

# Resilient by Design

*Resilience, whether personal or in your business, can be described by three important characteristics — acceptance of reality, finding purpose, and adaptability. In times of crisis, we discuss resilience in your personal life and in your cooperative.*

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In recent history, there has not been a crisis that has come as suddenly with as far reaching and lasting impacts as the COVID-19 epidemic of 2020. This global event has changed the way we approach business, perhaps forever. It also brought to light sources of business risk that few of us had contemplated. What if our employees can't come to work? What if no one can come to work? How do we sustain business growth when so many market functions have been disrupted (like marketing, operations, distribution, and sales, not to mention the changes in customer expectations and behavior)? In short, how do we remain resilient?

One example of resiliency in the face of adversity is found in the story of Winston Churchill. As Prime Minister of the United Kingdom during the Second World War, Churchill was desperately seeking political support for the war effort. Critics were pressing to negotiate a peaceful surrender to Adolf Hitler. This story is dramatized in the film *Darkest Hour* (Focus Features, 2017). In the film, as he struggles with how to proceed, Churchill decides to go among the people to determine their feelings.

The scene unfolds on a subway railcar and he poses a series of questions.

"How are you all fairing up? Good spirits?...You, the British people, what is your mood? Is it confident?"

They answer affirmatively, and he poses a more pressing question.



*Sir Winston Churchill, 1941*

"If the worst came to pass and the enemy were to appear on those streets above? What would you do?"

And their answer, "Fight! Fight with anything we can get our hands on — broom handles if we must."

"Will you never give up?" he returns.

They answer with an emphatic "No, never!"

The film goes on to show Mr. Churchill addressing Parliament with what became one of his most famous speeches, wherein he roused support for resistance.

To quote Prime Minister Churchill, *"Even though large tracts of Europe and many old and famous States have fallen or may fall into the grip of the Gestapo and all the odious apparatus of Nazi rule, we shall not flag or fail. We shall go on to the end. We shall fight in France, we shall fight on the seas and oceans, we shall fight with growing confidence and growing strength in the air, we shall defend our island, whatever the cost may be. We shall fight on the beaches, we shall fight on the landing grounds, we shall fight in*

*the fields and in the streets, we shall fight in the hills; we shall never surrender."*

In this example, we can see three important characteristics of resilience.

1. An understanding of reality
2. A sense of purpose
3. A determination to adapt

Resilience is an important consideration for both businesses and individuals. Certainly we can talk of the impacts of COVID-19 on business interruption, but individual people are still at the heart of the economy. Your business is impacted by the physical and emotional well-being of your employees and customers. The solution to resilience rests on the same principles whether we are talking about people or businesses.

### Characteristics of Resilience

Grit, by one definition, enables people to remain passionate and committed to a cause or project, staying the course over a long period of time.

According to Duckworth et al, "*Part of what it means to be gritty is to be resilient in the face of adversity. Grit predicts success over and beyond talent. When you consider individuals of equal talent, the grittier ones do better*" (see Duckworth et al, pg. 1087-1101).

For the most part, people in agriculture have a lot of "grit", based on this definition. By committing to a crop at the beginning of the year with unknown challenges ahead, farmers exhibit a natural tendency toward resilience. Successful farmers don't simply plant a crop and then hope for the best. They care for their crop and watch weather patterns and market conditions and as challenges arise, they act accordingly. For a resilient individual, adversity kindles change, adaptation, and eventual growth.

According to organizational development experts, a resilient individual or organization recognizes that life is fundamentally unstable, uncontrollable, unpredictable, messy, and wonderfully surprising. They build a mindset or culture based on the knowledge that they can meet any challenge head-on and that the stress created from the adversity is better used to find a new opportunity. Resilience can transform people by tapping into their inner resources to change the trajectory of the challenge (see *Type R*, by Marston and Marston).

Defining resilience varies among experts, yet most agree there are at least three characteristics that a resilient individual possesses. First, is the ability to **accept reality** and acknowledge the sobering down-to-earth truths about the situation. By asking the question, "do I truly understand and accept the reality of this situation?" we might think that all that is needed is optimism. The truth is, unrelenting optimism can get in the way of facing the facts and developing a course of action. Research shows that most optimists are in denial of their situation and alter reality to fit their "rose colored glasses" perspective as a coping mechanism. In our opinion, positivity can be a great force for leadership, but it must be tempered by reality.

The second characteristic of resilience is having a deep belief that **life is meaningful and has a purpose**. This describes the ability to make meaning of terrible times. Living through a hardship creates lessons to learn. Instead of asking the question "why me?", resilient individuals ask themselves, "why not me?" Enabling themselves to grow from the experience. They understand that challenges are part of personal growth. They build bridges from present-day hardship to a fuller and better future.

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**surrender.**

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The ability to **improvise or adapt** is the third characteristic needed to be resilient. Psychologists call this "*bricolage*", which is the ability to bounce back or solve a problem with whatever tool is at hand. *Bricoleurs* make the most of what they have by imagining the possibilities, while others are confounded and confused. They stick with the problem until it is solved, never flustered by the potential failure posed by the challenges they face.

Resilient organizations are packed with *bricoleurs*. In fact, some organizations consider improvisation as a core skill and value and will encourage such behavior among employees. Consider the UPS

company; they were built on the principle of adaptation and improvisation by empowering their employees to do whatever it takes to deliver a package on time. Disney World employees are empowered to do what it takes to make park visitors happy.

Although unrealistic optimism may stand in the way of adaptation, we certainly do not want to disparage the power of positivity. Our capacity for resilience depends on the stories we tell ourselves about our situation. This is true whether speaking individually or about organizations. What happens to us matters far less than the way we interpret our challenges, for better or worse. We tend to frame what we see and experience in ways that can both inform and limit the way we think. The way we craft a story not only affects how we view the situation, but also our ability to find reasonable solutions. Telling ourselves a positive story makes difficult circumstances seem manageable and helps us take action to move forward.

## Resilience and Strategy

A simple definition of strategy is the selected actions that enable a business to gain and sustain a competitive advantage over its rivals. A sustainable strategy then, is one that meets the test of resilience. Too often we engage in “strategic planning” without actually discussing strategy. In its place, many cooperatives will focus on capital budgeting — primarily because this is the most easily controlled portion of strategy. But is this enough to guarantee resilience?

A good strategy is also founded on principles of resilience. An understanding and acceptance of reality is reflected in an analysis of the business environment, consumer trends, and competition.

A sense of purpose is reflected in the expression of a firm’s vision and its mission statement. The ability to improvise and adapt is evident in a firm’s commitment to the strategic management process.

The people of the United Kingdom were prepared to fight in the streets with broom handles if necessary to defend their freedom from an impending invasion. Is your cooperative prepared to sustain its competitive fight?

## Questions for Discussion

1. Could personal resilience have an impact on the effectiveness of your board members?
2. What are some ways that board members can support one another?
3. Is the resilience of the cooperative’s members important to the survival of the cooperative?
4. Do you know what your strategy is?
5. How does your mission statement guide your employees?

## References

- Duckworth, A.L., Peterson, C., Mathews, M.D., and Kelly, D.R. (2007). “Grit: Perseverance and passion for the long-term goals.” *Journal of Personality and Social Psychology*, 92(6), 1087-1101.
- Marston, A. & Marston, S. (2018). *Type R; Transformative resilience for thriving in a turbulent world*. Public Affairs, New York: NY
- Sir Winston Churchill, Photograph by Yousuf Karsh. Library and Archives Canada, e010751643

## Put Your Strategy to the Resilience Test

### REALITY

	YES	NO
Does your strategic plan identify the reality of your competitive situation?	<input type="checkbox"/>	<input type="checkbox"/>
Does it identify your competitors?	<input type="checkbox"/>	<input type="checkbox"/>
Does it account for changes in customer markets?	<input type="checkbox"/>	<input type="checkbox"/>
Does it identify a unique value proposition given your assets and abilities?	<input type="checkbox"/>	<input type="checkbox"/>

### PURPOSE

Does your strategic plan define a sense of purpose?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a mission and/or vision statement?	<input type="checkbox"/>	<input type="checkbox"/>
Is your mission reflected in company and employee policies?	<input type="checkbox"/>	<input type="checkbox"/>
Is your mission communicated to employees, owners, and customers?	<input type="checkbox"/>	<input type="checkbox"/>

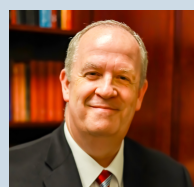
### ADAPTABILITY

Does your strategic planning allow for improvisation or adaptation?	<input type="checkbox"/>	<input type="checkbox"/>
Do you review your strategic plan at each board meeting?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have contingency plans in place in the event something happens to disrupt the mission-critical parts of your business (e.g. required quarantines for COVID-19)?	<input type="checkbox"/>	<input type="checkbox"/>
Are your employees able to adapt appropriately to customer needs?	<input type="checkbox"/>	<input type="checkbox"/>

## ABOUT

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**Dr. John Park** is a professional educator whose experience in agribusiness marketing and management supports the needs of the modern


agricultural cooperative. As a professor and extension specialist at Texas A&M University, Dr. Park is committed to helping businesses make better decisions and achieve competitive advantages.





**Dr. Diane Friend** is a farmer, co-op member, ag educator, and Research Associate at Texas A&M University. Her vibrant personality and years of farm


experience culminate in a passion for helping cooperative directors achieve greater success in the boardroom.

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