

CXO's Role in the Economic Slowdown

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The streets are empty. The machines have stopped. The offices are shut. A deadly alteration of a zoonotic virus has brought the world to a grinding halt on a scale that has no historical precedent. Thus, the economic problems that are emerging after the virulence of the virus are weeded out will be of a unique nature.

India is no stranger to the impending crisis. The growth scenario was also in the doldrums in the months leading up to 2020. The country's growth had been dwindling for six consecutive quarters until the second quarter of the current financial year when it clocked 4.5 percent — a six-year low. The figure was only marginally beginning to improve in the third quarter (4.7 percent). But the final quarter is bound to have poorer growth results. The steady fall in growth numbers is worrisome in themselves. Government massive spent on Covid stimulus, makeshift COVID hospitals and Quarantine Centers across has also limited the capacity of the government to stimulate the economy once the situation returns to normalcy. Thus, the country will be left to deal with the inevitable economic threat.

Organizations across the globe are on the verge of an unprecedented economic catastrophe as the humanitarian disaster from the COVID-19 pandemic unfolds. In such a situation, leaders and CXO's play a crucial role by leading from the front and realizing that even in a recession it is possible to be confident, stay positive and energize their people to not lose the belief that they can find opportunities to increase revenues and profits. Besides, there are several other roles to be played by CXO in the economic slowdown.

Need to think entrepreneurially

It's important for CXO's to look at the business like their own enterprise. They should not think that they are paid to do their job, but they should consider it as their own business and then take decisions. Besides the most important thing to do during a crisis is to maintain an example for your employees by keeping cool, calm, and collected, which will allow you to think about the curveballs being thrown your way.

Realization

We all assume growth is a constant phenomenon. It's not always that your life and business will rise every year. But COVID-19 has taught us that growth is not constant. Now it is the period when businesses have gone down significantly and by the year-end, very few businesses are expected to make up for the losses. Baring few sectors, every business will de-grow this year as compared to last year. So when your growth becomes the challenge, you as a CXO should realize the fact and should acknowledge that reality in life. Realigning the goals and working on the EBIDTA accordingly will prepare the leaders to handle the challenge effectively.

Communication

One can be a great executive or manager, but if you are not a great communicator, things can fall apart easily. While CXOs are wired to take action, tough times like the pandemic cast monumental challenges to lead an organization. At such times, CXOs depicts authentically can actually demonstrate the human side of leadership. Employees look up to leaders for support and assurance. To communicate in an authentic manner, CXOs should stay true to their values and beliefs and keep their promises. Also, as a CXO, one must show that you understand the issues, and being transparent with that knowledge, is crucial. Transparency is even more crucial in times of crisis where decisions may not be popular or may have negative consequences for large numbers of individuals within the organization. Hence the CXO should be authentic, transparent and should know how to give the right picture in a positive manner.

Decision-making ability

There are a few situations where CXO's are supposed to make quick or tough decisions. A crisis is one of them. CXO should be able to take decisions on the fly, and in some cases, they might need to make the hard decisions, the ones they know are not going to gain them any point. CXO's who take action and who are open to adapting their

decisions to suit the needs of circumstances are going to have more success weathering a crisis than a leader who chooses to wait and wait and not take action. At the same time be humane and empathetic while taking decisions.

Optimism

"The pessimist complains about the wind. The optimist expects it to change. The leader adjusts the sails." -- John Maxwell

While it seems like a blinding glimpse of the obvious, maintaining a sense of optimism during tough times is critical. Retaining- a sense of optimism in the face of obstacles will go a long way towards keeping those around you focused while effectively shrinking their fears. Moreover, maintaining a positive outlook can neutralize the negativity and distractions that inevitably swirl around layoffs and budget cuts.

Take care of your people

CXO's first order of business is to take care of the employees. Blurred lines between work and home due to work from a home policy put the employees and their families in stress. One should acknowledge that people are focused on caring for loved ones, managing their kids who are no longer in school, stocking up on necessities, and trying to stay healthy, all while trying to do their jobs. This requires empathy and flexibility from CXOs. They should also provide flexible work arrangements—working remotely, in flexible shifts, and preparing for absences. For those people who still need to come into work, CXOs have a responsibility to make the work environment safe and secure.

See the big picture

Leaders can visualize the big picture and envision the potential impact long before others do. Such times call for a relentless execution. A CXO has to make sure that he/she is rolling up their sleeves and executing every strategy efficiently. So it's important for a CXO to assess their organization and determine where you are today as a team and a company. What are your signature strengths and talents? And how to ensure success and accelerate growth and innovation for a stellar future? It's important, of course, to reevaluate priorities, shift resources, and track progress closely. CXOs need to take a through-cycle view and stay committed to broader transformation goals.

Embrace adversity as a chance for opportunity

"Never let a good crisis go to waste". See the silver lining in the whole crisis for business. Every challenge brings an opportunity. Use your resources wisely and productively for making the organization future-ready. "You can't change the piston ring in a running engine". Use this time to overhaul your business, implement long-pending projects, upskill your employees through training programs, review the business plan through a microscope to remove bottlenecks. Most importantly connect with your client and customers for feedback. Engage with your key clients to create better experience for them through innovative products/services for the future.