



BALANCING REACTION AND INNOVATION IN A RAPIDLY EVOLVING CRISIS

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As a leading healthcare ecosystem in the eye of the storm, Atrium Health's experience this year teaches us the importance of strategic flexibility, values, and agile leadership in a crisis.

COVID-19 has tested even the strongest companies this year, demanding both decisive reaction and rapid innovation. The example of Atrium Health offers lessons on how to react to immediate threats, while not losing sight of opportunities to reposition the business to thrive after the crisis.

This crisis requires an organization that can operate in two different modes - reaction and reimagination. That means reacting effectively to something of the magnitude of the COVID crisis but also, in parallel, engaging in an exercise to reshape and transform your organization.

U.S.-based healthcare provider Atrium Health, which employs more than 65,000 people in a not-for-profit ecosystem, offers an example of how agile business leadership can guide companies through the most challenging circumstances.

Here are five lessons to learn from Atrium Health.

Balance reaction and innovation with give and take

There will be times when reaction and retrenchment need to dominate, and times when reimagination and reshaping take the lead. In a crisis, priorities change across shorter time intervals. "Leaders must work daily to balance those two," according to Atrium Health President and CEO Gene Woods.

React - and innovate - with speed

Atrium Health had to rapidly shut down about 200,000 elective surgery appointments while addressing new supply chain challenges, such as sourcing personal protective equipment. At the same time, there was a surge in requests from the public about the virus. Within days, Atrium had innovated to integrate Microsoft's healthcare bot with the latest health authority updates to handle demand from a swiftly growing community of online users. This adoption process would typically take many months.

Preserve core capabilities and culture during retrenchment

Companies need to retrench in difficult times. Atrium, like many firms, had to transfer thousands of employees to remote working and was then faced with the decision about furloughing non-active staff. In line with its caring corporate culture, however, the healthcare business chose to keep staff on, as long as they were willing to retrain. "In moments of crisis, that's when you find out what your bedrock values are," said Woods.

Continue to innovate during reactivation

Hold on to lessons learned during the crisis as you transition back more to "business as usual." This could range from new-found agility, different ways of making decisions, or new modes

of working. Companies can also leverage crises to accelerate transformation plans based on an assessment of the “next normal.”

“It’s clear that we are not going back to the way things were,” Woods noted. He pointed to a reimagination framework that helps Atrium focus on priorities for customers, business models, capabilities, investments, alliances, new ways of working, leaders and workforces.

Don’t forget your vision

When the sky is falling, it makes sense to park long-term visions, but you should not abandon them. Atrium was partway through its “Destination 2025” plan when COVID-19 struck. It switched to planning 90-day strategic sprints over a 12-18 month timeline, which could then form the new foundation of a longer-term vision. “Six months from now, there is going to be a whole other new set of variables and dynamics that we don’t have visibility on now, so we want to have a flexible enough model and framework to be able to incorporate that into our strategy,” Woods explained.