

“HOW RESILIENCE WORKS.”

Diane L. Coutu. *Harvard Business Review*, May, 2002.
By: Daniel Daughtry-Weiss, NRC Senior Research Analyst

Why do some people suffer real hardships and not falter? What exactly is that quality of resilience that carries people through life? In this article from the *Harvard Business Review*, Diane Coutu asks these questions and concludes that the **answers apply to organizations as well as individuals.**

Coutu agrees with those who argue that resilience can be learned. So-called "resilience trainers" are in demand because, as one of them observes, "More than education, more than training, a person's resilience will determine who succeeds and who fails. That's true in the cancer ward, it's true in the Olympics, and it's true in the boardroom."

After researching many theories, Coutu concludes that resilient individuals share **three unique traits:**

- a resolute acceptance of reality;
- a sense that life is meaningful;
- an exceptional ability to improvise.

The author argues that these traits exist in resilient organizations as well.

Management researcher, Jim Collins (author of *Build to Last* and *Good to Great*) asked a Vietnam vet, imprisoned and tortured by the Viet Cong for eight years, "Who didn't make it out of the camps?" The veteran replied, "the optimists." Coutu concludes,

"resilient people have very sober and down-to-earth views of those parts of reality that matter for survival."

For an executive, the first key to building resilience is asking, "Do I truly understand-and accept-the reality of my situation? Does my organization?" Executives should resist the tendency to slip into denial as a coping mechanism. **Facing the truth head on can be a matter of survival.** The author offers the following illustration to demonstrate that "we train ourselves how to survive before the fact:"

After the 1993 bombing of the World Trade Center, J.P. Morgan Stanley faced the reality that the building they occupied was a terrorist target. The company made sure that its employees were thoroughly drilled about what to do in the event of a catastrophe. As a result of thorough preparation, on September 11, 2001, when the second tower was struck-only 15 minutes after the attack on the first tower-J.P. Morgan employees had already evacuated. Despite a direct

blow from the plane, J.P. Morgan lost only seven employees.

Wisely, the company had set up multiple recovery sites so that employees could congregate and maintain business operations in the event of a disaster. Had Morgan Stanley executives decided that it was "just too stressful" or expensive to contemplate a successful terrorist attack, many more employees may have died, and the company's overall business would have been seriously disrupted.

The second key to making it through difficulty is to **find meaning in one's circumstance**. Australian psychiatrist and Auschwitz survivor Viktor Frankl developed the concept of "meaning therapy" during his experiences in the concentration camps. He found that **creating goals and making decisions** to create significance kept him from finding the present overwhelming. As Coutu puts it, making meaning out of suffering is a way to "build bridges from present day hardships to a fuller, better constructed future."

The meaning one can find in a crisis often arises from a **strong preexisting value system**. In an organization, Coutu finds, "strong values infuse an environment with meaning because they offer ways to interpret and shape events." Johnson & Johnson calls its value system the "Credo." UPS refers constantly to its "Noble Purpose."

UPS CEO Mike Askew argues that this regularly reinforced value system allowed UPS to bounce back after a difficult strike in 1997.

Nonprofits should take advantage of the meaning-making power of their mission, vision and value statements to build organizational resilience. Nonprofits often think of mission statements as an external communication. However, Coutu shows how resilient for-profit businesses use value and mission statements for building internal strength. Coutu asserts that strongly articulated values, positive or negative, are actually more important for organizational resilience than having resilient people on the payroll. Creatively reinforced, mission, vision and values, then, can be powerful tools for nonprofits to build loyal, motivated teams and reduce the risk of staff burn-out amid overwhelming need.

Coutu's third component of resilience is having **"the ability to make do...to improvise** a solution to a problem without proper or obvious tools or materials." Coutu observes that when circumstances take a turn for the worse, resilient persons "are able to muddle through, imagining possibilities where others are confounded."

Coutu observes that resilient companies consider improvisation to be a core skill: "UPS empowers its drivers to do whatever it takes to

deliver packages on time. After hurricane Andrew devastated Florida in 1992, UPS drivers and managers sorted packages at a diversion site and made deliveries even to those stranded in their cars." The ability of UPS to maintain its operations gave others who were overwhelmed the courage to keep going as well. In other words, the creativity and resilience of your staff can have a positive impact on those with whom they work.

Even as it encourages improvisation in crisis, UPS is characterized by a strong set of rules and regulations during normal operations. CEO Eskew notes "Drivers always put their keys in the same place. They close their doors the same way. They wear their uniforms the same way." This strong set of clearly defined methods and procedures allowed

staff to focus on the necessary adjustments required to maintain service in the midst of unique challenges.

In the face of shifting funding streams, fickle donors, and operational challenges, organizational resilience is an invaluable trait for nonprofits.

To gain it, nonprofit leaders need to:

- face internal and external challenges and opportunities without sugarcoating them-and create strategies for dealing with or exploiting them;
- utilize the meaning-making power of communicating and developing mission, vision, values as well as short-term goals with staff;
- encourage the innovation and creativity of staff while creating an orderly process for dealing with normal operations.

With these traits an organization-much like a person-can hope to "bounce back" and keep going after suffering a trauma that might have debilitated another.

<http://www.ccfbest.org/worklife/theimportanceofresilience.htm>