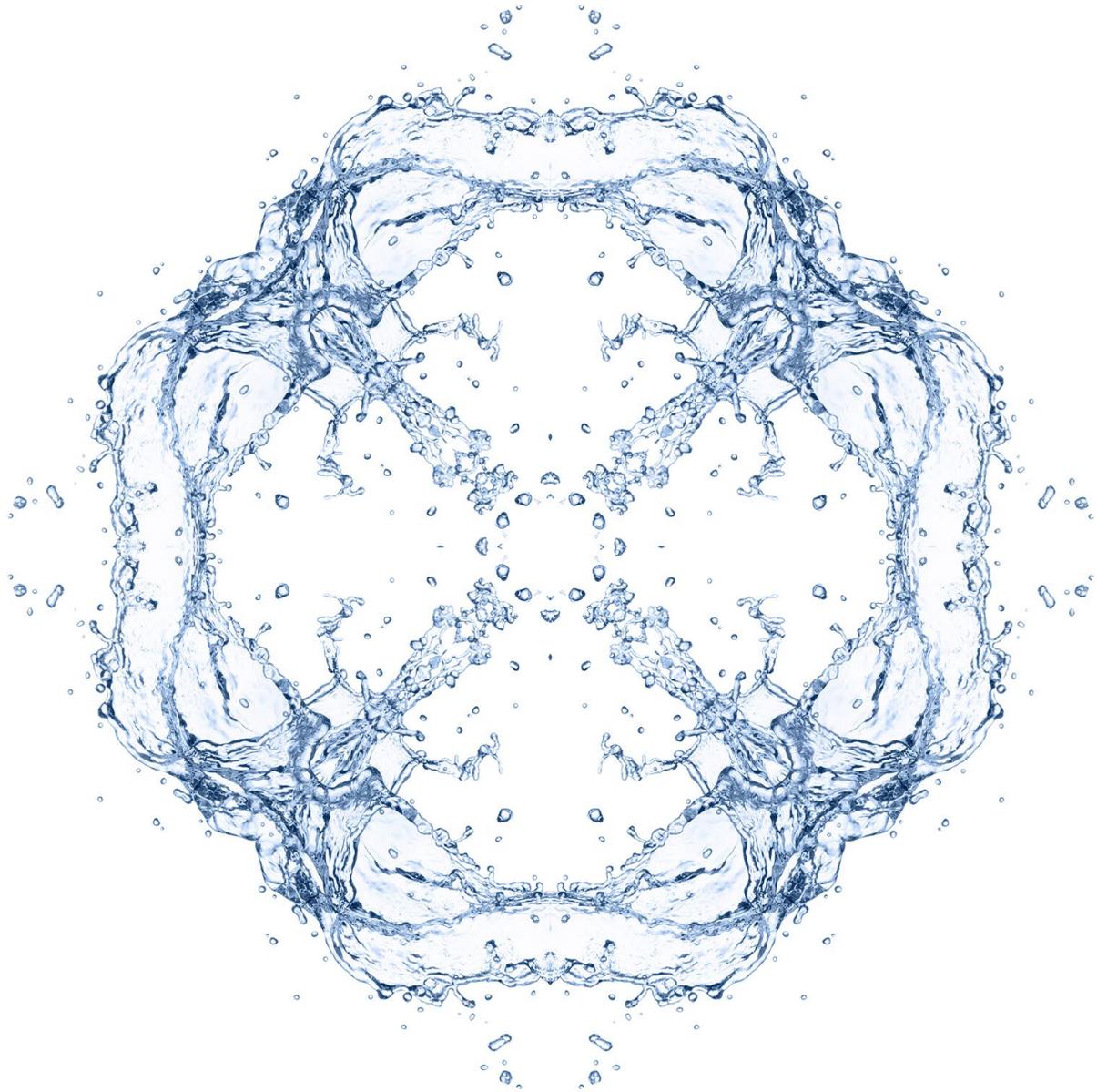


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The Next Wave

Real stories on leading through risk, crisis, and disruption featured in the Resilient podcast series

The Next Wave

Leading with resiliency

Since the Resilient podcast series launched in early 2016, we've conducted more than 20 in-depth interviews with CEOs, senior business executives, and other top leaders in a wide range of industries – from aviation, publishing, and retail to technology, government, and energy utilities. While they shared their diverse personal stories on successfully navigating risk, crisis, and disruption, we asked each of them: What does it mean to be a resilient leader? Here are some of the answers we heard:

Keep things in perspective

As former supreme allied commander of the **North Atlantic Treaty Organization (NATO)**, Admiral James Stavridis led an intergovernmental military alliance among 29 North American and European countries. While representing the interests of all member states – and through high-stakes operations, such as enforcing a no-fly zone in Libya – Admiral Stavridis learned the importance of humility as a source of resilience. “Don't over-invest in your self-importance or your legacy,” he told us, emphasizing respect for others, regardless of where they are on the org chart. “Remain humble. And I think that allows resiliency.”

Stay focused

Keith Wandell joined **Harley-Davidson** as CEO during a time when productivity at the motorcycle company was down, competitors were gathering steam, and Harley's network of 1,600 independent dealers was struggling to attract new customers. He says resilience involved zeroing-in on key priorities that would make the most difference – including revising manufacturing processes and making Harley a more welcoming brand to new demographics and first-time buyers. “Have a clear vision, a clear focus,” he told us, adding that resilience requires keeping that focus on the future, not the past. “Don't sit around and brood over what might have been.”

Be transparent

As Senior Vice President of corporate governance at the security systems company, **Tyco International**, Eric Pillmore says resilience came from transparency and the resolve to investigate root causes when the CEO and CFO were found to have stolen hundreds of millions in company assets. “I think human nature tells us ‘don't look

there.’ But I think...get to the bottom of them as quickly as possible,” Eric told us. He explained that such transparency is key to resilience, in that it helps leaders get over what happened in the past and focus on moving forward. “Leave no stone unturned,” he said.

Be optimistic

Former **Krispy Kreme** CEO Daryl Brewster used a similar analogy in discussing his own transparency efforts after a financial controversy. “We'd be turning over some rock, there'd be some other new issue that would come up,” he said. Amid such fact-finding, or other depressing news, Daryl says resilience involves retaining a degree of optimism. “It was good to get those issues out,” Daryl explained. “But it was unproductive just to labor and stew on them.” At one point in the crisis, Daryl even moved the office of an optimistic, problem-solving manager to be in closer proximity to some colleagues who were getting stressed and overwhelmed. “He brought just a wonderful sense of optimism. Good ole ‘got to get it done and let's figure this stuff out,’” Daryl told us.



Admiral James Stavridis & NATO

From 2009-2013, Admiral Stavridis led NATO, an organization with 8.4 million military personnel in 29 member states.

Key insight: "Have a sense of humor – a sense of humility about yourself. Everyone is going to have failures and challenges."



Daryl Brewster & Krispy Kreme

Daryl led Krispy Kreme through recovery from lawsuits and employee turnover amid a financial controversy, ultimately helping the company avoid bankruptcy and build back business.

Key insight: "There was a good sense of both reality of the situation... but we also needed some people who were good optimists."



Keith Wandell & Harley-Davidson

Amid increased competition – including the Polaris acquisition of Indian Motorcycles in 2011 – Keith stayed focused on profitability: overhauling Harley's manufacturing processes and expanding the brand to new audiences.

Key insight: "Stay focused on what's important."



Jim Moroney & the Dallas Morning News

Jim relied on a shared sense of mission and teamwork to push a digital transformation that helped the paper recover from declines in print edition subscriptions and advertising revenue.

Key insight: "As long as I'm here, I owe something to the rest of (the team) to keep fighting as long as I can."



Eric Pillmore & Tyco International

Eric led the company's compliance efforts through years of recovery after top executives stole hundreds of millions in company stock and cash.

Key insight: "We saw the value of being transparent...and sharing that with investors and having that actually lift the company out of crisis."



Beth Comstock & GE

Passionate about change and innovation, Beth served as GE's Business Innovations Vice Chair, leading the drive to re-invent and grow the business for the digital era, and instill a culture of inventiveness.

Key insight: "It's not as simple as...[buying] this machine and [putting] it in the factory...You have to digitize how you work, not just the things you work with."

Get back up

Asked how he helped his paper survive disruption as more people turned to online sources, **Dallas Morning News** Publisher and CEO Jim Moroney didn't hesitate. "My resiliency comes in two parts: I feel like I have a group of people that I can't let down...and we have a mission," he told us, explaining the commitment to quality journalism. He says a shared sense of mission among a dedicated team helped drive a successful digital transformation that bolstered online news platforms alongside the print edition. Even amid setbacks, Jim says "I feel a real sense of responsibility... so that keeps me getting back off the mat every day."

Innovate and evolve

In the words of **Beth Comstock**, former Vice Chair at GE, we are living in a time of "digital reckoning." Beth suggests that today's leaders must embrace the shift to digitization, and digitize the way in which they work. Businesses are now "thinking much more systemically because of the digitization and the platform theories... it's all about the system" Beth explained.

To be successful, she emphasizes the need for future leaders to put data at the forefront and own the entire customer journey, both the digital and physical. Beth also encourages employees to take risks and challenge the status quo. "It's really about change and innovation, and ...giving people the mechanisms" to allow them to make change.

Moving forward

Whether it's a value-destroying crisis, a shift in industry dynamics, or a high-stakes investment in the future, uncertainty comes in many shapes, sizes, and impacts. Smart leaders know that their ability to effectively navigate risk, crisis, and disruption will likely determine their ability to evolve as a business leader and be successful over time. Resilient leaders embrace important qualities – including determination, transparency, self-awareness, and optimism. They take risk management a step further and ask themselves, "What am I doing today to prepare not only for tomorrow's threats but also tomorrow's opportunities?"

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Let's connect

If you would like to learn more about how leading companies are navigating risk, crisis, and disruption, we would welcome the opportunity to talk with you. If you have your own resilient story to tell, please let us know.

Learn more

www.deloitte.com/us/nextwave



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