

Why You Need a Resilient Workforce in Today's Economy

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Do you realize how important it is for you to have a resilient workforce? Do you realize your company's success depends on this? If you're not sure, see how many of these questions you answer "Yes" to:

- 1) Are you concerned about how much healthcare benefits cost your company?
- 2) Do increasing labor costs – or competition from overseas – make it even more important for you to get maximum productivity from your employees?
- 3) Does customer service quality play a major role in whether or not your company thrives?
- 4) Does Intellectual Capital – i.e. the knowledge, wisdom, and innovative capacity of your workforce – play a significant role in your ability to compete in the marketplace?
- 5) Are you interested in keeping absenteeism and turnover costs down?
- 6) Do you place a high priority on having a positive, "can do" workforce, rather than a negative, complain-about-everything collection of whiners?
- 7) Do you believe we are in for some rocky times ahead and because of this... you realize it will be challenging for many people to focus on their jobs?

- 8) Do you want your employees to respond to change with enthusiasm and determination, rather than fear and resistance?

If you answered "Yes" to these questions, you need a resilient workforce.

What Exactly Is Resilience?

First off, let's define resilience, then what it means to have a resilient workforce. Resilience refers to a person's capacity to handle difficulties, demands, and high pressure without becoming stressed.

To paint a more precise picture of resilience, let's divide the term into four facets:

1. **The ability to "not sweat the small stuff"** – Resilient people are the opposite of Drama Queens. They don't get worked up over little things like whether there are no Doritos™ in the company vending machine or whether their stapler jams. They maintain their good cheer despite the frustrations and hassles that are part of everyday work life.
2. **The ability to perform well under pressure...i.e. when it's "Big Stuff"** – Resilient people handle pressure

well. They don't become testy or sharp-tongued in difficult situations. They don't come unglued when confronted by difficult situations or high pressure. Resilient people are the ones you can count on to come through when the stakes are high.

3. **The ability respond flexibly and adapt to changing circumstances** – This is perhaps the most important reason to have a resilient workforce. Resilient people respond resourcefully to change. Rather than fight change and hang on to old, outdated ways, they respond to change with confidence and flexibility. In day to day life, if their current approach to a situation no longer works, they're able to quickly and gracefully adjust their plans and actions without getting upset.
4. **The ability to bounce back from defeat and disaster** – This is typically the quality of resilience people think of when they hear the term. The more resilient a person is, the more quickly they're able to recover from a setback, make the best of the new situation, and become a "new and improved" version of themselves because of it. In the workplace, resilient individuals don't dwell on failures, requests denied, or dark chapters in their employer's past. They move on.

What Difference Does A Resilient Workforce Make?

A resilient workforce is a productive workforce. A resilient workforce is healthy, energetic, durable, and enthusiastic. Furthermore, borrowing from Harvard Business School's Rosabeth Moss Kantor, resilient workers are "fast, friendly, flexible, and focused."

Several years ago, Dr. Kantor used this phrase to describe the qualities companies needed to survive in the new economy.

Since companies are made up of employees, for a company to be "fast, friendly, flexible, and focused," it obviously needs employees who possess these qualities. Workers who feel stressed out and overwhelmed don't. Resilient employees do.

Resilience, Stress, And Your Ability to Compete In The Marketplace

The relationship between resilience, stress, and competitive advantage in today's marketplace, makes it imperative that you understand how to increase the resilience of your workforce. This is because:

1. The more resilient a workforce, the more they can handle heavy workloads, pressures, and major change without becoming stressed out.
2. The intellectual, emotional, and physical consequences of stress directly compromise the sources of competitive advantage in today's marketplace.

Employee Stress and the Sources of Competitive Advantage

Typically thought leaders cite these factors as the fundamental sources of competitive advantage in today's economy:

1. The Ability to Create Brand-Building Customer Experiences
2. Organizational Responsiveness: The ability to respond quickly to change

3. Innovation and Intellectual Capital
4. Talent Acquisition and Retention
5. Productivity Per Employee

Let's briefly examine how stress makes it difficult – if not impossible – to possess these critical drivers of organizational success.

1. The Ability to Create Brand-Building Customer Experiences – The connection between employee stress and customer service is pretty obvious: stressed out employees don't give great service. They don't even give good service. Research on the brain supports what we know from personal experience: when stressed, people have difficulty experiencing empathy and compassion for others. When stressed, people are less likely to respond with patience and goodwill. Thus, if your business's success depends on providing great customer service – you MUST address employee stress.

2. Organizational Responsiveness: The ability to respond quickly to change – In today's mercurial marketplace, you're either quick or you're dead. Perhaps the most important organizational quality in today's world of accelerating change is the ability to respond quickly to change. This necessity poses a serious problem for companies with stressed out employees because of what stress does to the brain.

Decades of research on stress have shown that stress activates primitive, hard-wired "programs" in the brain that lead to neophobia (fear of anything new) and behavioral inflexibility (repeating the same action, despite the fact it isn't working). Thus, stressed out workers are more likely to fear the new and to cling to old, no longer viable ways. Conversely, employees who feel energized, confident, and inspired are far more likely to find change exciting and to respond with agility.

3. Innovation and Intellectual Capital – In today's Knowledge Economy, "smart rules". Even in companies that aren't typically viewed as knowledge-driven, the ability to innovate, to improve processes, to do things faster and more efficiently, all play an important role in success.

Unfortunately for companies with stressed out workers, stress makes people dumber. Decades of research on stress and intellectual functioning support what you've probably observed: when people are stressed, they're not as creative, they're not as logical, they're as capable of noticing alternatives and opportunities.

Stress also compromises this critical source of competitive advantage simply because of how it affects attention and "mind share". When we're feeling stressed, the source of our stress dominates our thoughts. Time spent worrying and obsessing is time not spent focusing on one's job.

For example, the customer service worker whose boss spoke to her in a demeaning way several hours ago is probably not focusing her attention on new ways to improve their service delivery. The IT professional swamped by the workload of two people is probably not formulating new ways to improve system integration.

4. Talent Acquisition and Retention – While talent has always been a key component of success, it will become even more important as the labor pool shrinks with the wave of Baby Boomer retirement. Your ability to attract and retain talent obviously depends on your reputation as an employer. If your workplace is known as a high-stress, human-unfriendly workplace, don't expect to be a Talent Magnet. Even if you have a stellar recruiting team who brings you great employees, if you deliver a negative work experience, they'll soon fly back out the door. Thus, employee stress plays a significant role in this critical source of competitive advantage.

5. Productivity Per Employee – Good old fashioned productivity is still one of the key sources of competitive advantage. If you're competing globally against companies who pay a fraction of American wages, you're no doubt acutely aware of your need to get maximum productivity from each employee. In the short term, stressed out workers can deliver high productivity. However, stressed out workers eventually burn out, costing you in terms of increased turnover, mistakes, workers comp claims, and health insurance premiums.

2) Knowing what factors, when present in a work experience, lead to resilience... and then how to design them into your work experience. For instance, the most important factor influencing a workforce's degree of resilience is control. The more control employees have over their work, the more they can handle heavy workloads, major organizational changes, and difficult pressure without becoming stressed. Thus, designing as much control and autonomy into each job helps you to "stress proof" your workforce. In Part II of this article, we'll explore this and other factors that lead to a resilient workforce and how to implement them.

Your Next Step

If you want a productive, "fast, friendly, flexible, and focused" workforce, if you want employees who can help you achieve your goals, you need to know how to create a work experience and a work environment that fosters resilience. This boils down to:

1) Identifying sources of unnecessary stress, and removing as many of these sources as possible.

About the Author: David Lee is the founder and principal of [HumanNature@Work](#). He is an internationally recognized authority on organizational and managerial practices that optimize employee performance, morale, and engagement. Mr. Lee is the author of *Managing Employee Stress and Safety*, as well as nearly 100 articles and book chapters on organizational and individual performance that have been published in a number of trade journals and books in North America, Europe, Australia, and Asia.