

Buying Resilience in Life's Stock Exchange

Life's Stock Exchange

Upon deep introspection, one can draw fine parallels between Life and a Stock Exchange. Drawing these parallels will result into the term – Life Stock Exchange. Just as stocks of companies are traded in a Stock Exchange, in Life Stock Exchange – Choices & Actions are the traded stocks. Here, every choice and action can be viewed as an investment with its potential risks and rewards.

Again, both exchanges are subject to volatilities. In Life Stock Exchange, there are periods of growth which is akin to the 'Bull Market' in a Stock Exchange. Alternatively, there are fluctuations (Bear market) in a Stock Exchange as there are moments of uncertainty, adversity and challenge in life. These moments may well be the negative returns (dividends) of a traded choice or action. Or just be influenced by external factors – as seen in a typical stock exchange.

As a student, I once traded in Life's Stock Exchange. I made a choice to vie for the office of President of my Students' Association. That choice was critical seeing that a possible alternative forgone was a First-Class¹ academic standing – an achievement I so much desired. In what may be described as a non-conventional route, I announced my candidacy five months to the election. An unprecedented move. Those five months were the most tasking moments of my studentship. Campaigning daily, organizing volunteer projects, distributing customized campaign letters to over 1500 students (electorates). After all these, I lost. Not only did I lose, I was largely unprepared for the exams scheduled to hold a week after the elections. I was in a total frenzy. My goals were disrupted. It was my moment of volatility and uncertainty. I had bought a stock in Life's Stock Exchange and the returns were negative.

At this point, I knew I needed to purchase another stock. I called it the Resilience Stock.

The Resilience Stock

As the name implies, buying the Resilience Stock in Life's Stock Exchange is to exercise resilience in dealing with life's challenges and adversity. In this regard, Resilience is first a choice, then an action. At the most basic form, resilience can be seen as the ability to bounce back from adversity, setbacks or challenges. Taking it a bit further, resilience is not just about bouncing back, it is also about moving forward. It involves anticipating and adjusting to disruptions before the disruption becomes obvious.

¹ Summa Cum Laude

Resilience is a skill that can be developed; just in the same way a muscle is built through exercises. The more resilient a person is, the better they become at converting adversity to an advantage.

The Druckerian Investors – Individuals & Organisations

There are two major categories of Investors who may decide to buy **The Resilience Stock** from Life's Stock Exchange. When these Investors make this purchase and apply certain Drucker philosophies in utilizing this stock, we can refer to them as The Druckerian Investors. Both of them will be discussed.

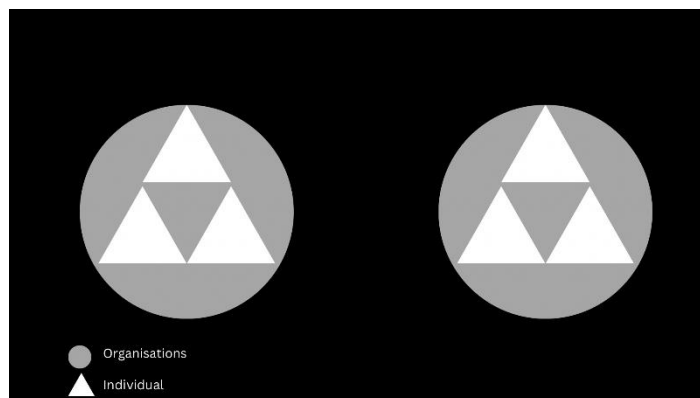


Figure 1.0²

– Individuals –

Challenges and adversity can occur at an individual level. It could be loss of job, death of a loved one, failure to accomplish an objective and the list goes on. In times like this, the individual must navigate with resilience. Navigating these challenges to bounce back better will involve two layers. First, the individual must manage himself. Second, the individual must manage the adversity. While the former takes an inward approach; the latter focuses on the outward approach. Thus, an individual's failure to manage him/herself in a time of crisis will result in failure to manage the adversity.

Fortunately, Drucker provides an ample guide on Managing Oneself.³ However, this would be applied in the context of navigating crisis. First, the individual must identify, concentrate and improve on his/her strengths. This is very instructive because managing adversity requires performance and performance is built on strength not weaknesses. Improving one's strength includes remedying bad habits and acquiring the necessary skill and knowledge to manage the adversity. Also, the individual must identify how he performs. With my election loss and unpreparedness for the fast approaching exams, I knew I had to focus on my strengths and my method of

² Image by author.

³ Drucker, Peter F. 2008. *Managing Oneself*. Massachusetts: Harvard Business School Publishing Corporation.

performance – if at all I was to bounce back stronger. On strengths – I reckoned I could read for long hours without breaks. I leveraged it. On methods of performance: I knew I learnt faster through reading than listening; and through writing than group discussions.

The second layer involves managing the adversity or challenge. The first step for the individual is to carefully choose his/her response and reframe his/her perspectives. The individual must avoid the blame game and refuse the victim label. This is particularly instructive as it is quite easy for the individual to be swamped with feelings of disappointment and anger when adversity strikes.⁴ To address this, Stoltz and Margolis⁵ proposed a shift from a cause-oriented thinking to a response-oriented thinking consisting of four lenses through which managers (read: individuals) can view adversity:

Lens	Cause-Oriented Thinking	Response-Oriented Thinking
Control	Was this adverse event inevitable or could I have prevented it?	What features of the situation can I (even potentially) improve?
Impact	Did I cause the adverse event or did it result from external forces	What sort of positive impact can I personally have on what happens next?
Breadth	Is the underlying cause of this event specific to it or more widespread?	How can I contain the negatives of the situation and generate currently unseen positives?
Duration	Is the underlying cause of this event enduring or temporary	What can I do to begin addressing the problem now?

Table 1.0⁶

Beyond reframing perspectives and responses, the individual must be **effective** in managing the adversity. Again, lessons can be extrapolated from Drucker’s *The Effective Executive*⁷ and applied in this context. In this regard, the individual must get the requisite knowledge in relation to the adversity. This is important because in times of adversity or challenges, individuals are prone to making wrong assumptions. Resilience demands these assumptions are untangled. Drucker noted that the first practice is to ask – “What needs to be done?” not “What do I want to do”⁸. Response to this question will result in numerous tasks; however, the effective executive (read: individual) must concentrate on what is important.

⁴ Syrett, Michael, and Marion Devine. 2012. *Managing Uncertainty: Strategies for Surviving and Thriving in Turbulent Times*. London: Profile Books Ltd.

⁵ Margolis, Joshua D., and Paul Stoltz. 2010. “How to Bounce Back from Adversity.” *Harvard Business Review*. January 1, 2010. <<https://hbr.org/2010/01/how-to-bounce-back-from-adversity>> [accessed 25th May 2023]

⁶ Ibid

⁷ Drucker, Peter F. 2006. *The Effective Executive*. New York, NY: HarperCollins.

⁸ Ibid

The import of all of these is that in navigating adversity with resilience, the individual must first identify his/her strength and method of performance; reframe his/her perspective from cause-oriented to result-oriented; and finally address the challenge heads-on by knowing what needs to be done and concentrating on what is important and urgent.

– Organisations –

For organisations to survive disruptions, they must be resilient. These disruptions can come in different shapes and sizes. It could be a major reorganisation, threat to the organisation's culture, management changes, market downturns or natural disasters.

A non-resilient organisation becomes easily overwhelmed by the disruption leading to a subpar performance or eventual shut down. On the other hand, a resilient organisation can bounce back from disruptions and remain focused on optimal performance whilst becoming flexible to adapt to future challenges.

Organisational resilience can be viewed from two layers – First: Managing an Organisation for Resilience. Second: Resilient Employees leading to Resilient Organisations.

Managing an Organisation for Resilience

Hamel and Välikangas⁹ explain that organisations seeking to be resilient must contend with four challenges:

- *Cognitive Challenge*: Organisations must take a realistic stock of their strengths and the challenges (present & future).
- *Strategic Challenge*: Organisations must develop novel alternatives and options in responding to the disruption. They must also plan for an uncertain future.
- *Political Challenge*: Organisations must be able to divert resources and support experiments for novel solutions.
- *Ideological Challenge*: Organisations must prioritize focusing on opportunities than optimizing existing systems.

It is instructive to note that Drucker's – Managing in Turbulent Times¹⁰ – provides ample guidance [for managers of organisations] in addressing some of these challenges with the end view of making the organisation resilient:

⁹ Hamel, Gary, and Liisa Välikangas. 2003. "The Quest for Resilience." Harvard Business Review. September 1, 2003. <<https://hbr.org/2003/09/the-quest-for-resilience>> [accessed 25th May 2023]

¹⁰ Drucker, Peter F. 2016. *Managing in Turbulent Times*. London: Routledge.

Priority of Action: Drucker explains that – There are undoubtedly a great many—indeed, far too many—things that managers, whether of business or of non-business public service institutions, cannot do, are not allowed to do, are impeded in doing... They must focus on what they can do, should do, must do...or... in the reverse order: 'must' comes first, then 'should,' and then 'can.' For the one certainty about the times ahead, the times in which managers will have to work and to perform, is that they will be turbulent times.

New wine; Old wineskins: While "doing", they must act against using yesterday's logic. This is because the greatest danger in turbulent times is not the turbulence itself but using yesterday's logic. Yesterday's logic implies organisational strategies or culture that were operative in times when there was no turbulence.

Concentrating Resources on Results: While undergoing disruptions, organisations must be careful in allocation of resources. There is a likelihood to allocate resources by inertia and tradition rather than results. Rather than this, managers must endeavour to concentrate resources on results. They must know the performing and productive resources within itself, and especially the performing and productive people.

Organized Abandonment: In preparing for turbulent times, organisations must practice organized abandonment policy. Every product, process, service, activity needs to be put on trial every few years. The question to ask is: "If we weren't in this already, would we go into it knowing what we now know?" If the answer is "No" the next step is "How can we get out; or at least, how can we stop putting additional resources in?" The time to ask these questions and to act upon the answers is not when the institution is in trouble. It is while it is successful.

Resilient Employees – Resilient Organisations

Employees [individuals] make up on organisation. Thus, when organisations are faced with certain disruptions, how it responds is embedded in the capabilities of the individuals and teams that make up the organisation. Organisations must first acknowledge that resilience is more of a skill than a trait and as such create an environment that foster resilience amongst employees. Creating this environment is an intentional task and involves:

Building a common sense of purpose & identity: When employees share a common sense of purpose and identity about the organisation and its aspirations, it can serve as a powerful motivation in times of crisis or turbulence.

Developing honest communication: Managers of organisations should be open about whatever crisis the organisation is going through. Also, employees and managers alike should be free to discuss their fears and concerns in times of crisis. This will bond the organisation enabling it to tackle the challenges with a united front.

Giving room for exercising resilience: Periodically, employees should be opened up to areas that will enable them practice resilience. By leaving their comfort zones, they can be able to withstand times of disruptions for the organisation.

Factors affecting the Resilience Stock

Just as there are factors¹¹ affecting the typical stock exchange and its stock/shares; there are factors that affect the Resilient Stock. These factors range from – Race, Gender, Economy, Age, Geographical location, etc. These factors can impact Resilience either independently or in connection with others.

For instance, black women face unique challenges as a result of the intersection of race and gender. These challenges can either be at work or home. Due to this, they have no option but to devise ways to be resilient in order to survive, cope and endure – both the white-dominated environment and the patriarchal system. This is usually applauded with genuine intentions and slangs like – “Strong Black Woman”; “Blacks don’t Crack”, etc. However, their resilience is limited to just surviving and not bouncing back stronger or thriving. Bell and Hartman¹² explained that it is impossible to analyse resilience in organisations without recognizing the power of difference and how it is tied to deep and persistent inequalities. This perspective underscores how important it is to not replace resilience for the systematic removal of inequality. Thus, in building resilience, organisations should recognize that individual employee resilience cannot substitute for organisational support.¹³

Another factor impacting on resilience is the geographical location of an individual or organisation. The world today can be broadly grouped into: Underdeveloped, Developing or Developed countries. The factors that account for these grouping such as: Economic and political stability can also impact on the resilience of individuals and organisations. For instance, I am from Nigeria – a developing nation in West Africa bridled with corruption, unemployment, inflation, weak economy and insecurity.¹⁴ To maintain global competitiveness, I must exercise a high level of resilience and grit. I cannot use the challenges of my society as an excuse to remain average. Rather, I must seek to find convert adversity to advantage. In the same vein, the challenges

¹¹ Company news & performance; Industry performance; Investor sentiment; Economic Factors

¹² Bell, J.M. and Hartmann, D. (2007). Diversity in everyday discourse: The cultural ambiguities and consequences of “happy talk”. *American Sociological Review*, 72(6), 895–914

¹³ King, Danielle D., and Megan R. McSpedon. 2022. “What Leaders Get Wrong about Resilience.” *Harvard Business Review*. June 17, 2022. <<https://hbr.org/2022/06/what-leaders-get-wrong-about-resilience>> [accessed 25th May 2023]

¹⁴ World Bank. 2021. “Nigeria Overview.” World Bank. October 11, 2021. <<https://www.worldbank.org/en/country/nigeria/overview>> [accessed 25th May 2023]

associated with the economic and political conditions of a developing country (like Nigeria) ultimately creates difficulties for managers to operate a business. These challenges include: multiplicity of taxes, unavailability of credit, and lack of stable government policies. With these challenges, there is no doubt that managers must have resilience as a prerequisite for doing business in developing countries.

These factors and more impact on not just the imperativeness of resilience but also the degree in which it is exercised.

Conclusion: My Dividend from the Resilience Stock

When a stock is purchased, its returns are called dividends. Buying the Resilience stock in Life's stock exchange comes with its dividends. In this context, these dividends are unique depending on the category of the (Druckerian) investor purchasing. For individuals, the dividend may be personal and career growth; increased self-esteem; actualisation of goals and aspirations and even greater resilience itself. For organisations, the dividend may be industry growth & expansion, adaptability and flexibility, new business opportunities & frontiers; greater efficiency.

As a student, I decided to buy the Resilience stock in one of the turbulent moments of my studentship. But at the point of purchase, I became a Druckerian Investor – I utilized the Resilience stock in alignment with Drucker's philosophies. I identified my strengths and leveraged them. I understood how I performed and utilized it. I became flexible. I had an action plan and concentrated on what needed to be done not what I felt like doing. Despite my election loss and low morale, I was fully prepared for the examinations by the time it started. That semester, I had the highest CGPA¹⁵ [4.8/5.0] since my undergraduate studies. Two months ago, my final results emerged and I graduated with a First Class Academic standing. I bounced back. I managed myself. I converted the adversity to an advantage.

As I reminisce on this experience while writing this essay – I leave you with one question – What stock are you buying in Life's Stock Exchange?

¹⁵ Cumulative Grade Point Average