



## HBR Blog Network

### Building a Resilient Organizational Culture

by George S. Everly, Jr. | 8:43 AM June 24, 2011

Current events teach us that crisis and even disaster occur far more frequently than previously anticipated. Japan's post-tsunami crisis and repeated tornadoes of the Southern and Midwestern US demonstrate the vulnerability of modern infrastructures to the forces of nature. Wall Street's meltdown, the subsequent recession, and the consequent demise of discretionary spending remind us that human-made disasters can be devastating in other ways.

The key to not only surviving such events, but to prospering during such upheavals, we argue, is human resilience (<http://www.diamedicapub.com/the-secrets-of-resilient-leadership/>). While human resilience may be thought of as a personality trait, in the aggregate, groups, organizations, and even communities can learn to develop a "culture of resilience" which manifests itself as a form of "psychological immunity" to, or the ability to rebound from, the untoward effects of adversity.

My colleagues and I have observed human resilience in individuals ranging from accountants to law enforcement personnel, and even former US Navy SEALs. After the first Gulf War, we saw the power of human resilience transform a broken and burning nation of Kuwait into a leading economic power.

**Our observations have led us to believe that, just as individuals can learn to develop personal traits of resilience, so too can organizations develop a culture of resilience.** We would argue that a culture of organizational resilience is built largely upon leadership, what we refer to as "resilient leadership." Consistent with the "Law of the Few" described in Malcom Gladwell's book, *The Tipping Point*, we believe key leadership personnel, often frontline leadership, appear to have the ability to "tip" the organization in the direction of resilience and to serve as a catalyst to increase group cohesion and dedication to the "mission." They do this, we argue, by demonstrating four core attributes of optimism, decisiveness, integrity, and open communications while serving as conduits and gatekeepers of formal and informal information flows throughout the organization and enjoying high source credibility (ethos).

All of these can be learned. Simply said, when a small number of high credibility individuals who serve as visible informational channels demonstrate, or "model" the behaviors associated with resilience, we believe they have the ability to change an entire culture of an organization as others replicate the resilient characteristics that they have observed.

Using the insightful and well researched formulations of Albert Bandura ([http://en.wikipedia.org/wiki/Albert\\_Bandura](http://en.wikipedia.org/wiki/Albert_Bandura)), we employ the construct of "self-efficacy" as a framework to operationalize many of the aforementioned attributes of resilience. Self-efficacy may be thought of as the belief in one's agency and the ability to be a catalyst for change. He argues that the perception of self-efficacy shapes key human behaviors:

1. The courses of action people choose to pursue,
2. How much effort they put forth in given endeavors,
3. How long they will persevere in the face of obstacles and failures,
4. Their resilience to adversity,
5. Whether their thought patterns are self-hindering or self-aiding,

6. How much stress and depression they experience in coping with taxing environmental demands,
7. The level of accomplishments they realize.

All of the aforementioned behaviors we believe are not only essential in resisting (developing immunity to) or rebounding from adversity, they are the foundations of a resilient organizational culture and can be used to increase resilience throughout the organization

Our evidence suggests that optimism and self-efficacy can be learned employing a simple yet powerful framework in the organization:

First, understand that **people prosper from success**. Create an environment wherein they are successful, especially early in their career. Utilize a process of successive approximation wherein success is achieved in tasks of increasing difficulty and overall complexity.

Second, **people learn while observing others**. Assign new personnel to successful workgroups. Let them begin to experience "vicarious success." Simply possessing membership in successful, or elite groups, may create a self-fulfilling prophecy. Elite colleges and occupational groups thrive upon this principle.

Thirdly, **provide encouragement, support, and even mentoring**. Research suggests that the single most powerful predictor of human resilience is interpersonal support.

Lastly, using the latest finding from the neurosciences, **provide basic training in how to manage personal stress**. In our training programs, we refer to this as developing "psychological body armor".

Here are how some companies have employed resiliency traits at the organizational level:

**Resilient organizations invest in their client base.** At a time when the travel industry was undergoing a dramatic decrease in demand, American Express Platinum Travel Services sent a gift to loyal customers as a way of saying "thank you." Such frequent customers were given several hundred dollars worth of travel-related items including carry-on luggage, an iPod, earphones, and a digital video camera.

**Resilient organizations are innovative in times of adversity.** Innovation typifies Apple. At a time when the music player and phone industries were commoditizing their products, Apple introduced radically simple and beautifully designed products that remade the company.

**Resilient organizations invest in their leaders.** In a time when government agencies are demanding more and more from their contractors, one government contractor gave 30 departmental managers two entire days off, at a location away from work, in order to attend a training program that taught skills in resilient leadership as well as "psychological body armor" (the latest advances in how to manage personal stress).

**Resilient organizations invest in all levels of their workforce.** In 2010, the Wisconsin Governor's Council on Physical Fitness and Health awarded Kimberly-Clark Corporation in Neenah, WI a Gold Medal for promoting employee health and wellness. Kimberly-Clark has been a pioneer in occupational health promotion since the early 1980s fielding truly seminal programs in physical fitness, nutrition, and stress management for not only workers but their families.

To say we live in challenging times is an understatement, but crisis may also be understood as an opportunity. Those who cultivate a resilient organizational we argue will be better positioned to prosper when others falter.

Building Resilient Organizations. for the total system, in service of the second definitional goal. Successful adaptive/learning systems are characterized by robustness in both subsystems, and by strong linkages between them.Â their organizational structures, systems and culture. Employees performing the work. were well trained and generally had been doing. Part 2: Building a resilient organization. Organizational Resilience in practice. Product excellence.Â  A resilient organization is adaptive, agile, robust and competitive  harnessing experience and embracing opportunity to pass the test of time.  Organizational Resilience involves the adoption of best practice to deliver continual business improvement, embedding competence and capability across all aspects of an organization.  Organizational Resilience is intrinsic to an organization's ethos and provides a common platform and shared understanding for adapting to a dynamic business environment; allowing leaders to take measured risks with confidence, responding quickly and appropriately to 1. creating and maintaining a positive organizational culture that is productive and resilient in the face of conflict and other challenges; 2. tips on navigating the legal pitfalls and protections surrounding the building of an organization; 3. and preparations for organizational success as teams encounter growth, expansion, and intergroup conflict. Hypothetical #1: Consider the Monkey. Organizational Culture.  Monkeys and Ladders.  Organizational culture is often a ohand-me-down process.  What can you do beforehand to start your organization with a positive culture, or what can you do no