



## Resilience: How finance leaders can *bounce up* to their highest potential

As a core human trait, resilience is written into our DNA, a default code that helps us survive and adapt in the face of disruptions large and small. Given its central role in human flourishing, resilience has been studied across the fields of positive, cognitive, and clinical psychology, as well as through other prisms, such as neuroscience. More recently, this key attribute has been put to the test, as the pandemic turned just about everyone into resilience scholars.

Yet, there's more to resilience than meets the eye. Certainly, it's about bouncing back from disruptions and adversities. But resilience also serves a higher

function. Ultimately, it's about *bouncing out* of self-limiting thinking and paradigms, and *bouncing up* to our highest levels of potential and our most impactful realization of leadership. This is the path of self-transcendence.

This bounce up value is the focus of Deloitte LLP's Executive Resilience Academy, a six-week virtual series that immerses C-suite executives, including CFOs, in the latest science of [resilience](#). And in this issue of *CFO Insights*, we'll explore the underlying conditions that foster resilience, the core evidence-based practices for building this trait, and the vast leadership implications of stretching personal potential.

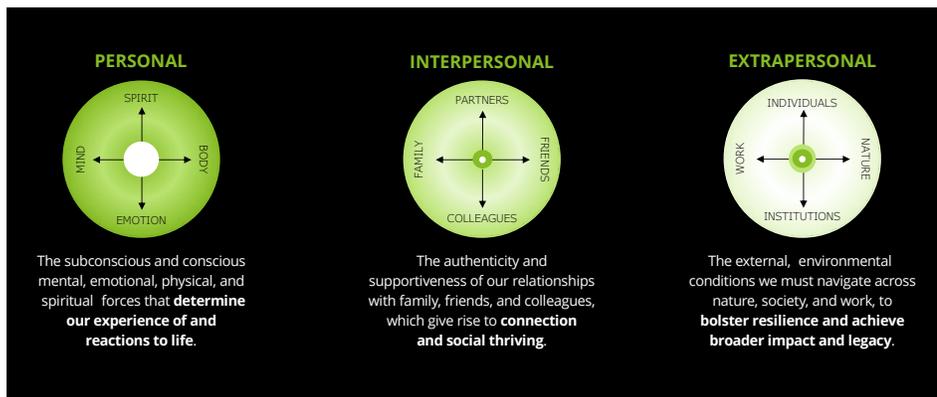
### Realms of resilience

Can you learn to become naturally resilient?

The Academy sets out do so by centering on Deloitte's resilience perspective, which spans the three human dimensions—or realms—where resilience happens (or doesn't) in real life (see Figure 1). Using this model as their guide, executives learn and practice the makings and moves of "whole-person" resilience. In addition, the curriculum focuses on how the underlying conditions, adversities, and capabilities act in a symbiotic, interdependent manner across the following realms:

Figure 1. The three realms of resilience

*It's in these human dimensions where resilience happens (or doesn't) in real life.*



Source: Executive Resilience Academy, Deloitte Development LLP

- Within the **personal realm** lie the core resilience conditions of meta-cognition, mental and emotional agility, realistic optimism, and meaning through character strengths. In other words, it is where we need to exercise sage-like self-command and align our life and work with our deepest, most authentic values.
- The **interpersonal realm** is all about relationship mastery. Specifically, do our relationships provide a deep, fulfilling sense of connection? A crucial component is the relationship-formative role of communication, including the importance of the ways we show up for people's good news, as well as for difficult conversations.
- Finally, **the extra-personal realm** comprises the external, "environmental" conditions that need to be navigated across nature, society, and work, to bolster resilience and achieve broader impact and legacy.

To better understand "whole-person" resilience, let's take a deeper look at each realm and the "moves," or broad actions, we can take to build that resilience.

### Understanding personal resilience

The actions within the **personal resilience realm** comprise both the subconscious and conscious forces that determine our experience of—and reactions to—life. The personal resilience realm is defined by disciplined self-mastery, such that we can command how we'll respond to life's events,

rather than these events having their way with us. This realm embraces unfaltering realistic optimism. It also encourages us to have our life and work aligned with our deepest core values, providing our most authentic sources of meaning, purpose, and magnetism in leadership.

Self-mastery begins with the move of **Meta-Cognition**, the cultivated habit of standing in awareness of one's thoughts, emotions, and (conscious and subconscious) reaction patterns. This includes the ability to access "observer consciousness," watching one's own mental, emotional, and physical responses to life events large and small in real time, rather than being unconsciously "lost" in reactions, thoughts, and feelings.

Highly coupled with Meta-Cognition is the move of **Self-Command**, the ability to exercise agency over one's thoughts and emotions, conveying optimized well-being, positive emotional states, and greater perspective and wisdom.

Leaders who wish to build personal resilience at work also should demonstrate **Realistic Optimism**. This mindset helps explain the past productively, while expecting positive future outcomes no matter the circumstances. It is rooted in a strong belief in one's own abilities to affect positive change, as well as confidence in the realization of any vision, even one that seems impossible.

A fourth resilience move comprises exercising **Character Strength**—building personal and career meaning, engagement, and achievement, guided by one's innate, authentic values in action. In comparison to talent strengths, which articulate what a person is great at and loves doing, character strengths reflect who a person is, defining what values in life are most important. Designing a life aligned with both types of strengths is a key resilience move.

The moves described above are not simply actions, but ways of being. And for most people, they don't come naturally. They must be exercised, practiced, and built to the point that they become instinctive. Fortunately, there are numerous evidence-based practices that support this journey from knowing to doing to *being* the moves (see sidebar, "The personal realm in action").

### The interpersonal realm

The interpersonal realm consists of the additional moves of **Connection** and **Empathy**, both of which can allow leaders to enhance relationships. To shortcut the building of these moves, though, it is important to focus language and communication. After all, when we talk about resilience in the interpersonal realm, communication matters. It's the only way that relationships begin and exist between people, as collections of moments that manifest through communication (verbal and nonverbal) regardless of the task at hand or the nature of the relationship.

This insight allows us to skip much of the theory behind positive relationships and concentrate on real-time communication action—specifically on two core practices: "active constructive responding" and "difficult conversations."

- **Active constructive responding:** Vast research into positive relationships has revealed a surprising finding: the way we respond to people's good news is among the most impactful relationship builders or breakers. If you're a leader on the receiving end of dozens of interactions per day, there's a very specific way of reacting to positive information that serves as a trust and authenticity builder and is, in fact, a major relationship hack: active constructive responding.

The times when people share exciting news can be the most critical moments in a relationship. In those instances, you want to be an active constructive responder, which means paying full attention to the person who is talking, and even going further by helping them relive that positive experience. You might ask: What did it feel like? Who was there? What else was happening? That type of engagement is called the “joy multiplier” because you’re helping the storyteller experience more of the positive emotion associated with the event. The interaction can build connection and trust, while all the mental gears of empathy are working in the background.

- **Difficult conversations:** Turning difficult conversations into trust and connection builders is another core communication practice. After all, it’s human nature to remember the high points and low points in relationships. And we especially tend to remember whether people did (or did not) show up for us when dealing with situations that require difficult conversations. There are ways to pre-analyze and plan these conversations beforehand with key considerations that can turn a difficult moment into exchanges that, rather than damaging the relationship, actually fortify the connection.

As a first step, affirm the overall goal of the conversation, starting with your own perspective. The goal should involve increasing understanding and seeking mutual benefit. The point is never to “win,” prove yourself right and others wrong, or exert power. Next, start to test your information by checking your assumptions. Are you assuming the other person knows what you’re thinking or believes the same? Do you have complete information or are you jumping to conclusions? It’s also critical to acknowledge how you contributed to the situation, how you’ll own up to it, and how you’ll make it right. Finally, seek to understand more deeply. Be objective (not emotional or opinionated) and get curious. Focus on listening more than speaking. And avoid assuming or asking why, which puts people on edge. Rather, concentrate on what’s observable and



obvious. Literally ask “what” and “how” instead of “why” questions (which put people on the defensive). Your objective is to create a dialogue of discovery.

Taken together, the art of active responding and the ability to handle difficult conversations are powerful tools in the C-suite. Along with knowing how to hit reset in relationships when things get tough, they help us become better communicators and, ultimately, better leaders for our teams.

### **The extra-personal realm**

In the C-suite, the extra-personal realm can be the greatest conduit for leaders who want to make an impact. It’s the realm where we bounce *beyond*—surpassing current versions of ourselves, self-transcending by breaking through boundaries to reach to new potential.

But steadying ourselves in the face of external triggers that test our resilience requires intentional effort. As the events of the past two years have made abundantly clear, adversities that surround us constantly test our resilience. They compel us to identify our greatest external weaknesses. And in the extra-personal realm, adversity forces us to change those conditions or figure out ways to diminish their effects.

Mastering those external adversities is at the heart of the moves we can take to build resilience within the extra-personal realm. One of those moves is **Environmental Agility**, which is our ability to take whatever life throws at us in stride. Achieving this degree of agility requires us to decide how life’s stumbling blocks will affect us, the meaning we’ll assign to those obstacles, and the life we’ll have as a result. Strong, connected relationships help us build strength in this area. And CFOs and other C-suite leaders who excel in this regard can build the habit of sensing the health of the workplace—with the objective of helping to mitigate suboptimal circumstances.

The second move within the extra-personal realm is **Impact and Service Orientation**, in which meaning, or purpose, is focused on someone—or perhaps on many others—rather than on oneself. The business community, for example, increasingly has adopted [purpose as a way to measure the value of a company](#), which represents a real-world example of this move.

Within the extra-personal realm, there are several ways for leaders to apply resilience lessons to teams. One way is by educating team members about

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the overall makings of resilience (the [eight moves and three realms](#)) and by focusing on setting the foundation for moves, such as Environmental Agility. It's also important to infuse language about resilience concepts into the team's regular conversations so people become familiar with the resilience moves. Enabling teams with distinct resilience practices like those we explore in the Academy—for example, somatic mindfulness practices that build Self-Command—is another powerful way to increase human resilience in an organization.

Finally, leaders can consider role and organization-based ways to support the underlying elements of extra-personal resilience in the context of team dynamics. That could include aligning individuals with their character and talent strengths by redesigning jobs and team structures, using strengths-based goal setting and performance management standards, and tracking how these initiatives serve the greater good.

### **Whole person leadership resilience**

Just as adversities often overlap in real life, the three realms also act interdependently. For example, in the interpersonal realm, connection includes the ability to build and nurture supportive, authentic relationships based in empathy, shared values, and constructive communication.

When whole-person resilience is in place, however, it can open the door for optimized behaviors and results. It also can allow leaders to activate a resilience strategy, more effectively guide others, boost productivity, and build high-performing teams. What's more, by incorporating these methods into their daily practices, executives can also challenge belief systems that might be holding them and their organizations back.

## **The personal realm in action**

There are numerous evidence-based practices that support the personal realm journey from knowing to doing to *being* the moves. We explore more than 20 of them throughout the Academy, and group them into two broad imperatives: knowing and growing the self.

### ***Know thyself***

Within the personal resilience realm, knowing the self refers primarily to building deep self-awareness around two critical areas: one's thinking style and one's true character strengths.

Building awareness of one's thinking style (i.e., cognitive habits) is critical for a very human and existential reason—thoughts form every human being's version of reality, and thus, how they respond to it. Unfortunately, it's also true that throughout our lives, most of us have acquired some suboptimal thinking and reacting patterns—some conscious, some deeper in the subconscious—that can send us down an emotional and behavioral consequence pattern that we wouldn't logically choose.

In order to break out of these limiting patterns, it's necessary to first drill down on one's own thinking style, limiting beliefs, and default reaction patterns. Specifically:

- Identifying the most common triggers of negative emotions and responses;
- Uncovering the deep, limiting beliefs about the world, what should be, and other people that comprise our version of reality (e.g., "People can't be trusted" or "I must be perfect or I'm nothing...");
- Detecting our most common in-the-moment "thinking traps" (e.g., catastrophizing by assuming the absolute worst outcome is going to occur).

In the constant cycle of complex demands facing executives, it's easy to allow one's thoughts about obstacles to determine the entire experience of life. But leaders aren't automatically destined to fall into this trap. Instead, they can take seemingly insurmountable problems, envision their ultimate destination, and activate long-term thinking to shift their behavior to capture the complete and transformative powers of personal resilience at work. Whether a crisis is looming or already underway, the challenge for leaders is to recognize the reactive patterns that can undermine personal growth—and convert those habits into constructive responses.

### ***Growing the self***

Growing the self encompasses numerous practices that strengthen the four moves of the personal resilience realm. The most important meta-practice we espouse is daily somatic mindfulness exercise that builds the brain "muscles" behind Meta-Cognition and Self-Command and Realistic Optimism.

In this practice, individuals bring mindful awareness to physiological sensations, such as their own breathing, thereby neurologically retraining their own reaction systems in a process of positive neuroplasticity. In fact, studies have shown that eight weeks of daily 15-minute practice causes observable changes in the brain, with grey matter decreased in the survival-based fight/flight regions and increased in the prefrontal cortex, the region of self-command and positive emotion.

Other ways to grow the self include specific methods for realizing gratitude, adopting a more directly optimistic thinking style, and building more of one's character strengths into one's life.

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