



5 STAGES OF GRIEF

HELPING LEADERS

ACCEPT CHANGE

By DRD Advisors, LLC

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Nine-time NBA All-Star, Russel Westbrook is one of two players in NBA history to average a triple-double (a double-digit number total in three of five statistical categories – points, rebounds, assists, steals, and blocked shots – in a game) during a single season. Sharing this astounding feat with the legendary Oscar Robertson, Westbrook has more than demonstrated his capabilities, so much so that LeBron James worked his magic to recruit Westbrook to join the Los Angeles Lakers for the 2022 NBA season. With the combined experience and skills of Westbrook, James, and their all-star teammate Anthony Davis, the Lakers – and much of the sports world – believed the trio would be unstoppable. However, the Lakers fell short in meeting such lofty expectations, and they were even unable to make the NBA playoffs. To explain Westbrook and his team’s offensive struggles, many have pointed to Westbrook’s inability to acclimate to a reduced offensive role, one in which he would no longer be the focal point of team success. The Lakers needed Westbrook – the same people would argue – to produce with less minutes than James and Davis, who are the true offensive powerhouses for the team. This argument certainly has merit, but it seems to overlook the substantially difficult process Westbrook needed to go through to accept this new reality. After all, Westbrook had become accustomed to playing nothing short of a direct role in the success his previous teams, rendering such a large shift particularly challenging.



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From a sport psychology perspective, sports teams like the Lakers need to constantly evolve to meet changing team needs and league standards, leading them to outgrow individual performers who cannot keep pace. Sometimes even the most talented players like Westbrook – due to this inevitable evolution – need to be given the hard feedback that they are no longer the central element of team triumph. Private equity firms face a similar challenge with their portfolio company management teams, which contain talented executives no longer capable of scaling with the business. For that reason, private equity deal teams are forced to have difficult conversations with C-suite executives to help them understand – in blunt terms – that the business has simply outgrown them. While deal teams understand that these conversations are an inevitable part of growth, they tend to overlook their role in helping executives accept their fate in a healthy, productive manner.

To remedy that, deal teams need to understand the five stages of grief coined by Elisabeth Kubler-Ross, a Swiss-American Psychiatrist and author of *On Death and Dying*, that she first conceived through her medical studies of terminally ill patients. By thinking about how an experienced managing partner on a leadership team – i.e., Casey – might undergo these five stages, deal teams can generally be better prepared to have the hard conversations with their portfolio company leaders.



Denial

When we get seemingly unexpected or shocking news, we tend to use denial as a temporary defense to avoid facing the facts.

"No, that cannot be true," something Kubler-Ross heard many a times from patients who had just learned about their condition. Let's say that Casey was told by Jack – a deal team member – that she would no longer be working externally with clients, who complained that Casey did not sufficiently communicate with them via email. Shocked and taken aback, Casey takes a moment to look through her emails, blurting out, *"I cannot find a single instance where I did not respond to a client, so how is it possible I could have been given feedback like that?"* The need for denial comes and goes, and listeners – in this case Jack – need to acknowledge this deeper desire for avoidance in helping the recipient of hard feedback gradually drop denial as a coping mechanism.



ANGER



Anger

When denial cannot be further maintained, it can be replaced by feelings of anger, rage, and resentment, which are displaced at people and the environment at random.

During her meeting with Jack, Casey began to express anger directly at him, indicating that she is in the second stage. *"How could you not tell me about this earlier? I have worked at this company for more than 20 years, and surely I am due more respect,"* Casey yelled. This tricky situation requires listeners to make an effort to avoid responding in kind, which would only fuel more hostile behavior.

Bargaining

After denying reality and expressing anger at the situation, recipients of hard feedback might seek to enter into some sort of agreement to postpone the inevitable.

While this stage is lesser known, it is still an equally important part of the path to acceptance. To put it simply, Kubler-Ross likens this stage to a reprimanded child that promises to do extra chores around the house after first throwing a tantrum to no avail. By seeking a prize for good behavior, the child uses bargaining as an alternative approach to avoid punishment. Jack receives an email from Casey, saying, *"All I am asking is that you give me one more chance to work with a client. For the next few weeks, I will answer every question and cause for concern within a 30-minute time frame, even on weekends and holidays."* Bargaining often comes from deeper irrational fears that manifest themselves in the form of guilt. As such, perhaps Casey is worried that the negative feedback from the client will prevent her from succeeding in a new role at the company. When working with those that attempt to bargain, listeners should make an effort to understand where exactly their guilt is coming from and in turn find ways to address these irrational fears.

BARGAINING



DEPRESSION



Depression

This stage, according to Kubler-Ross, sometimes comes as numbness, anger and rage are replaced by a great sense of loss. For instance, Kubler-Ross talks about a woman with breast cancer who becomes saddened by the loss of her figure, a feeling compounded by the cumulative financial burdens of excessive treatment and hospitalization. Kubler-Ross cautions us, though, to differentiate between reactionary depression, demonstrated from the above example, and preparatory depression, which stems from sadness over impending rather than previous loss. In other words, this same patient might have instead quietly mourned her impending death, suggesting the latter type of depression is at play. Since preparatory depression is a tool for patients to prepare for the loss of all the things they love in life, encouragements and reassurances are simply not as helpful.

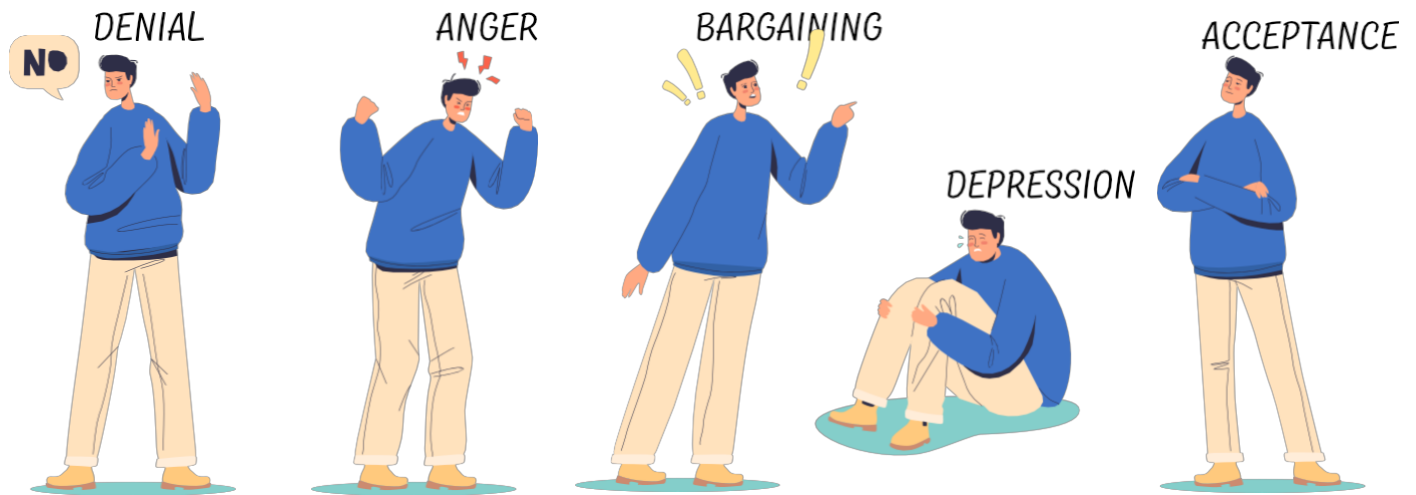
Casey experiences a moment of sadness and reflection demonstrating that she is aware she will no longer be working with clients, but she is still bothered about not getting another chance to do so. Therefore, Casey appears to be undergoing preparatory depression, and, by merely sitting with her in silence, Jack can help her move closer to acceptance.

Acceptance

When recipients of tough feedback have been able to express their denial, their anger at others, their sadness about inevitable loss, and, most importantly, have been adequately guided through this process of grief, they begin to contemplate their new reality with a level of quiet expectation. By no means is the acceptance stage a joyous one; rather, it is the end of a struggle without any of the aforementioned feelings. Indeed, Kubler-Ross mentions that many patients in this stage tend to sleep in brief intervals, which is not a sign of a complete loss of hope. Casey's acceptance of her new role is obviously much different than that of terminally ill patients coming to terms with death. Nevertheless, she may exhibit similar indicators that she has effectively gotten to this final stage as it is her professional identity that is being transformed. Later that week, Casey walks into Jack's office, sits down and says, *"I'm ready to talk about what my new role entails."*

ACCEPTANCE





It is important to remember that these five stages last for different periods of time, and that they can either replace each other or exist simultaneously. Even the most realistic recipients of hard feedback may hold out hope that they can change the outcome of their situation. With that in mind, those who get hard feedback tend to experience a complicated, non-linear process to reach acceptance, preventing these tough conversations from ever being easy. Still, with an awareness of these stages and tangible efforts to remain patient with recipients of such feedback, deal team members can feel more confident when they need to have these difficult, yet inevitable conversations. There is simply no way to know what happened behind the scenes between Westbrook and the Laker's managerial staff. Even so, it is intriguing to think about whether the Lakers could have turned things around if they had the hard conversations with Westbrook in a way that effectively guided him to accept his new role on the team. With talented portfolio company leaders, who the business has outgrown, Deal teams must have the hard conversations to do what is best for the investment; and now they know how.

For more information, please contact us directly at: drd@drdadvisors.com