

# Early Lessons Learned From Managing In Hybrid Reality

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Past months have thrown business leaders and their top management teams into a virtual treadmill. Nobody knows how long this uncertainty will last. However, we believe that the practices that the best leaders developed in managing remote work are valuable no matter what future holds.

The challenges that lie ahead for business leaders in the late summer and early fall are numerous and will increasingly separate out the best. A hybrid reality consisting of both physical and remote work is here for the foreseeable future. Based upon the companies that we lead and advise, we have identified several key places where performance by leaders are both critical and non-obvious in successfully managing in this setting.

## **Leadership in a virtual setting is a skill of its own**

The widespread success for virtual work over the last few months has stemmed in large part from the pre-existing bonds and trust of the team established beforehand. But this "head start" diminishes with time and turnover. Leaders who are used to managing and inspiring 15-20 person teams in an offline setting may need to work in increments of 4-5 person teams to effectively generate connection and gauge executive buy-in.

Younger digital natives are often the most effective at conveying feelings and emotions in virtual environments ... with the consequence that older employees can

appear cold by contrast. Organizations need both types of talent, so leaders must manage team impressions and common understanding.

Also, virtual teams need to monitor themselves for when online practices are becoming outdated and re-commission themselves when necessary. Maybe that daily standup is no longer needed as much as it was during the early days of the crisis. Leaders often gather this information informally in an offline world, but a virtual world requires more active diligence.

Leaders need to recognize that the process of calling on individuals in virtual environments and the granting of permission to speak limits critical and questioning dialogue. A quiet Teams call should not be mistaken for organizational agreement, and leaders need to actively spark debate. In one organization we work with, individuals are assigned to advocate for positions/scenarios on the most vital decisions to ensure dissent is surfaced.

## **Sense making becomes a critical leadership priority**

No one knows how the next twelve months will evolve. Scenarios range from a strong V-shaped bounce back to a devastating second wave that dwarfs what we have just experienced. America, Europe and Asia all seem to be on different paths. As a result, many leadership teams often spend 90% of their time talking about Plan B, instead of Plan A!

Scenarios help us to make sure that our decisions are compatible with the different outcomes, yet the technique must be used appropriately. The leader's job is not to guess the final outcome but instead make sense of different potential outcomes and fit actions to many different outcomes. Even before the pandemic, radical industry changes, digitization, and political shifts made it dubious for even the most experience to discern the right outcome, and these limits are even stronger in the months ahead.

How leaders prepare themselves and their team for this uncertain dynamic is critical. 90% is too much of management's time to devote in perpetuity to Plan B. Similar to corporate innovation, leaders need to establish the right balance across driving current performance vs planning for future actions.

## **Organizational culture and processes need to be aligned with the virtual reality**

Global companies will undoubtedly face continued travel restrictions and some number of local outbreaks. As a result, distant operations will often need to have more local autonomy and make wise choices, with new oversight mechanisms by corporate leaders. Some cultures tend to wait for decisions from above, other wants to debate every issue, and yet others are highly politicized. These impediments in normal times can be killers virtually.

Leaders must recognize that virtual problem solving is harder than virtual management of existing operations. It can take several Zoom calls to really match a single in-person dialogue at a white board, and thus sense making and experimentation require more time and attention.

## **Make the most of physical presence**

The power of virtual platforms has shown that we may be able cut travel by a third or more after the pandemic is over. Yet, there are some key places where face-to-face is especially valuable: launching a new team without prior experience working together, transforming a workable prototype into a product and business model fit for rapid scaling, etc. Innovation is more important than ever, but also requires new patience and nurturing.

Leaders need to be strategic on where and how to use their in-person and travel time: Top leadership and board meetings? Key customers? Industry trade meetings? Potential acquisitions? Should one tilt more towards resolving tricky business matters or building up the team connections? These physical moments will be precious and uncertain in duration, so make the most of them!

Leaders must also recognize that the organization will read a lot into these choices. For example, it will be natural to push some material into a virtual review before a leadership team, and the organization will tend to infer that those issues are less important or not open for discussion.

Time will tell which management practices will eventually provide short- or long-term advantage. Zoom and Slack best practices are diffusing widely and quickly, and so will many leadership techniques. Likewise, the pandemic's evolution could at times lift (or sink) all boats in a manner that obscures differences across managers. However, we suspect a far more turbulent and uncertain future. A toolkit for leaders that we have here described will hopefully provide a powerful and more sustained advantage no matter future holds.

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