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Navigating through a crisis: Crisis leadership

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Abstract

One of the most defining moments in the life of a developing leader arises in the form of a crisis. Such unpredictable and often unprecedented moments of truth reveal the leader's strengths, weaknesses, and capacity for resilience for all the world to see.

This paper describes, based on qualitative research and case studies, the characteristics of effective leadership in a crisis. It addresses the key tasks and requirements for a leader to help their organization through a crisis including Anticipating (establishing an early warning system), managing information flow, decision making, communicating, delegating, and preparing (anticipating the next likely crisis). We suggest that there are a couple of *counter-intuitive* factors that define effective crisis leadership and separate the most effective crisis leaders from less effective ones. These factors include:

1. The ability to recognize that strengths can become

liabilities in a crisis, previously effective responses are no guarantee of future success in a crisis.

2. Faster can be slower: a leader's immediate intuitive reaction may be the problem rather than the solution, taking the time to achieve a more reasoned approach can ultimately quicker
3. Less can be more in a crisis. Good crisis leaders know how to access the most relevant information sources and data efficiently and effectively, avoiding overload and distraction in order to focus their attention and actions.
4. Taking care of others means attending to yourself – stress, sleep deprivation and fatigue do not contribute to anyone's ability to help others through a crisis
5. Taking the time to focus attention to deliberate and prioritize reflection over action is a crucial investment of time.

Keywords: Leadership, Crisis, Counter-Intuitive, Decision Making, Self-Care

Introduction

It's safe to say that nearly every leader has been faced with moments of crisis, ranging from brief bumps in the road to more sustained issues. The current crisis involving the COVID-19 pandemic is different than anything we've faced in over a century, one that looks to be a continued and possibly existential challenge for organizations. Effective leadership in a prolonged crisis with such serious consequences is necessary for an organization and its people, and requires physical, psychological, and emotional strength.

The real test of leadership does not occur when everything is sailing smoothly. Rather, leadership is oftentimes tested during a crisis. The way a leader behaves and acts during a crisis will establish their credentials as a good leader or a poor one. In this article, we will discuss the importance of leadership in times of crisis and how crisis leadership can provide a way to lead effectively.

Crisis leadership is a very important part of leadership in today's world. Every organization goes through some form of crisis on a fairly regular basis. This chapter is intended to define what a crisis is and what its impact may be on the organization.

What is a crisis?

The word crisis has its etymological origins in the Greek word *krisis*, which denotes choice, decision, or judgment (Paraskevas, 2006) ^[1]. It often refers to a turning point or decisive moment, implying that the historical meaning of the word might presume some individualism, rather than determinism in terms of (re)acting in volatile situations—at least connoting choice at some decisive moment.

A crisis is a situation of unrest, instability, chaos, uncertainty, and fear, adding a few to the list of words explaining a crisis. It is not planned, occurs anytime, usually without a warning, and catches most of us off-guard. This creates a perfectly normal situation into a tensed scenario and this characteristic of the situation is called a "crisis".

Here are a few other definitions from other scholars:

A crisis is change – either sudden or evolving – that results in an urgent problem that must be addressed immediately. For a business, a crisis is anything with the potential to cause sudden and serious damage to its employees, reputation, or bottom line.^[2]

Crises, catastrophes, and calamities are an unfortunate but inevitable fact of life. They have been with us since the beginning of time. It can be argued that they will be with us until the end of human history itself. In short, they are an integral part of the human condition. They *are* the human condition.^[2]

A crisis is an unstable time or state of affairs in which a decisive change is impending – either one with the distinct possibility of a highly undesirable outcome or one with the distinct possibility of a highly *desirable* and extremely *positive* outcome. It is usually a 50-50 proposition, but you can improve the odds.^[2]

Crisis ranges from being personal to public or a global one. Crises have no boundaries or borders and do not require visa stamps. A crisis does not have a timeline, a start, or an end date. It is usually described as a phase accompanied by a main problem leading to a ripple effect and giving rise to smaller ones. In such a situation we tend to look up to someone, head of the family, CEO of an organization, manager, head of an institution, political leaders of the state or our nation.

Crisis Leadership

Groups create leaders. Leadership doesn't reflect personality but the relationship among the group members. In this regard, leadership becomes a function such as the work of a postman or policeman and it undertakes the functions of group organization, problem solving and guiding. A person's characteristics make him/her a leader. Intelligence, a strong personality, and intuition are necessary for leadership. Assignment of power is not sufficient to become a leader. A leader shall not have the power but also shall have the ability to use that power. (Asna, 1994) A leader doesn't mean a manager and in states of crisis an organization needs a leader more than a manager. Whereas management focuses on imitation and continuity of the present, leadership focuses on creativity, harmony, and agility. Whereas a manager looks at the final total line of the end-of-period profit-loss chart, a leader also looks at the horizon line. Whereas a manager focuses on systems, supervisions, processes, policies and the structure, a leader focuses on reliability and human relations. (Shelton, 1997) "Leadership" comes the first among the achievement criteria in crisis management. In order to call a person a leader, he/she shall be able to unite people together and activate them, he/she shall leave a trace behind and create a difference. Behaving well behaviors and a message to deliver are two prerequisites of leadership. Leaders create a picture for the future with their cognitive and intellectual experiences. This is the vision of leaders. Leaders follow their messages and the people around them follow the leaders. (Tutar, 2004) True leaders show themselves in states of crisis. New conditions and rules are valid in states of crisis. Uncertainty and pessimism are dominant. On the other hand, true leaders have their solutions in mind, that's why they are optimistic. This energy influences the others around them because states of crisis are periods when people desire for the change of circumstances and creation of a

difference. Common solutions become invalid in states of crisis. A true leader changes the status quo and certainly creates a difference. In this sense, leadership is not a "duty" but an inevitable responsibility. Another important point of crisis management is the achievement factor. It is not only necessary to perform the duty but also to reflect all characteristics of leadership in the context. (Kadıbesegil, 2008) Leaders do not pay regard to the distinction between decision makers and implementers in performing organizational activities. They think that the main threat in an organization is not the intellectual capacities of individuals but the imprisonment of these capacities. Leaders that qualify for "crisis states leadership" value self-improvement, independent thinking and initiative taking; they do not like bureaucracy, and they balance between their business lives and private lives. Leaders believe that, only when the operators attain their objectives then the organization will attain its own. Leadership is not a duty but an inevitable responsibility. Another important point of crisis management is the achievement factor. It is not only necessary to perform the duty but also to reflect all characteristics of leadership in the context. Managers become leaders if they are courageous and are able to manage risks in extraordinary situations. Leadership can enable people to come to the forefront against a risk and to come up with an unexpected offer when ordinary people have accepted the lack of alternatives. (Tutar, 2004)^[3]

Disasters can make or break a leader. In the era of COVID-19, some leaders have risen to the challenge—keeping their communities, employees and students informed, pausing, and restarting daily life, and managing the secondary effects of social and economic disruption.

Other leaders, meanwhile, are floundering: communicating poorly, not providing trustworthy information and failing to follow through on promises.

Although the pandemic differs from other crises in our lifetime, psychologists' research, and expertise, developed in past crises, can still inform our responses, say those who have studied crisis leadership. Overall, their work has shown that leaders who communicate effectively and learn from their mistakes are poised for success. Those who dissemble and vacillate can harm and alienate their constituencies.

"What leaders have to realize is that when a crisis hits, you can't just rest on your laurels and think that everything will move along normally," says Ronald Riggio, PhD, a professor of leadership and organizational psychology at Claremont McKenna College in California. "You need to train, prepare and execute."

Leadership is defined as an ability to influence. Boin *et al* (2010)^[4] suggests that effective crisis leadership entails recognizing emerging threats, initiating efforts to mitigate them and deal with their consequences, and once an acute crisis period has passed, re-establishing a sense of normality. Klann (2003)^[6] agrees with this, suggesting further that a crisis affecting one organization can cause layoffs and closings among the suppliers of that organization, its customers and partners as well as bring about a loss of investor confidence that can cause a dip in the stock market and even bring about environmental damage and psychological angst. Crisis leadership is about leading the organization under adverse changing circumstances and contexts, which may and will affect employee morale, attitudes, and productivity, which will reduce organizational performance even further. Crisis

leadership is the process of responding to an organization's challenges and preventing them from occurring in the future. Most crisis leaders emphasize the needs of their employees and customers by providing emotional support. For instance, they might acknowledge their concerns and maintain clear communication throughout the crisis. People who use this leadership style also focus on the long-term implications of challenging events. By analyzing response methods, revising them and asking for support from employees and customers, they can develop effective plans to manage future crises. This means that effective crisis leadership comes down to the leader responding to the human needs, emotions, and behaviors caused by the crisis.

Crisis leadership is the process that a leader or leadership team uses during an event that threatens an organization. It may involve planning for a crisis, motivating employees during a crisis, managing public relations, and/or preserving an organization in the aftermath. It may also require leaders to identify a crisis, understand it, bring effective strategies to bear it, and distinguish when it is over.

Perhaps the biggest leadership challenge is to recognize fully the additional and counter-intuitive challenges posed by dealing with a long-term versus short-term immediate crisis. We are all familiar with the physiology of the human stress response – flight/fight/avoidance which is designed to help us survive immediate physical threats. As leaders we also understand the effects of the hormonally prompted response – a powerful sense of urgency, a complete focus on the immediate threat and a total physical and mental response. While these responses may be necessary in the short-term, what is less obvious is the detrimental and dysfunctional consequences of those short-term stress-based responses in long term crises. It is clear that humans are not physiologically designed to sustain full stress response over time – there is ample evidence of burnout and chronic disease in executive populations to document this. (ref. Why Zebras Don't Get Ulcers, Robert Sapolski). Nonetheless it is all too common for leaders to shift into a crisis mode as a long-term adaptation to crises and try to use their immediate crisis responses as a long-term game plan, with potentially catastrophic consequences.

How does a leader navigate in a crisis?

How a leader navigates in a crisis is dependent upon a number of factors and also is a real test of the leader's leadership skill. That being said, there isn't a playbook that can guide a leader through a crisis. This is because while there can be certain protocols in place that prevent a crisis from happening, each new crisis is unique in its own way, with its own problems and quirks and will require a different approach from the one used before.

Navigation through crisis is based upon internal and external factors. Let's discuss them in detail.

Internal factors

These are the factors that are responsible regarding how the leaders internalizes the problem/crisis at hand. A couple are discussed below:

How do I feel?: When the leader faces a crisis, what's his internal reaction. Most of the time, a leader is unable to react and express himself in a crisis situation. Many a times, a crisis can feel close to home, very personal in nature. This can have a negative or a positive impact on how the leader reacts in such a crisis. In such situations, maintaining your

calm and following the path of mindfulness is significant for the outcome.

Empathy: A crisis is when it is most important for leaders to uphold a vital aspect of their role; making a positive difference in people's lives. Being able to look from other folks' lens' plays a significant role in how the crisis situation unfolds. To be able to maintain calm and composure is the key.

Mindfulness: A mindful leader is aware of his/her own thoughts and emotions while demonstrating curiosity and kindness with regard to the present situation and have been vested with an ability to evaluate the ever changing and complex environment with nonjudgmental thinking, resulting in favorable outcomes. A leader who can influence the space between experiencing a particular stimulus and reacting to it in order to decide upon strategic moves to strengthen collaboration around shared goals.

External Factors

These are the factors which one cannot control. These factors keep arising as one unfolds the situation as it's highly unpredictable. If we look at the current pandemic, citizens across the world have been faced with multiple factors that the healthcare leaders did not know how to tackle. Through trial and error, one gets hold of the situation but it is extremely difficult to prepare for these external factors.

Nature of these factors are explained below:

Unpredictability and Uncertainty: In a situation of crisis, it becomes extremely tedious to deal with situations which do not have a pattern solution and examples of how to lead. These make the crisis even more complex in nature and difficult to resolve.

Limited Knowledge: Due to its uncertainty and unpredictability and no examples in the past, the knowledge to deal with these factors is limited and the leader has to depend on the current resources available to him.

Social and economic factors: Due to the nature of crisis, at times it becomes extremely difficult to fulfill the social and economic needs of the people in a crisis.

How does a leader overcome these factors during a crisis? ^[5]

Keeping in mind the internal and external factors in mind it becomes vital for the leader to be able to navigate through the crisis in result to achieve a productive outcome.

Factors that help in navigating through the internal and external factors during a crisis

Early warning/signal detection: This phase requires sense-making and perspective-taking. It also optimizes the leader's ability to anticipate the events and challenges that arise during a crisis. When something looks wrong, ask whether the warning signs could under any circumstances develop into a problem and, if yes, what you could do about it now. This early phase also requires having diverse voices and sources of information so you can see the big picture.

Stay on top of information: Every crisis comes with information overload. For an individual, simply keeping track of the latest developments while avoiding fake news can feel quite draining and overwhelming.

Communication: Organizing a network of teams. Gathering intel from a variety of sources would help to plate thoughts/ideas/possible and a workable solution on the table. Creating a network of teams is a good way to start and

touching base twice or thrice a week with the teams would be helpful in gathering some insightful information.

Delegating: It's extremely important as a leader to be able to delegate and elevate employees so that significant decisions among intra-departments are taken consequently, suiting their needs and requirements.

Making decisions in ambiguity and then being able to marinate and assess: At times, it's the need of the hour to decide without the full facts and figures. In situations where most is unknown, it helps to be able to marinate on the current known facts, utilize the present resources and act accordingly. This is an ongoing cycle, and it helps the leaders to assess sooner in the game than later in respect to what is working and what needs to be replaced or changed.

Lead with facts, not fear: Compartmentalizing information amid disasters and emergencies is an effective strategy used by many leaders. The idea is to gather known facts; identify information that is unknown but can be obtained; and separate into a third category the remaining unknown variables.

Prepare for the future: It's natural for leadership to be in reaction mode during a crisis or to plan for every possible contingency yet implement little. I've found success balancing a reasonable amount of planning with a good deal of decisive action (even if it's not 100% successful). One concern we've identified as a leadership team is anticipating what may happen once the virus runs its course, and the economy gets up and running again. We feel there is a chance that employees may desire or need to change jobs or even careers once the opportunity arises. To hedge against this natural reaction, we're planning to make strategic investments in our team, despite limited financial resources in the near term. The goal is to delight and elevate employees, so they feel a sense of belonging and a long-term fit with the organization, and so they are in a better position to delight our clients.

Counter intuitive factors that separate good crisis (leaders or leadership) from less effective leader(s)

Research demonstrates that it is extremely important that leaders when in a crisis should take care of themselves, pause, assess, and indulge in self-care to attain the most optimum results.

There are multiple counter-intuitive lessons here:

Your strengths can easily be your greatest weaknesses (which easily emerge in a crisis). Much of the research on this leadership topic, now referred to as "derailment factors" was conducted by the Center for Creative Leadership (Lessons of Experience, McCall, Kaplan et.al.) [6]. This research identified the destructive role of strengths that are overused or hyperextended by successful leaders. It is a correlation of Arnold Toynbee's account of successful cultures that collapse through inertia and perpetuation of once successful practices. In Toynbee's words, "Nothing fails like success." In this context we are saying that the strength which you as a leader have developed by successfully dealing with past crises may be the very source of vulnerability to failure in addressing new ones. One of the major contributors to the research on derailment, Dr. Randall White, often asks senior executives to list their most important strengths – the ones that have differentiated them and contributed to their success. He then challenges them with the question, "Can you imagine a situation where at the wrong time and wrong place that strength could become a

liability and source of failure?" Strikingly, it is very difficult to identify any strength, however admirable, that cannot, under the wrong circumstances become a vulnerability.

Slower can be faster—your immediate (intuitive) reactions may be the problem not the solution. In acting on the sense of urgency in a crisis, leaders rely on intuitive and immediate reactions, which while well-intended can be ill informed. One of a leader's greatest assets, his or her capacity to draw upon their experience, which in neuroscience is referred to as pattern recognition— is one of our highest cognitive capacities. Nonetheless the problem in this context is, what happens when a leader quickly responds while on autopilot/pattern recognition and is not fully informed or is focusing on the wrong things (e.g., confusing symptoms with causes)? Will Rogers described this problem simply and elegantly – what gets us (as humans) in trouble is not what we know it's what we know that isn't so. Moving slower involves the counter-intuitive discipline to draw upon deeper inner reflective processes and broader external networks of information and intelligence to make effective decisions rather than immediate actions.

Intuitive-trusted reactions based on experience: Many a times our instinct is our only lead to response in situations where the facts are vague, and information is limited. We tend to lean on our intuitions, especially when our decisions in the past have led to resolution. This gives rise to an element of trust which is natural given the circumstances, but what it also does is cloud our judgement of looking at it in a different format, with a different lens and at a different angle. It is very imperative to evade our institution - trusted reactions based on past experiences not to come in way of the crisis which is generally different and unique in its form.

Less is more. The leader who tries to operate will "all" the information with suffer from overload and loss of focus very quickly in a crisis. General Ken Keen [7] who lead the largest U.S. military humanitarian intervention in Haiti following the 2010 earthquake, cites the need to immediately identify and appoint a chief information officer (or equivalent) to collect, screen and organize information that would otherwise be overwhelming and chaotic. This involves identifying key individuals who have the technical expertise, tacit knowledge, good judgement, and integrity to serve in the most sensitive role. These are the people who convert noise into data for the leader to use in making informed decisions. It also helps the leader prioritize and know when and where to be most effectively and directly involved. The Grammy award winning orchestra conductor Robert Spano, put it well when he talked about the complexities of managing a large organization in high pressure situations, "you have to be informed, but not (necessarily) involved." Spano noted that having well screened but highly informative information allows him to be selectively and effectively involved as the need arises.

Take care of your people by taking care of yourself. Here is another example of the dangers of derailment, where strengths become weaknesses. In this case, the admirable virtues of concern for others and dedication to a cause can prompt a leader to exert themselves through unsustainable heroic overcommitment and in so doing becoming severely compromised if not dysfunctional. We are talking about basics here: getting enough sleep and creating physical and psychological boundaries to remain objective and rational in a time of unremitting and irrational pressure. Like so many

leadership challenges, acting on this imperative is easier said than done. In a crisis the leader may be the last person to be able to objectively appraise his or her performance. The leader needs the direct feedback of caring and competent associates to know when to pull back and take care of themselves so they can better serve others. This will not happen if the leader has not previously established relationships of trust and fairness (i.e., not shooting the messenger). In a crisis the quality of leadership a person can provide will be affected if not determined by their followers' perception of their *approachability*. This may be the ultimate test of the quality of a leader's self-awareness – do people see you as approachable? Can people come to you with their uncertainties, apprehensions, and concerns? If the answer is not clear it is safe to assume you need to step up and deal with this issue (and maybe get some coaching). What might be a challenge for you in daily operations may be devastating disability in a crisis where you may end up navigating without a radar that provides you with information you need from those around you.

Recognize susceptibility to decision fatigue: Decision fatigue refers to the idea that your willpower or ability to make good choices deteriorates in quality after an extended period of critical decision-making. Emotional Intelligence would play a significant role in making decisions and avoiding decision fatigue. Under prolonged stress and fatigue, functions such as judgment, strategic thinking and even rationality can deteriorate and cloud complex decisions. It's common to have difficulty concentrating and to feel unfocused or adrift when faced with a perpetually shifting cycle of updates and uncertainty. It is primarily helpful if the leader would be self-aware of his/her emotions and act accordingly without bias and prejudice.

Focus, effectiveness and efficiency: Leaders often expect a certain level of focus and efficiency from themselves in regular circumstances, which could be a great motivator or an enhancer but the same during a crisis most times becomes the problem. It's absolutely normal to pause and be the blue color in (Birkman method of interpretation) where blue usually is considered as someone who thinks through every outcome leaving no stone unturned sometimes this leading to a lot of time taken to complete a task vs a red in (Birkman method of interpretation) where one has the inner urge to complete the task at hand rather quickly than to ponder much over it. At times too much focus at one stage of the problem makes one lose focus on the bigger scheme of things.

Understanding and diagnosing the urgency of the situation: It might be adaptive in a short-term crisis but is unlikely to work in a long-term crisis, (risk of burnout) risk of impulsive reactive knee jerk responses at the expense of effective deliberate reflective interventions, the former often have to be undone or corrected, or revised because of their unintended consequences. During the current pandemic (COVID-19), it can be alluring to think that, as a leader, you always need to be front and center. Being the first person online in the morning and the last to sign off may demonstrate that you are energetic and committed...yet at what cost? You also want to be accessible, patient, and level-headed, qualities that can run low when you are physically, mentally, and emotionally depleted. If your workforce observes this decline (and they will!), they may come to believe that all employees must similarly push themselves to the brink of exhaustion. Of course, during

extraordinary times we operate at an enhanced level and there are increased expectations of availability. Yet during a prolonged crisis such as the COVID-19 pandemic, organizational leadership must adapt to a modified level of operations – one that maximizes output without fostering burnout.

Conclusion

Crises are not overcome by heroes but by the power of gathering and inspiring the talent and commitment of many people. When the majority of leaders begin to skew towards the charisma style (and remain low on substance), the social and political consequences are a lack of trust in leaders, with the concomitant economic fallout. Today, according to the 2022 Edelman Trust Barometer, trust in political leaders is at an all-time low, with government credibility falling in 17 of the 27 countries surveyed. Only 42% of people trust public leaders.^[6]

We expect our leaders, rightly so, to find solutions to issues regarding safety and security and to ensure our collective well-being. The ongoing military, economic, health, and social challenges endow today's leaders with increasing importance in the minds of ordinary citizens. This is a shared psychological investment, and it opens an opportunity for political and business leaders alike to make a genuine impact in the lives of individuals and society at large. The question is: will they use our trust and their power in this way?^[8]

In sum, the characteristics of crisis leadership may in fact be useful for business leaders in all situations, not just during times of crisis. Displaying these leadership competencies during times of crisis, however, poses a unique challenge. First, leaders in crisis are forced to operate in full public view, with the media and others positioned to report and critique their actions. Second, during a crisis, there is the tendency to want to make the crisis simply go away, resulting in decisions and actions that are oftentimes suboptimal (e.g., cover-ups and deception). These shortcuts can ultimately undermine effective leadership. However, by consciously being attuned to the big picture of a crisis and the opportunities that can be created for the organization as a result of crises, leaders and their organizations can thrive. In short, in today's competitive business environment, developing crisis leadership competencies is mandatory.

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