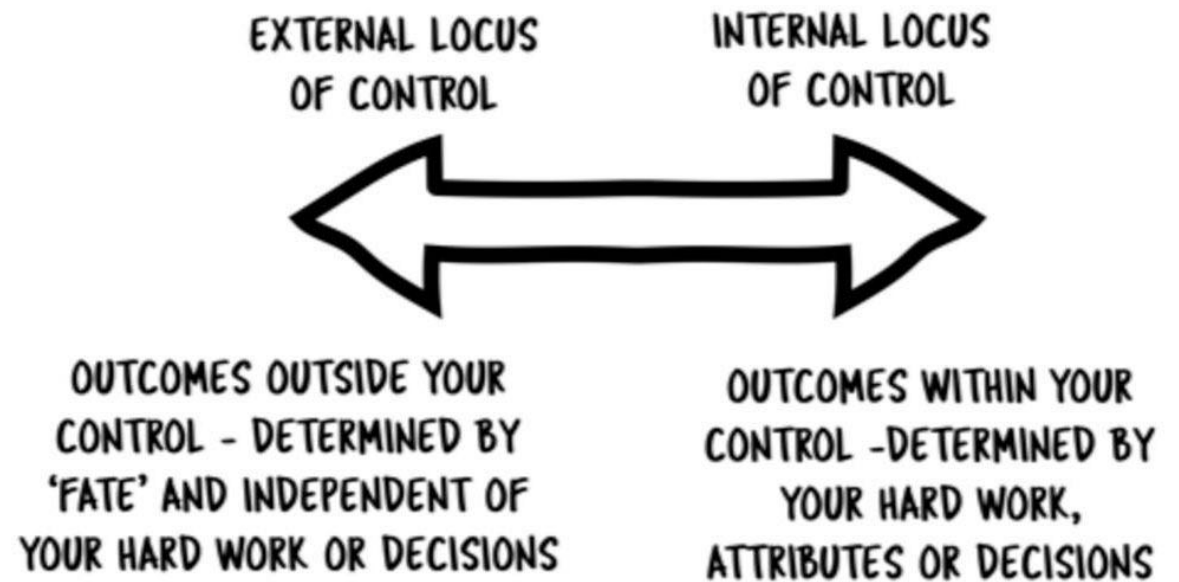
Paul Volcker

Chairman, Federal Reserve August 1979 to August 1987

Things you should know...and likely already do.

Locus of Control

Get people involved in solving problems, give them as much control as possible.



After 9/11 satisfaction, pride, engagement among employees actively involved in restoring company's operation increased dramatically.

At the Personal Level

- **Take responsibility**
 - Take personal responsibility for your actions and their impact on others.
 - Hold yourself accountable, do not blame others for the situation.
- **Have a sense of purpose**
 - Have both strong core values and a clear sense of purpose.
 - With scant information, we need to know both what we stand for and where we are headed.
- **Accept the uncontrollables**
 - Accepting that there are many things outside of your control. What you can control are your responses.
 - Do not have to react blindly, or sit and do nothing. Seek out facts, build scenarios of how to respond, weigh choices and consequences.
 - Learn to manage anxiety and emotions so that you look for sensible and rational action rather than being seduced by quick fixes or by others claiming to have the “right” answers.

YOU MAY NOT
CONTROL ALL THE
EVENTS THAT
HAPPEN TO YOU,
BUT YOU CAN
DECIDE NOT TO BE
REDUCED BY THEM.

MAYA ANGELOU

At the Organizational Level

Employee Confidence[©]

Internal

External

Organizational

Effective management
and business processes, financial discipline

Strong attractive products/services, competitively
well positioned

Personal

Job security, future prospects,
skill development (a good place to be from)

Career security, transportable skills, opportunities
elsewhere

Creating Confidence

	Internal	External
Organizational	Improve internal processes, ensure checks and balances in place, be well-run and effective	Cement a positive, ethical reputation, ensure products/services are aligned to customer needs, be better than alternatives
Personal	Create a sense of fairness and equality, provide assurance where you can, develop staff, be open and transparent	Become a good place to be from, help people land on their feet if they are exited

Lewin's Change Management Model

Kurt Zadek Lewin (September 9, 1890 – February 12, 1947) was a German-American psychologist, known as one of the modern pioneers of social, organizational, and applied psychology in the United States.

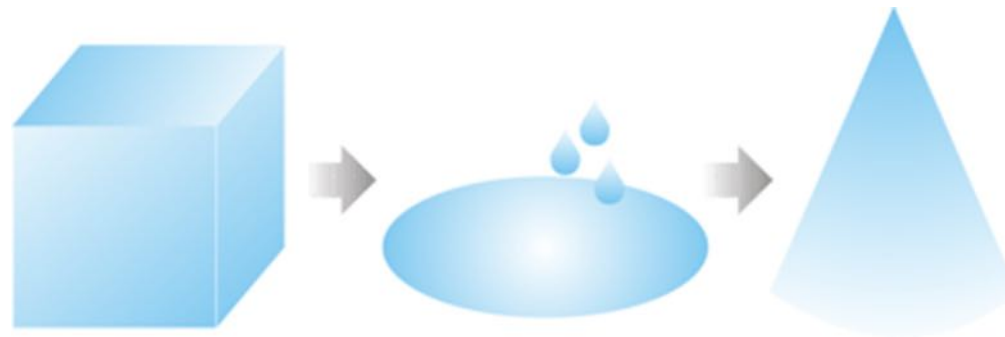
Lewin is often recognized as the "founder of social psychology" and was one of the first to study group dynamics and organizational development.



Lewin's Change Management Model

If you have a large cube of ice, but realize that what you want is a cone of ice, what do you do?

First you must melt the ice to make it amenable to change (unfreeze). Then you must mold the iced water into the shape you want (change). Finally, you must solidify the new shape (refreeze).



Lewin's Change Management Model

Challenge the beliefs, values, attitudes, and behaviors that currently define Organization.

The challenge we are facing today is an opportunity for organizations to reexamine themselves, it is the energy which can unfreeze the equilibrium.

And it can be the strong motivation needed to seek out a new equilibrium.

Give survivors a reason to stay, new hires a reason to join

Unfreeze, Change, Refreeze

Hone your Message:

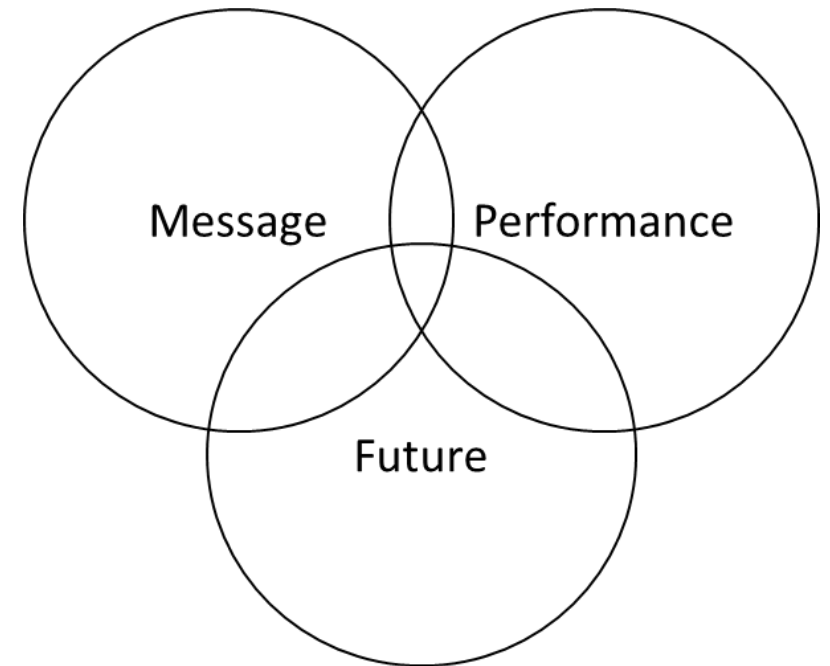
- Explain actions being taken
- Help people envision the “new” organization
- Describe future business plans & strategy

Enable Performance:

- Invest in those who remain, develop, build skills, train

Envision the Future:

- Describe future full of promise for employees
- Describe their potential roles in that future
- Encourage participation in inventing the future



Message-Performance-Future Model ©

Employee Well-Being and Business Resilience Survey

- Free Pulse survey to connect organizations and employees during these challenging times
- Available in 13 languages
- Helps leadership understand what specific challenges their employees are facing, whether they have what they need to work effectively while operating remotely, and if critical messages are getting through.
- This survey, which will always be free, will be updated and adapted to take the pulse of your employees as this global pandemic and quarantine evolves.



Connecting Employees and Organizations

At OrgVitality, we are experts in designing projects that are linked to **strategy**, generate useful **insight**, and drive positive **action**. Now, more than ever, organizations need to listen to and learn from their employees.

We can help.



Surveys

- Strategic Employee Surveys
- Pulse/Continuous Listening
- Lifecycle
- 180 and 360 assessments
- Internal Customer Experience

AI-Driven Action Tools

- Action Prioritization
- Nudges
- Comment Analysis

About OrgVitality

- Projects led by seasoned veterans
- Highly secure/robust infrastructure (SSAE16 Type 2 SOC 2 Audited Facility)
- Technology to execute efficiently, deploy expertise
- Unique combination of deep consulting expertise with broad organizational perspective
- Flexibility, focus on your goals
- Scientific grounding



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Creating Confidence- Take Aways

- Manage through the economic cycle, rather than to the economic cycle
 - Understand how emotion and the heat of the moment can affect your decision-making
- Avoid as knee-jerk reactions to economic downturns such as layoffs or downsizings
 - Examine alternatives to downsizing and determine if those approaches can get your cost structure under control
 - If you must downsize, be open and transparent. Don't forget how it will impact your customers and importantly improve the operation to align with your leaner structure
- Give survivors a reason to stay and new hires a reason to join by working through your message, enabling performance and providing a vision of the future
- Treat your employees as a source of group intelligence - Ask them what they see
- Build confidence in the internal functioning of the organization and the products and services the organization delivers
- To the extent possible provide both Job Security and Career Security – make your organization a good place to be from
- Build an organization which generates pride.

Things you should know...and likely already do.

Humans are emotional rather than purely rational thinkers.



Daniel Kahneman
Psychologist/Economist
2002 Nobel Economic Sciences

Prospect Theory

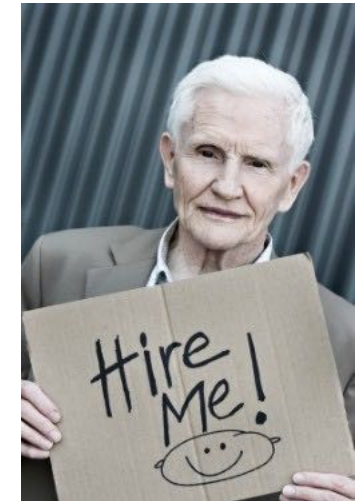
Loss Aversion refers to people's tendency to prefer avoiding losses to acquiring equivalent gains: it is better to not lose \$5 than to find \$5.

The theory states that people make decisions based on the potential value of losses and gains rather than the final outcome, and that people evaluate these losses and gains using heuristics

Rather than the pure rational thinkers of traditional economics, individuals are influenced by emotions and often make decisions based on heuristics or biases.

Things you should know...and likely already do.

So called “Generational Differences” become unlocked.



Fundamental underlying psychological needs are constant, the expression of those needs can change by life stage or economic situation, giving the false appearance of generational differences.

Things you should know...and likely already do.

Downsizing is not always the best solution.



Wayne Casio

Distinguished Professor

University of Colorado, Denver Business School

Past President – Society of Industrial Organizational Psychology

Casio tracked the performance of downsizing firms versus non-downsizing firms up to nine years after a downsizing event.

These firms are responding to economic downturn, not restructuring due to acquisitions, or changes in their businesses, etc.

The findings: As a group, the downsizers **never** outperform the non-downsizers.