11 LEADERSHIP LESSONS TO GUIDE YOUR TEAM THROUGH CRISIS

Risto Siilasmaa
A Toolkit for Transformation

In *Transforming Nokia*, Chairman of the Board Risto Siilasmaa offers his first-hand account of the company’s near-death and its dramatic reinvention and revival. He shares the survival strategies and change-management methods he learned by leading people through crisis, and describes the precepts that will help sharpen your foresight, expand your options, reinvent yourself and your organization, and stay flexible enough to adapt to constant change.
THE LESSONS
Become a Paranoid Optimist.

Paranoid optimism combines vigilance and a healthy dose of realistic fear with a positive, forward-looking outlook. Because you are paranoid, you’re more likely to have foreseen all the worst-case outcomes and thought of how to prevent them. Because you are paranoid, you can afford to be optimistic. And optimism grounded in reality is something people look for in a leader, especially during a crisis.
Recognize the Toxic Symptoms of Success.

Companies suffering from their own success may be unable to admit or even see their mistakes, and their culture may lose the ability to recover. These four symptoms alert you that something is wrong:

- People are afraid to air negative news for fear of being criticized, consequently bad news doesn’t reach you or your team.

- Your team doesn’t dig for negative news or hard facts either.

- Decisions are constantly postponed and diluted.

- There is often just a single plan with no alternatives. Any major decision taken without considering alternatives is a warning sign.
Make Time to Think.

When confronting a crisis, the smartest thing to do is step back and consider all the options. Ask yourself and your team: What are the behaviors from yourself and others that enable you, together, to understand the situation and come up with the right actions? What kind of working environment would help you find the best way forward? What might hold you back? How can you address those issues? The more serious the leadership challenge, the more necessary this lesson.
Create a Code of Conduct for Your Team.

 Decide how you and your team will behave: the principles of how you make decisions, the values you share, how you will work together. These “Golden Rules” will guide you toward a certain way of doing things and, as a bonus, limit conflict among team members.
Trust Greases the Gears and Holds Everything Together.

Trust is built on transparency and equality. It must be constantly reinforced by setting an example: by encouraging people to seek out and share bad news, by not punishing them when they do, by rewarding accountability and recruiting people who think accordingly.
Always Think in Alternatives.

How do you bake scenario thinking into your culture? Every time someone presents a plan, ask, “What are the alternatives?” If they don’t have any, use the opportunity to brainstorm different scenarios. Even if they didn’t have a selection of alternatives this time, they will the next time. And the next time of their team members presents a plan, they will ask for alternatives. In this way, scenario thinking becomes an inseparable part of your culture.
Refuse to be Defined by Your Role.

It’s easy to be captive to your perception of what you think you’re allowed to do. Always question your role and refuse to be bound by it, especially in a crisis. Act based on facts and current circumstances, not on tradition. Have the courage to break with convention.
Welcome Negative News as an Opportunity to Learn.

One of my favorite sayings is, “No news is bad news. Bad news is good news. And good news is no news.” Embracing bad news is the only way to make sure people tell you what’s really happening. The worse the news that people bring, the more grateful you should appear.
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Be Light on Formality -- and Heavy on Substance.

Any meeting where you don’t laugh out loud is a miserable failure! It helps you find the balance between optimism and paranoia.
Learn to be Brave Enough to Dream Big.

How can you and your team break out of the prison of conventional thinking and have the courage to envision the implausible? Imagine a moonshot future scenario, then work backwards to articulate the steps necessary to achieve it. In this way, you create a tangible roadmap to tomorrow.
Create Your Own Luck.

By doing the right things, you definitely shift the probability curve in your favor. Everyday actions add up: Over the course of a year, we each have 365 opportunities to boost the possibility of a positive scenario. As golf legend Jack Nicklaus said, “The more I practice, the luckier I get.”
Cultivating this form of nimble, open-minded leadership also requires what I call “paranoid optimism”. Paranoid optimism combines vigilance and a healthy dose of realistic fear with a positive, forward-facing outlook. As a practical matter, paranoid optimism calls upon leaders to use worst-case scenarios to generate helpful new strategies and approaches, while also radiating an unwavering certainty of eventual victory.

Visit paranoid-optimist.com

How Nokia revived and reinvented itself as a new industry powerhouse—with leadership lessons for any company confronting massive change.

Risto Siilasmaa offers his firsthand account of the company’s dramatic fall and astonishing resurrection. He shares the survival strategies and change-management methods he learned by leading people through crisis and steering the company through its wrenching reinvention. And he explains how the power of paranoid optimism and the precepts of what he calls “Entrepreneurial Leadership” enable leaders to build sustainable success.”