

How to lead through turbulent times

"Business success lies in winning the hearts and minds of the people to make things happen." Xenia CEO Tim Coles explains the importance of good leadership in steering companies through an economic downturn.

In times of economic uncertainty, the alchemy of what makes "good leadership" can be all that lies between failure and success of a company.

Good leadership is a chimerical force, requiring adaptability, foresight and a constant awareness of what may seem a distant goal or vision. That may sound complicated, but there are solid foundations to leadership which can be learnt, practised and honed.

I was in the British Army for 13 years, and there's no better training ground for leading people. At 20 years old I was thrust into a leadership position in demanding circumstances, where you have no choice but to learn how to lead.

It's been interesting taking those lessons into the business world - getting people from A to B in the military or in business is very similar: it's about winning people's hearts and minds and getting them to unite around a shared vision - so that they can make happen what they all agree should happen.

Good leadership will unite people on a goal

Good leadership has many strands, but at its core it is about uniting people in a common cause, through which you can build and harness momentum.

Never has there been a stronger case for businesses to pay attention to good leadership. Not only are we in turbulent economic times, but workers expect more from their leaders, rating their organisational purpose and their personal fulfilment highly. Leaders have to contend with a workforce which is quick to judge if they don't buy into the vision.

As growing numbers of businesses face existential risks due to the economic conditions, successful leadership becomes a delicate balancing act - those in command must navigate tough decisions, while also inspiring their team and maintaining trust among both employees and customers.

Good leadership steers businesses through economic turmoil

We don't need to look back far to see how upheavals can turn our expectations of how the world functions upside down. During the last period of major uncertainty - the Covid-19 pandemic - the government took rapid action to step up support to businesses making sure they didn't go under as the economy was largely put on ice. Despite the huge societal shifts from lockdowns, many fewer businesses failed, and certainly fewer than was expected.

But now we are on the other side of the pandemic, state support for those businesses has gone, and only now are we seeing insolvencies rising.

From a leadership perspective, the lesson is to be prepared for a perpetual degree of turmoil, and to create a working environment agile enough to respond to threats and complications when they arise. This requires foresight and of course, faith in the people you are working with.

Good leadership will empower worker autonomy

Teams empowered to make their own decisions, rather than being run by a centralised command centre, are better able to understand what the overall mission and objectives are. They can then take responsibility for reaching those targets. When crisis strikes, teams used to having a level of autonomy can reposition themselves quickly to play to strengths in the market.

This kind of preparedness requires fostering a culture of free-flowing communication across the business that not only allows employees to use their initiative, but also means the whole team knows what is happening and why.

In other words, having an aligned workforce makes you nimble and breeds confidence across the workforce. As any economist will tell you, confidence is key to keeping a thriving economy.

This is why trade credit protection is another vital lifeline to protecting businesses - it gives businesses the confidence to grow without being worried about bad debtors. In times of economic turmoil having a backstop when cash flows and supply chains are precarious can be a business-saving measure.

Growing your company requires confidence which can be fed by many things. Good leadership is one. So is a strong business structure - of course. But having adequate protection against risk of non payment is also vital.

Contact us

For more information on how our services can benefit your business, please get in touch.

T: +44 (0)3330 155005

E: info@xeniabroking.com

1032-1123

Disclaimer

Xenia does not warrant the accuracy, completeness, timeliness or usefulness of the data, information or opinions contained therein or provided hereunder. The information is provided "as is" without warranty of any kind, express or implied including, but not limited to, implied warranties of merchantability or fitness for a particular purpose. By using the information you recognise and agree to hold Xenia harmless for any liabilities as a result of your using the information.