



- Thriving middle managers in New Orleans
- Workplace support types and sources
- Internal variables of resilience and thriving

Lessons the 2008-09 Financial Downturn

- Qualitative study in 2009
- 15 CEOs at US, Canadian and Caribbean ports
- Strategic thinking mindsets & practices
- Lessons learned from the financial crisis
- Critical competencies needed by port managers

Agenda

- Introduction
- Part 1: The case for change leadership
- Part 2: Change leadership competencies
- Part 3: Building and sustaining resilience
- Part 4: Call to action



In The Words of a Port CEO



When things change this fast in directions that are not totally expected, you want to be prepared and ready to react. But then again you don't want to react too fast.

Part 1: The Case for Change Leadership

- Forces, trends, and issues
- Nature of change
- Impacts of change on people
- The nature of change: Impacts on people
- Leadership gap analysis framework
- Leadership adaptation

Seaport CEO Observations

Many of the other port directors I spoke with talked about one of the biggest leadership challenges - the uncertainty

There's no context for this particular situation because I can't say, hey, you know, this happened 10 years ago

We're able to pull out our 20-year strategic vision/plan and say we've got a plan here. We're not going to let this little blip affect the next 20 years

Forces, Trends and Issues: Overall

- Technology: Innovations, availability, complexity
- Social Trends
- Business environment: Ownership, competition, market needs
- Ecological: Global climate change
- Economic and political forces

Forces, Trends and Issues: Port Industry

- Increased focus on intermodal linkages
- Larger, more sophisticated ships with greater cargo volume
- Shippers expectations for comprehensive, value-added logistics
- Enhanced focus on security and safety
- Ports as a job creation engine
- Greater competition springing from the Panama Canal expansion

Forces & Trends: Port of LA



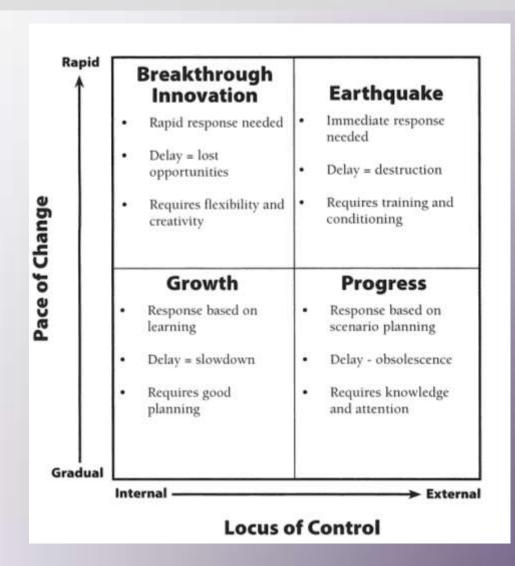




Forces & Trends: Port of NY/NJ

F	orecasted Increase in Demand
f	or Port Authority Transportation Services
2	2005-2020³
ŀ	Air Passenger
F	Air Cargo (by volume)70%
F	Port Cargo (by volume)
F	PATH Passenger 60%
1	ruck and Bus Traffic, Tunnels and Bridges 20%
A	Auto Traffic, Tunnels and Bridges 16%

The Nature of Change



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Reflection Question

- What internal or external forces are driving change at your port?
- What is the nature of these changes?

Impacts of Change on People

Two days after the storm, I walked into the Port. The regular sites of activity were all silent...mass destruction. I was alone and my thoughts led me almost to believe we will not reopen.

-- "Ethan", Operations Manager

It just didn't seem real. She had to almost slap me in the face to snap out of it. 'We've got to do something. It's really going to happen.

-- Manager impacted by Hurricane Katrina

Impacts of Change on People

Level of Individual Functioning

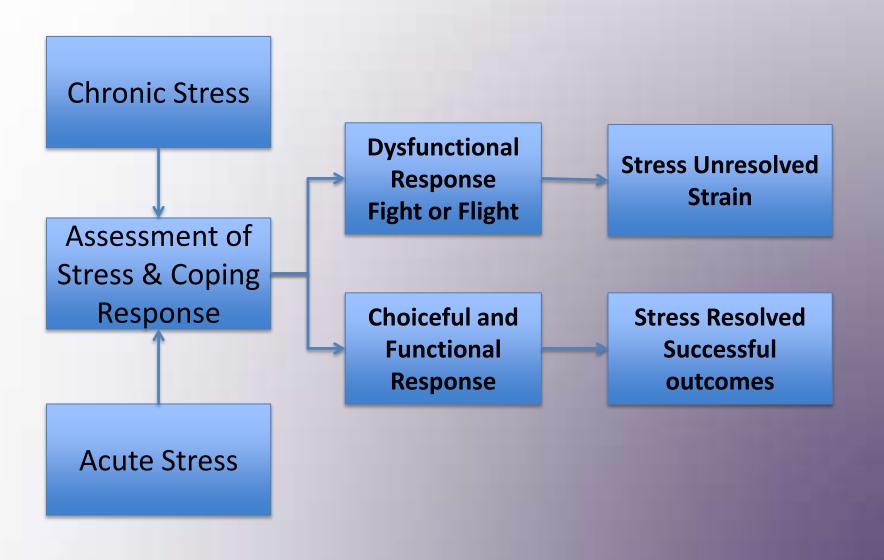
Endings Loss **Doubt** **Neutral Zone Discomfort Discovery**

Beginnings Understanding Integration

Time

Source: Bridges, CCMC

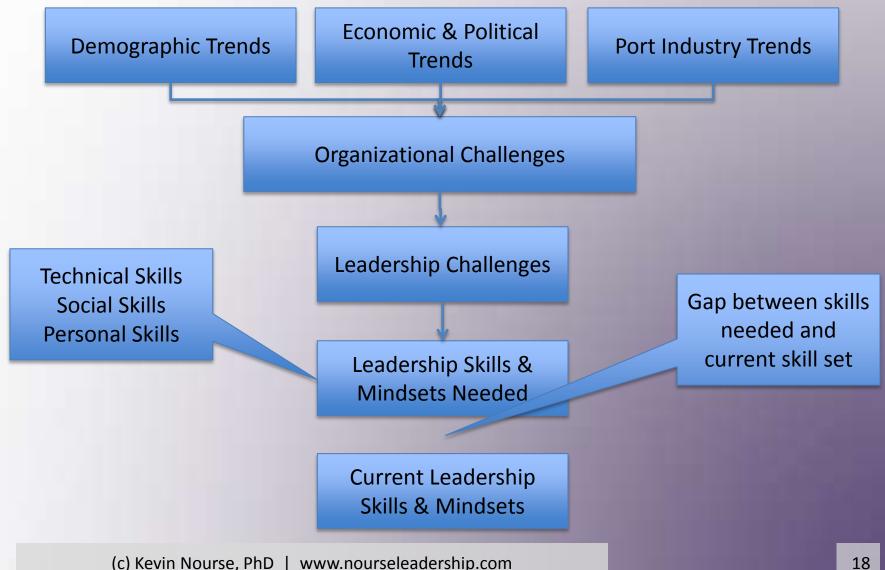
Impacts of Change on People



Symptoms of Strain

- Physical strain
- Mental strain
- Behavioral strain
- Impacts on work performance
- Career derailment

Leadership Gap Analysis Framework



Leadership Adaptation: Success

Two years ago we saw it coming when there was no steel coming from Europe on ships to the USA ... we asked ourselves, "What's going to follow here and how is this going to impact some other sectors?" Then we started to understand how the housing markets impact so many different sectors.

-- Seaport CEO

Leadership Adaptation: Disappointment

People fall into patterns...you just do it every day and you come to work, you get a paycheck every two weeks. Now all of a sudden, you don't have the banana ships coming in every Monday. Since some of our managers have not experienced anything outside of their own ports, they're not quite sure how to respond to this.

I actually was a little annoyed with my marketing staff that I didn't hear it from them...they should have been picking up this kind of [customer] intelligence earlier.

The Bottom Line

- Implications for Leaders
 - Managing ones' own change process
 - Guiding your people through the change process
 - When handled well, can unleash tremendous energy
 - When handled poorly
 - Leads to career derailing experiences
 - Deepens the negative impacts of change
 - Extends the time followers remain in loss, doubt, and discomfort

Part 1: Summary

- Current trends and forces are creating greater organizational challenges
- In order to thrive, Seaports must anticipate change and intentionally adapt
- Change triggers predictable reactions in people
- Effective leaders understand change and know how to lead it thus promoting organizational success

Part 2: Introduction to Change Leadership



Top 5 Leadership Skills

- 1. Change leadership
- 2. External awareness
- 3. Strategic thinking
- 4. Resilience
- 5. Creativity and innovation

Resilience

- Dealing effectively with adversity; recovering quickly from adversity; remaining optimistic
- Evidence of ability
- Evidence of a development gap
- Complete the self-assessment for this item



Strategic Thinking



- Continuous process of developing, testing and and deciding on possible actions under continually changing conditions
- Evidence of ability
- Evidence of a development gap
- Complete the self-assessment

Strategic Thinking

I try to force the staff, and I force myself, I force the commissioners to approach everything in what is known as bifocal vision. Be able to look at the immediate, and then eventually what will be the long-term impact of your decision. And to try to make the managers more aware that their tactical decisions on a day-to-day basis really are the strategic decisions.

Seaport CEO

Strategic Thinking

The "what if" game becomes more critical in terms of looking at those scenarios. And at the same time you have to do it much more efficiently. You've got to be able to sit down and plug new assumptions in on a very frequent basis.

Seaport CEO

Creativity & Innovation

- Develops new insights into situations; questions conventional ideas; encourages new ideas and innovations
- Evidence of ability
- Evidence of a development gap
- Complete your self-assessment



External Awareness

Customers Society

- Understands local, national, and international trends; aware of organization's impact on the external environment
- Evidence of ability
- Evidence of a development gap
- Complete your self-assessment

External Awareness

We are scanning our environment a little bit more ... I'm starting to look for ... some new business options or some other avenues. And the best way to do that is to try to get information is from the environment.

-- Port Director

Flexibility

- Open to change and new information; adapts rapidly to new information or conditions
- Evidence of ability
- Evidence of a development gap
- Complete your self-assessment



Flexibility

I have asked our people to stretch beyond just their cadre, relative to are you the finance person? Well you need to look for the marketing perspective, etc. While people will have titles and will have direct responsibilities for certain function, they have to broaden themselves and look at it from several different perspectives just as I do.

Port CEO

Vision

- Takes a long term view and builds shared vision; catalyst for change; influences others to translate vision into action.
- Evidence of skill
- Evidence of a development gap
- Complete your self-assessment



Vision

We're able to pull out our 20-year strategic vision/plan and say we've got a plan here. We're not going to let this little blip affect the next 20 years.

Port CEO

Assessing Your Change Leadership Ability

- Find a partner
- Review and discuss your self-assessment
- Any surprises?
- What impact could you have if you better developed your change leadership skills?

Part 3: Building Resilience

- Definitions and frameworks
- Key variables for resilience and thriving
- Building your own resilience
- Building the resilience of your people



Building Resilience



We who lived in concentration camps can remember the men who walked...giving away their last piece of bread...everything can be taken from a man but one thing...to choose one's attitude in any given set of circumstances

Viktor Frankl
Man's Search for Meaning

Key Definitions & Frameworks

Resilience

The <u>process</u> of adapting well in the face of adversity; "bouncing back" from difficult experiences

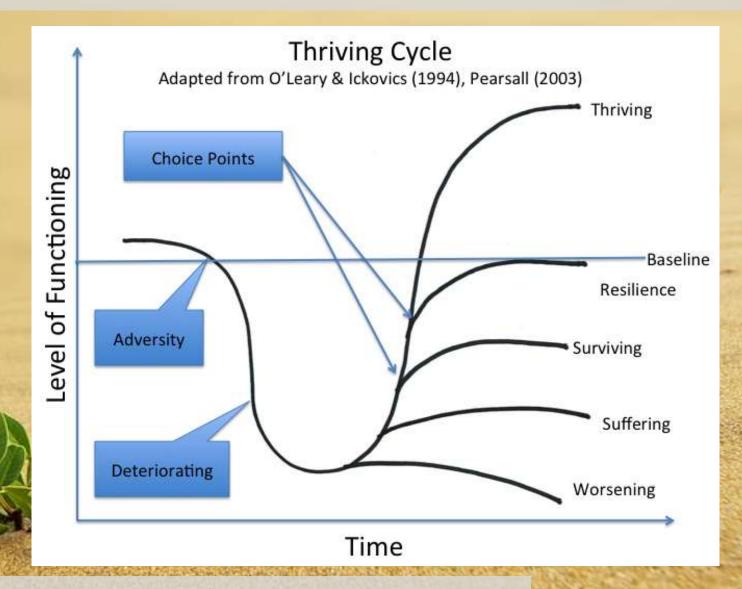
The <u>ability</u> to adapt to and bounce back from adversity

Thrive

The ability to function throughout and adverse experience beyond a baseline level or to grow despite exposure to stressful experiences



Definitions & Frameworks



Reflection Questions

- Reflect on your leadership history
- Identify a situation you faced adversity where you were resilient and thrived
- Explore with your partner
 - What internal factors helped you maintain resilience?
 - What external factors helped you?
 - How were you transformed by the experience?

Key Variables of Resilience and Thriving

- Empathy
- Faith/spirituality
- Flexibility
- Hardiness
- Impulse control
- Meaning making

- Optimism
- Positive emotions
- Problem solving
- Self-efficacy
- Self-awareness
- Social support

Hardiness

- 1979 Study by Suzanne Kobasa
 - 161 managers
 - Group 1: high stress, no illness
 - Group 2: high stress, stress-related illness
 - Differences were explained by hardiness
- 1999 Study by Paul Bartone
 - 787 men and women in the National Guard
 - Hardiness shown to protect against ill effects of intense stress

Hardiness

- A set of beliefs about oneself, the world, and how they interact
- Commitment
- Control
- Challenge
- How hardiness builds resilience



Building Hardiness

- Find resilient mentors
- Awareness of the impacts of isolation and powerlessness
- Reframe adversity as an opportunity to solve a problem
- Find more meaning in your work



Positivity



- 2003 study of college students and coping with the 9/11 terrorist attacks
- Positive emotions were negatively correlated to depressive symptoms
- Positive emotions buffer resilient people against depression; fuel thriving

Positive Emotions

- Positive meanings and optimistic attitudes that trigger positive emotions
- Positivity Ratio
- Role or impact of negative emotions
- Broaden and build theory

Positive Emotions: Taking Action

- Identify and remove the source of negative emotions
- Identify and Increase the sources of positive emotions



Building Resilient Followers

Two days after the storm, I walked into the Port. The regular sites of activity were all silent. I had to stare into the mass destruction. I was alone and my thoughts led me almost to believe we will not re-open. As I was walking out, I found no one here. No one to talk to.

My boss told me 'I'm gonna give you an open checkbook because I trust you and your judgment. I want you to do whatever it takes.' And that one thing alone I attribute the most to getting the Port back into shape.

Port Operations Manager

Building Resilient Followers

- Build meaning for your followers
- Stretch assignments
- Reframing adversity as a leadership development opportunity
- Empowerment (authority, autonomy)
- Coaching and feedback
- Modeling behavior
- Helping followers build strong networks

Part 4: Call to Action

- Which change leadership competency do you most need to build?
- How will you increase your own resilience?
- How will you increase the resilience of your people?



Summary

- Resilience is a key element of change leadership
- Resilience is a trait and coping process
- Resilience differs from thriving
- Leaders can enhance their own resilience through hardiness and positivity
- Leaders can play an instrumental role in promoting resilience among their people

For More Information

- Kevin Nourse, PhD
- Nourse Leadership Strategies
- Services
 - Executive coaching and development
 - Team effectiveness and meeting facilitation
 - Leadership and management training programs
- www.nourseleadership.com
- 202-462-6252

