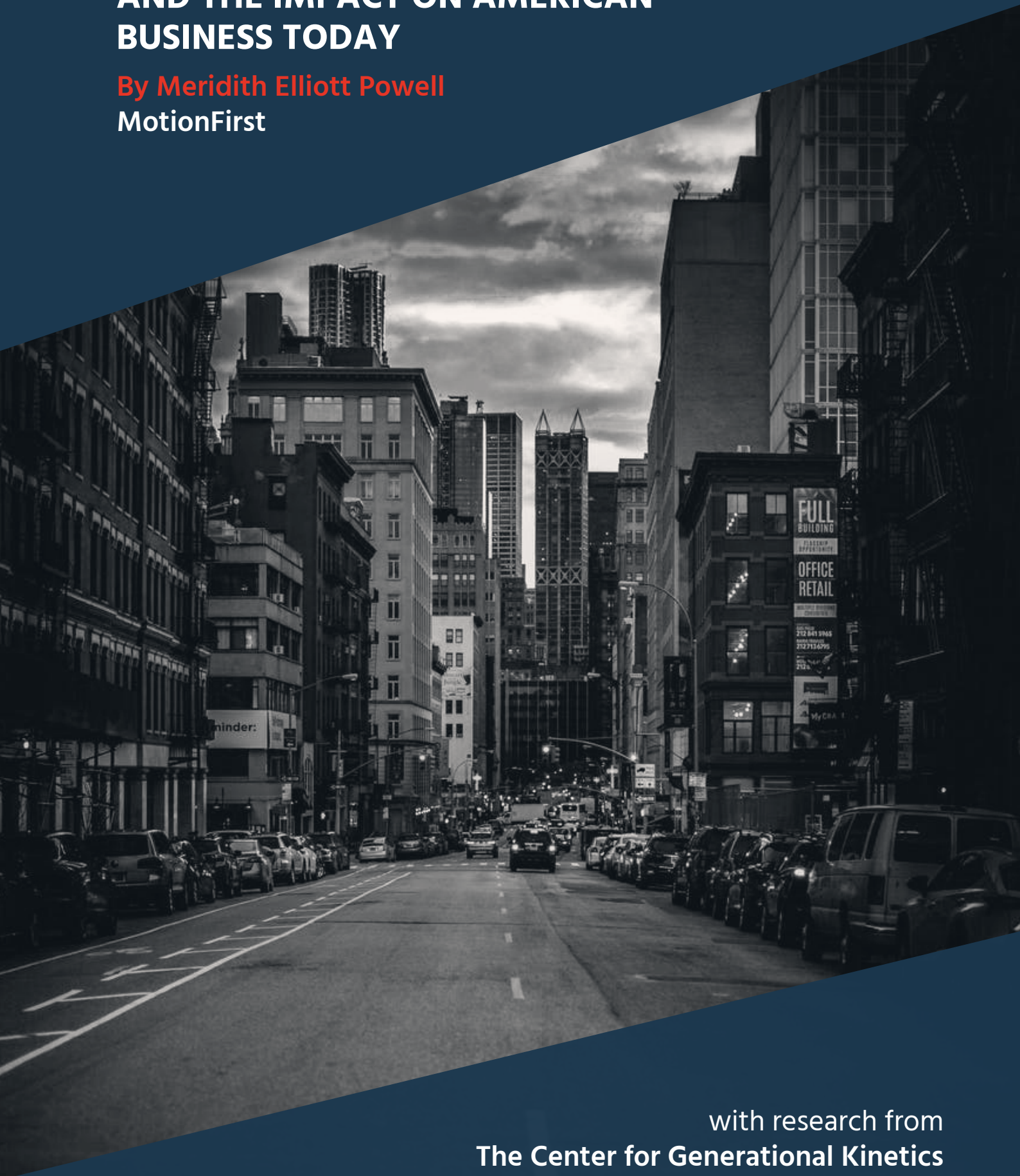


THE STATE OF UNCERTAINTY AND THE IMPACT ON AMERICAN BUSINESS TODAY

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MotionFirst



with research from
The Center for Generational Kinetics

What if I told you that
today's uncertainty doesn't
have to be a bad thing?

What if I told you that uncertainty
creates new opportunities,
stimulates innovation, and
creates better leaders?

What if I told you that uncertainty
is your strategic advantage?

What if I told you that uncertainty was
the one thing you actually need to take
your business to the next level?

Utilizing research and data commissioned from The Center For Generational Kinetics (CGK), we have prepared this report, where you'll uncover

- The influence of uncertainty in business, and the new challenges that are emerging as a result.
- What top leaders are thinking now and how they are navigating uncertainty.
- The differences between leaders who are proactive about uncertainty and those who are reactive.
- A 9-step formula that allows you and your team to leverage uncertainty to create immediate opportunities and long-term sustainable growth.

The data we've gathered from personal interviews, surveys, and focus groups represent business leaders across a broad spectrum of industries, tenures, ages, genders, and experience levels. The results are pretty profound. They prove how vital it is for businesses and leaders to shift their beliefs and actions as they relate to uncertainty.

Uncertainty can be one of your greatest opportunities and a secret weapon for your organization, your clients, and your team--but only if you do the work to learn how to wield it properly. You have to understand uncertainty on a deep level, get your team engaged in driving it, and have a strong strategy in place to capitalize on it.

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THRIVING IN UNCERTAINTY

Who would have ever thought a virus could so drastically disrupt the marketplace? Businesses have shut down, social distancing has become the norm, and it has us all wondering when--and if--things will return to normal. What is normal even supposed to look like now, anyway?

Today's chaos is enough to make some believe that success is not possible--that there are too many challenges and obstacles in the way, and too much change is happening way too fast to allow you to survive, let alone succeed. But actually--nothing could be further than the truth.

I'm fascinated by the concept of uncertainty in the business environment. All of it is intriguing to me: how C-suite executives and leaders deal with it. The psychology behind it all. The impact of it on the bottom line. There are so many layers to this issue, and I'm here for all of them.

After extensively studying this concept, I've drawn some interesting conclusions. The main one? **If you want to give your organization the best possible chance for long-term success, you must be willing to be comfortable with uncertainty.** And more than that--you must embrace it. Roll out the welcome mat for it. Let it have its own office and become part of the operation. Leaders who do this are surpassing their competitors. They are not only surviving uncertainty, but thriving during uncertainty.

My mission with this report--and my book, THRIVE: Turning Uncertainty To Competitive Advantage--is to help you view uncertainty differently. My passion is to help you as a leader believe uncertainty is something that does not prevent growth, but propels it.

It is that belief that will ensure you are among those leaving their competitors behind in the dust of uncertainty.



PRESIDENT, MOTIONFIRST



THE PREMISE

In 2018, I became obsessed with the word uncertainty. I wanted to know everything about it--what we as business leaders think about it, how we feel about it, and how we react to it. And let me share overwhelmingly we do not like it.

In fact, research proves that we would rather know something bad is going to happen instead of living with the unknown. I found that fascinating, and was intrigued that even in good economic times, business leaders still worry and stress about what “could happen”.

That got me to thinking: what if uncertainty led to the disruption that we actually need to fuel vital growth and transformation?

I went on a mission to find companies and leaders who had, indeed, let uncertainty make them better. I identified 9 companies that started in the late 1700s to early 1900s that are still thriving today. That means they have come through world wars, economic depression, and even survived multiple global pandemics--and come out better for it.

Scrutinizing that material in detail is beyond the scope of this paper, but you can find more in my book about those organizations. What I want to focus on here are the commonalities I found between them all and how they were able to evolve through uncertainty. Those findings became my proven 9-step formula for thriving

in an uncertain marketplace. The amazing thing is the formula works no matter the size of your business, the industry you are in, the markets you serve, or the depth of the uncertainty you’re experiencing. I wrote this paper as a way to share this formula with leaders who are ready to take control of their own destiny. But that’s not all.

To pack it full of even more punch, I wanted to commission a research study so we could take a really deep dive into the numbers and data on the topic...to see what actual leaders truly thought and what they were already doing about uncertainty in their own organizations in the real world. I needed a research partner.

Enter the Center for Generational Kinetics.

After interviewing countless research firms, I chose CGK because of their reputation in the marketplace, their detailed and comprehensive approach to the project, their commitment to accuracy, and their excitement about the project. I wanted to work with a firm that shared my vision and passion to help leaders turn uncertainty to competitive advantage, and they have been a most enthusiastic and expert partner in this endeavor.

Before we get into their findings, I want to set the stage properly by sharing some of my own observations and research I’ve done throughout the past few years.

3 IMPORTANT INSIGHTS

There are three important insights I've gleaned about the uncomfortable-yet-inevitable state of uncertainty in the business world.

Uncertainty is an emotional subject

No big surprise here, but leaders aren't wild about best guesses. They want as many facts as possible before making decisions, especially when the outcomes could have an impact on their revenue, their budgets, their teams, or their own jobs. They fully recognize that variables are involved, and they use detailed spreadsheets to make multiple projections.

Given a choice between the known and the unknown, the vast majority of professionals select the former, but they don't always have a choice. They get thrown into the unknown whether they like it or not. And that can produce all sorts of emotions that then impact the situation, such as increased **frustration**. The more events veer away from the plans and spreadsheets, the harder it is to control, and the more questions there are. Without answers or clarity, distress and exasperation mounts.

To be fair, some level of uncertainty exists for all of us at any moment in time. We can't predict when the car will break down or when our Amazon order will be delayed. Most of us can go with the flow when faced with those annoying inconveniences, but what happens in the business environment after a natural disaster or a financial crisis? Those events fuel an intense level of uncertainty that can stop us in our tracks. That kind of uncertainty clearly causes some serious **stress**. But it doesn't even have to be a huge disaster; every day uncertainty can have just as big of an impact.

Our bodies can become so consumed with the stress of "what if" that our adrenaline spikes, our pupils dilate, and our pulse increases. All of those responses occur at rates that are significantly higher than those associated with the actual negative event.

Translate that into the business setting. A sales executive would experience less stress knowing she will lose her biggest account rather than worrying and speculating about whether she *could* lose it—an outcome that potentially might NOT even happen.

Think about Dorothy in the *Wizard of Oz*. She wastes a lot of time and energy worrying about a scary confrontation with the terrifying, almighty wizard—who ends up being an old guy behind a curtain. It turned out, her reality wasn't nearly as stressful as her uncertainty. I think we've all had that experience at some point in our lives: *Knowing is just easier than not knowing.*

There's another emotion that uncertainty tends to breed: **fear**.

I started noticing that trend a few years ago when I was talking with business owners and leaders (as a point of reference, these conversations occurred during booming economic times). I'd ask them how business was going, and the responses frequently went something like this:

"We're having a great year. Business is growing, banks are lending, and customers are buying. But our luck is bound to run out at some point. There's just so much uncertainty about what's ahead."



What struck me the most was how many different leaders in diverse industries expressed the exact same fear. Even if I never mentioned uncertainty, they did. It was top of mind for virtually everyone I encountered.

Across the board, uncertainty seems to have become the enemy hiding around the next corner, waiting to steal prosperity. It's a perpetual threat to enjoying a stable, successful time.

The bigger story, of course, is the impact of these uncertainty-related emotions on leaders and employees alike--as well as the organizations they serve. High-performing teams can't possibly produce at an optimal level if people are continuously distracted by stress, frustration, and fear.

Uncertainty makes attention spans shorter. Uncertainty shreds engagement. Uncertainty prompts survival to take precedence over innovation

Without a doubt, the negative emotions spawned by uncertainty can quickly become counterproductive for everyone involved.

Uncertainty is a constant

If I were an economics meteorologist, I would look you in the eyes with complete confidence and tell you this: *your forecast includes a 100% chance of uncertainty*

It's a non-negotiable, inescapable fact of business and life. The question is when, not if.

Every year delivers its fair share of unexpected surprises and disasters. History proves that over and over. Admittedly, some years seem to serve up a super-sized portion of uncertainty (*looking at you, 2020*).

When we watched the ball drop in Times Square on New Year's Eve 2019, no one could have predicted the complete disaster 2020 became: a global pandemic, economic meltdown, skyrocketing unemployment, shrinking GDP, fierce debates about face masks, and nationwide social unrest. And we have no idea what's coming next.

But the truth is, it's always been that way, and it's not going to change. Ever. It's up to us as leaders to help our teams accept (and even lean into) the constant state of "not knowing." Uncertainty doesn't have to be something that is feared or dreaded. It just "is." Which brings me to my third point.

Uncertainty has an upside

I kept coming back to this question: why does uncertainty have to be a negative thing?

Yes, uncertainty is stressful and constant, but we have an important choice. Do we allow it to overwhelm us with toxic emotions and actively dread its arrival (or just hope it doesn't exist), or can we reframe it?

Can welcoming and embracing constant uncertainty give professionals, leaders, and their companies a competitive advantage? Wait--I'll even double down on that.

Can uncertainty be the something we all need—a critical catalyst to transform businesses and take them to the next level?

The answer to both of those questions is absolutely YES. Uncertainty and opportunity are two sides of the same coin. Read on for the data that proves just how much opportunity here for those who want to take it.



THE STUDY FINDINGS

The findings in this study prove that uncertainty is not only one of the biggest challenges facing business leaders today, but the one most leaders feel least prepared to deal with. No matter the size, industry, or competitive landscape organizations are dealing with, uncertainty seems to be a challenge they all are grappling with and least prepared to guide their teams through.

Following are the highlights I find to be most key, along with my reflections on and interpretations of them.

CONDITION YOURSELF AND YOUR TEAM FOR CHANGE

Many things that impact our success in business and in life are completely outside of our control. We can be sailing along smoothly, handling the garden-variety brand of uncertainty in our lives, and then—*bam!*—we suddenly crash into heavy-duty, industrial-strength uncertainty. I'm talking about major chaos. Natural disasters. Recession. Bankruptcy. Extended supply chain disruptions. Disease. Liability lawsuits.

Sooner or later, our well-laid plans can and will be disrupted by uncertainty-producing events. And probably more than once. I have studied how leaders historically react to these situations, and I've discovered several predictable responses.

For some, uncertainty prompts panic, chaos, and a wild adrenaline rush of frenzied action. For others, they greet uncertainty with a sense

of cheery denial: *"Everything's fine. Let's just keep doing what we're doing, and the situation will resolve itself."*

Neither of those approaches is particularly helpful, personally or professionally.

84% of leaders surveyed say being able to lead through uncertainty is more important than ever, yet many believe they themselves and their leaders lack the depth of knowledge to understand what it takes to lead in a marketplace experiencing disruption and change at this level. A well-respected Harvard Business Review article states that 70% of all change initiatives fail, and 51% of leaders report their most common frustration is fatigue from navigating change.

Leaders of companies that outlast their competition have found a better strategy to deal with the very-certain occurrence of uncertain events. The key? They accept reality, even when it is uncomfortable and messy. More importantly, they prepare for it in advance. They scan the horizon for glimmers of light in the darkness, and they proceed with confidence.

Uncertainty conditioning is like a muscle. The more we talk about change, think about change, and prepare for change, the stronger our muscles will be. When we're conditioned for adversity, we can easily adapt and continue instead of burying our heads in the sand and ignoring it. And when we get really good at "riding the wave" of change, we can also search for new opportunities while we're navigating the unknown.



For example, when the Home Depot and Lowes Home Improvement stores started to expand to smaller cities and more rural communities, many local hardware stores were hit hard. Not only did they lose their top talent to better paying and more stable jobs, they lost their customers as well. While many folded up and ultimately closed, one hardware store in a small town in North Carolina chose to stand their ground.

Seeing the writing on the wall a good three years before the first Home Depot store opened in their community, the owner of the hardware store started to explore the idea of selling tools and hardware supplies online, something almost unheard of at the time. He took the concept to his team, and asked for both their help and ideas. One team member told him to call a major power tool manufacturer and ask if they would be interested in partnering.

When they said yes, it enabled this hardware store to buy one of the most Googled domains on the internet. Within one year, they went from selling less than 10% of their tools online to selling over 80%. When Home Depot built their brand new store, and Lowes remodeled and expanded, this shop owner and his team were prepared, and it actually gave them a strong competitive advantage.

If this hardware store had a team of people who were not conditioned to change and uncertainty and if they were not willing to think creatively about a problem before it became one, the outcome would have been much different. Thanks to a strong team with visionary leadership, they were proactive about uncertainty and thrived!

84% of business leaders say leaders who proactively look at change are far more likely to be successful, yet many leaders

lack the strategies, fail to create the time, or don't understand how to direct their teams to objectively look at the business and proactively course correct to create opportunity.

Creating engaged teams, developing succession plans, and being highly focused while remaining flexible are the most helpful skills for business leaders to navigate uncertainty.

One company that has successfully turned uncertainty into a strategic advantage—using change rather than fearing it—is Netflix. Since its inception in 1998, the business has morphed and changed almost constantly.

This DVD rental and sales company started by taking on competitor Blockbuster Video. They knew that Blockbuster's customers were annoyed by time limits and late fees involved with renting movies from the neighborhood retail location. Netflix wanted to make it more convenient, offering a mail-based system that provided much more flexibility.

In the late 1990s, customers expressed interest in having more viewing options and greater variety in their movie choices. Netflix responded with an innovative program in 1999, adding a subscription service that allowed customers to become members and rent unlimited DVDs for a flat monthly rate.

The next year, the company augmented the subscription model to make recommendations for movies and shows that members might enjoy, based on their viewing history. That popular addition helped to keep them one step ahead of their competitors.

In 2007, Netflix introduced its streaming service that put the company on the map in a really big way. Its next innovation came in 2016. Netflix started creating its own content, once again leading the market in a shift that would become commonplace for the industry.

The company's continued success stems from its connection with its customers and the ability to stay on the front edge of understanding their wants and needs. More importantly, the organization isn't afraid of change and doesn't hesitate to respond. By staying nimble and flexible, Netflix has been able to maintain an impressive edge.

When teams stop fighting change and learn to use it as an advantage, industry leadership often follows.

How well are you conditioned to deal with uncertainty? Do you perceive every bump in the business road as a red-alert disaster? Or do you sport the rose-colored glasses 24/7, 365? Are you in shape and prepared for whatever is coming next?

To proactively manage change, I use a tool called a SCEPTIC (Society, Competition, Economics, Politics, Technology, Industry, Customers) to identify the factors most likely to change and impact your business. The goal is to meet with your team every thirty days or every quarter (depending on the extremity of uncertainty) and brainstorm on what you see happening around these words in regards to changes in these areas. Simply brainstorm, take notes, and then ask what changes could impact your business, what changes you need to be paying attention to, and what you should act on. This puts you in a position to predict change rather than wait for it to happen.

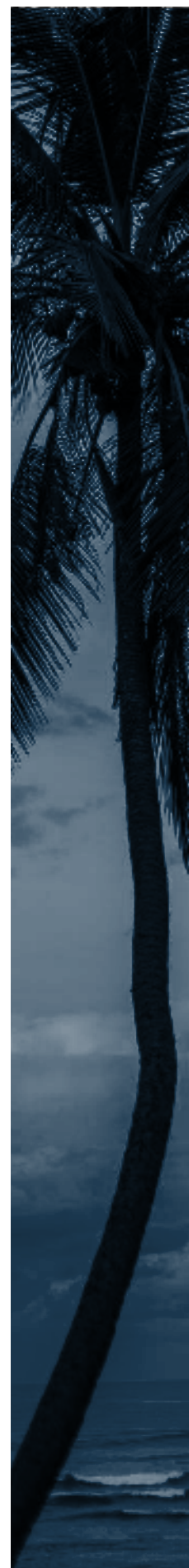
Conditioning and preparation allows current and future leaders to see opportunities when everyone else is scrambling to make sense of the uncertainty. Proactive leaders see the reality, and they guide their teams to remain versatile, courageous, and successful. That's exactly what defines companies as long-term survivors with lasting success.

STRONG TEAMS ARE WORTH THE INVESTMENT

One of the biggest challenges leaders deal with, even in a good and stable economy, is change--getting their teams to handle it, accept it, and take action on it. In an unsteady market, change expands ten-fold and becomes uncertainty, causing fear, anxiety, and an inability to move forward. To battle the paralysis, you need the right people on your team.

In general, employees worry a lot about their jobs and paychecks. In extreme crisis--such as when the pandemic hit--other elements come into play: their health, their family's health, and their way of life all become threatened. Basic security is no longer a given, and people's lives were suddenly threatened.

To thrive in uncertain times, it's key that team members are able to embrace change and can move with it--before uncertainty hits. Why? In an unsteady marketplace and climate, time is a luxury. If your team is hesitant or scared...or has to take time to figure out what you're going to do, you will be left behind. Others who already have conditioned themselves to respond quickly will pass you by. If you ignore change or respond to it slowly, it will bury you and your team.





Brian Holland and his brother Stan founded a mortgage lending company in Virginia Beach, Virginia, in 1997. Brian served as the CEO for Atlantic Bay Mortgage Company, while Stan was COO. The mortgage business was competitive with numerous competitors, frequent consolidation of companies, and constant regulatory changes. Then online lenders like Quicken Loans and Rocket Mortgage flooded the market. While consumers had the benefit of many different choices, lending companies were struggling to differentiate themselves. The brothers at Atlantic Bay believed that their people would be their strongest competitive advantage. These employees were the key to delivering the excellent customer service that was reflected in the company's value statement: "We Genuinely Care; Inspire Growth; Have Fun."

Brian and Stan knew that creating a culture that inspired employees was the most direct path to an exceptional customer experience. As leaders, their top two priorities were (and still are) their people and their revenue, in that order. And they don't outsource those goals to others on their leadership team. Brian and Stan have an office environment that is professional, but also fun. They play engaging games and offer a selection of great snacks. Employees are given the flexibility to work at their own pace and manage their days, as long as they are accountable for their workload and meet their deadlines. The brothers also frequently host breakfast or dinner gatherings for employees to get to know them better. The offices are also very family-friendly. Both Brian and Stan are open about leaving the office to attend their children's sporting events, and they are quick to encourage their team members to do the same. Facing the constant challenges of regulation, competition and fluctuating

interest rates, the leaders at Atlantic Bay understand that their business can thrive during uncertainty if they are diligent about investing in their team.

KNOW YOUR CORE AND HAVE RELENTLESS VISION

If you are going to succeed in uncertain times, you have to know who you are, where you are going, and what it is going to look like when you get there. In my study of companies that have managed to survive uncertainty for hundreds of years, I find they not only have a vision, but are relentless about focusing on that vision.

Please understand, that no one does this. Most companies wander off track at some point in their history; it's extraordinarily easy to get lost in the middle-of-market challenges and endless obstacles. But when the leaders course-correct and make the commitment to stay focused on the heart and soul of their corporate existence, they are able to stay afloat when others are not.

Your vision and your core values are a powerful compass for success in uncertain times. I propose that an organization's relationship with its vision is often a strong predictor of its success or failure during times of uncertainty.

85% of business leaders believe a company's core values are absolutely critical to their ability to handle uncertainty, and 84% believe that they are a strong determinant of long-term sustainability and success. A recent study done by Rungway found that over half of employees surveyed do not know and cannot remember their organizations vision or values.



This begs the question. How engaged, how committed, and how much effort can an employee be giving if they do not understand their company's purpose or where the company is headed? When entrepreneurs create business plans for their fledgling companies, the vast majority of them put in the effort to develop a vision statement, but what happens next determines whether their organizations stand the test of time—or fizzles out quickly. Some leaders believe writing down the vision means they can check that task off the corporate to-do list and move on to more tangible ones, like purchasing office equipment or hiring employees. The corporate GPS that should be navigating the progress of the company gets tucked away into a digital filing cabinet.

The alternative? Successful leaders who approach their visions as living, breathing beacons of light that guide them through the thick fog of uncertainty. They have an unequivocal understanding of what their businesses stand for, and they keep that vision front and center every engagement with employees, customers, and the leadership team.

Employees engage when they understand how what they do contributes to the bigger picture and how they help the organization fulfill its mission. Leaders need to make a clear connection between the actions of employees and the core values and vision of the company.

To succeed in uncertain times, make sure you paint the picture, create the future, and help employees understand what the payoff is and for their hard work and perseverance. That is the value of the vision. Keeping it top of mind—being relentless about it—is one of the most critical roles you have as a leader. Your vision engages your team in uncertain times, and your core values are what keep them committed.

Most top executives would agree on this statement: decision-making becomes exponentially harder during times of uncertainty. How do you make decisions about how to spend your limited time and resources, when you have no guarantee in the marketplace? You know change is coming, you just don't know what that change is, what it will be, when it will happen or the impact it will make.

So what's the secret to making good decisions in the middle of bad situations? How can current and future leaders discern which ideas to avoid and which ones to pursue? It all comes back to core values. When companies know what they stand for, they can use those values as a tool to help them move forward.

Core values are your guiding light. Your North Star. They are the true litmus test to determine whether a decision is right or wrong for your company.

Among organizations that have survived uncertainty for hundreds of years, a commitment to core values is undeniably a recurring theme. Companies that have their sights firmly set on long-term success consider their values to be a mandatory component of their standard operating procedure, and use them when making all decisions.

The lesson for all of us? Our core values create the identity of our brands. They represent the promise we make to our customers, and they define a purpose that inspires our colleagues and employees. Best of all, a dedication to core values can provide organizations with some level of immunity from the deadly effects of outrageous uncertainty.



SHED FAST AND KEEP MOVING

Ten years ago, no one could have predicted exactly what our world looks like today. The technology. The state of the global marketplace. The complex economic and regulatory environment along with social shifts are rapidly changing. In fact, if you'd told me only 18 months ago that I would be presenting 98% of my keynotes and workshops through an online platform, I would have laughed. And yet, this is our current reality.

We can't plan for everything, so when there is so much uncertainty, how do you stay on the right path? Which companies survive and thrive? The ones that make it are the ones who get really good at moving forward no matter the level of uncertainty. They don't allow themselves to become paralyzed. They look for opportunities and take them. If they make a mistake, they course-correct. And that process continues over and over and over. Trial and error becomes their business as usual.

However, 57% of business leaders say other leaders lack this skill, rendering them unable to let go of strategies that are no longer working, or take advantage of new opportunities or innovative ways of thinking. This is a huge mistake for them, and a huge opportunity for you.

After the financial crisis in 2008, I started working with a new client in the financial services space. The leaders there didn't feel fully prepared for that bumpy ride, and they wanted to make sure that situation didn't happen again. Together, we developed a strong contingency plan designed to help the company get through whatever the next economic disaster might be. While the plan was solid and well thought out, the leaders still update it regularly. 10 to 15 times in a single year.

Does that sound excessive? Not for their industry. That marketplace is evolving at jaw-dropping speed, and they can't afford to become complacent if they want to survive the next financial dip. They have to fully embrace flexibility. And that means being committed to shedding fast and keep moving.

In a nutshell, here's the main idea: if something's not working, try something else--and do it quickly! While that might sound like a fairly simple strategy, it's not always easy to implement.

83% percent of business leaders say it is critical to objectively look at your business before making important decisions, but sometimes we have blind spots when it comes to what's not working in our companies. *("We've done that for years. It's just what we do!")* Perhaps our egos get overly involved, and it seems almost impossible to let go of our own ideas and beliefs. *("That was my initiative. I fought for it and developed it and made it happen. Why would I abandon it now?")* And other times, we're simply risk-averse. *("What if that new option ends up being a total disaster? Will we look like idiots?")*

Change is uncomfortable. It's almost always easier to stick with the failing known rather than jumping into the unknown. Here's the problem: history is littered with examples of companies that gave in to their overly cautious tendencies. They refused to acknowledge the change happening around them, and it didn't end well. Think Polaroid. Tower Records. Circuit City. The failure to embrace reality and make some admittedly scary changes can lead to the downfall of a company, no matter how successful it has been in the past.



The ability to shed fast stems from a different mindset. We have to believe that moving forward may involve making mistakes, and that's part of the learning process. But we're still moving forward.

If your company can quickly recognize when something's not working, do the research, and have the guts to take that leap to pivot despite the unknowns, you can gain a tremendous advantage. Even when you don't have all the answers, commit to seizing new opportunities. If you get off course, adjust. Be willing to fail. Be willing to be wrong. But do not be willing to sit still and become paralyzed by the chaos of adversity.

RINSE AND REPEAT

To succeed in uncertainty, you need a strategy, and you need to consistently follow it. In other words, you need to rinse and repeat.

Since we know uncertainty is absolutely certain, focus on strategic consistency. You have to have and follow a plan. But it's also important to remember that success is fluid, not linear.

You can't approach great business strategies like they are boxes to be checked off before moving on. You undoubtedly will have to use them multiple times, in different orders, and in different settings.

Repetition and consistency can give companies the best possible chance to survive and succeed, no matter what happens. Rinse and repeat! Do the right thing again and again, regardless of the current economy, weather report, or pandemic status.

In today's marketplace, 67% of leaders believe their organization is good at crafting strategy,

but only 47% believe their organization is good at implementation strategy. And 33% of leaders rate their organization very poor at consistently implementing and following a process.

PARTNERSHIPS ARE POWER

Some challenges are too overwhelming for one leader, one company, or even one industry to handle on their own. They require teamwork. We know we need to collaborate with others, focus on what we do well, and continuously reach out to others.

Creative collaboration wins

When uncertainty delivers insurmountable challenges, we have to find the right partners to get the job done. Sometimes that collaboration involves joining forces with a completely unexpected source.

One of my favorite examples comes from supermarket giant ALDI, which was designated as an essential business during the initial Covid-19 lockdown. Demand for groceries spiked as people were forced to primarily eat at home during the quarantine period. On the surface, that sounds like great news for ALDI, but the truth was more complicated.

To accommodate CDC guidelines about limiting crowd sizes, the leaders at ALDI had to extend their store hours to give all of their customers a chance to get the groceries they needed. That presented a real staffing shortage.

Collaboration saved the day.



ALDI and McDonald's created an unusual partnership that allowed the hamburger chain's surplus employees to temporarily work at ALDI stores. Through this collaborative effort, McDonald's protected its people from certain layoffs while removing them from the payroll for a limited time when revenue hit rock-bottom. ALDI got access to a large pool of trained workers with customer-service experience to help cover the extended-hour shifts throughout their stores.

McDonald's and ALDI may not be direct competitors in the strictest sense, but they do compete for consumers' dollars to feed their families. By shifting gears and teaming up during a pandemic, these companies both found solutions to their problems. Communities were better served, workers were provided with an employment safety net, and businesses facing a crisis found a creative solution through a difficult time.

In an uncertain marketplace, you get farther by putting competition on the shelf and start thinking about ways you can work together and collaborate. However, 86% of employees and executives cite lack of collaboration for workplace failures. We can all succeed if we work together.

Your base is first

What if uncertainty dealt your business a blow so mighty that you feared there was no coming back? Before you say, "give up", pause to think strategically about what it would take to survive. I'm not referring to a huge cash infusion (although those are always helpful); I'm talking about identifying the granular "survival needs" that only come to light with hyper-creative, way-outside-the-box thinking. Sometimes uncertainty doesn't just change the rules; it

obliterates the playing field. Survival, rather than success, becomes the primary goal. The only way out could involve teaming up with your biggest competitor. Or one of your best customers. Or a trusted vendor. Or even an organization you've only read about in the Wall Street Journal.

When uncertainty hits, many leaders kick into business development overdrive. They worry about attrition and frantically search for new opportunities, new clients, new markets, and new ways to bolster their cash flow. Unfortunately, that approach may be counterproductive.

58% of business leaders rank relevancy in the top three most important qualities of a successful business, and 83% of business leaders say that relevancy is absolutely critical to the long-term success of a business. Still, one of the biggest mistakes I see leaders make in an uncertain marketplace is continuing to do everything the same way they did pre-uncertainty. Selling the same products. Using the same distribution methods. Marketing the same way. Why?

When customers face the new challenges of uncertain times, their needs change. They still have to buy products, but their purchasing criteria will be different. They'll only buy products they really need, and they'll choose the ones that solve their current and most pressing problems. If companies ignore that shift, their products become irrelevant.

One of the biggest challenges to solve in an uncertain marketplace is growth. Can you grow? How do you grow? And can you sustain growth?



Companies that fortify their customer relationships during times of uncertainty gain a number of advantages. First, they can collect priceless feedback. When you have a direct line of communications with your customers, you can ask them pivotal questions: “how should our products and services change to meet your needs right now?” “What are you worried about?” “What problems are you trying to solve, given the current state of the world?” “Would your life be better if our products were... faster, cheaper, bigger, smaller, easier to use, longer lasting, more advanced, more flexible, more convenient to purchase?”

Wow. Think about that for a minute. It’s almost like getting the answers to the test before you take it.

If you can find consensus among your customers about an unmet need, you will know exactly what your company needs to do to keep their business and delight them along the way. Organizations that are scrambling to find new business during uncertain times miss out on this wealth of information that’s ripe for the picking.

Now let’s look at securing your base from another angle. At first glance, some people might think grilling customers for market research data during a crisis seems a bit self-serving. However, when the right approach is applied, customers don’t see it that way at all.

What does it feel like from their perspective?

“ This organization recognizes that times are tough for me personally, and they care enough to reach out. They value my opinion and actually take the time to listen to my concerns. If they can use my input to come up with even better products, you can bet I’ll be first in line to buy them. What a great company! ”

Creating dynamic, two-way conversations with your customers is a smart way to do business, no matter what’s happening with the economy, the industry, or the world. But when uncertainty rears its ugly head, it’s a must-have for survival.

Short-term and long-term, the mutual benefits of two-way communication and staying relevant ensure you continue to grow in an uncertain marketplace. Companies that intentionally reach out to their customers in tough times gain the opportunity to communicate empathy and compassion, further cementing their connections with their base. They can gather information that leads them forward in a very targeted way. And they can build a level of loyalty that’s destined to withstand price-slashing competitors, natural disasters, and stock market meltdowns.

When everything around you is swirling in chaos, securing your base is the insurance policy you need to remain relevant.



Networking as a safety net

Speaking of connections, it is true that our lives and our businesses are defined by our connections.

Smart networking can change your life.

At any moment in time, you are only one connection away from someone who can help you move closer to solving your problems, achieving your goals, or learning something that changes your capacity for success. Never underestimate that power. In many ways, having a relationship with a network partner is like a bank account.

People make “deposits” to build relationships over time in the form of contacts, referrals, sales, support and information. Then, when adversity hits, they have the credibility to make a “withdrawal”—a request for the same type of aid they were willing to provide. It’s a mutually beneficial system of social capital. But those kinds of relationships don’t form overnight. Building solid connections takes time. Far too often, people wait to network until they need something.

The moral of that story? Don’t wait. Start networking now! Make a commitment to identify people with the potential to be outstanding network partners. Meet them or reintroduce yourself, get to know them, and take a genuine interest in learning about them. Ask great open-ended questions, and listen carefully to their responses.

What do they do and what are their business goals? What are their unique skills and experiences? What information do they have access to? What people are they connected with?

The more you know about your network partners, the better equipped you are to proactively offer your support.

Here’s my best piece of advice on this subject: invest in others before you ask them to invest in you. It’s harder to make a withdrawal if you haven’t been making regular deposits.

Be intentional about helping the people in your network, even before they make a request. How could you add value for them? Do you have information, resources, or referrals that might help them reach their goals? Stay in touch regularly and provide support whenever you can.

From that standpoint, think about networking as a lifestyle rather than a task. It’s not a single event. It’s something leaders should do every day as part of their normal operating procedures. The results that emerge from that type of long-term, continuous, proactive networking can be incredible. And when major waves of uncertainty leave you gasping for air, you’ll have some dedicated partners who are willing to throw you a much-needed lifeline.

Building and maintaining a powerful network takes time and commitment. But that network needs to be in place long before you face the challenges of uncertainty.

THE 9-STEP FORMULA FOR TURNING UNCERTAINTY INTO **COMPETITIVE ADVANTAGE**

Now that we've discussed all the research, shared the stories, and crunched data, it's time to boil it all down to very clear strategy that you can easily implement, starting today! This is more than a strategy. It is a formula--a set of steps that work together--and when done in order, they have a compounding effect that gives you what you need to turn uncertainty into your competitive advantage.

- **STRATEGY #1**
Be relentless about your vision. In times of uncertainty, don't get distracted by the chaos. Maintain a laser-sharp focus on your directional goal, and know where you want to be when the crisis is over.
- **STRATEGY #2**
Condition yourself for change and anticipate the next wave of uncertainty. When it hits, accept reality while proactively searching for new opportunities.
- **STRATEGY #3**
Get creative with collaboration during times of extreme uncertainty, even if it means working with a competitor. The synergy you produce can give both parties a better chance at survival.
- **STRATEGY #4**
Be clear about your core values and commit to upholding them consistently. Don't allow uncertainty to throw you off your values.
- **STRATEGY #5**
Secure your base during uncertain times. Ongoing dialogue with your current customers provides insights and reaffirms your connections to give you the guidance you need to move forward.
- **STRATEGY #6**
Build your network in a strategic way. Be deliberate about making connections. Invest in those relationships with consistent contact and proactive support.
- **STRATEGY #7**
Strengthen your team to create an unbreakable barrier against the threats of uncertainty. By investing in your employees, you'll create a powerful competitive advantage.
- **STRATEGY #8**
Shed fast and keep moving. Remain keenly aware of external influences, and don't be afraid to try something new when it makes sense.
- **STRATEGY #9**
Rinse and repeat. The key to success is consistently applying all of your principles and strategies over and over, in good times and bad.



CONCLUSION

Growing, retaining talent, serving customers, meeting shareholder expectations and just surviving in an uncertain environment is challenging to say the least.

My nine strategies give you the secrets that successful companies use to turn uncertainty into competitive advantage. Your success lies in your ability to undertake the big picture task of implementing the formula as an overarching umbrella that can protect your company from the rains of uncertainty. Keep these three final tips in mind as you move forward.

The most effective way to utilize this uncertainty-blasting formula?

BE PROACTIVE

Commit to implementing it BEFORE a crisis hits.

First-time rock climbers can't just wake up one morning and decide to scale El Capitan's 3,000-foot vertical granite formation in Yosemite National Park (well, theoretically they could, but they wouldn't get very far.) Instead, they have to train, build up their strength, create new habits, improve their stamina, and practice with unrelenting discipline. Then, when the day comes to face the big challenge, they are ready and they can handle whatever comes their way.

Preparing for business uncertainty is exactly the same. The greatest strategies in the world can't save your company if you don't put at least some of them in place before you need them.

Bottom line? Don't wait to get started! Uncertainty is cyclical. It will return. If you're not dealing with a crisis right now, your day is coming. That's not meant to sound like a doomsday prediction or a bad attitude. It's just a fact. And you can determine whether your company is ready or not by what you do next.



■ BE CONSISTENT

That's right, I'm circling back to Rinse and Repeat. It's *that* critical.

The formula works best when it's not just used by the CEO and leadership team. It's something that should permeate your whole organization. Everyone in the company, top down, should be on board with applying and practicing the principles regularly.

In other words, the formula ideally becomes a foundation for a corporate culture that can thrive in every environment over time, including an uncertain one. Applying the formula isn't a one-time event; it's something that is consistent and repetitive and ongoing.

When in doubt, remember that what your company has done in the past doesn't make you immune to uncertainty. You've got to keep practicing all of the strategies consistently.

■ BE METHODICAL

If you've been proactive and consistent in implementing the formula, you'll be prepared for the day when uncertainty makes its unwelcome entrance. But it's not enough to simply face it; you want to face it with a systematic approach comprised of three phases: stabilizing, growing, and transforming.

Stabilizing your business is about doing what you need to do to make it through the first wave of uncertainty--maybe cut expenses, furlough employees, or find an alternate revenue stream. Your first job is just to ensure you make it through the toughest part of the disruption. Once the business is stabilized, you can focus on growth. No matter the level of uncertainty, there is always opportunity in the marketplace--opportunity to develop new products, to serve new customers, and to expand revenue. Lastly, you need to focus on transformation. The one guarantee with uncertainty is that things will never be the same again, so you need to begin to think about how your business will be different, how things will need to change, and how you can position yourself for success in the new marketplace.

Uncertainty is not your enemy; it is your ally. These new insights and strategies, may you go forth into the ever-changing business landscape and kick some serious butt! And I am your ally as well. Contact me for your customized strategy on how you can turn uncertainty into strategic advantage.

ABOUT THE AUTHOR

MotionFirst is a leading consulting and coaching company based in Asheville, North Carolina.



MERIDITH ELLIOTT POWELL

For more than twenty years, President and CEO of MotionFirst, Meridith Elliott Powell, has been a leading expert on the subjects of change and uncertainty. Her latest book *THRIVE: Turning Uncertainty To Competitive Advantage* has cracked the code on the greatest challenge facing business today.

Through her work as a keynote speaker, award-winning author, and business growth strategist, Meridith is able to help companies and leaders learn to control uncertainty, and turn disruption and change into strategies to propel, grow, and gain new opportunities.

Her work has been featured in *Forbes*, *FastCompany*, *Inc Magazine*, among others, and she has worked with companies such as Microsoft, FastSigns, Bobcat, and IBM.

The State of Uncertainty is an annual report produced each year by Meridith Elliott Powell and her team.

Meridith Elliott Powell



THRIVE IN ACTION:

Our proven programs for turning uncertainty into competitive advantage

Ready to ensure your team can thrive in uncertainty? We're here to help, and we offer several great ways to further your education and preparation:



PRESENTATIONS

MotionFirst offers live programs and presentations featuring the information shared in this report and in the book *THRIVE: Turning Uncertainty To Competitive Advantage*. Both in-person and virtual, these presentations engage your audience, get them excited about uncertainty, and provide a foundation upon which to build your “facing change” strategy



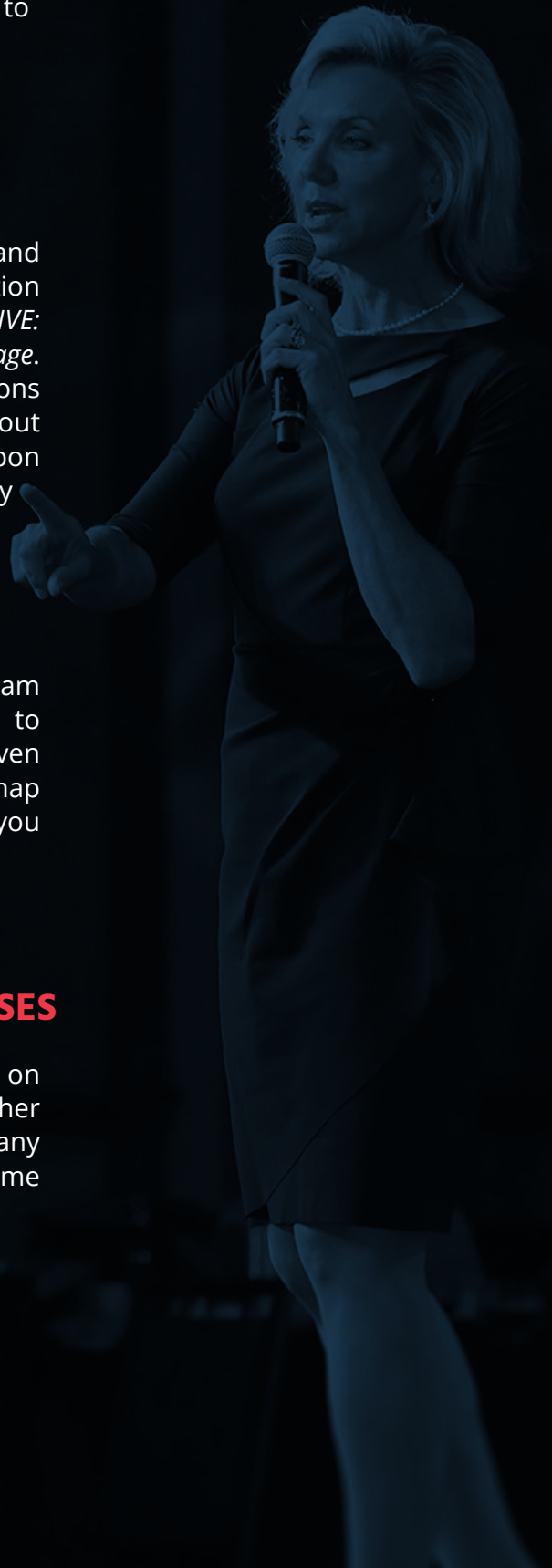
THRIVE STRATEGY TRAINING

This is a deep-dive to help you and your team create a plan and a strategic approach to navigating uncertainty. MotionFirst's proven methodology provides a customized roadmap for your company and your team, putting you in control in a shifting marketplace.



WORKSHOPS & MASTER CLASSES

We provide detailed and in-depth training on how uncertainty can propel growth rather than prevent it. Imagine how far your company and your team could go if uncertainty became your key to growth and new opportunities!



ABOUT THE CGK STUDY

The study consisted of a custom 22-question survey completed by more than 800 leaders in Executive, Business Owner, Partner or Supervisors positions in December 2020. Two-hundred and eleven of those surveyed work in companies with more than 1,000 employees.

48% of those participating were female, and 52% male. The study included a balanced response from generations with 25% being younger Millennials (ages 25 to 34), 45% being older Millennials (35 to 43), 22% being Gen X (ages 44 to 55), and the balance being Boomers (8% ages 56 to 69).

The Research Firm

The Center for Generational Kinetics (CGK) is one of the leaders generational research, strategy, and keynote speaking firms in the country. They serve more than 100 clients per year, spanning almost every major industry.

CGK has worked on four continents and produced research in multiple languages, and their work has been featured on hundreds of media outlets around the world, including the *Wall Street Journal*, *New York Times*, Fox Business, and BBC.

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