

Staying Ahead Without Losing Your Head

A Trib3L & Clarkhouse White Paper



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Introduction



A handwritten signature in black ink, appearing to read 'Liesl'.

Liesl Bebb-McKay
Founding Partner
Trib3L

We are living in completely unprecedented times. 2020 Has brought us threats and opportunities that none of us could have imagined a year ago. As small business owners, and leaders we find ourselves adrift inside a revolution the likes of which we have not seen in our lifetimes. A revolution that is poised to change our world in more ways than we can even imagine today.

So, as we sit, locked in our varying forms of isolation, trying to adjust and hold onto the last threads of our sanity; how can we think about adjusting the way we lead our teams and businesses so that we can adjust to this incredible change? Where do we look to figure out what post-revolutionary leadership and businesses will look like?

In this paper our team will take you through some insights from a different angle to give you some places to start as you navigate this journey.

Planning to Thrive

“You Can't Shrink Your Way to Greatness”

This quote by Tom Peters is a reminder that a relentless focus on costs isn't going to change the world, nor is it going to inspire anyone. Of course being financially responsible is essential, especially in these times, but it cannot consume the entire organisational awareness.

Leaders need to be focusing teams on an inspirational future.

We will begin by taking a look at a new story, a new view of the world: themes we see in the world now to inspire new thinking; then move onto how to get back to basics with tips and tools for gaining control and keeping it, then a look at how we focus on the humans in our teams and at some key workplace strategies and finally, how to consider innovating your way and finding a path forward using what you know (your secret sauce).

In this paper our team of small business owners, ex-corporate execs, entrepreneurs, innovators and brand specialists, who are, much like you, trying to make sense of the crazy, unpredictable times we now face, will guide you through some insights from a different angle.

Chapter 1

A New Story



“You can't connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will somehow connect in your future. You have to trust in something...”

Everyday, when we wake, we remind ourselves that this new reality is providing us with a new lens through which we can view the world and engage with it. We have many questions; how did we get here and will things ever be the same?

Looking back, the first action taken was one of readiness. Countries needed to "flatten the curve" and ensure that hospitals were provided sufficient time to prepare.

Families got inside their homes and locked down and, as the world started to look around, another crueler reality set-in - our economic livelihoods were going to be threatened too. Many are grappling between choosing a virus they cannot see, and would probably survive, and the ability to put food on the table. To work is to eat, and to eat is to live. The economic crisis from this will be severe.

And still, once the world emerges from the Covid-19 haze, and the dots start to connect backwards, we'll begin to understand more.

In this chapter, we discuss a few key trends we have read about, observed and marvelled at. We wonder how these could inform a new normal, help us to contextualise new opportunities for business, and perhaps how businesses could also pivot to take advantage of these new opportunities.

A NEW PATRIOTISM



A new patriotism is not to be confused with the pre-Corona view of Nationalism, as in confederate flags and 'Make America Great Again' statements. This is about something so much more meaningful, much more powerful, and with the intention to jointly-build, for an all-encompassing greater good, better patriots. For businesses, especially those already locally rooted, it's a time to be getting very excited.

A trend is emerging in the support of smaller, local businesses and a call is growing to continue this theme when we emerge from the crisis. Shop local, travel local, get local economies going again! We are connected, inextricably linked, made even more so during this crisis with many realising now that one business collapse, is a collapse for us all.

Businesses have a role to play, to reach out to customers, clients, competitors, suppliers, partners, and ensure that all these cogs in the wheel can survive. If they don't, we won't. We have found a common enemy to unite us all.

THE POWER OF WE



In their book, "On Grief and Grieving, Finding the Meaning of Grief and the Stage of Loss", Elizabeth Kübler-Ross & David Kessler define the Stages of Loss and we can apply them to this crisis as follows:

1. Denial: "This virus won't affect us"
2. Anger: "You're making me stay home and taking away my activities!"
3. Bargaining: "Okay, if I social distance for two weeks everything will be better, right?"
4. Sadness: "I don't know when this will end."
5. Acceptance: "This is happening; I have to figure out how to proceed."

Kessler has expanded upon his work, and it now includes a sixth stage to loss. A new and mind-stretching revelation... meaning. Grief never goes away, loss is not easily recovered, but one can find a whole new meaning.

1

A NEW PATRIOTISM

2

THE POWER OF WE

3

**A DIGITALLY AUTHENTIC
HUMANITY**

During this crisis, grief has been felt in a collective, most have discovered that we are deeply connected. This is the most powerful butterfly wing flap which has generated a fierce storm, and has shown how quickly a contagion can spread.

But, also quick to spread was humanity, the ability to reach out, show kindness, crush fake news and call out rubbish leadership as it happens.

The world's loss will be deep and devastating, but many will find new meaning as individuals, families and businesses. The pre-Corona phase of life was peppered with lashings of individuality, "Be You" statements and hyper individualism. These persona's are going to be hard to swallow moving forward, especially in advertising terms. After all, each person is unique. Just. Like. Everyone. Else.

The post-Corona world will see more investment into social services – an investment in "we". Especially for health and education. The building of the "we" will be key as societies are, in very raw, painful terms, being shown how shaky the foundations are, and that because of this, communities are only as strong as the weakest links in society.

A DIGITALLY AUTHENTIC HUMANITY



Fourth Industrial revolution springs immediately to mind... and how this crisis has shown how painfully digitally unprepared many really were. But one can't fall back on pre-Corona thinking. This theme is so much more than the digital us versus the human us. It is about authenticity.

This crisis has revealed two things:

1. The true meaning of digital enablement; and
2. The authentic delivery of digitally powered content.

There is a realisation that there is still humanity in digital – people have not lost the ability to be creative, share personal moments and connect. But, many will never again forget the value of a simple kiss. The slightest touch.

If, moving forward, the most human instincts can be applied to devices, that will have been a powerful COVID-19 legacy. Not only alone together, but together alone.

The Global Citizen concert, and the performing artists, singing alone in their homes, to audiences they could not see, hoping to reach out and show the world that everyone is in it together, was watched with joy by millions. The concert raised \$127 million for Coronavirus relief for the WHO and care workers.

It was raw and powerful stuff. This is what is possible when teams deliver authentic content. And the world needs more of it.

Much to ponder indeed, applying these themes to brand and product messaging will be interesting. Our world is forever changed, but once again, in the words of Steve: I hope all of your dots, when you look back, connect in ways that see the world flourish.



KERRY BARENDSE

Strategic Brand & Design consultant with a deep love for "all things brand". This has translated into a career spanning 18 years working with businesses across multiple industries, to best tell their unique stories, in ways that visually inspire, and deeply resonate with their customers.

Chapter 2

Control the Controllables



Thinking back to the eve of 31 December, on the brink of a new decade, there were many jokes around having 20/20 vision and seeing what the year ahead held....No one in their wildest dreams could have foreseen what was to unfold in a matter of weeks and what we in fact needed was 20/20 hindsight!

Businesses are all trying to cope as best they can in the current situation, adapting to new ways of working, exercising, living, learning, shopping and socialising. There is much beyond their control and on which they are potentially wasting energy, and so the primary aim of this discussion is to offer some practical help and tools to take back that which can be controlled.

The good news is that there is opportunity in chaos and, it is at times like this, that people improvise and innovate. While the fluidity of the situation presents challenges in itself, this paper aims to ignite more critical and longer-term thinking, and provide some motivation and inspiration in what sometimes appear to be dark days! It is a time to certainly hope for the best, but also to be prepared for the worst.

At the risk of stating the obvious, every business, big or small, is exposed to risk be it internal, or external, that can directly or indirectly result in loss to the company. Small businesses are generally at greater risk due to weaker capital background and less investment in risk management infrastructure due to the limitation of resources and budget.

So during an unprecedented time like this with large scale loss of life and severe human suffering globally, we find ourselves in a major economic crisis with a halt in production in affected countries around the globe, lockdowns in place, a collapse in consumption and confidence, oil prices reaching negative levels and the list goes on. The unthinkable has transpired – almost every risk type has been triggered simultaneously placing business continuity in question!

It is of no use to look back and think of what could have been done to mitigate risks, individuals and companies needed to act immediately to prioritise risks and establish a most-to-least critical importance ranking. Indeed, many sectors do not have the capacity to think beyond their own survival right now and the first wave of crisis response should have been to critically assess Financial Stability Risk. Many SMEs have limited resources and there are many existing obstacles in accessing capital. This translates to a more restricted period over which SMEs can survive versus larger firms.

Looking at Financial Stability Risk there are three factors on which to focus and they are financial position, external factors and internal factors, all of which are inextricably linked.

1

FINANCIAL POSITION

2

EXTERNAL FACTORS

3

INTERNAL FACTORS

FINANCIAL POSITION

An assessment of this involves an analysis and break down of the business' balance sheet. This will allow one to assess cash on hand, commitments and obligations (differentiating between long term and current, and an assessment of where repayment terms could potentially be negotiated to longer term to ease cash flow pressures), salaries, rental, rates, etc. Also to assess inventory on hand, which could translate into short-term revenue, and overall working capital requirements.

EXTERNAL FACTORS

External factors are at play and an assessment of their impact on both the supply and demand side of the business should be completed. On the supply side, capacity utilisation has ceased completely for many due to lockdowns and supply chains have been interrupted. On the other side of the coin, demand has also dried up and there has been a sudden loss of revenue due to loss of consumer/customer income caused by lockdown restrictions, fear of contagion and heightened uncertainty around "where to from here?"

INTERNAL FACTORS

This then compounds the impact on internal factors with production/operations being impossible in many cases due to the interruption in supply chains or regulations in place prohibiting production during this time. And last, but by no means least, the impact on employees. For thousands a deadly blow has been dealt by an inability to get to work, an inability to fulfil a job for which there is no longer a demand and an inability by employers to simply pay salaries.

The outcome of such a critical assessment is likely to not paint a particularly rosy picture for many, but knee-jerk reactions at a time like this will not be helpful. It is time to go back to basics – to focus, digest this information and formulate an action plan which will stop the company bleeding unnecessary expenditure and halt the rapid escalation of costs as well as to assess and research the relevant country-specific financial support options which may provide some short-term relief. At all times we encourage businesses to act responsibly and redirect any available resources to focus on employee and customer welfare and well-being – at the end of the day, these stakeholders are at the centre of any business and it is essential that strategic thinking be employed as to how the business can emerge from this crisis with its doors still open or in a position to re-open its doors, and to operate in a more resilient and deliberate manner. Key to this will be emerging with your reputation still intact.

Do not underestimate the value of the business' off-balance sheet primary asset – the employees! Fear and anxiety in an unprecedented crisis is normal. Organisations that act and speak with humanity will better connect their message to those that matter.

While we are experiencing this massive pressure on all business lines and systems simultaneously, it is a great time to look at the challenges around business continuity planning, systems and processes, and to learn any lessons from what has been experienced:

- Did the business continuity plan adequately address the non-availability of people versus infrastructure and systems?

- Does it sufficiently address pandemic key risks?
- Did the team need to innovate faster to reach the target market more effectively?
- Did the supply chain and communication tools work?
- Could core operations be separated from 'business as usual' to 'business as survival' on a timely basis?

If the answer to any of these questions is "no", a plan is required to change this for the next crisis. One would prefer not to think about the next crisis given we are still in the midst of the current one, but the reality is there will be one! Whilst focusing on survival right now, business leaders have potentially taken their eye off other risks which may be emerging (either in their current or a different form); it is vital that such risks be critically assessed and evaluated as to what this means for the organisation right now!

There is an African Proverb which is always relevant, but I guess even more so today...

Tomorrow belongs to the people who prepare for it today.



CATHERINE MAGILL

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Chapter 3

Start with Humans



Like all solutions in our leadership journeys – the answers and outcomes are better when we start with the humans. This is a time for communicating more and communicating differently; for really putting a spotlight on the people in our value chains.

Leaders need to focus on having intimate ongoing conversations with our two important groups of humans:

1. Our Clients
2. Our Teams

CLIENTS

As important as a Business Continuity Plan is in times of crisis, so is a Crisis Communication Plan. Clients are seeking connection during these uncertain times and, depending on the nature of the business, may be more dependant than usual in the current circumstances.

Leaders need to get talking, perhaps not about deals and products that clients require, but really getting back to the basics and having a new conversation about what is going on for them right now.

This is a chance to engage in a little empathy, and perhaps by doing so, helping clients to have a very different experience through this time. The issues that the business is experiencing may indeed be exponentially worse for clients.

This is an opportunity to be reaching out and asking what it is that they are experiencing. Teams could be saying “We are really struggling through this – how are you doing and could we help you?” “How can we help each other practically?”

By ‘being in it together’ teams have a chance to build a whole new relationship with their clients. They may even be opening new unexplored avenues for business and collaboration, that could in the long run be mutually beneficial. It’s been said so often in many different contexts – this crisis is going to highlight the hero’s and the snowflakes, and leaders will be judged by which side they chose to be on and so will their businesses.

Businesses need to also seriously consider what the client base is going to look like on the other side of this crisis. By reaching out now, in a practical and empathetic way, not just to push product or generate additional revenue, but because of meaningful authentic empathy and a desire to help, deep relationships can be built.

Bernard Baruch an American financier and stock investor in the early 1900’s said “We did not all come over in the same ship, but we are all in the same boat.” It feels a bit like that now, and teams can use this shared humanity and current experience to create business relationships for the future.

TEAMS

And then of course the most important humans are within the business teams – what kind of a workforce will emerge from this crisis? Most have undoubtedly read about the impact this time will have on collective and individual mental health, but there is a lot more to consider. In communicating with teams at this time, it will be vital to consider the story that leaders are giving them through these conversations.

Humans love and live by stories – stories are the things that cultures are built on – our reaction to this virus is one massive unfolding story.

It is really important right now to be communicating the Covid-19 response story to teams in a transparent, honest and (difficult as that may be) inspirational manner. Engaging employees effectively has never been more important!

Firstly, because teams are not given a story to tell, they will be making up their own story. A story that leaders will never hear and one that is undoubtedly not going to be inspiring! Inspired teams are accountable; if a team buys into the collective story, they will be accountable and a powerful force supporting leaders in the solution.

Secondly, because social contracts have changed. In the usual way of work there is a social contract with teams in terms of how everybody shows up, and how things are done practically – this has all been turned on its head with our new way of working remotely. Whilst many leaders are aware that expectations are different, it may not be clear to the team.

This is a new conversation that needs to be had. Many employees are grappling with balancing professional commitments alongside caregiving responsibilities and physical separation from family and friends and will appreciate this clarity.

One large corporate for example sent a message to their teams indicating that they would not be having any calls or meetings between 12PM and 2PM, acknowledging that the middle of the day is bound to be a crazy time for folks having to navigate online schooling and family lunchtimes, etc. This corporate has received significant airtime from this simple gesture and employees are grateful for such communications. Another has requested tag lines on the bottom of all internal e-mails being sent by staff, acknowledging the out of hours times mails may be sent and clarifying that the sender has no expectation of a response out of working hours.

These are situations that were never considered when teams were all sitting in offices together. Work life has changed and leaders need to be articulating this. Expectations are changing from a personal and delivery perspective. Staff may need an empathetic response “give yourself a break and focus on your kids, I know it’s back to school this week, work in a way that suits your family and current circumstances”; as well as a clear articulation of what is still required output from them in order to sustain the business.

Thirdly, teams will be yearning for information about the things that are keeping them up at night. There is a wealth of speculation and misinformation in the media, which can exacerbate already high levels of anxiety.

They will be seeking detailed information around the safety of their jobs and the health of their pensions. Communicating important information simply, and creating an open channel of communication whereby employees are able to ask questions and access important messages, is valuable. Even when bad news has to be delivered, if it is done with integrity and transparency, this will help guide teams through troubled times.

When we get to the other side of this, a new world would have emerged, leaders must be sure to keep calm, communicate effectively, ask the right questions and take the people who drive their businesses forward – the staff and clients – on the business' journey.



MARIANNE BOTOULAS

Passionate about building high performance teams and delivering excellence . Proven track record in landing large scale change programs and implementing strategies that drive industry leading business culture.

Chapter 4

Workplace Strategies



It is clear that the COVID-19 pandemic is going to cause a rapid shift in workplace strategies.

So much so, that it will be unrecognisable compared to what has been the norm for the past 50 years in terms of staffing engagement, leadership and collaboration.

The way we work, including the physical space in which we work, is likely to change significantly. Many companies will suddenly realise that they are far behind in these changing dynamics and will rapidly deploy their long overdue digital strategies. Many organisations see technology as their silver bullet, but most will overlook key workplace strategies and key Human Capital considerations that could ultimately derail their initiatives to emerge from COVID-19 thriving. Interestingly, even before COVID-19 arrived, up to 78% of organisations failed to meet their business digital transformation objectives and 92% of organisations are believed to be incorrectly structured to operate in this new digital environment. COVID-19 is accelerating the need for digital change.

Workplace Strategies are the dynamic alignment of an organisation's work patterns with the external macro environment to enable peak performance and reduce costs. One can argue that Workplace Strategies need to be viewed as a science. Without alignment between these drivers, organisations will fail to execute on their strategies effectively. With the crisis facing global organisations due to the global pandemic, the need for a clear, concise workplace strategy is of the utmost importance now more than ever.

In my opinion, the five key drivers of workplace strategies are:

- Resources (Physical, Personal)
- Innovation (Technology and Process)
- Leadership
- Culture
- Purpose

Most organisations look at these five key areas independently of one another when they should be considered as co-dependent variables. A change in one area will most certainly have an impact on the other key areas and not always for the better.

$$\text{Workplace strategy} = \left\{ \frac{\text{Resources} + \text{Innovation} + \text{Leadership}}{\text{Culture}} \right\}^{\text{Purpose}}$$

If one considers these five drivers in scientific terms, one could place them into a formula to show the intricate relationships between them.

The alignment of workplace strategy formula becomes out of sync if too much emphasis is placed on one area. This is often the case in organisations. No matter how dynamic and innovative an organisation can seem with all its fancy technology, the effect can easily be reversed by a poor work culture or bad leadership. In addition, the purpose of the company is the magic exponent in the equation because it has the potential to amplify successful output significantly. Companies that have a clear purpose perform far better than those who don't. Currently most companies are not purpose driven.

How is the COVID-19 pandemic going to impact the science behind workplace strategies?

RESOURCES

Resources consist of the Physical Capital (bricks and mortar) and Personnel (human capital):

- Physical: Buildings and office space will not correlate, and old methods of doing things will not work as effectively as before. Traditional physical work spaces will fall away, opening up a new type of space that allows for optimal Human and Technology relationships.

- This redesign of workspaces will create spaces that encourage less silo work structures with areas where one can collaborate and interact with technology.
- Personnel: We are witnessing a massive shift from traditional work and full-time employment to freelancing, working part-time, and independent contracting.

Transient, freelance or gig employment will be the new norm. This on-demand work, instant gig economy is moving more and more toward independent professionals who are using mobile technology to create ecosystems of work they enjoy. If companies want to survive they will need to be able to tap into this and form a new blend of permanent and freelance staff: an optimal resourcing mix or resourcing formula comprising of permanent and freelance staff to drive agile performance. The benefits of using this model include the creation of agile staffing models without long term costs in order to have expertise within organisations.

INNOVATION

Innovation will rally to accommodate this new way of working, and technology will be thrown at the problem. Often, technology is seen as the silver bullet to solve organisational issues. Successful innovation activities need to look at the profound transformation of business activities, competencies and business models to fully leverage opportunities of digital technologies. Where there is more value with more data, the development of more ecosystems with an increased speed of learning is beneficial where innovation ultimately assists companies to organise for optimal adaptation.

There are 3 key areas that companies need to focus on that can achieve that adaptation:

1

ROBOTIC AUTOMATION

Getting 'bots to do the mundane, freeing up human traits like creativity to add value where it matters. Robotic Process Automation (RPA) creates efficiency, cost saving, enhances cycle times and creates better insights and analytics through better quality and accurate work. This is effectively done in Finance and Human Resources and is not very costly to implement.

2

ARTIFICIAL INTELLIGENCE

The use of Artificial Intelligence (AI) as a prediction tool can help companies make better strategic decisions, long-term forecasting and quicker decision making. The effective use of company data is critical to long-term sustainability.

3

VIRTUAL AND AUGMENTED REALITY

Historically, companies have been slow on the uptake of virtual reality (VR) and augmented reality (AR), not only in the Human Resources department but also in several other areas. In the future, collaborating with your team using VR and AR will be the norm. These two technologies will change Human Resources and completely reshape the way in which the workplace operates. In the future, VR and AR will be as common in the workplace as email is now. Collaborating across multiple locations using VR and AR will become commonplace. For example, research and development teams testing new products can use VR and AR for simulations. This can be done at lower costs and collaboration with others would save time and money on product design. VR allows the exploration of possibilities without the risk of investing huge amounts of time into products. It allows for collaboration on a global scale (see Trend 1) and can be used to showcase products and drive sales using true-to-life visualisation. Done well, VR and AR can make your company more customer centric and customer experiences can be improved, ultimately impacting the bottom line for the better. Human Resources can use VR and AR to be innovative and efficient. There are multiple benefits to using these technologies including: on boarding, learning and development, gamification, graduate recruitment, improving connectivity across global companies, immediate assistance for employees and on demand knowledge.

LEADERSHIP

Leadership will be shown up as lacking in many areas, thereby unbalancing the formula. Companies will need to look at more modern leadership training like on job coaching to ensure future crises can be handled more effectively. Companies will need to move to a facilitated style of interpersonal leadership that encourages an on demand learning environment concerned with adaptive problem solving. An effective tool to use in the leadership expression is the OODA loop decision making tool as used by the US Navy Seals. OODA stands for Observe, Orientate, Decide and ACT. The US Navy Seals, some of the most highly advanced, high performance teams in the world operate in worlds of sudden change, unknown consequence and complex, shifting inter relationships, ones that are difficult to decipher and impossible to predict. This VUCA environment (Volatile, Uncertain, Complex and Ambiguous) describes a world for the special services such as warfare, geopolitical instability and unreliable loyalties. For business, it means structural collapse, credit crisis, reputational damage or COVID-19 in this case. For leaders it means dealing with decisions that involve incomplete knowledge, sketchy resources and uncertainty. It is the way the navy seals handle this VUCA world that sets them apart. They continually use the OODA loop as a frame of reference. Leadership needs to do the same – every second of every day observing, orientating, deciding and then acting. Decision apathy will be the biggest leadership threat to organisations. You cannot win by defending. The rules have changed, so decisions required from leadership need to happen with them.

CULTURE

The rapid pace of change is likely to cause a lot of trauma, not only at the employee level but also at a management/leadership level. Consequently, culture will be negatively impacted under COVID-19. Stan Slap, renowned leader on business culture and international bestselling author, says, “Culture is the most overused, yet least understood, concept in business. As a result, the potential of what it can deliver for an organisation is underestimated.” Culture is the great leveller of the organisation. A toxic culture will prevent the realisation of the benefits of any COVID-19 initiatives as it is clear that a sound company culture is needed to ensure survival. Underestimating the role that a company’s culture plays and the impact it has on leadership, innovation and resources and even purpose may lead to company failure during uncertain times.

Most employees (permanent or freelance) operate in a state of emotional detachment. Emotional detachment is related to the concept of presentism, which is defined as “the phenomenon where employees show up for work but don’t perform at full capacity”. Slap explains that when a company obtains emotional commitment from their employees, then discretionary effort is obtained. This is what solves problems that are unsolvable, creates energy when all the energy has been expended, and ignites emotional commitment in others. Companies need to build committed cultures where employees (permanent and freelance) are allowed to live their deepest values, and this needs to be earned before crises like COVID-19 happen to create performance insurance.

PURPOSE

If the company's purpose was only focussed on profit, then the potential for boosting the company exponentially is lost. Research suggests that purpose should be based on creating deeper relationships with clients and consumers – participating in local communities and creating an attractive work environment not only to attract new talent, but more importantly to retain those in which the company has already invested. A clear purpose will reflect in company results by gaining greater market share, and it is believed they will grow three times faster than their competitors. In addition, it is believed that the workforce remains happy and clients remain committed where there is clear purpose.

Ultimately, workplace strategies must be viewed holistically in order to survive the chaos in which the world currently finds itself. A useful analogy is a Rubik's cube: the key to solving the Rubik's cube is to understand that changes made on one side need to be compensated for on another, in order to maintain and further improve synchronicity of colours on opposing sides. The Workplace Strategy formula of balancing Leadership, Resources, Innovation, Culture and to the power of Purpose needs to be considered in the same light.



ROY CLARK

A Human Capital Business Enabler "To Rise by lifting others" is his core belief and the foundation of all that Clarkhouse Human Capital stands for

Chapter 5

Specifics for Startups



As we navigate through a global pandemic with varying levels of lockdowns and restrictions imposed on businesses globally, it's fair to say the manner in which business has been conducted in the past will not be the same in the future.

If we think startups, many descriptors come to mind... catalysts for growth for many economies; flourishing ecosystems; attracting high investment; great potential and transformational innovation. All true, but the big question is how are they planning to exist in the new world post COVID-19?

We don't have the answers, no one does. These are unprecedented times but there are questions that teams could be asking and some points to consider in the formulation of an action plan:

RELEVANCE

Is the business still relevant? Does the business model still make sense? Does it still solve for an unmet need? Is the offering an essential service or is it a nice to have? These are the hardest questions a business can ask itself.

Months of analysis, development and resource time and costs have been spent on getting the offering 'just right' and now teams potentially need to go back to the drawing board. It's hard but necessary – remaining relevant is imperative to the success of any business.

RESPONSIVENESS

How easy will it be to pivot? Does the infrastructure allow for this sudden change in direction or are teams equipped to handle the increase in potential demand? Assessing the business through people, process and technology lenses is very useful in highlighting potential opportunities and identifying any glaring gaps. The ability to respond to the anticipated changes is what will give the competitive advantage. Successful examples can be illustrated by major fashion houses globally who have changed their clothing manufacturing factories to focus on producing face masks or breweries pivoting to produce hand sanitisers.

RELATIONSHIPS

Does the business really know the customer? Can potential behavioural changes be anticipated and emergent needs met? A good exercise is to revisit what customers enjoyed before COVID-19 and the needs that it was solving for. Next, ask how these needs have shifted due to factors such as salary cuts, sector shut downs, increased need for healthcare and essential services, working from home, etc. and note the behavioural changes. Lastly, an assessment can be made given knowns (and unknowns), of how the offering plans to address/cater for these shifts and what problem it will be solving for in the future.

RESOURCES

Survival is key. Priority #1 is to ride this wave and aim to emerge relatively unscathed. What is needed to keep the lights on? How can costs be effectively reduced? How can the network of investors be leveraged to assist with cash flow solutions or additional funding if required? Can payment holidays play an advantage and are relief stimulus packages available?

Many funding options still exist and it is crucial that all options are investigated. Venture Capital funding is slightly down globally but activity has by no means ceased – which is positive. Investor behaviour has shifted and we can expect investments to be more focused, smaller in size with stricter parameters applied, but investors will rarely turndown a solid value proposition.

No one has the answers, so keep forging ahead and discovering new paths, remain positive, stay motivated and keep innovating.



MALANEE HUTTON

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Chapter 6

Innovating Out



With so much noise and so much for us all to worry about as business owners, it's difficult to know how to make space for innovation. It does start to feel a little more manageable once we address the control factors, but consideration must be given to getting started in terms of moving forward and thinking of the way out once this is all in a new flow.

It is important to acknowledge at the outset that **they** do not have the answers. They: the experts, the consultants, the advisors, none of these people know the best solutions for a business' concerns, because nobody knows better about businesses and their clients than internal leadership teams do.

And so that's where to start – not with the answers but with some questions that leaders can consider that can perhaps spark a new pattern of thinking to get onto that path forward and begin the action plan.

All of the answers already exist within the team, all that is required is time, time to ponder and to focus – and perhaps that's the gift that we are all receiving right now during the crisis.

Innovation follows a very scientific practice. This may be counterintuitive, many consider innovation to be something fluffy or accidental or very creative, but in fact it really follows a process much like the well-known scientific method:

- Purpose/Question
- Research
- Hypothesis
- Experiment
- Data/Analysis.
- Conclusion

Must is said about failing fast – failing fast is a practice from this scientific method.

So to dive right into the innovation practice, here are some questions to ponder that will begin the process. Questions that only the business has the answers to...

1

CLIENT NEED

All innovation really starts with the client – so that’s the first question to ask...what do clients need from this business? Or more specifically **what is the client need that the business serves?**

Interestingly our needs as humans change very seldom, this is true for clients too. The important thing to identify as a business is what is it the business does? What does it really do? (To be clear – a product is not a need. A product is a delivery mechanism designed to meet that need.) The business needs to have a really good answer to the question “What’s the point of your business anyway?” Client needs generally track Maslow’s hierarchy – they may be physiological or safety based or meet a need for love and belonging or esteem or self-actualisation based, but each business meets a human need in a very specific way – even though we seldom think about our businesses in this way.

2

DELIVERY MECHANISM

Once we have an idea of the need that the business meets – the next important question is – **how does it deliver that need through its products and services?** This is the part where innovation happens. Needs may seldom change, BUT this bit changes ALL THE TIME. In some cases it changes organically, in others, exponentially but in the vast majority it’s a gradual and constantly adapting evolution in how each business (and its competitors) satisfy clients in increasingly innovative ways.

3

DIARY OF DISSATISFACTION

In order to get innovation right there are two more questions to answer– the first begins with the **Diary of Dissatisfaction**. If clients are asked “what is the most irritating thing about dealing with this business right now – today? What do you wish was better?” they will take the process closer to the answer. Clients will very rarely come up with the innovation itself, but they will highlight bits in how we deliver their need, that no longer work for them. It’s in this dissatisfaction where the innovation starts to spark. How can the business meet clients where they need to be met right now?

4

TECH OF TODAY

The next question is around checking the **Tech of Today** or the tools that the business has at its disposal – the apparatus as it were. This begins with a look at how the world has changed. How are people seeing what they need from their products but also what tech or new innovations exist that can be applied to meeting clients needs right now? We will undoubtedly see massive shift in this tech of today this year – a big shift in sentiment, coupled with a big shift in technology – a revolution of sorts. Once all of these questions have been answered then businesses can look at how to innovate their products and services using the tech of today and altering that delivery mechanism to meet clients where they need to be met today.

Too much at stake



The reason it is not easy to move towards innovation in most businesses, in almost all cases, comes back to one thing – this same overriding theme – there is just too much at stake!

- What if we spend a ton of money and it doesn't work?
- If we do this new thing we will have to get rid of a whole lot of skills and hire a whole lot of new skills?
- What if I fail and I don't get my bonus?
- What if it doesn't work and we incur penalties?
- What if our clients hate it?
- What if? What if? What if?

This is also why its so easy for small businesses and start-ups – they have nothing to lose – they can shift and pivot and continue innovating with very little at stake. But at some point they too grow up and the innovation slows because once again – just too much at stake.

This is where back to basics is so incredibly important.

In our personal leadership practice in Trib3L we try to refocus individuals on the concept of “coming as you are” or being your authentic you – rocking your superpower to bring out your leadership best. It is the same in a strategy practice. Teams have to focus on these incredibly important questions – what makes our business great? How are we different? Where did it all begin? Because if teams can feel safe in who they are as a business, then the “what's at stake” issue is less terrifying, and the innovation process can flow.

In some innovation practices applying a favourite innovator to the problem is often useful (even though it may sound overdone, it really is a very useful exercise). How would google do this? How would Airbnb do this? How would zoom do this? How would Trello do this? – Whatever the favourite innovation is.

Another innovation practice could be to look at what the competition is doing – often there are great insights into what the diary of dissatisfaction is, by looking at how others are solving for it – specifically startups.

But the real magic comes when teams ask the question – how would we do this? How would we have done this in the beginning? How did we solve things like this when we were at our best? How can we solve this in a way that is so incredibly unique for our clients? What are we just the best at? What do our clients love about us? Go do that! That is how to turn the volume right down on what's at stake and to accelerate the innovation process.

If it feels too difficult you are doing it wrong.

Again there is a parallel here between the leadership practice and the strategy practice – in a leadership practice we often find leaders feel completely stuck because they are trying to solve things in a way that they think they should, or in a way that they have seen already exists in the organisation, but it's only when they apply their own authentic strengths to a problem that they come up with incredible and innovation solutions.

The same applies in a strategy practice – teams can use how Google and Facebook and Airbnb do things as a way to get creative – but it's only when businesses apply how THEY DO THINGS, that they can find the real innovations.



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Conclusion

So how do we survive the revolution? By taking this time as a gift.

This is a unique opportunity to pivot, to review where the organisation is today and to play that forward; to play the scenarios out. This is the time to go back to basics and remember the magic that is at the heart of the business purpose, the uniqueness that makes the organisation incredible and to focus energy on turning the volume right up on exactly that!

This is an opportunity to remember that clients are why businesses exist; that teams possess incredible talent and to seek new ways to let them be just that. Of course, collaborate and, dare we say – be kind to each other.



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