

CRISIS LEADERSHIP: HOW TO LEAD EFFICIENTLY

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Abstract. *In recent times, the notion of leadership crisis has been increasingly discussed and talked about. There are enough good managers, but there is a lack of leaders, those people who ensure a vision and strategy. As crises are becoming more frequent and complex, there is a concerted need to develop a good crisis leader. This article attempts to provide an overview of the definition of the concept, the main types of crisis and the key competencies a leader must have to manage crises. Vision, action, communication, team empowerment and encouragement, sense making, decision making and facilitating learning are the key competencies for crisis leadership. These competencies are necessary for a good crisis leader, and the article presents suggestions to guide thinking around each of these competencies.*

Keywords: *crisis leader profile; business crisis; competences*

INTRODUCTION

There is no situation where leadership is more important than during a crisis [15]. However, crisis leadership is a relatively underdeveloped field. We tend to think that leadership takes place under stable circumstances. But, it turned out not to be so. Nowadays crises are more and more frequent and complex [3]. The Fukushima meltdown, the Deep Horizon oil spill, Hurricane Katrina, the Challenger space shuttle disaster, the Exxon Valdez oil spill [15], the 2008 financial crisis, the current climate crisis [4], but especially the resulting health crisis of the COVID-19 pandemic [16,17] have pushed most organizations and institutions to action.

From an organizational and business point of view, COVID-19 has brought major changes to the way people work. It is about the rapid shift to work models from home to remote work [4], with future impacts not yet known, although clearly anticipated. In 2023, 12.7% of full-time employees worked from home, while 28.2% worked in a hybrid model [10]. This reality presents a context in which uncertainty and ambiguity are expected and may generate unforeseen future crises, for example, the mental health crisis [7,13], as a direct consequence of the COVID-19 pandemic [5]. Thus, leaders need adequate preparation and training to acquire "people management" skills associated with crisis leadership [12]. Also, leaders need skills related to organizational survival, especially at the level of small firms, which have suffered the most as a result of the pandemic [8,9].

Under these conditions, the article tries to provide an overview of the definition of the concept of leadership crises, the main types of crisis and the key skills that a leader must have to manage crises. Vision, action, communication, team empowerment and encouragement, sense making, decision making and facilitating learning are the key competencies for crisis leadership. These competencies are necessary for a good crisis leader, and the article presents suggestions to guide thinking around each of these competencies.

MATERIALS AND METHODS

The present article is based on an academic research of the specialized literature in the field of leadership and crisis leadership and a field research, based on an interview with staff representatives and employees of five large-size companies in Timiș County, Romania. They were questioned on the qualities that a good leader should have, the main

key competencies of leaders in crisis situations and the measures that a good leader must adopt in crisis situations. The business environment has a clear vision of the crisis leader and the results are presented and graphically illustrated in this article.

RESEARCH RESULTS

In the current period, full of uncertainties from all points of view, a leadership skill can make the difference. This ability is related to the quick identification of the changes that are required, to their management in a short time to minimize the impact of negative events on the company and implicitly on the majority of employees. Then comes the ability to communicate objectively and clearly with the team. It is of utmost importance to maintain a high level of positivism that will instill courage in the team to overcome the crisis period in which we are already or which is to occur.

Crises put incredible pressure on organizations and require swift and decisive action. Until the COVID-19 health crisis and the current energy crisis, with all their negative economic consequences, leadership research has paid relatively little attention to crisis leadership. In general, crises have been viewed from a managerial perspective, with the aim of anticipating and preparing for different crisis scenarios and creating response teams that will be activated in the event of a particular crisis. But it is impossible to anticipate and prepare for all crises.

In times of crisis like the current one, companies are forced to test their ability to react and adapt, but at the same time also the leadership skills of managers, which are all the more important. In addition, for organizations it is, at the same time, an opportunity to test the most important values of employees such as: loyalty, involvement, assumption, commitment and, above all, trust. From the study of specialized literature [1,2,6,11,14,18] and following discussions with the staff and employees of several companies in Timiș County, Romania, the business environment has a clear vision of the qualities of a good leader, the key competencies of leadership in crisis situations, and the measures that a good leader must adopt in crisis situations, clearly presented in Figures 1, 2 and 3.

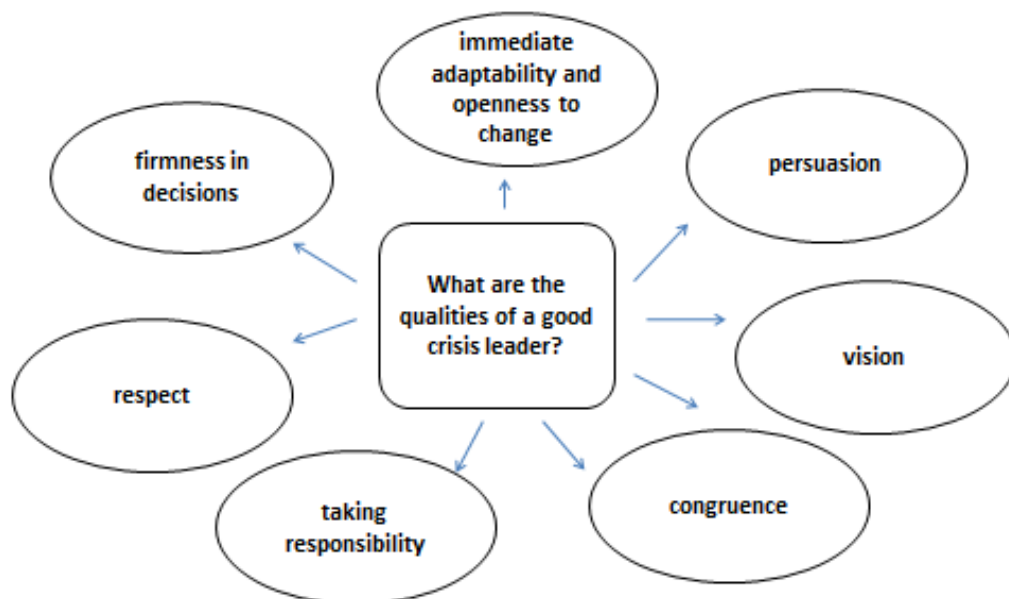


Figure 1. The qualities of a good leader

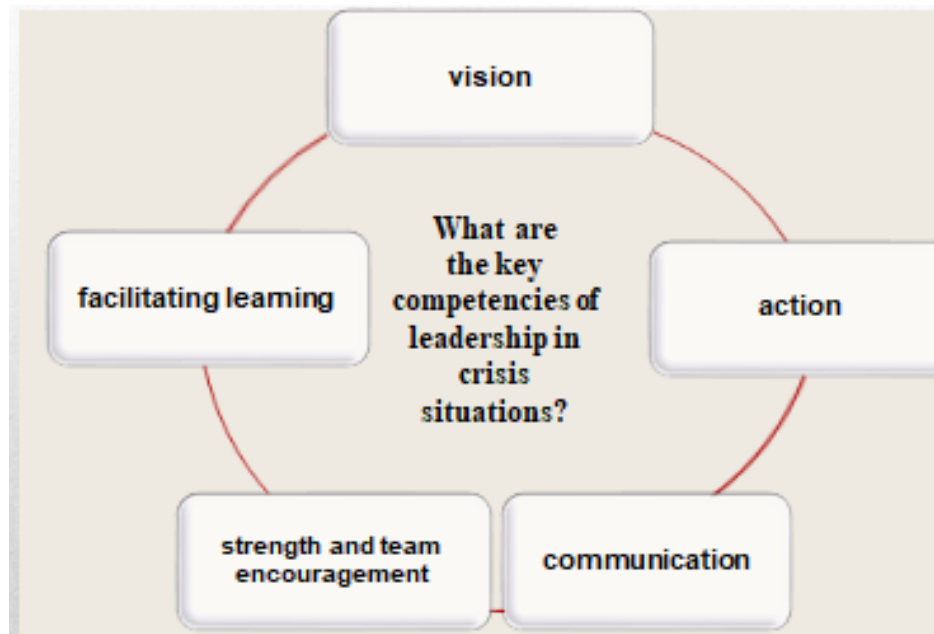


Figure 2. The key competencies of leadership in crisis situations

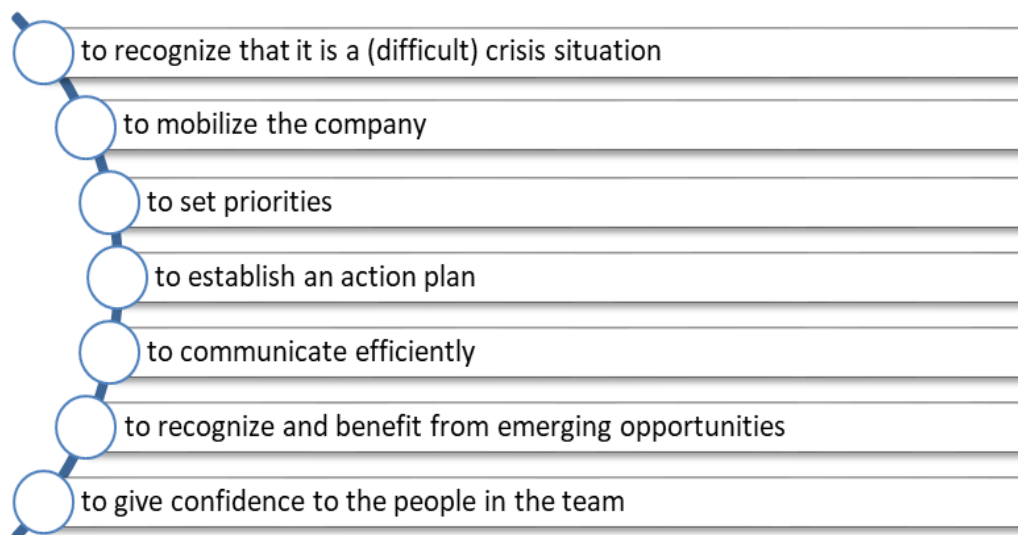


Figure 3. Measures adopted by a responsible leader in crisis situations

CONCLUSIONS

The last few years have come with a sudden shift to remote work, economic uncertainty and political changes. In 2024, uncertainty continues, new risks emerge, and now, more than ever, leaders must adapt and overcome the challenges ahead to remain competitive and ensure their organizations stay afloat.

With an economy still fragile due to the pandemic and a war on the border that has come with many consequences: energy crisis, inflation rate continuing to rise, supply chains disrupted, leadership has grown greatly in recent years and has been seen to be a lack of leaders and decision-makers.

The crisis can be successfully overcome only by creating adaptation methods capable of solving the challenge. Effective leaders in crisis situations take initiative, take control and do not allow adverse scenarios to overturn the situation.

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