

BEYOND RESILIENCE: LEADERS MUST URGENTLY EMBRACE ANTIFRAGILITY

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In 1968, the government of the Manitoba— a medium-sized province located at the geographic center of Canada—completed what was, at that time, one of the great engineering marvels of the developed world: the Red River Floodway.

The floodway is a 47-kilometer-long earthen channel used to divert surging water from the notoriously flood-prone Red River around the City of Winnipeg (Manitoba's capital). The idea for the channel was first proposed by a government commission following the devastating flood of 1950 that completely submerged Winnipeg, requiring more than 100,000 people to be evacuated and causing damage that would amount to, in 2022 dollars, more than CA\$11 billion. Even though the benefits were many, most political leaders shied away from the project. Most, but not all.

Dufferin "Duff" Roblin, leader of the Progressive Conservative Party of Manitoba, was perhaps the biggest fan of the floodway concept. After winning the 1958 election and forming the government, Roblin set to work getting funding from the federal government to build the floodway. Started in 1962, it would take six years to complete and required 76 million cubic meters of earth—equivalent to 30,000 Olympic-sized swimming pools—to be excavated and move. That made the floodway, at the time, the second-largest earth-moving project in the world after the Panama Canal.

And yet, both before breaking ground and throughout the project, Roblin was assailed for spending tens of millions of dollars on something so ambitious. Critics nicknamed the project "Roblin's Folly" and suggested it would ruin the provincial treasury.

Roblin not only endured in the face of such criticism, he pushed on and finished the project. He had lived through the devastation of the 1950 flood and was not going to allow that kind of disaster to occur ever again. Roblin was prescient in this commitment; since it was completed, it is estimated the floodway has been used to save the capital city of Winnipeg from being inundated by the murky waters of the Red River nearly two dozen times, preventing more than CA\$10 billion in damages.

Roblin, and the floodway that is now known more affectionately as "Duff's Ditch," is not only a great example of the limitless possibilities of engineering, it is a fascinating study of leadership. Not only did Roblin withstand the political and public opposition to his plan to build the floodway, he seemed encouraged by it and pushed through to complete a project that certainly would have died on the drawing table without his efforts.

Interestingly, Roblin is often cited as an example of resilient leadership although that term—resilient—doesn't quite capture the magnitude or the true nature of what he did. He did not just endure, he seemed to gain energy with each naysayer and protest.

No, Roblin was not an example of a resilient leader; he was the anti-fragile leader.

Antifragile Leadership in an Age of Constant Crisis Management

The concept of antifragility was developed by Nassim Taleb, a noted Lebanese-American author, mathematician, and risk analyst. In his best-selling 2012 book, *Antifragile: Things that Gain from Disorder*, Taleb argues that antifragility is a response that some people experience when they are faced with a threat or a sudden shock. Those who adapt and grow from this experience are, Taleb wrote, and thrive "Some things benefit from shocks; they thrive and grow when exposed to volatility, randomness, disorder, and stressors and love adventure, risk, and uncertainty," Taleb wrote in his prologue. "Yet, in spite of the ubiquity of the phenomenon, there is no word for the exact opposite of fragile. Let us call it anti-fragile. Antifragility is beyond resilience or robustness. The resilient resists shocks and stays the same; the antifragile gets better (Taleb, 2012, p.3)."

Why is it important to expand our definition of resilient leadership, particularly when it is in such fashion today? A quick visit to Google's search engine with the terms "resilient" and "leadership" reveal that, within the confines of the leadership development industry, a large and pervasive cottage industry has settled on imparting best practices to build resilience. However, as Taleb notes in his thesis, the ability to endure or withstand the conditions that come with a crisis or disaster is simply not enough; leaders must show a capacity to learn from each crisis and evolve.

There is a consensus building among academics, researchers, and psychologists that the need to simultaneously trying to juggle multiple crises and disasters—climate change, public health threats, economic uncertainty and, most recently, war on a scale not seen in decades—is moving the leadership development needle away from resilience to antifragility. The COVID-19 pandemic in particular provides multiple examples of both antifragile and fragile leadership in action. When the pandemic first struck in early 2020, virtually no country on Earth was fully prepared. Not that they weren't warned.

Going as far back as 2014, luminaries such as Microsoft founder Bill Gates was pleading with nations and corporate interests alike to start building the infrastructure to contain and combat something like COVID-19. He told the world that

a pandemic like the one we are experiencing now could be more devastating to the world than a nuclear war.

As he watches the world struggle with the coronavirus, it would be easy for Gates to shrug his shoulders with an “I-told-you-so” indifference and point fingers at everyone who ignored his warnings. Instead, Gates is accepting some of the blame, arguably for not taken a more antifragile approach to this existential threat. “I feel terrible,” Gates told The Wall Street Journal in a May 2020 story. “The whole point of talking about (a pandemic) was that we could take action and minimize the damage.”

Once the pandemic hit, the line between fragile and antifragile leadership became even more pronounced. In countries such as the United States and the United Kingdom, the pandemic response strategy blended equal measures of panic and politics. State leaders could not separate personal or political ideology from science and common sense. The result was not just a level of chaos that seemed incongruent with the otherwise evolved nature of their countries, but also a loss of life that far exceeded anyone’s expectation.

There were also examples of true antifragile leadership in action, none as powerful as New Zealand Prime Minister Jacinda Ardern.

Faced with a growing public health threat and virtually no national pandemic infrastructure, Ardern was among the first political leaders to show the resolve to impose severe social and economic restrictions and close her country’s borders after the virus first appeared. New Zealand became one of the first countries to introduce a pandemic alert system to guide decisions on social and economic restrictions. She established an all-star panel of scientific and medical experts who not only helped guide government policy and strategy, but also publicly critiqued government performance.

Her recipe for success involved clear empathy for the plight of her citizens, highly visible leadership—she appeared on some platform almost every day—and firm, science-based public health decisions. Ardern did not just demonstrate resilience in the face of this crisis, she learned from it in real time, applied those lessons, put aside personal values, listened to her experts, and maintained an open dialogue with her citizens.

Ardern is certainly a model of how leaders must do more than just stand firm in the face of a crisis. They must find ways of learning from the crisis and introduce more robust measures in response. But is her combination of empathy and firm decision-making something other leaders can emulate?

Building Antifragile Leaders

Experts in the fields of project management and emergency management have always preached the importance of being decisive, responsive, and accountable to both the people they lead, and the ultimate goal which, when facing a crisis, has to be learning and evolving in ways that our responses become more effective and robust. However, to build a culture of antifragile leadership, organizations need to be able to identify and impart certain core capacities to their leaders.

But where to start? Many parallels have been drawn between the VUCA model of leadership and antifragility. VUCA is an acronym that stands for Volatility, Uncertainty, Complexity, and Ambiguity. Created by leadership scholars Warren Bennis and Burt Nanus in the late 1980s, VUCA has been adopted and absorbed into many streams of leadership development, including the U.S. Armed Forces, which applies it in several areas of curricula at its educational centers. Although VUCA is a way of defining the qualities of a crisis, it also preaches the importance of leaders developing the capacity to respond to all four pillars and develop more robust responses.

The qualities of antifragile leadership can be described in many different ways. However, when you boil down all of the semantic variations, you come up with some common themes.

Antifragile leaders are accountable. In his best-selling book, *The Leadership Contract*, leadership advisor and consultant Dr. Vince Molinaro sets out a number of conditions that allow leaders to more effectively in today's dynamic environment.

Dr. Molinaro notes that leaders must be deliberate in their decisions to take on a leadership role (MOLINARO, 2017). There can be no equivocation about taking on the mantle of leadership; uncertainty or ambivalence are not positive leadership qualities. However, he also notes that once you have truly committed to being a leader, you must also acknowledge your obligations, particularly the reality that you will be held to higher standards and be expected to put in a lot of hard work to live up to those standards. Finally, he argues that to be truly accountable and effective, leaders must have access to a community of peers to gain support and insight into their day-to-day challenges. Taken together, these four pillars form a contract that all leaders must commit to living each and every day.

Although decisive, antifragile leaders score high on emotional intelligence. It would be easy to conflate antifragile leadership with traditional, top-down, command-and-control style leadership, where there is no time to consult, confer, or seek consensus on decisions. In some instances, it may even be considered im-

possible to communicate the reasons behind decisions.

However, experts in the field of crisis management know that communication, consultation, and empathy are important qualities in delivering an effective response. This is consistent with many of the precepts in Taleb's original thinking on antifragility: leaders can never seek to build their own antifragility at the expense of others' fragility. Other leading thinkers in this discipline believe it is essential leaders apply best practices in psychological trauma intervention to help build support and confidence. What connects these concepts is that a crisis is essentially an emotional experience; leaders must be able to demonstrate emotional intelligence to truly achieve a state of antifragility.

Antifragile leaders understand that it is never too late to prepare for a worst-case scenario. As was the case in our initial anecdote about flood-channel champion Duff Roblin, antifragile leaders have the courage to prepare for a crisis rather than just scramble to respond once one appears. A good example can be found at the All-England Lawn Tennis Association, the group that hosts the Wimbledon tennis tournament.

Shortly after the pandemic struck in 2020, and professional sporting events were cancelled all over the world, it was learned that the All-England Lawn Tennis Association had, for the past two decades, purchased pandemic insurance. At a cost of US\$1.9 million annually, this was no small decision by leaders at the tournament. However, once it was learned the policy would pay out US\$141 million to compensate organizers for the cancellation of the 2020 tournament, the prescient wisdom of their decision became clear. The All-England club demonstrated antifragile leadership through its bold and courageous decision to protect its marquee event from disruption caused by a public health emergency.

Antifragile leaders do not dwell on failure; they shift focus immediately to solutions. The disciples of antifragile leadership love a good anecdote about organizations that are able to somehow snatch victory from the jaws of what appears to be certain defeat. One of the most referenced stories is the comeback by the Toyota Motor Corporation.

From 2009 to 2011, in the wake of the global financial crisis, Toyota was rocked by a series of recalls that affected tens of millions of cars worldwide, some of which had been involved in fatal accidents owing to vehicle malfunctions. Its share prices tumbled, and losses exceeded an astronomical \$21 billion. However, the company launched an ambitious recovery plan under the leadership of President Akio Toyoda, the grandson of the company's founder. Using a combination of aggressive marketing and ruthless dedication to quality control, Toyota rebounded: By 2015, the company's profits grew to a record \$18 billion, up nearly 20% from

the previous year.

Conclusion

The challenge in leadership development, particularly as it applies to crisis management, is to find a way of changing organizational culture rather than individual behavior. All of the great antifragile leaders we have discussed worked first to create the conditions necessary for antifragility to take hold. In other words, nobody can force someone to learn and grow from adversity. The logic of antifragility needs to be embedded in an organization's leadership culture so that it takes root and grows.

References

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About the Author

Passionate about transforming ideas into action, Ricardo Vargas is a chief advocate in the project economy. Specializing in implementing innovative global initiatives, capital projects and product development, Ricardo has directed dozens of projects across industries and continents, managing more than \$20 billion in global initiatives over the past 25 years.

Ricardo shares his expertise with millions of professionals around the globe through his "5 Minutes Podcast," which he's hosted since 2007. He has written 16 books on project management, risk and crisis management, and transformation, which have been translated into six languages and sold more than half a million copies. His influence on the sector was affirmed when he became the first Latin American to be elected Chairman of the Project Management Institute.

More than two decades ago, he founded Macrosolutions, a global consulting firm with international operations in energy, infrastructure, IT, oil and finance.

His work as a venture capitalist and entrepreneur in artificial intelligence, blockchain, big data, chatbots and machine learning resulted in tools and products that have revolutionized how users bring agility and agile management into project management software.

Between 2016 and 2020, Ricardo directed the Brightline Initiative, a Project Management Institute think tank bringing together leading organizations into a coalition dedicated to helping executives bridge the expensive, unproductive gap

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Prior to his work with Brightline, Ricardo was Director of the United Nations Office for Project Services (UNOPS) Infrastructure and Project Management Group, leading more than 1,000 projects and \$1.2 billion in humanitarian and development projects.

Ricardo holds a Ph.D. in Civil Engineering from Federal Fluminense University in Brazil and an undergraduate degree in Chemical Engineering, as well as a master's degree in Industrial Engineering from Federal University of Minas Gerais in Brazil.