

**Leadership and Team Effectiveness**  
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**Lecture – 29**  
**Leadership in Crisis Situation**

Now, we will talk about another aspect of leadership. Furthermore, that is a crisis. Whenever there is a crisis, how to work on this crisis leadership, formulating a crisis plan, the 3-stage crisis management plan, pre-crisis planning, leading during the crisis, adapting after a crisis, the 5-steps crisis risk assessment model, research paper, case study, book recommendation and references, as usual.

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Image Source: <https://boardmember.com/the-first-30-days-the-new-rules-of-corporate-crisis-management/>

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### Crisis

A Crisis is a low-probability but high-impact event that threatens the viability of an organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly.  
**(Charmeli & Schaubroeck, 2008)**

Crisis are omnipresent in today's environment.  
**(Bergeron & Cooren, 2012)**

Crisis are indeed damaging to an organization if not properly managed.  
**(Gerbe, 2013)**

Crisis come in many forms. Regardless of the nature of the crisis or the type of organization, what they all have in common is the stress and pressure they place on organizational resources and systems



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So, whenever we are talking about a crisis is a low probability but high impact event that threatens the viability of an organization characterized by the ambiguity of cause, effect and means of resolution. So, there will always be a low probability in that case and for the high impact event. So, in that case, it is the belief that a decision must be made swiftly.

The crisis is omnipresent in today's environment. That is true. Everywhere these crises exist. So, there is nothing like this. That is the; it is arising for the first time. Crises are indeed damaging to an organization if not adequately managed. Therefore, whatever the crisis keeps on emerging in the organization, it has to be handled professionally. If there, it is not professionally handled, then it will damage the organization in the long term.

Because what happens? That is the, suppose there is a people crisis. So, people's crisis will be maybe for a short time. Nevertheless, during that short time that leadership is not there, the organization will suffer. Moreover, these sufferings will carry a long term impact. So, crisis come in many forms. Regardless of the nature of the crisis or the type of organization, they will all have the stress and pressure in common.


They place on the organizational resources and systems. So, in that case, if it is not managed correctly, they will have the stress and pressure as the outcome of this crisis.


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**Crisis Leadership**

- **Crisis leadership** is about being prepared with a plan to follow when a crisis occurs. It is about the role of corporate leaders in crisis prevention and preparedness. Effective crisis leadership is about having the foresight and proper pre-crisis planning for managing a crisis. *(Handwritten: 250) 90 100%*
- There is a great need for leaders from all walks of life to show that they possess the skills and competence to lead during times of crisis
- Proactive organizations have found it prudent to designate a specific individual or unit with the task of scanning and monitoring the internal and external environments for potential threats or warning signs of a crisis. **(Jaques, 2012)**

**(Binns, Harreld & O'reilly, 2014)**



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Now, when we talk about crisis leadership, so is about being prepared with a plan to follow when a crisis occurs. So, what the crisis leader does? He well plans to have the planning prepared. So, it is about the role of corporate leaders in crisis prevention, and the

preparedness is there. So, effective crisis leadership is about having foresight and proper pre-crisis planning for managing a crisis.

So, therefore, in that case, it is becoming different. That is effective crisis leadership is about having foresightedness. So, what type of leadership is there? Whether the leadership have the foresight and the proper pre-crisis planning there or not? So, it is always when we talk about the prevention and preparation-ness of the crisis.

So, always, there is foresightedness is there. Vision is there. So, the leader understands that this situation is going to arise. And then, he has to tackle the situation in advance itself. There is a great need for leaders from all walks of life to show that they possess the skills and competence to lead during times of crisis. So, that particular competency is required that they will be able to manage if a crisis arises.

So, proactive organizations have found it prudent to designate a specific individual or unit to scan and monitor the internal and external environments for potential threats or warning signs of a crisis. So, there is constantly scanning and monitoring the internal and external environments. Furthermore, whenever you analyze the internal and external environment, naturally, you will know that particular potential threats or warning signs are there.

For example, whenever we are talking about this TWOS (04:35) matrix is, there and threats, weaknesses, opportunities, and strengths. So, therefore, always we talk about the SO strength and opportunities, and then the strength and threats, the weakness and opportunities, and weaknesses and threats are there. So, monitoring the internal and external environments, these opportunities are usually internal.

Furthermore, whenever we talk about the threats' weaknesses, they are external. So, always try to get that is the, we can match these strengths with the opportunities to maximize. Moreover, this weakness with the threats to minimize is there. So, what do we plan? We plan to develop this leadership. That is the, in this situation, in the crisis. So, whatever the threat to our strength, that has to be well planned and prepared.

So, prevention and preparation is the formula for this. So, if you are well prepared and you know that you have the prevention, you will be successful.

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## Crisis Leadership (Cont.)

Five essential competencies of crisis leaders, which are the ability to:

1. **Craft a vision.** Formulate an overarching vision of crisis management for the organization.
2. **Set objectives.** Establish strategic goals and program objectives for crisis management.
3. **Formulate, Execute, and Evaluate crisis plan.** Coordinate the creation of a crisis management plan.
4. **Communicate.** Establish a communication plan for notification and mobilization when needed.
5. **Manage people.** Develop a pre-crisis simulation and drill plan for the crisis team and the entire organization.



So, what are the different essential competencies are there? So, craft a vision. So, formulate an overarching vision of crisis management for the organization. So, a crafting vision is there, then the set objectives. So, establishing the strategic goals and the program objectives is crisis management. So, always have these or set the objectives for your goals.

Whatever these strategic goals and programs will be there so that you can manage the crisis. Formulate, execute and evaluate a crisis plan. So therefore, coordinate the creation of a crisis management plan. So, the manager must develop this particular planning skill in the skills. He can develop this execution and evaluate that particular crisis plan is there.

Then, they communicate. Establish a communication plan for notification and mobilization when needed. So, a communication plan will always be there to communicate is there. Moreover, whenever there is a plan for this communication, so, whatever, people that your team should know what the issue is there. What are these? In this crisis, who will contact whom.

Who will be the nodal person taking care of this particular problem? Moreover, from where they will get the resources? All this communication that is about the mobilization of resources, man, machine, material, money, method, minutes, all 6 Ms which are essential in management so that mobilization will be communicated in the time of crisis is there, because, in the crisis, you will require the resources.

So, immediately getting the resources or managing the resources is difficult. So therefore, already well planned is there. Manage the people., this competency, these leaders who manage crises develop a pre-crisis simulation. Those trials are a drill plan for the crisis team and the entire organization. So, it is not like that. This will be coming as a surprise. Rather than they are well prepared. Moreover, they can manage this crisis.

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## Formulating a Crisis Plan

- Leaders who are able to overcome these psychological roadblocks and perceive risks realistically can approach crisis management planning in a logical and systematic way.
- The literature suggests that organizations with early crisis identification systems and crisis management plans already in place before the occurrence of a crisis are significantly better prepared to manage and survive a crisis event.
- In addition, these better prepared organizations have the opportunity to reposition themselves and turn a crisis event into a strategic opportunity.

**(Appelbaum et. al., 2012)**



Overcome the psychological roadblocks, and they perceive the risk realistically. Can approach the crisis management planning logically and systematically is there. The literature suggests that organizations with early crisis identification systems. Now, that is very important. So, like, it is disaster management is there. So, therefore, whenever there is an earthquake and if you get the notice that there is a flood and you get weather notice is there.

That is, and then, what happens? That is you have well prepared is there. So, early crisis identification is to be prepared. Systems are to be prepared. So, in HR and behaviour also, you can plan for this type of this identification system.

Moreover, those are called the HR indicators. I call that an HR indicator. So, from the HR indicators, you can, if you have the strong indicators, know, so, you will know that this particular employee will create a crisis.

So therefore, in that case, much expertise is required so that identification of the systems and the crisis management plans are already in place before the occurrence of a crisis. Furthermore, suddenly, that one employee creates a problem, so you know it is how to

manage this particular crisis and be better prepared to manage and survive a crisis event. These better-prepared organizations have the opportunity to reposition themselves.

Moreover, turning a crisis event into a strategic opportunity is there. Moreover, therefore, if they are smart enough, they will convert this crisis into an opportunity.

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### Formulating a Crisis Plan (Cont.)

- Organization's readiness to respond to a crisis is a function of the following:
  - ❖ The skills, abilities, and experience of a designated crisis leader
  - ❖ A trained and well-prepared crisis team
  - ❖ Organizational preparedness through regular drills and training
  - ❖ Adequate organizational resources
  - ❖ Top management support and commitment
- Crises by nature are not part of the regular work experience; therefore, effectively managing crisis situations requires leaders to be well prepared for the unknown



An organization's readiness to respond to a crisis is a function of the following, the skills, abilities and experience of a designated crisis leader. Moreover, therefore, in that case, this particular organization's readiness to develop the skills, especially the technical skills. So, in the case, of skills and abilities, there is job knowledge in doing the job. Alternatively, is the case of a managerial aspect is there.

What skills do you have? What are the abilities they have? So they can manage this particular crisis. A simple example of that is the diversification of the product. So, suddenly, if this report comes, your organization cannot survive unless and until you do not have the diversification. So therefore, in that case, a designated crisis leader will be there. A trained and well-prepared crisis team is there.

Moreover, therefore, it is already that you have the team that will handle this particular crisis. Organizational preparedness through regular drills and training is there. Let me see the firefighting. Moreover, in the firefighting training, they keep on giving the training. So, when in case, unfortunately, there is a fire, then this team is ready. And then, they are ready to use the extinguishers.

Moreover, cover all these management practices for this particular crisis. So, there is man, machine, material, money, and methods with adequate organizational resources. So, the top management's support and commitment are required. You see, decisions will be taken, which may sometimes be wrong or right. Furthermore, therefore, in that case, if there is any wrong decision by mistake, then the top management's support and commitment are required.

Crisis, by nature, is not part of the everyday work experience. Therefore, touchwood should not be an everyday work experience. Furthermore, effectively managing crisis situations requires leaders to be well prepared for the unknown because it is unknown.

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### Benefits of a Crisis Plan

Though suffering some loss is almost unavoidable, having a crisis plan in the event of an actual crisis has several benefits and having a crisis plan in place can:

- ❖ Reduce the duration of a crisis
- ❖ Enhance or retain a corporation's reputation
- ❖ Allow for quick and effective responses
- ❖ Improve communications
- ❖ Enhance coordination and cooperation
- ❖ Ensure ready and available resources
- ❖ Ensure fewer costly mistakes
- ❖ Ensure less panic
- ❖ Ensure quicker resolution of the crisis
- ❖ limit or protect financial loss





Image Source: <https://helpfuldigital.com/guides/templates-and-tools/how-to-develop-a-crisis-communications-plan/>

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The benefits of a crisis plan. Though suffering some loss is almost unavoidable, having a crisis plan in an actual crisis has several benefits and having a crisis plan in place. Reduce the duration of a crisis. Enhance or retain a corporation's reputation. Allow for quick and effective responses. Improve communications. Enhance coordination and cooperation among the team members.

Ensure ready and available resources. So, whatever the resources are required to manage the crisis, they are available. Ensure fewer costly mistakes are there. So therefore, maybe inevitable costly mistakes are there, and then, in that case, how you will be overcoming that particular crisis? So, you should have a plan. Ensure less panic. Otherwise, what happens?

If it is a sudden shock experience, then people will behave, becoming more panicked. Nevertheless, if their mind is prepared that this crisis may come, they will have minor panic. Ensure quicker resolution of the crisis. Furthermore, therefore, in that case, whatever the crisis is there, the crisis is a crisis. Even if you can control it, you have to see that you have a permanent solution; a quicker solution to the resolution of the crisis is there.

Limit or protect the financial loss. Ultimately, it is the business entity. Moreover, therefore, we have to minimize the losses in crises.

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### The Three Stage Crisis Management Plan

- Pre Crisis Planning**
  - Form Crisis Response Team
  - Develop Crisis Plan
- Leading during a Crisis**
  - The Role of senior Leaders
  - Effective Crisis Communication
  - Crisis Resolution
- Adapting after a Crisis**
  - Evaluation of a Crisis Response
  - Lesson Learned
  - Preventing a Future Crisis

Image Source: <https://www.timetrainers.com.au/news/business-crisis-management-2/>

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So, pre-crisis, leading during a crisis and adopting after a crisis. Whenever we talk about pre-crisis planning, the crisis response team is there. So therefore, they have been well trained, well guided, and well supervised. If a situation occurs, what you are supposed to do. Develop the crisis plan. So therefore, if the, even then, in that case, the crisis occurs.

Then, you are supposed to take action as per the discussions and meetings held before the crisis has arisen. Leading during a crisis now, but despite these, if there is a crisis, the role of the senior leaders becomes essential because they have to find out the solution to this crisis management is there. Moreover, if effective crisis communication, crisis resolution will be there, and the problem will be solved.

Adapting after the crisis, evaluate now; the crisis is over, but what the lessons of learning. Lessons of evaluation of the crisis response and lessons learned from this particular experience and the prevention of a future crisis. That is how in the future, if again there is a



crisis, how we can prevent ourselves is there based on the experience. So therefore, based on experience, we should prepare the road map for future prevention and control.

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## Pre-Crisis Planning

- Every organization (large, small, for-profit, or nonprofit) should have a pre-crisis plan. Although no one can develop a pre-crisis plan that would accurately anticipate and address every possibility in the future, such a plan is still the best way to mitigate the negative consequences of any crisis.
- The message in pre-crisis planning is to **hope for the best and plan for the worst.**
- Pre-crisis planning addresses three key questions:
  1. Do we have a crisis response team and who is on it?
  2. What is our crisis plan of action?
  3. Do we have all the necessary resources in place?



Every organization, a large or small, for-profit or non-profit organization, has a pre-crisis plan. Develop a pre-crisis plan that would accurately anticipate because we are unaware of what will. For example, the earthquake at what pace will be there, we do not know. So therefore, in that case, it is almost like we are ready for that, but not exactly. So, there will be the, anticipate and address will be there in the, whatever is the plan is there.

Then, that will be, we have to find out as per the plan. We can minimize the negative consequences of any crisis. Hope for the best and plan for the worst. So therefore, this is the funda. So, funda is this that is the always that we will be able to manage the crisis. So, if you remember, there are so many disasters and crises in Uttarakhand. And then, in that case, always, it was the belief that we would be able to solve.

And then they minimize the losses. So therefore, that planning for the worst is there. So, after some experiences, now the government is so well prepared and can control the step of the crisis based on past experiences and disaster experiences. So, therefore, in that case, how the same thing is there in the family. So, suppose any crisis occurs if we are well prepared and well planned because we know that the crises can come at any time.

Then, definitely, in that case, our response to that particular crisis will be much better. So, do we have a crisis response team who will be on the front line? Yes. What is your crisis plan of control? Do we have all the necessary resources in place that is to be ensured?

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**Pre-Crisis Planning (Cont.)**

1) Do we have a crisis response team and who is on it?

- Having a standing crisis response team increases an organization's ability to respond to a crisis in a timely and effective manner.
- A crisis response team should involve a good mix of representatives from all parts of the organization. Diversity in the makeup of the crisis response team increases diverse input that contributes to better decisions.
- In the event of a crisis, a leader wants a team that has trained and worked together. During pre-crisis planning, questions on information flow and chains of command are addressed.





Image Source: [https://www.kindpng.com/img/m/ma/mx1\\_marketing\\_team\\_clipart\\_hd\\_png\\_download/](https://www.kindpng.com/img/m/ma/mx1_marketing_team_clipart_hd_png_download/)

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Moreover, do we have a crisis response team and who is on it? So, therefore, in that case, what will be the crisis? For example, a simple example of an economic recession is there. That is also a crisis. So, the production, finance, marketing, and HR executives are working together? Having a standing crisis response team increases an organization's ability to respond to a crisis in a timely and effective manner is there.

So, if an economic recession is there, our team will be able to manage that particular crisis. As I mentioned, a crisis response team should involve a good mix of representatives, finance, marketing, operations, and HR. Diversity in the makeup of the crisis response team increases diverse input that contributes to better decisions.

So, always we have to make this a heterogeneous group. Furthermore, whenever we have a heterogeneous group, the heterogeneous group will contribute to better decisions. In a crisis, a leader wants a team that has trained and worked together. So, during pre-crisis planning, questions or information flow and chains of command are addressed. So therefore, always we have the strength the pre-crisis planning.

So, involve all the people. Let them ask the questions. Let them be available online. And, during the prerequisites of planning, the questions or information flow. Already ready, and you have the answers for that.

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**Pre-Crisis Planning (Cont.)**

2) What is our crisis plan of action?

- It involves imagining the worst possible scenarios that could happen to the organization and the impact on employees, customers, and other stakeholders.
- To be well prepared, the crisis plan must incorporate as many potential emergency situations as possible. The crisis leader and the team should then assess the risk of these potential events, and evaluate their possible ramifications.
- For each crisis scenario, the crisis team tries to imagine the responses of different stakeholder groups which enhances preparation and reduces the level of confusion, anxiety, and frustration that often ensues.





Image Source: <https://www.qs.com/5-top-tips-to-help-international-offices-develop-a-crisis-management-plan/>

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Now, our plan of action is also essential. The only thing is that this should not be only on the document; it should be well written. So, it involves imagining the worst possible scenario that could happen to the organization and the impact on employees, customers and other stakeholders. So, to be well prepared, the crisis plan must incorporate as many potential emergencies as possible.

Moreover, in that case, we should manage those resources for managing the crisis in advance. The crisis leader and the team should then assess the risk of these potential events and evaluate their possible ramifications. So, always, this crisis leader, what do they do? They are making the team, and this leader and team are always there for any type of event, and they are ready.

Furthermore, therefore, they come with the possible ramifications are there. For each crisis scenario, the crisis team tries to imagine the responses of different stakeholder groups, which enhances preparation and reduces the level of confusion, anxiety, and frustration. So, usually, what happens? That is, our team should be so strong. So, they can identify who the people who will be enhancing the preparation are.

And then reduces the level of confusion. So, the level of confusion should not be there because our team members, those whom we have selected, are already clear with that is the, what type of these issues will be emerging crisis. Furthermore, therefore, that anxiety and frustration will be minimized.

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**Pre-Crisis Planning (Cont.)** *6 Ms man/m/c/ material, money and method* **UNPREPARED**

3) Do we have all the necessary resources in place?

- Both financial and non-financial resources are needed to manage crisis and having the right quantity and quality of resources is critical for success.
- It is often the case that during a crisis, resources (people, technology, and equipment) that are brought to bear may never have been deployed to see how well they function together. This underscores the importance of training and drills that simulate actual crisis situations or scenarios.
- In the event of a crisis, the pre-crisis plan is put into action. The crisis leader and his team have to step forward and manage the crisis effectively.




Image Source: <https://www.techimage.com/blog/4-key-steps-to-successful-crisis-management/>

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Do we have all the necessary resources in place? Both financial and non-financial resources are needed to manage. So, I always talk about the man, machine, 6 Ms, man, machine, material, money and method. Now, whenever we are talking about the financials, we are talking about that money. Moreover, whenever we are talking about the non-financial, resources are concerned.

So therefore, in that case, whatever the methods we are using and then methods that will be minimizing the cost of our, that particular operation. So, all these aspects that we can create should be managed with the resources in a plan. So, we are well prepared. It is not unprepared. We are well prepared is there. So, people, technology and equipment, you know, these people, technology and equipment to near may never have been deployed to see how well they function together.

Moreover, that is also very important. So, many times we see their fire extinguishers placed, but it is difficult to get to start that particular fire extinguisher at the time of the fire. Even people do not know. So therefore, in that case, that is near and deployed to see how well they are functioning together. If they are not functioning, what will be the outcome? Furthermore, they have underscored the importance of training and drills that simulate the actual crisis.

So, these drills are to be done. So, that is the natural crisis. We are ready. In a crisis, the pre-crisis plan is put into action. Moreover, the crisis leader and his team have to step forward and manage the crisis. So, that is a preventive step.

Moreover, the people should be well prepared in advance. Furthermore, those leading this type of the crisis are called crisis leaders. So, they are experts in managing the crisis.

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### Leading during a Crisis

When a crisis erupts, a rapid response is vital. The crisis leader must step forward and lead. The effective leader focuses on three key areas :

- **Goals** define the “What”—that is, the specific outcomes and objectives of the crisis intervention.
- **People** define the “Who”—getting the right people in the right positions with the right teams.
- **Resources** define the “how”—determining how resources will be allocated to the right people and how they will employ such resources.



So, in, do, while leading the crisis during a crisis, the crisis leader must step forward and lead. The effective leader focuses on three key areas, goal, people and resources. That is the specific outcomes and objective of the crisis interventions. What is going to happen? People define the who. Who is getting the right people in the correct position with the right teams?

So therefore, in that case, who will be responsible for managing this crisis? It is known. Moreover, resources define the how. They are determining how resources will be allocated to the right people. Moreover, how they will be employed these such resources are there.

Furthermore, therefore, in that case, this will always be the situation. Whether it is all resources, we are in the hands of the right people. Furthermore, they can use those resources for the organization to manage the crisis.

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## Leading during a Crisis (Cont.)

There are three key principles of crisis leadership:

- (1) Stay engaged and lead from the front
- (2) Focus on the big picture and communicate the vision
- (3) Work with the crisis management team.

Another way of saying this is for the crisis leader to be mindful of the “three As”-

- **Acknowledge or Admit** the crisis.
- **Action** you are taking to contain or repair the damage.
- Tell the public what you are going to do to **Avoid** a repeat in the future.



Image Source: <https://mediamantra.net/crisis-management>



So, there are the three fundamental principles of crisis leadership. Stay engaged and lead from the front. Focus on the big picture and communicate the vision. Work with the crisis management team, you know. So, therefore, always a leader should be different. They should work with the crisis management team and always focus on the picture and communicate how this team is going to work.

So, another way of saying this is that the crisis led to being mindful of the 3 As. Acknowledge or admit the crisis. The action you are taking to contain or repair the damage. Moreover, tell the public what you will do to avoid a repeat in the future. Moreover, in that case, it has always been said to your team members. That is the, yes. That is always mindfulness of these leaders they are (( )) (24:26).

So, acknowledge, admit, and action; these 3 As are very important and that you will do to avoid a repeat in the future is there. So, that is required to be handled.

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## Adapting after a Crisis

An effective post-crisis evaluation can turn a negative event into a growth and learning experience. Most forward-looking organizations do a postmortem. That is, in the aftermath of a crisis, top management authorizes a review and The review should include performance indicators such as the following:

- ❖ Effectiveness in communicating with key stakeholder groups
- ❖ Effectiveness in addressing the root cause(s) of the crisis
- ❖ Crisis team effectiveness
- ❖ Leadership effectiveness
- ❖ Effectiveness in dealing with victims and family members



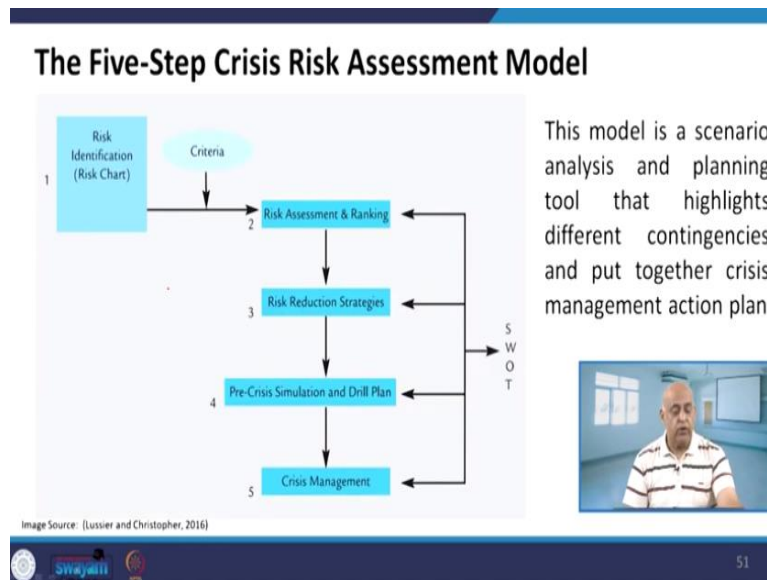
Now, suppose that crisis is over, then adapt after a crisis. A practical post-crisis evaluation can churn an adverse event into growth and a learning experience. This is also very important. So, many times, the challenging situation makes you more robust. So, you become stronger. So, because of what happens with this tricky situation, you learn how to handle the challenging situation.

Moreover, that learning experience is what you have learned by handling this particular situation and overcoming that particular situation. So, that will make you the more powerful. So, most forward looking organizations do a postmortem. Moreover, that is in the aftermath of the crisis. Top management authorizes a review. Moreover, the review should include performance indicators such as the effectiveness of communicating with the key stakeholder groups.

So, earlier, we have talked about whether there should be a proper influential communication group is to be there but whether that has been the effect or not. Effectiveness in addressing the root cause of the crisis, so, whether the, it is only the symptom of the crisis is treated at the root cause of the crisis. Crisis team effectiveness, we, in the preparation, have talked about that is, we have to work in the team. We have to create a crisis team.

However, whether that team was effective or not while handling the crisis, leadership effectiveness, the person at the front, was able to influence the behaviour? Moreover, the effectiveness in dealing with the victims and family members is how it has been, becoming the effectiveness for the family members are there.

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So, when we are talking about the 5-step crisis risk assessment model, we are there. In crisis management, identify the risk; what is the risk? So, there will be the criteria, where this model is a scenario analysis and planning tool that highlights different contingencies and puts together a crisis management action plan. So, risk assessment and the ranking is there. There is a, what type of the risk is there?

Furthermore, what type of crisis rank is there? Risk-reducing strategies, so there is a risk, can we minimize that particular crisis. Pre-crisis simulation and drill plan, so, therefore, if the crisis occurs, how we will be responding to that particular situation will be the pre-crisis simulation plan are there, and crisis management is there. So, ultimately, you are managing that particular crisis.

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## Research Paper



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# Leveraging culture and leadership in crisis management

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### Purpose

The purpose of this paper is to explore the relationship of organizational culture, leadership and crisis management through exploration of these three constructs with respect to crisis management.



So therefore, if you can manage this planning preparation now, you must have seen it. This is also common with negotiation. So therefore, your leadership in negotiation and leadership in crisis both require your preparation and prevention, and both have the teams. So therefore, it is always better. That is, you have enough preparation so that if that situation arises or when you are going through that particular phase, you are well prepared.

So, also you can learn from the research practices. This is the paper. The title is Leveraging Culture and Leadership in Crisis Management. Now, this is another crucial point. That is about the organization's culture. So, whether the organization's culture is to get these prevention practices or not and well-planning practices or not. Many organizations ignore this type of crisis and the possibilities of this crisis.

Moreover, therefore, in that case, if that culture is not there, it will be challenging for leaders to control the crisis. However, if there is a culture that is I am identifying the crisis situations and then well preparation for these facing these situations, making the team, managing the resources, then definitely, in that case, that will be a proper crisis management be there.

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## Research Paper

### Design/methodology/approach

In this paper, a conceptual framework has been proposed that is based on the literature findings of organizational culture, leadership and crisis management. Two types of cultural elements are used; internal versus external focus and low versus high flexibility. Organizational crisis management process is explained through the five-stage life cycle, including signal detection, prevention, damage containment, recovery and learning.

Four types of leadership are included; directive, transactional, cognitive and transformational that are critical during crisis management. Five research propositions have been proposed for each stage of crisis management.



So, here, four types of leadership are included. So, organizational crisis management is the, also here, 5-stages life cycle which we have talked about. That is, detection, prevention, damage containment, recovery, and learning are there. So, after that crisis also, we can learn. That is what exactly we have and documentation. So, whenever we talk about this crisis management, we will forget that that was a situation after five years.

For example, this disaster occurred in Uttarakhand. Moreover, it is well documented. Moreover, after almost more than seven years, we can see that is the yes that we are better prepared with the help of that documentation. So, this time it will not be that many losses. Touchwood, it should not be there. However, in the case something goes wrong, a crisis comes. It is a natural crisis. So therefore, in that case, we are prepared.

So, what leadership is required? The directive, transactional, cognitive and transformational is critical during crisis management. Five research propositions have been proposed for each stage of crisis management is there.

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## Research Paper

### Findings

5 propositions have been proposed based on the stages of crisis management.

**P1a.** During an internal crisis, an internal focused with low flexibility organizational culture, along with a mix of cognitive and directive leadership styles and sensemaking, and perspective taking as competencies, can support organizations to detect signals and prevent crisis in the pre-crisis phase.

**P1b.** During an external crisis, an external focused with high flexibility organizational culture, along with a mix of transactional and directive leadership styles and issue selling, organizational agility and creativity as competencies, can support organizations to detect signals and prevent crisis in the pre-crisis phase.



So, Proposition 1, Proposition 2, Proposition 3, Proposition 4, and Proposition 5 are there.

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## Research Paper

### Findings (Cont.)

**P2a.** During an internal crisis, an organizational culture which is internally focused, with a high flexibility, along with a mix of transactional and transformational leadership styles and decision-making, communication and risk-taking as competencies, can contain damage and support the organization towards recovery during a crisis

**P2b.** During an external crisis, an organizational culture which is both internally and externally focused, with a reasonable degree of flexibility, mix of transactional and transformational leadership styles and decision-making, communication as competencies can contain damage and support the organization towards recovery during a crisis



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## Research Paper

### Findings (Cont.)

**P3.** For either type of crisis (internal or external), an organizational culture which is both internally and externally focused along with high flexibility, transformational leadership and organizational resiliency, learning and reflection as competencies can support recovery and organizational learning in the post-crisis phase.

### Research Limitations/implications

The conceptual framework needs to be tested for validity. More research is needed on how changing demographics and technology affect these constructs. Organizations need to develop focus on leadership competencies and crisis-prone culture to tackle any crisis event.



So, research limitations and implications are there. So, naturally, every research has certain limitations and implications.

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## Research Paper

### Practical implications

Organizations need to develop leadership competencies and crisis-prone culture. Organizations needs to be reflective on their practices

### Originality/value

The proposed conceptual framework is an expanded version of the crisis response leadership matrix (CRLM) model of Bowers et al. (2017). In this paper, an unique concept is presented by aligning leadership, culture and crisis management with respect to each stage of crisis management and types of crisis.



Moreover, this will be the originality of this particular paper. So, always, this type of paper and research papers if you go through we find that is we can develop the leadership competencies and crisis-prone culture is there. Moreover, organizations are well prepared. So, there should be a focus on this particular type of leadership in the organization. So, organizations will be well prepared and lose, especially the human resources loss.

That will be the minimum when we are well planned and prepared to prevent this loss.

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## Case Study : Antonio Perez—Eastman Kodak

- Antonio Perez, took over as chairman and CEO of Eastman Kodak in 2005. Perez is an American, born in Spain went on to graduate from college and start a career at Hewlett-Packard (HP), where he worked for 25 years before leaving to join Eastman Kodak in 2003.
- He was instrumental in transforming HP's inkjet printer business division from a money-losing to a moneymaking operation. HP increased its market share to over 60 percent around the world. Despite his accomplishments, Perez was passed over as a choice to the company's CEO position in 2003, so he resigned.
- Kodak, the once-innovative digital giant with 17,000 patents worth between \$2 and \$3 billion, was on a fast slide downward.



Source: (Lussier and Christopher, 2016)



This is the case study about Antonio Perez; Eastman Kodak is there. So, he is the chairman and CEO. Moreover, born in Spain, I went to graduate from college. Instrumental in transforming HP's inkjet printer business division from a money-losing to a moneymaking operation is there. So therefore, Perez was passed over as a choice for the company's CEO in 2003. So, he resigned. Kodak, the once innovative digital giant, is there, which has been started.

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## Case Study (Cont.)

- Its stock price, once worth around \$25, had plunged to just cents to the dollar. The company that gave birth to the first digital camera in 1975 was now being left behind in the digital revolution.
- Kodak had turned to a slow-moving bureaucratic company. It was losing ground to competitors like Sony, Nikon, Canon, and Olympus in the digital imaging business. These companies were much faster at innovating and responding to market demands.
- On January 19, 2012, Perez announced that Eastman Kodak was filing for Chapter 11 bankruptcy protection



Source: (Lussier and Christopher, 2016) Image Source: <https://en.wikipedia.org/wiki/Kodak>



Moreover, we know that all of us, who gave birth to the first digital camera in 1975 and are now being left behind in the digital revolution, are there. So, whatever has been done, these companies were much faster innovating and responding to the market demands. So, Sony, Nikon, Canon, and Olympus are becoming faster in the market demands. That Eastman Kodak was filing for Chapter 11 bankruptcy protection. That is the, in 2012.

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### Case Study (Cont.)

- Along with this filing, Perez embarked on an aggressive restructuring strategy to cut cost while diversifying into new business sectors to increase revenues.
- Despite these actions, many investors believe Perez was not acting fast enough in his transformation plans. He was criticized for acting too slow in winding down operations and making the layoffs that the company needed to survive before it was in an unavoidable bankruptcy.
- However, the board of directors thought differently. Perez, it said, will remain CEO for one year post-bankruptcy emergence, or until the postemergence board of directors elects his successor, whichever is sooner.
- Kodak emerged from bankruptcy and its restructuring on September 3, 2013.



Source: (Lussier and Christopher, 2016)



He embarked on an aggressive restructuring strategy to costs while diversifying into new business sectors to increase revenues. Many investors believe Perez was not acting fast enough in the transformation plans. He was criticized for acting too slow in winding down operations and making the layoffs that the company needed to survive before it was an unavoidable bankruptcy.

So, whatever the steps were required, the Kodak or the Perez was too late. However, the board of directors thought differently. Perez, it said, will remain CEO for one-year post-bankruptcy emergence or until the post-emergence board of directors elect his successor, whichever is sooner. Moreover, Kodak emerged from bankruptcy and its restructuring on September 3, 2013.

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## Case Study (Cont.)

- Kodak has transformed into a business-to-business company focused on imaging. It describes itself as a company centered on disruptive technologies and breakthrough solutions for the product goods packaging, graphic communications, and functional printing industries.
- As a result of Perez's reorganization strategy, Kodak today is leaner, financially stronger, and ready to grow. The stock price that once traded for just cents to the dollar is now back over \$27 a share.
- It seems Perez is proving his critics wrong. For those who thought Perez was risking his own survival by taking a stake at Kodak's survival, time may prove them wrong.



Source: (Lussier and Christopher, 2016)



Kodak has transformed into a business to a business company focused on imaging. It describes itself as a company centred on disruptive technologies and breakthroughs. The solution for the product goods packaging is their graphic communications. Moreover, it seems to prove his critics wrong. For those who thought Perez was risking his survival by taking a stake at Kodak's survival, time may prove them wrong. So, once traded for the just cents to the dollars, now, back over dollar 27 a share.

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## Case Study (Cont.)

### Questions

- Q1) Describe the nature of the crisis that Kodak has been going through since Perez took over as CEO in 2005?
- Q2) In your opinion, could this crisis have been avoided?
- Q3) How effective has CEO Perez been in managing the crisis so far?
- Q4) In your opinion, has Mr. Perez been an effective communicator in the way he has handled the crisis?
- Q5) What are some of the changes Mr. Perez has instituted to avoid a repeat of a similar crisis in the future?



Now, what are some of the changes Mr Perez has instituted to avoid repeating a similar crisis? So, this is a fascinating case study that will help you understand. That is how the leadership of Perez handled the situation.

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## Book Recommendation

### 7 Lessons for Leading in Crisis

**Authors:** Bill George  
**Publisher:** Jossey-Bass;  
(August, 2009)  
**Language:** English  
**Paperback:** 160 Pages  
**ISBN-10:** 0470531878

BILL GEORGE



Image Source: <https://www.amazon.com/Lessons-Leading-Crisis-Bill-George/dp/0470531878>



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This book is recommended, 7 Lessons and Leading in Crisis.

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## Book Recommendation

- Seven Lesson for Leading in Crisis is a survival kit for anyone in a leadership position.
- A concise handbook for applying proven leadership lessons in tough times
- Written by Bill George one of America's most trusted business leaders and author of True North and Authentic Leadership
- Offers realistic actions leaders can take to put their companies on the right long-term path
- Seven Lesson for Leading in Crisis gives leaders a solid strategy for staying the course.

BILL GEORGE



Image Source: <https://www.amazon.com/Lessons-Leading-Crisis-Bill-George/dp/0470531878>



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So, leadership in crisis, this will be book 7.

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## Book Recommendation

• The Seven Lessons Include:

1. Face Reality, Starting with Yourself
2. Don't Be Atlas; Get the World Off Your Shoulders
3. Dig Deep for the Root Cause
4. Get Ready for the Long Haul
5. Never Waste a Good Crisis
6. You're in the Spotlight: Follow the North
7. Go on Offense, Focus on Winning Now

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Image Source: <https://www.amazon.com/lessons-leading-crisis-bill-george/dp/0470531878>



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It is the face reality, starting with yourself. Do not be Atlas; get the Atlas a world off your shoulders. Dig deep for the root cause. Get ready for the long haul. Never waste a good crisis. You are in the spotlight; follow the north. Moreover, go on offence, and focus on the winning now. So, therefore, never get discouraged; always try to come out with this type of crisis.

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Learn from that experience and go ahead. So, these are the references from the text material taken for your further studies.