Building morale and resilience – the key to surviving difficult times

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Part one

- Morale: what is it and why does resilience matter?

- How pressure affects morale

- Morale and resilience essentials – advice for all organisational contexts

- Get your free morale and resilience check-up tool

Morale: what is it and why does resilience matter?

"the capacity of a group of people to pull together persistently and consistently in pursuit of a common purpose"
Alexander Leighton

"a state of individual psychological well-being based upon a sense of confidence, usefulness and purpose"
AudioEnglish.net

Morale is a word that's been around for some time but which reflects a very contemporary idea – it's a quality that enables people to pull together, to stay well and positive, even when times are tough. Furthermore, it's something that's pretty important right now – for all organisations, their leaders and their employees; in short, for all of us.

So what is it and where does resilience fit in? Taking morale first, as implied by the definitions above it has two main aspects – one relates to staying focused and committed; what is now usually referred to as employee engagement. As a great deal of work has demonstrated, engaged employees are very beneficial for the organisations that they work in.

However, on its own engagement is seldom enough and that's where the second element comes in. High levels of

engagement lead to positive business outcomes, but it is only sustainable if the engagement is supported by high levels of employee well-being.

So, to perform well in the current difficult times organisations need to focus on both engagement and well-being to ensure that their people can stay focused, productive and well. If you want to read more about the benefits of both high engagement and high well-being take a look at 'Building morale and resilience in difficult times: the evidence base' that is available at: www.robertsoncooper.com/resilience/evidence.pdf.

In summary, what the evidence shows is that a wide range of business and customer-related benefits are enhanced and sustained when people are fully engaged, with high levels of psychological well-being, as demonstrated in figure 1.

Organisational benefits of full engagement and high levels of psychological well-being
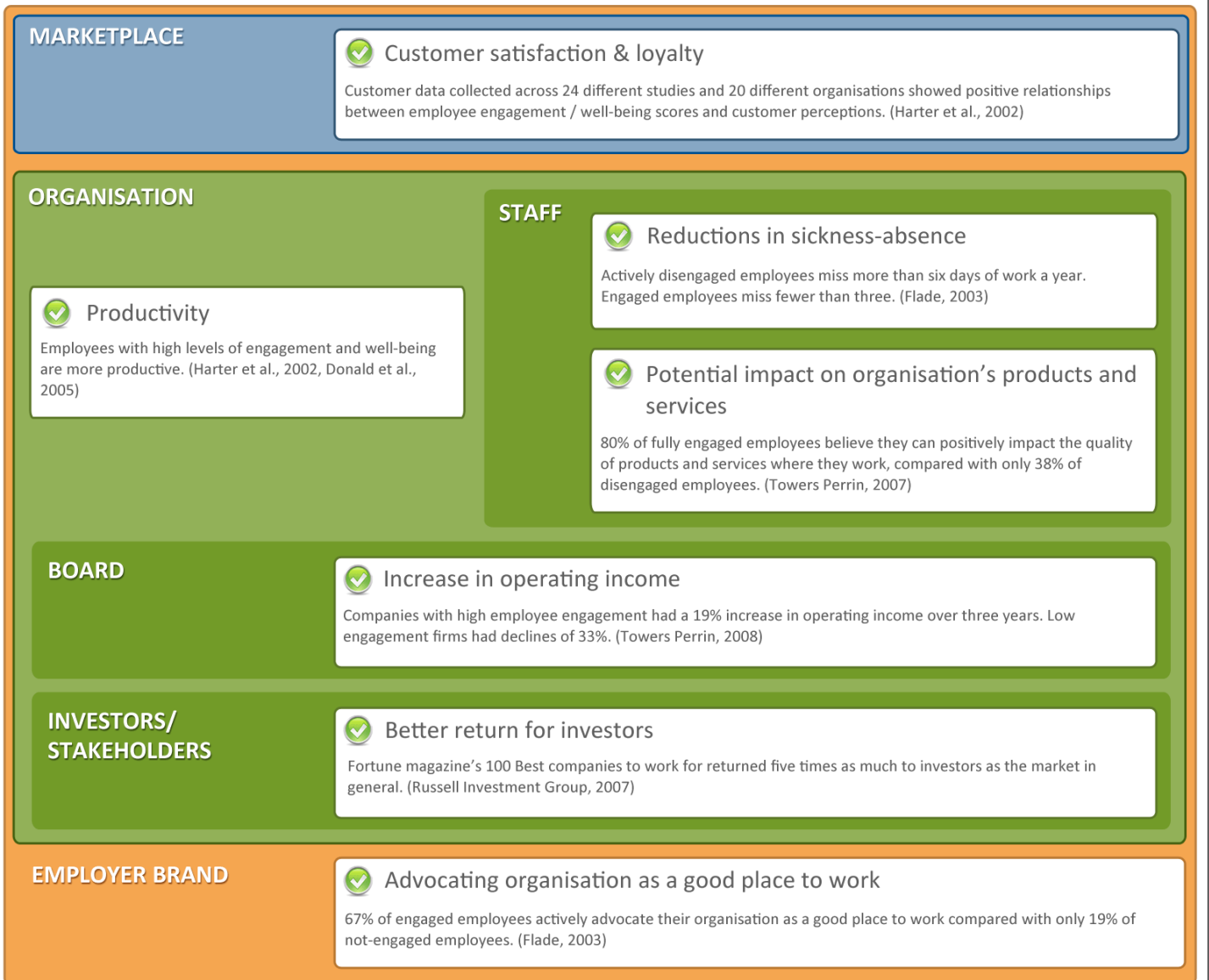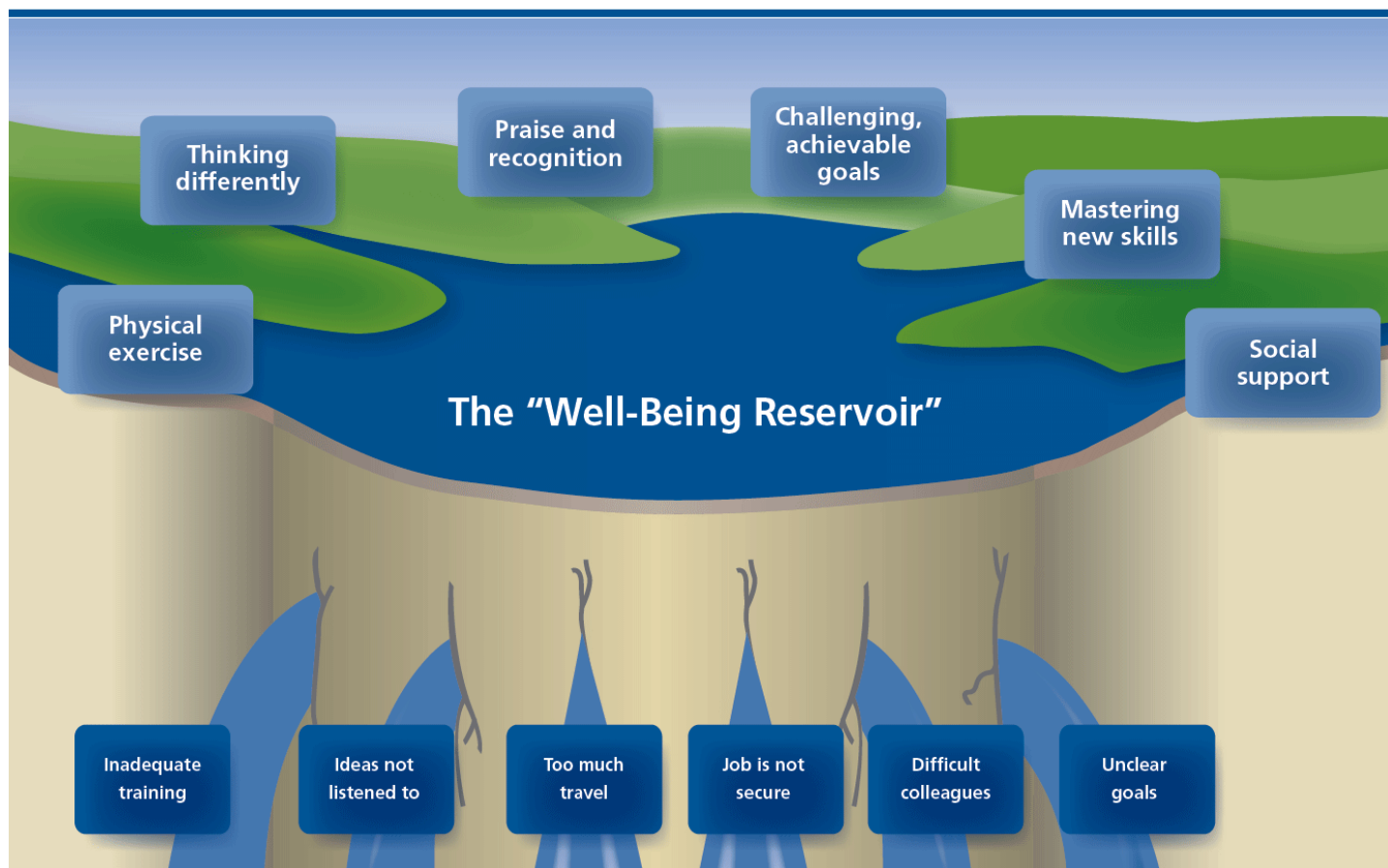
MARKETPLACE

✅ Customer satisfaction & loyalty

Customer data collected across 24 different studies and 20 different organisations showed positive relationships between employee engagement / well-being scores and customer perceptions. (Harter et al., 2002)

ORGANISATION

STAFF

✅ Reductions in sickness-absence

Actively disengaged employees miss more than six days of work a year. Engaged employees miss fewer than three. (Flade, 2003)

✅ Productivity

Employees with high levels of engagement and well-being are more productive. (Harter et al., 2002, Donald et al., 2005)

✅ Potential impact on organisation's products and services

80% of fully engaged employees believe they can positively impact the quality of products and services where they work, compared with only 38% of disengaged employees. (Towers Perrin, 2007)

BOARD

✅ Increase in operating income

Companies with high employee engagement had a 19% increase in operating income over three years. Low engagement firms had declines of 33%. (Towers Perrin, 2008)

INVESTORS/ STAKEHOLDERS

✅ Better return for investors

Fortune magazine's 100 Best companies to work for returned five times as much to investors as the market in general. (Russell Investment Group, 2007)

EMPLOYER BRAND

✅ Advocating organisation as a good place to work

67% of engaged employees actively advocate their organisation as a good place to work compared with only 19% of not-engaged employees. (Flade, 2003)

Figure 1: Benefits of engagement and well-being

Resilience relates to people's ability to stay positive even when the going gets tough and there are clear links to morale, well-being and engagement. When levels of resilience are high it is much more likely that morale will stay high when times are hard. High levels of resilience have two important implications for morale. First, high resilience means that people's behaviour is more resistant to pressure – in other words they can carry on doing their job well even under significant strain; secondly, high levels of resilience mean that people can cope with pressure, staying focused and positive. So, one key aspect of sustaining morale when times are hard involves helping people to deal effectively with pressure.

How pressure affects morale

How pressure affects morale

The "Well-Being Reservoir"

Thinking differently · Praise and recognition · Challenging, achievable goals · Mastering new skills · Physical exercise · Social support

Inadequate training · Ideas not listened to · Too much travel · Job is not secure · Difficult colleagues · Unclear goals

Levels of engagement and well-being act like a reservoir. Over time they will fall unless they are topped up – when they drop, so too does morale. During particularly difficult times it is even more important than normal to keep the reservoir topped up.

Not every organisation is going through radical change, but in the current economic climate pressures on the reservoir are widespread, multifaceted and probably affect everyone in one way or another. These pressures range from things such as smaller budgets, reduced resources and recruitment freezes through to radical restructuring and downsizing. Inevitably these pressures lead to worry and uncertainty amongst staff so they can easily damage morale. Reduced morale (i.e. engagement and well-being) can begin a vicious downward spiral where performance, productivity and important business outcomes all suffer together.

Of course, just the opposite happens if managers and employees can stay positive. The relevant research and case studies reveal that positive emotions and a positive outlook can produce an upward, positive spiral (for the research background to this see the separate document, 'Building morale and resilience in difficult times: the evidence base', available at:
www.robertsoncooper.com/resilience/evidence.pdf

Whether you are significantly downsizing, just feeling the squeeze or pretty much staying the same but in a tougher economic climate, there is something you can do to maintain and boost morale, well-being and resilience. The support and guidance we are offering is divided between this download and the next in the series (available February 2011). Here we look at what you can do regardless of what is happening in your organisation and the second outlines the keys to success when you are dealing specifically with a downsizing or major change situation.

Morale and resilience essentials

Essentials – regardless of what is actually happening

At Robertson Cooper we have spent over a decade looking at the key factors that influence people's morale, well-being, engagement and resilience at work. Broadly, these factors can be divided into two categories: Personal factors and Situational factors.

Personal factors relate to the characteristics of the individual employee – and include things like personality, work attitudes and competencies. Of course, our levels of personal resilience are strongly linked to factors such as underlying personality and job/work attitudes. However, while such characteristics are important for resilience this does not mean that it is a fixed quality that we can't develop or change. In fact, resilience levels can be boosted through training that involves giving people insights into their own personality and providing them with simple techniques and ideas that they can use to build resilience. One good starting point for individual employees is using a personalised resilience report to find out their own starting point – i.e. where their own resilience comes from and what situations particularly threaten it. Robertson Cooper offers a free tool of this sort called *i-resilience* and it is available at http://www.robertsoncooper.com/iresilience. If you want to find out more about how resilience training can play a role in building morale, engagement and well-being in your organisation visit:
http://www.robertsoncooper.com/resilience/solutions

Situational factors relate to all of the work and non-work factors that impact us as employees. These include things like co-workers, management and supervision, resources and rewards, job security, personal circumstances and home life. Employer organisations can have relatively little influence on personal circumstances and home life – and for some people these are the critical determinants of morale. But for most people, engagement and well-being at work are affected mostly by work-related factors that the employer has a major influence over. A summary of the key workplace factors that influence morale is shown in figure 2. When all of these factors are positive, it is very likely that morale and well-being will be good. Our reservoir is threatened when we are troubled by one or more of these critical factors.
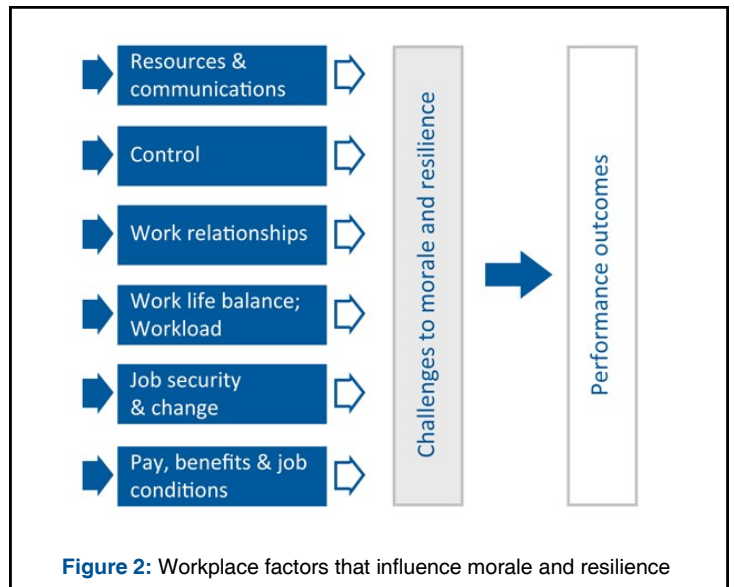

Figure 2: Workplace factors that influence morale and resilience

It's worth expanding a bit on why these areas are important to employees:

Resources and Communication: Are people troubled about the resources and equipment they need to perform effectively – and do they feel properly informed about work-related developments?

Control: Are people troubled about the control they have over how they do their work – and are they concerned that that their voice is not being heard?

Work Relationships: Do people have positive and helpful relationships with their boss and co-workers – or are there concerns?

Work Life Balance & Workload: Are people troubled by the balance between their work and home life or the level of their workload?

Job Security and Change: Are people troubled about the security of their position or concerned about how change is being managed?

Of course, the individual employee can exert a certain amount of control over some of these sources of pressure, (unless they are completely disempowered!) but in many cases it is the manager that determines the employee's actual experience. If we accept that these areas underlie employee well-being, engagement and morale it follows that the role managers play is critical. Figure 3 uses the same model to show the same situational factors – this time accompanied by the high-level actions that managers can undertake to ensure that employee experience is maximised. When the pressure builds it is easy for one or more of these factors to become a significant source of concern for people. When that happens, employees often become preoccupied with their problems, rather than staying positive and focused on their work contribution – in this context their manager's behaviour can either alleviate or exacerbate the effect. You will be able to think of detailed, contextualised examples of how managers in your business can achieve these outcomes in each of the areas, but those in figure 3 act as examples and prompts:

Figure 3: Managers actions in key situational areas
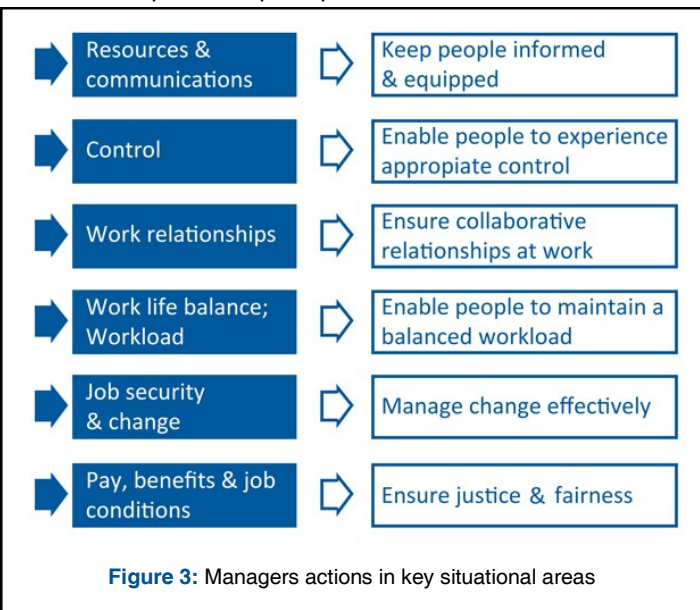
As I'm sure you recognise, difficulties can arise in these priority areas for managers during good times too, but in the current climate it is more important than ever to pay attention to them, even if there are no specific pressures for restructuring or redundancy. They provide a model or checklist for achieving and maintaining a workplace characterised by high morale. However, if left unattended problems can build up in any of these areas.

Even if you are starting from a base of low morale, the

approach can be used by business leaders and HR departments to take an organisational view, but also by managers at a local level to 'audit' (albeit informally) their own team or department using this simple model. They can also use the model to structure conversations with teams, direct reports or more senior managers.

At Robertson Cooper we have designed a user friendly tool to help you and your managers to take stock of the issues discussed in this document and assess the actual threats to morale in your own organisation. The tool is available at www.robertsoncooper.com/resilience/tool.pdf

Part two

Part one of this free download looked at the nature of both morale and resilience – what they are and why they matter. It covered the essentials that everyone needs to know about these areas during difficult economic times – regardless of what's happening in your organisation.

Part two outlines the keys to success when you are dealing specifically with a downsizing or major change situation. All of the advice from part one still applies, but here you will find specific advice and guidance on how to maintain and build morale when you're embarking on far-reaching organisational change or development. In particular, we look at the role of leaders and managers, the evergreen issue of communication and how to ensure that the change is seen as 'just'. In addition, we also look at the options for providing the appropriate training and support to those who will be affected.

- Downsizing and significant change
- Leadership and management
- Communication
- Organisational justice
- Training and support
- Resilience building for all the workforce

Downsizing and significant change

As noted in part one not every organisation is going through significant change – but almost all are facing difficulties and challenges because of the underlying economic circumstances. When significant change, such as radical restructuring, downsizing or even closure is taking place, the actions and principles that will help to maintain morale become more focused and practical. There are several important issues to consider and, although the specifics are likely to be different in each case, the general principles are the same regardless of what kind of restructuring is taking place. So whether you're dealing with a complete closure; a substantial number of redundancies over a short period; downsizing through natural wastage or voluntary/compulsory redundancies the advice given here is relevant.

Of course, not all real situations fit neatly into one of these categories and some will combine aspects of all three. The guidance below has been developed after reviewing the available research and case study material and provides a succinct summary of the key factors to help organisations to get through difficult times. More

detailed information on the research base that we have drawn upon to build this advice is available at http://www.robertsoncooper.com/resilience/evidence.pdf. Obviously there is no magic bullet for turning hard times into good times, but in our experience it is possible to provide some clear and relevant pointers about how to maintain morale when the going gets tough. The findings that emerge from the research and case study evidence can be organised under the following key themes:

- **Leadership and management**
- **Communication**
- **Organisational justice**
- **Training and support**
- **Resilience building for all the workforce**

We'll now look at each in turn in terms of the contribution they can make to managing major change.
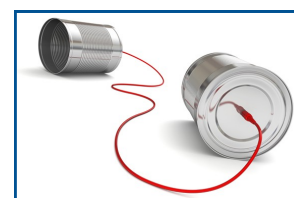
Leadership and management

The role of leadership and management
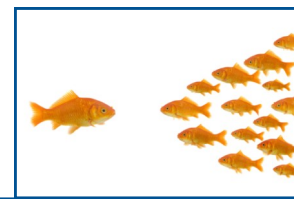
During difficult times people's uncertainty and worries about the future multiply. A critical role for the senior leaders of any organisation is to provide stability and, above all, to present a clear vision of the future. As everyday pressures bear down on people it can be difficult to imagine a time when things will be more settled and the current problems are in the past. Of course, this does not mean that all leaders need to do is say that everything will be alright. This is especially true if, in reality, that is not the case – for example, when the organisation is likely to have to close down altogether! Steve Radcliffe's beautifully simple FED model of leadership (www.steveradcliffe.com) involves three key components: Future; Engage; Deliver. Of course, all three parts are important but when radical change is successfully negotiated, a clear vision for the future from senior leadership usually plays a particularly important part. This vision enables people to see past their current concerns and imagine a stable future. For this reason the message needs to be honest, authentic and communicated frequently and clearly - otherwise the imagined future will not match reality and trust will be damaged.

Getting communication right

Over-communicate - It is not enough for management and leadership to simply make information available. They need to 'over-communicate', repeatedly addressing issues and, whenever possible, anticipating information needs. As stressed above, all of this needs to be done in the context of a clear and realistic vision of the future. Flooding the workplace with accurate information is one of the main tools that management can use to help make the process as positive as possible. All the evidence shows that providing information is the central thread that runs through successful programmes involving radical change, such as downsizing and restructuring. It might seem obvious, but so many organisations underestimate the level of communication required to make change really stick. If you have any doubts at all about whether you have got the communications right - go round the loop again!

Take account of 'survivors' - As anyone involved in redundancy programmes knows, one critical aspect of the information that needs to be communicated is the support provided by the organisation for people who are leaving. Obviously this support is important for all those made redundant, but it is also important that people remaining are fully informed about the help and support provided to leavers by the organisation. Thinking ahead to ensure that 'survivors' of the downsizing see that their ex-colleagues are being well treated will always pay dividends in the longer term. Failure to do this can lead to simmering resentment regarding the fate of former colleagues. At a psychological level the threat to social identity created by redundancies elevates people's concern for each other, but it can also prompt survivors to start worrying...– 'could I be made redundant next time and how will I be treated if that happens?' Taking account of this possibility will help you to protect morale going forward.

Organisational justice

Ensuring fairness and 'organisational justice'

When people are under pressure they do not think completely rationally. Rather, their frame of reference becomes more limited and they become much more sensitive to anything that relates to their current challenges – especially anything that seems unfair. This means that when people feel pressure because they are struggling with (real or perceived) adversity, issues of fairness and justice become particularly important to them. And it should be important to you in this context – you must consider the perceived 'justice' of what is happening or being planned. One way to do this is to use the following framework to look at the three components of organisational justice:

Distributive justice is about the actual outcomes - who should go and who should stay; or in the case of closure, when people should go. There are well known and established processes for managing redundancy, but when you consider the ethos underlying your decisions you have to be sure that you are letting those go who want to go. This may seem obvious but, in fact, research suggests that employers sometimes underestimate the possible willingness of employees to take an offer of redundancy. In the final analysis, organisational life goes on after redundancies and there's no value in creating 'reluctant survivors'. Consider the fact that some people may have been waiting for this opportunity for some time. This will not apply to the majority, but may be the case for people at a certain stage in their careers or those who want a change in direction. Sometimes when people have been considering leaving for some time or are close to retirement redundancy really can be win-win'

Procedural justice concerns the processes that are used to make decisions - they should be both transparent and fair. Those affected (and those who aren't) must be able to understand and accept how outcomes will be determined. It's perfectly possible not to like the outcome, but to accept it and the processes used to create it. If this happens it can positively affect your starting point for building morale in the wake of implementing a downsizing or restructuring programme – it's much better than change not being accepted at all!

Interactive justice is about how information is presented and communicated to your employees. There are obvious links here to the issues covered in the 'Communications' section above: if your messages are clear and your modes of communication enable you to get them to the right people at the right time, you stand a much better chance of creating perceptions of fairness. This includes providing information about the processes and criteria that are being used to inform decisions.

By using this framework to check the perceived fairness of what you are planning, you can take active steps to ensure that change is understood and accepted by the majority. Often there is no perfect solution and not everyone will be happy, but a lack of perceived fairness is a sure fire way to undermine the extent to which change will 'stick'.

Finally in this section, we offer a few tips to help you manage perceptions of justice during times of managed change:

- Avoid creating an unreasonable increase in workload and complexity as a result of the change – in fact, the aim should be to deliver simplification. This is an opportunity to drive efficiency gains that the business and its employees will benefit from.

- Provide appropriate support for leavers and survivors: taking active steps will protect both the organisation and employees as they move forward – either together or apart.

- Don't forget that managers with responsibility for implementing the changes will be affected emotionally and will also need support. They may be losing team members they have worked with for many years or areas of responsibility that they held dear. Acknowledge this and take active steps to work out the nature of the support required (next page).

Training and support

Providing the right training and support– the importance

Understanding the training needs of different groups

One of the most direct ways to facilitate change is to provide training and support to relevant groups within the organisation. The target and focus of the training required will obviously be specific to the context and the organisation in question, but in general could be offered to three distinct groups: leavers; 'survivors' and the managers responsible for implementation.

For leavers there are some practical considerations such as job seeking skills and career advice, but for both leavers and survivors there are important emotional and psychological issues that must also be addressed. Fundamentally the relevant training should help both groups to improve their resilience – the ability to deal with setbacks and keep going – either for themselves or for the business.

Of course, the programmes for each group will differ in terms of the specific training content, examples and exercises involved because the issues in question will be somewhat different. For example, in the future survivors may well have to cope with increased workload, role ambiguity and changes, whereas leavers may have to cope with repeated failure to be successful with job applications. However, what's clear is that both will benefit from increased levels of resilience.

There are well-developed resilience training programmes based on high quality research that can be adapted to meet the needs of both leavers and survivors. These programmes have already been successfully implemented in a range of settings - including some involving intense adversity, survival and recovery (such as the war in Kosovo), as well as many in more conventional organisational contexts across the public and private sectors.

Resilience training for managers

The way that managers support (or don't support) major change can make the difference in terms of ultimate success or failure. For that reason if you're planning and implementing change you should give explicit consideration to the roles and responsibility of managers to make it happen. By extension, you should also determine whether there are skill gaps that need to be filled in the management population before starting the implementation stage – ones that could potentially derail the whole process.

The training and support that you provide for the managers who are implementing the changes should be broader in scope than that provided for leavers and survivors. It should certainly include personal resilience training, but also incorporate a wider perspective. Often specific elements of stress management training (tuned particularly for managers) are also offered so that managers have a better understanding of the emotional and behavioural reactions to expect from the workforce and how best to respond. It's really important that the support offered to managers has sufficient breadth to include a focus on the manager him/herself, while also considering the impact of the change on those that he/she manages.

Resilience training for all staff

It is self-evident that in better times people will not have to draw on their resilience so much. During difficult times, however, personal resilience becomes particularly important. Everyone's level of resilience is partly dependent on their underlying personality and partly on development and learning experiences. There is no doubt that resilience can be improved but it doesn't happen automatically – you can't just ask or tell someone to be more resilient! Training is one very effective way of improving someone's resilience – and short courses, with some follow-up, can make a big difference. We will not go into detail regarding specific resilience training options here, but you can find out further information at
http://www.robertsoncooper.com/resilience/solutions/

Formal training can have a big impact, but it is not the only way that resilience can be boosted – it can happen on the job too. In fact, difficult times provide a golden opportunity for improving personal resilience – one that businesses shouldn't miss out on! There is good research evidence to show that surviving difficult times can have a positive impact on resilience levels. People who have been through tough experiences can come out of them with higher levels of personal resilience – so in broad terms the old saying 'what doesn't kill you makes you stronger' holds true. But remember, several important conditions must be in place to turn difficult times into improved resilience – otherwise the tough experiences can be damaging, rather than helpful. In this sense it's really important to ensure that the following key conditions are in place as early as possible if you think employees are likely to experience strain:

Work goals need to be tough but achievable:
Struggling with impossible goals that cannot be achieved will not build resilience. If goals are tough, that is a good thing – only when goals are really challenging can people experience the intense feeling of achievement and mastery that comes from reaching them. Goals that are too difficult – or perhaps simply too numerous or conflicting – do not allow people to achieve them. This lack of achievement denies employees the pay-off of success in return for the strain involved and therefore will damage, rather than build resilience.

There needs to be a clear and valued sense of purpose:
As well as being difficult and achievable, goals must feel worthwhile. Research is very clear that when people feel that what they are doing is worthwhile and valuable they can cope with much higher levels of adversity and stay focused. If sense of purpose is compromised or missing altogether then motivation, effort and sense of well-being will all suffer.

Periods of respite need to be available…and taken:
People can cope with a great deal but wading through the mire of tough times always takes a toll. Resilience is supported by a person's sense of well-being. If you picture the sum total of your well-being as a reservoir it's clear that excessive strain can deplete it – at some point it will need topping up. More positive things, even though they are challenging - like reaching tough goals - can replenish

it. But tough challenges will build resilience only if they do not go on for too long. One critically important way to re-fill the reservoir is to take a break – in other words give yourself a period of respite. This simply needs to be something different. Sitting with your feet up is fine – if that takes your mind of current frustrations and difficulties, so is rock-climbing, a leisurely dinner, stamp collecting or anything else that you enjoy and is not work related.

> *"…This job is everything … I know I will never be under more pressure … what I have truly gained is the knowledge that I can cope with the pressure of any job in the world … and that makes me happy"*
>
> **Slaven Bilic, Manager, Croatia national football team**

Summary

Summary

So, in brief, when your workforce is resilient employees are able to cope with the pressures associated with working life – whether they are change-related, because of the economy or even something very specific like poor working relationships. When staff have the ability to bounce back and keep going in the face of adversity, morale gets an extra layer of protection – regardless of what is happening inside and outside the organisation. Of course, these insights are not only relevant during tough times – if your business takes these points into account in terms of how work is structured and organised, you will inevitably foster a more resilient workforce. By extension you will be a more resilient organisation.

To summarise, tough experiences themselves can be valuable but you can't control the nature of those experiences. What you can do is ensure that members of staff have: (i) tough but achievable goals; (ii) a clear sense of purpose and (iii) sufficient opportunity for respite – and that they take the respite. When you do this you can have confidence that you've created the conditions whereby the tough experiences that your employees have to go through really might make them stronger!

The best way of checking to see that these conditions are in place will vary. In some cases simply talking to key people might be enough. In other circumstances something more systematic might be required, this could involve using existing communication process such as regular team meetings, or something specifically designed to collect accurate information. One way of achieving this is to call in external specialists to run focus groups or carry out a short survey to gauge how people are feeling about the key factors above. And remember, this applies to the senior managers implementing changes just as much as everyone else.

Whichever approach you choose it is possible to harness the experiences that tough times create for your workforce and use them to essentially develop people and the organisation as a whole. It may seem counter-intuitive to be using difficult times to contribute to personal and organisational development, but it's a lot more constructive than ignoring it or focusing only on short-term coping strategies. The good news is that all of the above advice can be integrated with day to day leadership and management processes – they are what the most successful organisations are doing anyway. And there's no reason why many more cannot join them during difficult times.

For more FREE resources and solutions from Robertson Cooper, including bespoke solutions, expert videos, evidence base and case studies visit http://www.robertsoncooper.com/resilience/solutions