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# LEADERSHIP IN A TIME OF CRISIS

THE WAY FORWARD IN A CHANGED WORLD

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COMPILED BY MARSHALL GOLDSMITH & SCOTT OSMAN

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# THE IMPORTANCE OF CEO SELF-CARE DURING PROLONGED CRISES

Shoma C. Hayden

Over the last ten years, ghSMART & Co., a leadership advisory firm, has conducted research on over 2,000 CEOs. The study, called CEO Genome,<sup>1</sup> uncovered an aspect of the job that often goes unspoken. While the CEO role comes with positional power, influence, wealth creation opportunities, and perks, it can also be a psychological thunder dome. CEOs face high-stake decisions, intense scrutiny of living in a fishbowl, and the need for 24x7 engagement with multiple stakeholders. Add to that the unrelenting nature of this multimonth “novel” pandemic, which can deplete the physical, psychological, and emotional reserves of CEOs (and their top teams).

We’ve spoken recently to some CEOs who have told us that they will “sleep when this is over and things are under control.” They have morphed into “chief emergency officers” simultaneously triaging issues of liquidity, employee health, customer concerns, supply chain disruptions, and government interventions. We argue that this is the wrong

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1. <https://ceogenome.com/>

time to eschew self-care. Conversely, the one thing utterly in a CEO's control right now is showing up in their absolute best condition to perform for themselves, their people, and the communities in which they operate.

### **Your brain in hyperdrive**

The seminal *HBR* article<sup>2</sup> on CEO burnout in 1996, and subsequent decades of research in the field of “neuroleadership,”<sup>3</sup> have enhanced our understanding of our brain at work. Without a regimen to keep mind and body in fighting shape, the sustained exposure to the stresses of the chief emergency officer role can lead to an enlarged amygdala—the part of the brain that controls emotional reactions, and a weaker/thinner prefrontal cortex—the part of the brain responsible for cognitive functioning. The result: weaker attention spans, irritability, and social withdrawal, as well as decreased creativity, working memory, and problem-solving skills. A recent study<sup>4</sup> of 156 Swedish CEOs showed a notable correlation between a CEO's cognitive burnout in uncontrollable and sustained fight-or-flight conditions and lower firm performance.

While we have not faced a pandemic of this magnitude in our lifetimes, we can draw a few lessons from the 2008 financial crisis's impact on leaders; the most prominent example being that of Lloyds Banking Group CEO Antonio Horta-Osorio taking eight weeks off work to recover from the chronic and debilitating stress of the crisis. He later advocated for his senior team and employees to adopt measures to improve overall well-being.

### **A playbook for peak performance under high stress**

Through observations and research, we offer seven strategies for leaders to improve renewal and resilience while market forces continue to gyrate.

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2. <https://hbr.org/1996/07/when-executives-burn-out>

3. <https://hbr.org/2010/04/leadership-on-the-brain>

4. <https://www.sciencedirect.com/science/article/pii/S0024630118300116>

**1. Draw strength from your value system.** A leader's personal value system and identity can serve as a compass for making decisions in situations where there are no clear answers, only trade-offs (like cutting costs to stop the bleeding without damaging future prospects for growth; or guaranteeing no-layoff policies without knowing future financial position). As one executive prepared for another dizzying week of firefighting, a longitudinal reflection of her life and career—noting milestones, failures, successes, and aspirations—provided a sense of grounded-ness. The exercise helped her remember who she was, where she fits in the big picture, where she can make the most impact, and how she wants to be seen in one year, in five years, and in ten years. More importantly, reflecting on how she had overcome significant personal and professional hurdles in her life helped give her the conviction and strength to act more decisively today.

**2. Commit to a regimen.** Prolonged firefighting can hijack your ability to focus on longer-term, bigger-picture issues. Creating some sense of normalcy and routine help us reset—our brains function better when we take a break from complexity and sameness. Many leaders praise the benefits of meditative reflection,<sup>5</sup> which have been well documented by academics, hedge fund gurus, and wellness professionals. Whatever the regimen, it is important to stick to it, calendarize it, and find an accountability partner. As the CEO of Novartis shared in a recent *New York Times* article: “I have been working with a coach on four principles: mindset, movement, nutrition and recovery. . . . There's a feedback loop. If I build those four areas into my daily schedule, I have a bigger impact. So, I don't see it as making time. I just build it in.”<sup>6</sup>

**3. Sleep.** While running executive development at Goldman Sachs, we heard from a number of thought leaders; perhaps the most in-

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5. <https://hbr.org/2020/03/why-leaders-need-meditation-now-more-than-ever>

6. <https://www.nytimes.com/2019/08/01/business/vas-narasimhan-novartis-corner-office.html>

triguing was Professor Jessica Payne, who highlighted the link between sleep and leadership. Sleep helps our brain commit information to memory and problem-solving. In fact, regions of the brain involved in learning, processing information, and emotion are *more* active during sleep than in waking hours. Our culture still applauds CEOs and other leaders who perform heroic feats of stamina and all-nighters. Interestingly, according to Dr. Charles Czeisler at Harvard Medical School, a week of sleeping four or five hours a night can induce impairment equivalent to a blood alcohol level of .1 percent. As counter-intuitive as it sounds, sleep will in fact increase your productivity.

**4. Monotask, don't multitask.** Rather than multitasking, consider monotasking. Take a block of time to work only on one thing. Those in high-stress roles, such as soldiers tasked with disarming improvised explosive devices, will emphasize how staying in the moment and focusing on the task at hand is key to performance. When dealing with the pandemic is soaking up all your capacity, focus on doing one thing at a time. Have your leadership team follow similar principles.

**5. Get energized doing what you love.** Rediscover what you love (or used to love) about your job. When you don't have much time outside of work, this booster shot of energy can increase productivity and attention span. One CEO who rose through the ranks of sales and marketing derived energy from talking to customers; as a result, he took on the task of checking on the company's top twenty customers. Another found his flow in convening insurance industry colleagues to mount a joint response to aid those most vulnerable to the pandemic.

**6. Resist the urge to withdraw.** At a time of physical distancing, it is tempting to retreat to one's office to plow through the myriad demands on our time. The nature of the CEO job is lonely and peerless within a company. During crisis, however, the CEO should draw upon the counsel of key executive team members (the CFO being the prime example) as well as CEO peers in other companies and industries. Mining collective intelligence from diverse, informed sources

improves the CEO's decision-making process and minimizes natural biases and blind spots. Relationships and social support are important coping mechanisms and a well-documented<sup>7</sup> precondition of well-being. The presence of positive social support reduces the likelihood of negative health outcomes in the wake of stressful events.

Similarly, CEOs with coaches and advisers may conclude that this is the worst time for a coaching conversation. In fact, we have found that even a few minutes with an objective third party to vent, prioritize, and develop a plan to move forward, even for the upcoming week, can release the buildup of pressure and restore emotional modulation. These private conversations provide CEOs with a necessary, no-judgment emotional release so they can project calm when in public.

**7. Experience the Helper's High.** Turn outward and find ways to contribute to others, in ways big or small. At the onset of the pandemic, Microsoft's CEO sent an email<sup>8</sup> to the company's 140,000 employees thanking them and urging them to help others during the crisis: "For me, the best way I've found to get past this anxiety is to focus on what I can do each day to make a small difference." Like Satya Nadella, many CEOs are seizing the opportunity to leverage their company's assets and strengths—whether they be people, ideas, or infrastructure—to alleviate the crisis. In early March, LVMH quickly pivoted to turning its fragrance factories to produce hand sanitizers. Later in the month, Humana and Cigna waived patient copays on all treatment for coronavirus for their insured members. We have long known the PR benefits of corporate social giving, but studies<sup>9</sup> also show that it also boosts our physical and mental health.

CEO well-being may seem like a secondary or tertiary concern when so many others face food, health, and income insecurity. No doubt many CEOs are among the fortunate. However, their daily de-

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7. <https://psycnet.apa.org/record/1999-13139-006>

8. <https://www.seattletimes.com/business/microsoft-ceo-satya-nadella-to-employees-on-coronavirus-crisis-we-need-the-world-to-do-well/>

9. <https://health.clevelandclinic.org/why-giving-is-good-for-your-health/>

cisions have multiplier effects on the lives and livelihoods of tens of thousands. Ensuring that they remain in the best possible shape to lead is always important, but it is paramount in times of crisis.

**Shoma C. Hayden** coheads ghSMART's Leadership Development and Coaching practice. She focuses on helping CEOs and their teams increase their collective resilience and performance.

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