

LEADERSHIP TEST.

Employers in the face of the crisis.

"22 million unemployed in 4 weeks in the US, meaning 11 years of economic rebound wasted in a month," "UK in the face of the worst recession in 300 years," "Unemployment in Israel rises to 20%," these are just a few headlines from business magazines that illustrate how much the coronavirus epidemic hits the global economy. How does Poland look like against this background? According to the latest data from the Central Statistical Office, employment in enterprises employing at least 10 people dropped by 34.2 thousand in March compared to February. We had a similar result in December 2008 (33.7 thousand people) and it was a reaction to the global financial crisis following the bankruptcy of Lehman Brothers. It is estimated that in the next two months unemployment in Poland may increase from less than 3% at the end of 2019 to 10%. What will be the fate of those whose time of the coronavirus epidemic led to financial collapse? What will be the mental state of people? What will the new world be like? Are we ready for it? As always, we want to get quick solutions, but today unfortunately many questions are left unanswered.

Leadership test

In the face of changes in the labor market, it is crucial to honestly answer the question: do we employ people or employees? I have already asked this question in 2017 as part of one of the Conferences for Business Leaders organized annually by the Humanites Institute since 2010 titled "*Coherent Leadership*TM. *Human & Technology*". For several years I have been drawing attention of leaders to the developing trends of automation and robotization and the connected with them upcoming reductions in employment, emphasizing the importance of supporting humanism and the need to prepare people for the situation of living perhaps without a job and the potential inability to be retrained by some groups of workers.

Many modern leaders grew up in the early 1990s on the basis of old paradigms in which the man in the company was only a resource. Even if outside their companies were promoted with lofty humancentric slogans: "people are our main asset", they did not really penetrate enough inside the organizational management culture. Today, in the face of the global crisis, we have a leadership test. How many leaders will take advantage of the current situation and under the cover of coronavirus will carry out additional job cuts, which could have been difficult before for the reason of protecting employer branding? How much will their vision be short-sighted? Of course, many entrepreneurs struggle to survive in all industries. This often means very difficult and necessary restructuring decisions to save the company and as many jobs as possible. However, the effects of the crisis hit most often the weakest, the least qualified employees, the most at risk of digital exclusion, those whose economy does not provide security or stable work.

A great responsibility lies with business leaders, who should not underestimate the scale of the challenge and should prepare themselves and employees for a new reality.

The industrial revolution of the late nineteenth and early twentieth century ended in a revolution of the proletariat. Humiliated people, hungry and consumingly aroused in recent decades, are becoming angry and are looking for a means to unload this anger. The growing unemployment rates can only serve as extra katalysators. This gives a very dangerous ground for the rapid development of populism and leads to possible unrest and social changes. In this situation, people given quite often illusory promises of greater security are able to give up on a large part of their rights and freedoms. Additionally, we face the risk that limitations introduced by some governments and communities in order to protect people may stay for longer and may not be abandoned when the situation will stabilise.

And today society, after several months of isolation, sometimes in depression, apathy, may want to go out into the streets. Olga Tokarczuk, a recent Nobel Prize winner for literature, also emphasizes that the coronavirus epidemic has marked the current social stratification even more, because some of us will be able to fly by a private plane to the house

on the island or isolate ourselves in the house in the woods. Others will remain in cities to keep the electricity and water networks functioning. Some others risk health at work in stores and hospitals. Some will earn from epidemics, others will lose their entire life savings.

We can already see that the current situation has not created sufficient cooperation between global technology companies, and on the contrary. Most of them are even more in the race for dominance. Maybe this is the reason why the progress in invention of medicine for Coronavirus is so slow, as the companies are only declaring the cooperation while actually they are competing for priority. In the times of isolation of countries, global corporations are getting even more profitable as they operate beyond borders.

The crisis of trust - the effect of lost value of community and collectivism

In New York, more than 10,000 people have already died due to the coronavirus epidemic, several times more than in the September 11 terrorist attack. New York City Mayor Bill de Blasio says he has seen for himself that he cannot rely in the future neither on the federal government nor on the global market. - We also know that we cannot count on our country in the production of sufficient quantities of absolutely necessary products, as we saw in the hour of trial. (...) Until it changes, New York will protect itself - he explained. Real protection comes from the exchange of reliable scientific, economic and social information and from solidarity.

With many global problems, I don't see sufficient global solutions because we are in a crisis of trust and a crisis of cooperation. Professor Bogdan Wojciszke, psychologist, the humanities professor says that community/unity is, apart from creation, one of the two basic dimensions by which man defines and assesses the world. Individualism has been crowding out community for many years. The cult of the individual and focus on himself brings a harvest in the form of a huge crisis of social bonds, atomization of families, development of the single society.

Seemingly, it was supposed to be the source of individual happiness. However, it turned into a growing global phenomenon of loneliness. We feel lonely both in our families and at work. Every third person in the western world had experienced depression already before the isolation resulted from the coronavirus epidemic. We have departed from the foundation of who man is as a social being. Professor Tischner used to say that we always live with someone, by someone, next to someone, for someone.

The complexity and comprehensiveness of the world requires breaking the silo approach to problem solving. In contrast to cultivating "interest", meaning that we want to belong to a community of states only when it pays off, when all economic and social circumstances favor us. That is why, creating the Humanites Institute, over a decade ago, I based its activities on the author's Model of the Social Ecosystem of Village, which joins the main social forces and restores community thinking. The current situation clearly shows the need to return to instilling these values.

Consumerism, indifference and family

For over a dozen years I travel and experience different deserts of the world. While travelling I talk with the leaders of various communities and different cultures – Bedouins which are mostly Muslims, rabbis, Buddhists, or e.g. a priest who runs one of the few Christian communities in the Negev desert. I ask them what worries them when they look ahead? My surprise was that their opinions mostly coincided. Each of them looked with anxiety and a great concern at the growing indifference of people towards each other in the world perceived simply as a storehouse of products and consumerism. A world of stimulation, excess, irrationally awoken aspirations. In a reflectionless world in which man was reduced to impulse and consumption. In which transactionality conquered the area of relations, displacing tenderness, care and sensitivity which are the ground of bonding. The transactional relationship between the customer and the goods becomes a model for all other relationships, including interpersonal ones. Zygmunt Bauman, a sociologist, in the interview "Happiness is not

instant coffee" claims that the second half of the last century in the economic sphere was dominated by two seemingly indisputable assumptions that deeply affected individual and collective behavior. The first was that a country's GDP is a panacea for all social problems, its increase means that all sore points will be resolved. Second – that the pursuit of happiness goes head to head with the increase in consumption. This belief caused a great deal of suffering both in the material and spiritual sphere, and seriously damaged our planet's natural resources.

The Humanites Institute combines Human and Technology themes taking a comprehensive view on Human in the face of technological revolution. The Institute operates systemically in the area of a wide Social Ecosystem –“Village”, combining the area of Family, Business Work, Education as well as Culture Media initiating programs with the social impact leverage effect. The main goal of the Institute is to support the development of a conscious, at the same time sensitive and self-regulating man with an internal compass who will meet the challenges of technological and social revolution. Focusing on systemic solutions we support leadership development in all above areas of the Ecosystem based on Coherent Leadership approach.

We believe that in a complex and dynamic world, we need leaders who will be able to move smoothly across a wide range of leadership styles, from directiveism to empathy. And today we need brave, efficient, but also socially sensitive leaders, who'll truly take care of people's fears even more. They will be aware of inequalities that can additionally deepen due to coronavirus pandemic and will not use this situation only to strengthen their position and power.

Undertaken by us activities aim at reminding primarily to the leaders that man is more than just impulse, reason and consumption. Seeing the growing crisis of interpersonal and family ties leading into the destructive development of humanity of loneliness in 2012, Humanites initiated the Global Social Movement "Two Hours for Family/ Two Hours for Human" to bring people closer. Employers from 15 countries have already joined

the Movement in the last eight years. In the face of recent events, we must find ourselves in a new reality. Opening up to the needs of other people is a natural response to this situation. We need to look with care at the people next to us, at our employees or neighbors as if they were somehow members of our family.

We want to motivate employers joining this year's edition of the Movement to even greater consistency in relation to the declared values and care for their employees and the ecosystem in which they operate. As an investor, I am aware of the challenges companies face, of which many even are fighting for survival. I believe that in every situation, even in necessary restructuring, solutions can be sought that will save as many jobs as possible. In every situation, we decide on the style, communication with people, we can simply act more with a human face - applying in practice the philosophy that we employ a human, not "just an employee." I believe that such a view is not only a reflex of humanism needed today, but an important aspect of being a leader who also looks long-term. Because every crisis ends sometime, and then the fight for talent begins again.

Text: Zofia Dzik, investor, innovator, founder of the Humanites Institute “Human & Technology”, member of many supervisory boards of listed companies.