

The Truth About How Leaders Handle Adversity

By Steve Tobak, FOX Business



It's only natural to dream about a life without stress. Where everything's calm and serene like a palm tree gently swaying in the island breeze. Where you just sort of float above all the world's problems like a fluffy white cloud.

Then you wake up – to reality.

If nothing else, the real world is characterized by ups and downs. I don't know about you, but the fantasy that comes closest to resembling my life on planet Earth has got to be a rollercoaster ride – one that occasionally flies off the rails.

Now that I think about it, that's not necessarily a bad thing. If you're the kind of person who wants to achieve anything worth achieving in life, maybe even some greatness, then disaster pretty much comes with the territory.

The truth is you can't be successful without taking risks, in which case you're bound to experience the occasional "Uh Oh" moment. God knows I have. I've been through business disaster, financial disaster, career disaster, personal disaster – you name it, I've been through it.

I was the CEO of a company that ultimately had to file for bankruptcy. I've had to lay off I don't know how many people. I've been fired – downright humiliated – at least twice. I've suffered nearly catastrophic financial loss. And, ten years ago, I got a phone call telling me my wife had cancer.

That said, I've seen more than my share of success and happiness, too. But you know how people say, "it all evens out?" Those people are wrong. Ups and downs don't cancel each other out. They stand on their own as powerful moments in life. Moments that teach us critical lessons. Moments with potential for enormous insight.

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I've learned a lot from those moments. Mostly I've learned about human behavior, especially that of leaders and executives, in the face of adversity. And I'm here to tell you that some of it flies right smack in the face of conventional wisdom. Here are four surprising conclusions I've reached about leadership and adversity.

What doesn't kill us doesn't usually make us stronger. Actually, it depends. Adversity or failure only makes you stronger if you have the courage to face it and learn from it. In other words, it only makes you stronger if you're strong to begin with.

Unfortunately, there's a natural tendency to look the other way and make believe it didn't happen. In leaders, that usually takes the form of pointing fingers or blaming others. If you don't hold yourself accountable, you gain nothing from failure.

Adverse conditions build strong leaders. There's a very good reason why so many accomplished people come from the streets of inner cities and other challenging environments. It's the competition. The friction. The stress.

We're trained to think of stress as a bad thing. It's not. Stress tests our mettle, our capabilities, our guts and determination. Whether the result of stress is good or bad depends on what you do with it, how you handle it, how you use it.

If you grow up with adversity and come out on top, then you're probably leadership material or at least someone with solid successpotential. Hardship is like a Darwinian Petry dish that breeds leaders.

Emotion under pressure can be a good thing. Conventional wisdom says that good leaders are calm, cool, collected under pressure. That's not necessarily true. They may appear that way, but if you truly feel no emotion under stressful conditions, then you're missing a big chunk of what you need to excel at your job.

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In my experience, the most powerful response to disaster or failure is when you can feel the full range of emotions about what's happening or what's transpired and still manage to communicate, reason, and make solid decisions. That's what separates great leaders from the pack.

Frankly, I've known far too many CEOs and business leaders who, for lack of a better term, were not emotionally invested in their jobs. They acted fearless in the face of high risk and composed in the face of disaster when, in reality, they had already checked out. And that compromised their decision-making. Unfortunately, it happens all the time. And the result can be devastating for their companies.

You really can't tell much about a person. The biggest myth of all is that you can tell a lot about people from the way they handle disaster. It would be true if you could get inside their heads and see what's really going on in there. Or if you could fast-forward time to see the results of their actions.

In many if not most cases, you really can't tell much until long after the fact. The only exception, of course, is if the person is you. If you're reasonably self-aware, you can learn a lot about yourself from your own behavior under pressure. Personally, I highly recommend it – as long as you're willing to know the truth.