

Navigating the “New Normal”

How organizations can manage post disruption performance and engagement

The evolving demands of today’s workforce have never been more on display than through the societal disruptions of 2020. The need to navigate these disruptions has served as a catalyst for organizations to accelerate the development of their workforce’s capabilities and soft skills. As we continue in this “new normal,” people managers and team leaders are leading in a radically different landscape than what existed at the outset of 2020. Leaders’ skill at managing individuals and teams is now more important than ever, as organizations prepare to recover and plan to thrive in the future—even as they reinvent themselves.

Adding to the complexity of the challenge, organizations are being called upon to act as social enterprises. They are expected to not only ensure that individuals and teams can remain productive but also that their employees can thrive personally and professionally with purpose, despite these new and uncertain circumstances. As Deloitte’s [2019 Global Human Capital Trends](#) report indicates, “Achieving success in today’s market requires organizations to transform from a business enterprise to a social enterprise. Hitting the traditional marks of business performance is no longer the only defining metric of success. Businesses today are being valued as much by their interactions and impacts on society as they are by their financial results.”¹ Leaders are challenged to find a way to deliver on the performance requirements of the business and make good on the commitment to growth and development for their teams while delivering a great employee experience.

Naturally, disruption brings about new and complex challenges for performance management, which necessitate a more flexible approach to meeting the needs of both the organization and the individual. The competitive edge or differentiating factor for companies can no longer be outsized returns or sales alone, but how the company supports its employees in navigating times of disruption. An organization’s new business and social imperative is to create and maintain a performance management culture that is flexible and scalable—one that reaches beyond a physical office to help individuals achieve optimal growth while doing meaningful work, regardless of their environment. Times of disruption, such as those presented by COVID-19, provide organizations with prime opportunities to reassess their priorities and ensure they are building the kind of healthy, nurturing employee experience that is proven to improve business outcomes, commitment, and retention. This document identifies several ways to manage a workforce through a large-scale disruption and beyond.



¹ Deloitte Consulting LLP, *2019 Global Human Capital Trends*, 2019.



Addressing employee needs

It is essential for managers to acknowledge the humanity in their human capital and ask themselves whether they understand the needs of their people. The topics below represent some common themes from human needs research that must be addressed during times of disruption.^{2,3,4}

1. People need to feel a sense of safety.

- Whether they are working virtually or not, employees first and foremost need to feel a sense of safety at work. When employees feel safe at work, they do not fear failure, but rather embrace it as a learning opportunity. By building a sense of safety, employees can speak their mind without fear of retribution or other negative consequences. A sense of safety is more difficult to build in a virtual setting, but it becomes essential in creating a culture of empowerment, where employees make difficult decisions, fail fast, learn fast, and overcome barriers without needing permission from management.

2. People need resources and technology readily available to do their jobs.

- For many workers approaching the anniversary of mass remote work, a host of issues still persist as the normal perks of office work have been left behind. At a fundamental level, employees need the technology and tools to do their work, and they need to be able to access information (e.g., IT and HR services) quickly and efficiently.

3. People need to feel a sense of belonging.

- When working virtually, it can be difficult to build relationships and trust. Trust, in particular, is at risk of dropping due to the lack of deep connections that are more prevalent when working face to face. To rebuild a sense of belonging and trust, employees need to unite around a common mission, vision, or goal that is compelling and inspirational.

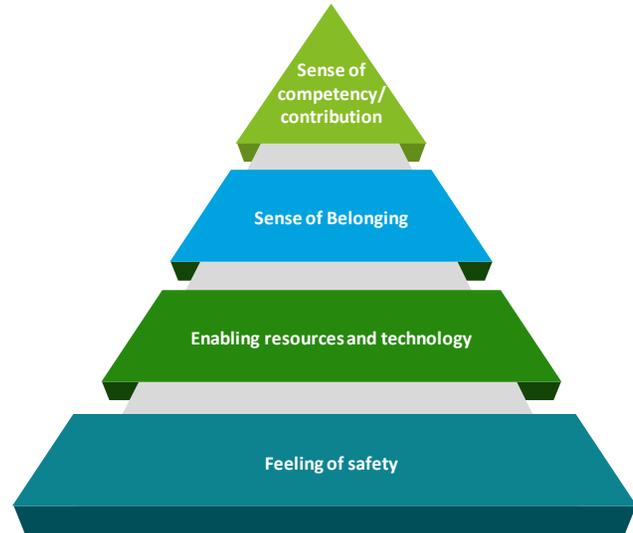


Figure 1: Employee needs to fit loosely within a hierarchy

4. People need to feel that they are competent and are contributing to a group.

- Once a rallying cry for the team has been established, employees need to understand their role in accomplishing the goal. Employees need clear objectives and goals, and they must be recognized for meeting those goals and for going above and beyond. Mixing up the type of recognition (personal vs. public and monetary vs. nonmonetary) will ensure that employees are receiving their “preferred” type of recognition, which will in turn boost their motivation.



Managing through disruption

In addition to meeting basic needs of individuals for work, managers have a unique opportunity and responsibility to help employees thrive during times of disruption. A manager’s position is powerful and can add to or lessen the amount of anxiety and disorientation that an individual may feel during ambiguous times. What can a manager do? Consider the following seven practices for managing well:

- 1. Lead with humanity:** In any type of environment, a human-centered leadership approach creates an environment of engagement. Individuals look to leaders to be an employee experience designer and coach, and to be authentic and vulnerable in ways that promote trust and transparency. By bringing their whole selves to work and modeling a culture of inclusion, managers can help individuals feel more comfortable being authentic.⁵ Leading with humanity during times of disruption means that conversations are not just an opportunity to provide helpful performance coaching or to

connect the team member with resources aligned to their unique growth and development goals—but also should include topics like well-being, new barriers the team member may be facing as they navigate working from home, or anything else that is top of mind for the team member. Remember, especially during times of disruption, that leaders should approach tough conversations with grace and compassion, as the team member is likely already feeling stressed and anxious.

²Amy C. Edmondson and Zhike Lei, “Psychological Safety: The History, Renaissance, and Future of an Interpersonal Construct,” *Annual Review of Organizational Psychology and Organizational Behavior*, 2014.

³Amy C. Edmondson, “Psychological Safety and Learning Behavior in Work Teams,” *Administrative Science Quarterly*, 2019.

⁴Edward L. Deci, Anja H. Olafsen, and Richard M. Ryan, “Self-Determination Theory in Work Organizations: The State of a Science,” *Annual Review of Organizational Psychology and Organizational Behavior*, 2017.

⁵Kathi Enderes, PhD, and Matt Deruntz, “Seven top findings for moving from managing performance to enabling performance in the flow of work,” Bersin and Deloitte Consulting LLP, 2018.

2. **Create an inclusive environment:** Performance management is ripe for bias in even the best of organizations. Practices like coaching and exchanging appreciative and constructive feedback are highly relational activities, and for many people, an absence of structure—defined expectations, shared beliefs, and common behaviors—can increase subjectivity and/or lead to inequitable outcomes. As the world transitions to new ways of working, these challenges can be exacerbated. As such, the social and business imperative for intentional diversity and inclusion is increasingly significant, and leaders must adopt key inclusive leadership behaviors.⁶ To do this, leaders should be aware of and implement practices to mitigate three common forms of bias: affinity, confirmation, and personality.⁷ Collectively, mitigation of these common forms of biases, and the implementation of methods to intentionally seek out diverse perspectives and increase collaboration with others, will help promote more equitable outcomes and greater inclusivity.
3. **Cultivate a sense of belonging:** Creating a team environment of safety and belonging is never effortless, but it can be especially challenging when the team is operating in a virtual environment that may compound feelings of isolation or stress and make it more difficult to cultivate the levels of connectedness and engagement that have been shown to improve the employee experience.⁸ For example, while members of your team may informally stop working to have lunch together in the office cafeteria, in a virtual environment, it may require a scheduled “virtual lunch” where team members use videoconferencing technology to have a work-free lunch together. Other ways to drive connectedness among virtual teams include video-based workouts, coffee chats, and happy hours, which can provide team members a glimpse into the lives of their teammates in new and personal ways.
4. **Listen to employees:** It is imperative to listen to employees to truly understand and respect the needs of the team, both collectively and individually. In 2019, 60% of employees expressed dissatisfaction with their jobs as it pertains to their autonomy to make decisions and their access to relevant data, information, and tools and technology needed to do their jobs.⁹ Performing in a time of disruption exacerbates these issues. This makes it even more important for a manager to proactively solicit feedback from their employees on their experiences to understand what accommodations may be necessary to help them adapt to their new reality.
5. **Reexamine priorities:** Humans generally experience change with the part of the brain associated with the “fight or flight” response. For this reason, as a rule, humans avoid change because our brains perceive the change as a threat, generating stress and anxiety. By contrast, because the status quo is “safe,” we generally try to assume that what has worked in the past will continue to work in the future. When recovering from a major disruption, it is more crucial than ever to pause, reassess preexisting assumptions, and clearly communicate a way forward. Leaders should reflect, recommit, reengage, and rethink, and consider the current priorities and needs for the business and for their employees.¹⁰
6. **Communicate clearly and often:** The loss of interactions that may take place organically in office breakrooms or hallways, as previously mentioned, can also be addressed with more frequent and more intentional communication and one-on-one check-ins. During times of disruption, it is easy for digital messaging to become the default communication method. These messages can often be either under-nuanced or over-direct. It is essential to proactively reengage with teams, communicating with them directly and leveraging videoconferencing tools that reintroduce the essential cues we pick up from facial expressions or body language. Ensuring clear understanding and alignment is essential to maximize a team’s ability to accommodate shifting priorities. Leaders should also take the time to schedule recurrent touchpoints, embedding performance discussions and development into the flow of everyday work.¹¹ Managers must be willing to rethink what their work, workforce, and workplaces look like post-disruption. Keeping an open mind while practicing continuous listening and clear communication will grant them an accurate accounting of what their teams need and ensure their employees have a clear understanding of the path forward in their new reality.
7. **Say thank you and make it personal:** Employee expectations of the workplace have evolved beyond a paycheck, retirement plan, and insurance and now include a sense of purpose, meaningful work, development opportunities, and supportive leaders. This means that when it comes to recognition and rewards, cash is no longer always king. Especially in times of disruption, do not underestimate the practical magic of saying ‘thank you.’ Expressing appreciation for employees in a way that is meaningful to them can be an extremely powerful tool. When the delivery of gratitude is personalized and takes into account different preferences for factors, such as who is doing the recognition (ex: direct supervisor, leadership, colleagues), to whom the recognition is being shared (privately or not), and what the individual likes to be recognized for (ex: knowledge, commitment to organization, effort), the employee experience improves.¹² Today’s workers need to feel appreciated and valued for what they do, and there is no better time than right now to express that appreciation.

⁶ Juliet Bourke, “[The six signature traits of inclusive leadership](#),” Deloitte Consulting LLP, 2016.

⁷ “[Addressing the impact of COVID-19: Practicing inclusive leadership in times of crisis](#),” Deloitte Consulting LLP, 2020.

⁸ “Four Leading Practices of High-Performing Leaders,” Bersin and Deloitte Consulting LLP, 2020.

⁹ Deloitte Consulting LLP, *2019 Global Human Capital Trends*.

¹⁰ “[Workforce strategies for post COVID-19 recovery](#),” Deloitte Consulting LLP, 2020.

¹¹ Kathi Enderes, PhD, and Matt Deruntz, “Seven top findings for moving from managing performance to enabling performance in the flow of work,” Bersin and Deloitte Consulting LLP, 2018.

¹² Deloitte, “[The practical magic of ‘thank you’: How your people want to be recognized, for what, and by whom](#),” June 2019.



In summary

These practices are imperative in times of stability and when working in person, but they are mission-critical in times of disruption and when working virtually. Most of these practices will not come as a quick fix, as many of them may require greater forethought, structure, or intentionality when done in a virtual setting. Moments of disruption act as catalysts for reflection and require organizations to respond with agility, but the “right” decision for managing employee performance should be sustainable beyond the duration of the disruptive event. Building these “muscles” now will collectively amplify an organization’s impact when the world shifts to the *next* “normal.” This future should involve greater attention to employee needs, greater commitment to coaching and development, and greater focus on cultivating high performance, especially in times of disruption and uncertainty.

After major disruptions, the *next* “normal” may be vastly different than the current state. As companies and employees realize the short- and long-term benefits of remote work (better quality of life, safer daily routines, and more opportunities to care for family), these practices that facilitate ongoing performance management and development through disruption must become normal for successful organizations.

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