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## **Leadership Lessons From Lockdown**

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The COVID-19 pandemic has had a devastating impact on individuals, communities, and society. However, one small silver lining is the tremendous responses that we've seen from both citizens and companies. It's critical that these behaviours continue long after the pandemic is over, and so my goal is to crystallise them into a framework to help them become permanent. I've already discussed corporate responses in the one-off Gresham Lecture [How Great Companies Deliver Both Purpose and Profit](#), which accompanied the release of my new book with that subtitle. This one-off lecture discusses the incredible ways in which citizens have responded. In particular, many of them are related to disciplines covered in my [Business Skills for the 21<sup>st</sup> Century](#) Gresham lecture series, which ran from 2019-20 and concluded earlier this month. Thus, this lecture is an opportunity to look to the past (the most recent lecture series), the present (current responses to the crisis), and the future (how we can ensure that these behaviours remain permanent).

The unifying theme behind this lecture is the power of *agency* – citizens' ability to act and shape the world around them, rather than just being acted upon. Even though COVID-19 is a worldwide pandemic, a crisis so large that only governments and giant corporations might hope to have any impact, individual citizens can play a major part. This lecture will be in two parts: "the power of individuals" (actions that people can take to help themselves) and "the power of citizens" (actions that people can take to help society, where the word "citizens" emphasises a person's role in wider society).

I am calling these behaviours "disciplines". The word "discipline" often has connotations of rigidity and inflexibility, imposed on us externally by a strict schoolteacher or parent. However, "discipline" is practiced by a "disciple" – someone who is learning. I use the word "discipline" to highlight how these are behaviours that we can learn and adopt.

### **The Power of Individuals**

#### 1. Contentment

##### *The Pandemic*

The pandemic has highlighted gifts that we should be grateful for, but often take for granted. Indeed, research in psychology shows that we quickly get used to things that are permanent, and so their effect on our mood becomes limited – a new job or house loses its glitter after a few weeks; on the flipside, humans can cope surprisingly well even with devastating shocks such as a permanent injury.

One such gift is job security, which many (although, unfortunately, far from all) of us enjoy. It's easy to find things to grumble about regarding our jobs, but this crisis has highlighted the gift of a secure job that many of us have. Relatedly, some of us have jobs that we can do from the safety and comfort of our own home, whereas even those with secure jobs (e.g. medical professionals) don't have that luxury. Even for those of us who have lost a source of income, we may still enjoy financial security. For two years, I've been working as a consultant for



a large investment management firm, focusing on responsible investing strategies which gives me tremendous personal satisfaction in addition to being financially rewarding. That has been terminated; in addition, all my book launch events have been cancelled, which has substantially hurt sales; my income from speaking at events has plummeted to near-zero. However, I'm grateful that I'm not completely reliant on these sources for income, as my main job is as a professor. My consulting contract being terminated would have allowed the investment management firm to retain full-time staff, for which the job was their only source of income.

A more personal gift is time spent with family and friends. The crisis has allowed us to enjoy meals with family and savour every bite, rather than wolfing down lunch at our desk or on the Tube between meetings. We can now view lunch as leisure, rather than fuel to power us through afternoon meetings. We can spend time catching up with friends on Zoom without thinking that we should be packing our suitcase for a flight the next morning. As said in a famous book, “the best present you can give yourself is the present”.<sup>1</sup>

### *Post-Pandemic*

How do we apply the discipline of contentment to post-pandemic life? The key step is to recognise that contentment is a discipline that we have control over, rather than stemming from luck which we have no control over. In our lives, we know of happy people and unhappy people. We think happy people are those who were just lucky – born into a wealthy family, or with particular talents. However, happy people instead are people who have learned the discipline of contentment – to respond positively to difficult circumstances. As author Stephen R. Covey wrote, in his book *7 Habits of Highly Effective People*, “between stimulus and response is our power to choose”.

The above might seem wishful thinking, but is backed up by science. As explained in Dan Gilbert's excellent TED talk, “The Surprising Science of Happiness”, the prefrontal cortex is the part of the brain that can conjure up hypothetical situations – this is why we know that liver and onion ice cream will likely not taste good, without actually tasting it. This prefrontal cortex can “synthesise” happiness by learning to respond positively to situations. Different people might develop this ability in different ways, but some ideas include: writing down three things that you are grateful for at the end of each day; reflecting on the past day by journaling; ensuring that you are fully present during a meal or conversation by switching off your phone (see [Time Management in the Digital Age](#)); and thinking about the purpose of your career (see [Finding Purpose in Your Career](#)). As an example of the latter, you could be a consultant working on what seems to be a mundane Powerpoint presentation, but recognise that it's helping a client solve a major problem, with significant implications for its future viability and its employees' jobs. As a famous fable goes, three bricklayers are asked “what are you doing?” One answered “I am laying bricks” (describing a job); another “I am building a church” (describing a career); the third “I am building the house of God” (describing a calling).

## 2. Proactivity

### *The Pandemic*

Our immediate reaction to lockdown was panic. We were prevented from doing almost everything that defines our identity and drives our happiness: go to work, exercise, meet friends or family. However, we quickly learned to be resourceful and proactive – and, in fact, the pandemic surprisingly may have increased, rather than decreased, our options.

Starting with work, we recognised that – while there certainly are big advantages to in-person communication – far less is lost through Zoom (or other software) than we feared. And, having such meetings allowed colleagues in different geographies to participate, as well as ensuring that we arrived to them fresh rather than jet-lagged.

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<sup>1</sup> Johnson, Spencer: “The Present”



While all my physical book launch events were cancelled, I've been able to hold webinars, including with overseas audiences that I'd have never reached if I were restricted to physical events. I discussed in my [Finding Purpose in Your Career](#) lecture how the purpose of a professor is “the creation and dissemination of knowledge”, and webinars have allowed me to pursue this purpose, far beyond just speaking about my book. Professors in the US had previously told they'd seen my talks on purposeful careers and invited me to give them in person to their students. My travel schedule didn't allow this when they had in mind a physical lecture, but I've now been able to do so so through webinars. I've given a similar talk to secondary schools, since career choice affects university degree choice.

Beyond work, we quickly learned that we could exercise without going to the gym. Many of us don't have weights or even exercise bands – but there are many free Instagram workouts where you only need a chair, a toilet roll, a rucksack filled with books, bottles of wine, or even just your own bodyweight. This allows some to exercise more than they would do normally, since they no longer have to travel to a gym, or can stream a class to suit their own schedule. Some miss the accountability of having a trainer watch your form, but the fitness industry quickly innovated and started two-way Zoom classes. Another innovation is guided interval runs, where you can run in the park with a live trainer telling you through your earphones (via Zoom) when to jog, run, or sprint.<sup>2</sup> Families have started family quizzes to bring the members together each week, rather than only once a year at Christmas. Friends from university are doing Zoom reunions even though they may now be spread across the globe.

One quite separate aspect of proactivity is to alert others to your circumstances. I got an out-of-office message from a friend which said “I am working from home, with children, during the Covid-19 shutdown. Given the circumstances, I will not be able to respond as quickly as I otherwise would.” The pandemic undeniably presents challenges as well as opportunities, but this friend was being proactive in letting others know about his challenges.

### *Post-Pandemic*

How do we apply the discipline of proactivity to post-pandemic life? The answer is almost tautological – to be proactive. To recognise that we have far more resources than we think we may have, in part thanks to technology. If you want to exercise but the only equipment you have is a chair, there are online resources for workouts using only a chair as equipment. If you used to hold game nights with friends where you played Settlers of Catan, you can do so online. More broadly than just doing activities, proactivity also applies to developing skills (see the lecture on [The Growth Mindset and the Abundance Mentality](#)) and – following my friend's lead – saying no (see the lecture on [Time Management in the Digital Age](#)).

### 3. [Focus](#)

#### *The Pandemic*

The pandemic has helped strip away what's unnecessary and leave us with the essentials. International business travel has been replaced by Zoom meetings. Internal meetings, where senior executives often pretend that they're asking for input but are instead only engaging in one-way communication, have been replaced by emails containing this information. Other internal meetings, where many employees feel the need to ask unnecessary questions just to show that they're paying attention, have been scrapped. Instead, we've spent more time with family, calling friends, sleeping, exercising, reading, or playing or listening to music.

#### *Post-Pandemic*

How do we apply the discipline of focus to post-pandemic life? One way is to apply the urgent vs. important time management framework discussed in [Time Management in the Digital Age](#). Assess every major commitment on

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<sup>2</sup> An example of a provider is Force Velocity Group.



our time and evaluate whether it is truly important, or merely urgent. If the latter, can we leave it until the end of the day, so that we focus our more productive hours on important activities. Can we even decline to do it at all? In the time management lecture, I discussed the idea of a “reverse pilot”. A pilot involves trying something new for a short period and, if it works, making it permanent. A “reverse pilot” involves saying no to some requests (or deleting email, Twitter, or LinkedIn from our smartphone) for a short period to see if there are any adverse consequences. If not, we can make it permanent. The lecture on Mental and Physical Wellness provides practical tips for ensuring that good exercise and sleep habits developed during lockdown stay with us.

## The Power of Citizens

### 4. Change the Atmosphere

#### *The Pandemic*

The pandemic has seen many selfless actions by citizens, of a scale not seen before. It wasn't that everyone was previously selfish and suddenly became selfless. Instead, the actions of a few citizens sparked others to do so and changed the atmosphere. The fundraising efforts of Captain Sir Tom Moore captivated the nation and encouraged others to start charity fundraisers. Hearing of friends doing grocery shopping for neighbours or signing up to volunteer agencies such as SpareHand inspired us to play our part as well.

#### *Post-Pandemic*

We can similarly seek to change the atmosphere post-pandemic. For example, some companies may seem cut-throat and competitive, and impossible to change. However, it's unlikely that everyone, or even most people, in that company are actually cut-throat – just like it wasn't the case that everyone was selfish before the pandemic. Instead, there's likely a “silent majority” that's collaborative. Your own actions – viewing yourself as the thermostat, not the thermometer – may create a tipping point and encourage others to do so.

My first job was as an investment banker. I started off at the bottom of the ladder, as an Analyst. Your job is really tough – you work extremely long hours, and all the work from senior bankers gets pushed down to you. However, you're not actually at the bottom. Other colleagues work for you – your secretary, the IT technicians, the print room. You may channel all your stress down to them without even noticing. One of the most mistreated departments in an investment bank is called “Graphics” or “Creative Services” – you can mark up a Powerpoint presentation, and they will implement your changes. They get abused because often Analysts shout at them for not doing what they wanted, when it was actually the Analyst's fault for not explaining it clearly enough. When Creative Services did a good job, I found out the name of the professional, called them, and thanked them for their work. I didn't aim to do this ostensibly, but – being so junior – I didn't have my own office so my desk was instead in the middle of the floor and other Analysts heard me. This led some of them to start doing so themselves.

Another way to change the atmosphere is to defend those in positions in less power, or – similarly – to hold those in power accountable. I am giving this lecture at the time of the Black Lives Matter protests. The causes of racial injustice run extremely deep, and won't be able to scratch even the surface of this topic in a lecture; moreover, there are many other injustices such as sexism and homophobia. In certain companies and friend groups, jokes against minorities – in person, through emails, through What's App – are seen as harmless banter, but may cause offense. A quiet word, offline, with the person responsible – who may think s/he is bantering and be unaware of the offense caused – can go a long way to change the atmosphere.



## 5. Internalise Externalities

### *The Pandemic*

The pandemic has made us aware of the substantial impact our actions have on fellow citizens – known as *externalities*. Some externalities are negative, such as leaving the home for non-essential reasons, or panic buying. Choosing not to do so can literally save lives. Other externalities are positive, such as the actions described in the prior section (e.g. grocery shopping), or contributing financially (e.g. donating to charity, or advance-purchasing 300 coffees from the local coffee shop to provide it with liquidity). One overlooked source of positive externalities is words, which are often seen as vacuous compared to “hard” actions or financial contributions. But, telephoning someone who is self-isolating alone, or giving a sincere thank-you to an overworked delivery driver, can mean a lot.

### *Post-Pandemic*

We can similarly seek to internalise activities post-pandemic. One way is to simply be aware of the negative externalities we impose on other people. Bosses may ask subordinates to do lengthy analyses, “just in case” they end up being useful at a later stage, without considering the time and effort involved. As discussed in [Time Management in the Digital Age](#), sending an email imposes a significant negative externality by asking the recipient to respond. Often, an email asks for information that you could look up yourself.

Moving to positive externalities, altruistic citizens help when someone asks them to; diligent employees do what their boss requests. However, being aware of your positive externalities inspires you to go further and proactively help out, without even being asked – just as healthy adults volunteered to do shopping for the elderly. Citizens can ask themselves “what’s in my hand?” In other words, what resources do I have that I can use to serve others? These resources can be your time, talents, finances, or words.

## 6. Offer Encouragement

The format of this final discipline will be quite different from the previous ones. When I told others that I was giving a lecture on “Leadership Lessons in a Lockdown”, they said “that’s great, we need an encouraging message”. But this caused me to think about what “encouragement” actually means.

“Encouragement” involves providing “courage”. What does “courage” mean? It means the willingness to do something that risks failure (e.g. perform on stage, give a talk) or involves a personal cost (e.g. stand up for someone else). So, if “encouragement” involves providing courage, it doesn’t mean – as commonly thought – saying “rah rah rah, you can do it!” Because, if the person can do the activity without fear of failure, then no courage is necessary. Instead, my definition of encouragement is to say to someone – you might fail, but that’s OK.

Indeed, some of the disciplines that I’ve discussed here risk failure. Being proactive by offering to give webinars may lead to you being turned down and viewed as pushy; a fitness instructor innovating by launching online workouts risks the technology failing. Changing the atmosphere by engaging in public service may lead you to being seen as a goody-goody. In my first lecture series, [How Business Can Better Serve Society](#), I contrasted “errors of commission” (doing something bad) with “errors of omission” (failing to do something good) and stressed how the latter are often more damaging. But the fear of the former – of making mistakes – often leads to the latter. So, in an organisation, a leader should create a culture where it’s OK to fail, and where failure leads to constructive feedback – else employees will be too scared to take risks or innovate. Similar, as customers or



clients, we should tolerate failures by companies or freelancers that result from innovation, e.g. if an online workout suffers technical glitches.

But often, the most important person to encourage is yourself, by being willing to take actions that may see you fail. At the time of writing, I am currently receiving hate mail for writing an article in the *Wall Street Journal* suggesting that companies should prioritise treating their workers fairly or reducing their carbon footprint over paying short-term dividends to shareholders. A second-year undergraduate wrote to the *WSJ*: “Dr. Edmans article is incredibly misleading and needs to be withdrawn immediately. It is nowhere near the reporting standards I expect from WSJ. Any person with a right mind knows it makes absolutely no sense and is quite frankly a load of bull”, and this is only one of many examples. Anything that’s against the grain – going against short-term dividend maximisation, defending those in positions of less power, holding those in power accountable – is costly. But if you’re encountering resistance, you’re making a difference – if there no resistance, what you’re doing wouldn’t be novel. Only if we’re willing to fail or suffer costs will we move from individuals to citizens.

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