

Leading in a virtual world

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The coronavirus has left businesses struggling to keep their doors open. A MasterCard study in North America revealed that 5 out of 10 small businesses are one late payment away from shutting down.



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The South African narrative is undoubtedly, more epic. There are other cracks however beginning to show in companies across the board. Human resource. Managing people across different homes and cultures has also risen as a major threat to the development and execution of profitable and sustainable strategies in many industries.

These issues cannot simply be resolved by having more unproductive meetings. Design thinking is an essential skill towards unpacking these complex problems that are more than theoretical and are context-specific.

How can we ensure staff retention during this difficult time? The digital world has opened up international opportunities. Employers are globally competing for the best talent even though there is a growing trend of increasing unemployment across the regions.

In industries such as cybersecurity, the competition is even higher. IBM estimates that in near future, the need for a whopping 37 million cybersecurity professionals will emerge. The growing preference for online education will intensify this competition and the high possibility of increasing talent flight in the medium to long run.

Executives need to understand the changes that have happened and how we can best respond to them.

A new operational structure has emerged: All companies are global players

Remote working has broken even small firms into hundreds of complex franchises. Our homes have become mini firms. The company culture is now individual and home-based and thus it influences productivity and motivation of employees.

Informational gaps have consequently widened. Employers do not know whether employees are working and employees do not know whether managers are engaged either. The board is far too removed to have an effect on daily activities.

Adverse macroeconomic forces pose a new threat in inspiring and managing teams

An increased lack of motivation owing to salary cuts, employee benefit reduction and other factors such as struggling to adjust to the “new normal” leads to a number of problems for firms. Employees are at high risk of meandering-into ‘despair’.

According to a virtual leadership study by the University of Illinois – “corporations risk employees resorting to alcohol abuse, drugs, unhealthy eating habits and leaving in order to remain engaged during this difficult time.”

Zoom meetings set the stage for the perfect theatrical experience. Employees can fake their emotions and interest in an hour-long meeting and go back to being unproductive. How do you strike a balance between constant engagement to maximize the operation and still provide space for the mini firms in homes across Sandton, Soweto and Nairobi to thrive and find their own subculture which complements the values of the organisation?

Digital has reduced people to voices, moving pictures and buffering networks. “Is my volume up?” “Can you hear me?” . This coupled with technical communication breakdown as a result of Eskom presents a massive principal-agent problem.

The authority of managers has to be reconfigured

The virtual world can easily give employees the impression that they do not feel that they are appreciated for the extra effort that they are making. Office traditions of acknowledgement have broken down. Friday casual workdays are now serious like Mondays.

Prof A Luckman at the University Illinois, in his esteemed course Everyday Leadership argues that corporations need empathetic leaders whose strategic insights are informed by well-being management, technology advancement and digital intelligence.

A McKinsey and Company insights report titled ‘Getting beyond bureaucracy in Human Resources’ laments the global trend of overstaffing without proper alignment of people’s skills and expertise to serve an old archaic idea of “corporate heavyweights”.

The report argues that corporate culture is designed with images of “heavyweights” who can get away with poor productivity. To turn things around during the pandemics many companies have had to re-strategise.

A follow-up report by McKinsey and Company titled Retaining key employees in times of change argues that organisations have to design financial incentives according to the strategic goals and vision of the company and not according to “corporate heavyweights” as was the norm.

Inclusion can stimulate innovation and inspire a sense of belonging

Inclusion can bring a sense of ownership in decisions that are taken – preventing alienation. In organisations, this inclusion has to be a subset of real people who exist. According to a Harvard Business Review, more diverse companies experience increased innovation which results in 19% higher revenue and 2.3 times higher cash flow per employee.

Inclusion requires more than just 'woke washing' your company by simply putting any black person or woman there. It requires careful analysis of the different subsets within your organisation that sometimes can even form outside of racial and gender groupings. And then make an informed decision as a collective about the right people who can speak on the behalf of others.

This will help prevent alienation and enhance staff retention and innovation. These inclusive structures don't have to be board appointments but key voices who help to channel the flow of information. Even though inclusive boards are also equally important.

The well-being of our employees' family members has become part of our responsibility

Big companies such as Google and JSE, who we have had the honour of advising in our career respectively, have both taken commendable steps to recognize the interaction of the personal and the professional.

CEO Google and Alphabet Inc Sundar Pichai announced that the company is providing Friday as a day of self-care. The JSE has cancelled meetings on Wednesdays to give the "mini firms" time to integrate their work and their personal lives. This is expected to improve the well-being of employees and their immediate families.

Storytelling can create a mission-based company

In a virtual world, stories have the power to change the trajectory of an institution and remind employees about the mission. Workers are hungry for motivation and a clear understanding of how their role fits into the "big picture". A culture of storytelling not only engages workers but if designed with business cogs in mind can help to develop a business development mindset that companies need to grow. The late Allan Gray whose leadership impacted our growth was a huge advocate of this strategy. It helped him to build a multi billion empire.

Storytelling empowers leaders to build a motivating culture of openness that can help bridge the information gap. Storytelling changed the course of history. It is the power that politicians will skilfully and one that executives need to acquire urgently. To prosper in the digital era, you have to assume that every day my employees are having a tough time and they could use encouragement and a sense of belonging

An extra effort to award excellence and participation can strengthen your organisational culture

LinkedIn has digital social media badges that co-workers can use to complement and motivate one another. This is beneficial because it promotes a good reputation about the company and LinkedIn best strategies involve clients interfacing with your staff instead of the company profile. This is simply because people want to talk to other people and not automated messages from company profiles.

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