

Chapter 6

Responsible Leadership in a Post-Pandemic World



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Introduction

This chapter will consider the role of responsible leadership in crisis management. While it was written during the devastating COVID-19 pandemic, its coverage of crisis events will also relate lessons learned from crises that occurred prior to the current pandemic and will demonstrate how an informed understanding of crisis management will enable enlightened organizational leaders to navigate present and future crisis situations skillfully through responsible leadership. The focus of this chapter is innovative, in that it considers the role of responsible leadership in successful crisis management and contributes to recognition that successful crisis management can be realized only through organizational leaders who are fully committed to enacting their roles and responsibilities in a responsible, inclusive, and transparent manner.

We will begin with a discussion of the role that responsible leadership plays in organizational success and survival. While the fact that many crisis situations have the potential of compromising an organization's success it is understood by most leaders of contemporary organizations that the COVID-19 pandemic has clearly and convincingly demonstrated the devastating potential of crisis events in terms of organizational survival. This reality has resulted in an increased recognition of the potential severity and impact that a crisis can impose on contemporary organizations and the essential importance of a comprehensive crisis management approach designed to prevent, prepare for, recognize, resolve, and recover from crisis situations, whether originating within an organization or within the environment in which it operates. The integral role of responsible leadership will thread throughout the chapter.

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The general role that responsible leadership plays in enhancing organizational diversity, equity, and inclusion, while understood by most contemporary organizational leaders - particularly those in senior leadership positions - provides a foundation for considering the role of responsible leadership in effective and efficient crisis management. Skillful execution of crisis management roles and responsibilities through responsible leadership contributes to sound crisis management that leads to organizational resilience, survival, and success.

In the interest of providing a proper context from which to understand the nature and challenges of crisis management, working definitions of “crisis” and “crisis management” are provided. Representative past and present crises are discussed to illustrate the nature, severity, and impact of crisis events, along with the crisis management challenges with which contemporary organizational leaders are increasingly confronted and are expected to address properly through responsible leadership. The importance of understanding organizational vulnerability with respect to various crises and the role of sound crisis management planned and implemented successfully through responsible leadership in ensuring organizational resilience and survival are emphasized.

Effective organizational leaders recognize the importance of properly understanding and responding to stakeholder expectations. They understand that the stakeholders of the organization that they have been entrusted to manage and lead will have certain expectations for their organization as it navigates its way through a crisis situation. In addition to organizational leaders making and implementing prudent and informed decisions, an organization’s stakeholders expect to be kept in the loop through effective organizational communication activities. While all stakeholders have an interest in what’s happening during a crisis, responsible leaders recognize that they have a primary responsibility to keep their customers, employees, and owners properly informed throughout a crisis.

A five-step crisis management process is presented, and the role that each of these sequential steps plays in successful crisis management is discussed. These steps include crisis prevention, crisis preparation, crisis recognition, crisis resolution, and crisis recovery. The crisis management process is further examined from the perspective of crisis management activities before, during, and after a crisis.

The chapter concludes with a discussion of the role that responsible leadership plays within the overall crisis management process, as well as during each of the steps and phases of the process. The recurring theme throughout the chapter is that those called to leadership positions within contemporary organizations must be prepared to understand fully the many challenges, including crisis events, of the dynamic world in which contemporary organizations operate and be committed to preparing in advance of crisis situations to ensure that they possess the knowledge, skills, and confidence to lead their organizations responsibly.

Responsible Leadership

References to “responsible leadership” have become commonplace in the contemporary business world and society. While over the years the terminology used by theorists and practitioners has evolved, the core recognition of the importance of sound leadership has been recognized and demonstrated over many years. Since the advent of formal organizations, the need for qualified leaders has been acknowledged.

Those who interact with organizations in various ways have come to be called organizational stakeholders. Organizational stakeholders include customers, employees, owners, and suppliers, as well as the general public. While there are differences in the concept of what responsible leadership involves, a common thread in all definitions of responsible leadership is that organizations and those who lead them have an inherent obligation to ensure that their organizations are striving to achieve the common good for their present and future stakeholders. Most definitions of responsible leadership thus incorporate the concept of ensuring sustainability as a primary role and responsibility that current leaders should recognize, embrace, and passionately pursue in the interests of both the present and future stakeholders of their organization’s actions and resulting impact.

Responsible leadership involves understanding and responding to the expectations of stakeholders regardless of their degree of interaction with an organization. While meeting and, ideally, exceeding the expectations of primary stakeholder groups including customers, employees, and owners clearly fall within the charge of organizational leaders, these leaders similarly have a responsibility to the public and society in terms of the impact that their business decisions will have both in the present and for future generations.

This responsibility for sustainability has been categorized as involving the three related dimensions of people, planet, and profit. These dimensions of sustainability have also been referred to as social, environmental, and financial. Some have advocated that responsible leadership further involves achieving organizational goals without compromising core values (Doppelt, 2017). Those who advocate this expanded view use the words culture, purpose, or progress to describe this fourth dimension of sustainability.

The premise of this chapter is that while responsible leadership involves all of the recognized attributes and actions of enlightened leaders including innovation, inclusion, and transparency, crisis situations and events that challenge organizations set the stage for visionary leaders to rise to the occasion as they prepare and guide their organizations through the troubled waters of a crisis. The challenges and stakes of the decisions that they make can significantly increase during a crisis. While the term “stewardship” is often used to describe the responsibility that organizational leaders have with respect to the resources of an organization, stewardship can also be viewed as how organizational leaders enact the roles, responsibilities, and authority that they have been granted by their organization, including during crises.

While responsible leadership is an important factor in determining the success of an organization in the good times, it is even more crucial during the challenging

times that organizations and their leaders face as a consequence of crisis situations or events. As we consider the challenges that contemporary organizations face in times of crisis, the importance of responsible leadership will become convincingly clear. The significance of responsible leadership during crisis prevention, crisis preparation, crisis recognition, crisis resolution, and crisis recovery will be considered later in this chapter, as will the essential roles that responsible leaders have before, during, and after a crisis.

Organizational Diversity, Equity, and Inclusion

Responsible leaders recognize the importance of organizational diversity, equity, and inclusion. They understand that organizations are in reality collections of individuals, who, often working in groups or teams, enact their roles and responsibilities on behalf of their organization. Astute leaders acknowledge the value of a diverse workplace and seek to recruit, motivate, empower, and retain a qualified, diverse workforce capable of fulfilling their defined roles and responsibilities in the interest of achieving their organization's goals and fulfilling its mission.

As important as workforce diversity is during the good times that an organization faces, it can prove equally essential as organizations face crisis situations and events. The same workplace diversity that enables successful organizations to meet and, ideally, exceed the normal expectations of their stakeholders during routine business times, can prove essential in terms of the knowledge, skills, and capabilities needed during times of crisis. The capabilities of an organization's personnel should be considered in anticipating the crisis management roles that they are qualified and appropriate to enact. A diverse workforce should therefore be viewed as an important crisis management resource and considered in the development of an organization's crisis management plan.

Astute organizational leaders likewise recognize the importance of ensuring organizational equity. Although equity is often conceptualized in terms of only the treatment of an organization's most important resource – its employees – equity also has implications in terms of how an organization interacts with and treats its other stakeholders, including its customers. While equity certainly includes how employees are valued, treated, and rewarded by an organization, equity can actually take on an additional and essential dimension during a crisis impacting an organization and its employees. Equity involves ensuring that all employees receive equal treatment and access to evolving information throughout a crisis that affects them. A pertinent example of this would be ensuring that all decisions related to allowing employees to work remotely during the COVID-19 pandemic were made and communicated in an equitable manner. The importance of ensuring that all stakeholders, including employees, are appropriately informed during a crisis will be discussed later in this chapter.

Responsible leadership is also based on both recognizing the crucial importance of inclusion and incorporating inclusion of relevant stakeholders in one's leadership

practice. A commitment to inclusion is a characteristic of most successful contemporary organizational leaders. These leaders recognize the role that involving others plays in the purposeful recruitment, motivation, empowerment, and retention of the highly qualified workforce necessary to ensure the success and survival of their organization as it operates in a dynamic environment. These challenges are even greater in times of crisis and often call for an all-hands-on-deck approach to crisis management. Inclusive leadership is an obvious attribute of an effective, responsible leadership approach, particularly in times of crisis.

As we turn our attention to crisis events in the contemporary world, it would be remiss to not acknowledge that this chapter is part of a collected work and that various other chapters, particularly those related to leading a diverse workforce and those that address issues of diversity, equity, and inclusion in organizations, provide additional insights that will prove useful in considering the role of responsible leadership in crisis management. As you read the remainder of the chapter, we challenge you to consider the roles and responsibilities that you anticipate having during future crisis situations and how you can prepare yourself to effectively, efficiently, and confidently enact these roles and responsibilities when called upon to do so.

Crisis Events in the Contemporary World

The contemporary world in which we live, work, and travel is dynamic in that it is constantly changing and presents various challenges, some of which can be anticipated and thus predicted, while others are neither anticipated nor predictable. While in a perfect world, organizational leaders would be able to anticipate and predict with certainty not only the likely frequency of the occurrence of certain events, but also their severity and impact, unfortunately that is not reality. Crisis events or situations that originate either within an organization or within its external environment can present unique challenges for which organizations must rely on highly skilled leaders capable of providing the responsible leadership necessary to enable their organization to weather the storm of a crisis and continue to fulfill its mission including meeting and, ideally, exceeding the expectations of its stakeholders.

Before we consider the role that responsible leadership plays in successful crisis management it is appropriate to review the context provided by a working definition. The Oxford Advanced American Dictionary defines a crisis as “a time of great danger, difficulty, or confusion when problems must be solved or important decisions must be made.” (Hornby, 2010). This definition clearly attests to the need for responsible leadership as organizational leaders seek to develop and implement viable crisis management plans.

Crisis situations that can challenge a contemporary organization’s present and future success can be categorized in several ways. While many crises originate in the task and/or general environments of an organization, there are those unfortunate instances in which a crisis emanates from within an organization. Representative examples of organizational crisis situations include: financial improprieties, illegal

activities, defective products, product tampering, and catastrophic accidents. The prudent and professional handling by Johnson & Johnson of the Tylenol product tampering incident is an example of the role and practice of responsible leadership in successful crisis management. In contrast, the actions of Exxon following the Valdez oil spill demonstrate the consequences of ineffective leadership during a major crisis event.

External crisis situations or events that have the potential of challenging an organization's success and survival include: economic and financial crises, health crises, weather-related events, natural disasters, emergency incidents, technological crises, and terrorist attacks. A growing challenge faced by contemporary organizations is defending against the potential threat of cyberterrorism in the interest of protecting not only the organization, but also its various stakeholders whose information could be compromised during a cyberattack. The reality is that crises that begin as one type of crisis can result in additional types of crises. The COVID-19 pandemic illustrates this, in that, while it originated as a worldwide health crisis, it has resulted in a number of other crisis situations that individuals, organizations, and nations have inherited. The staggering downturn in business resulting in many business failures demonstrates the interrelatedness and causal relationships that often exists in times of crises.

In addition to their nature, crises can also be categorized based on their frequency, scope, duration, severity, and impact. Understanding each of these dimensions of potential crisis situations and events enables organizational leaders to develop and implement a realistic and effective crisis management plan. Responsible leaders recognize that, while successful crisis planning involves considering and striking an appropriate balance between the likely frequency and severity of a given crisis, developing a crisis management plan that identifies and addresses all risks and hazards will serve their organization well in times of crisis. This will be further discussed in the next section of this chapter which considers organizational vulnerability to crises.

While there have been many crisis events throughout history, we will consider two major events with which the reader should be familiar. Both of these events illustrate the impact that a crisis can have on individuals, organizations, governments, and nations. They also demonstrate the importance of sound crisis management and crisis plans developed and implemented under the guidance of responsible leaders. As you might guess, the two crisis events that we will briefly consider are the September 11th terrorist attacks and the COVID-19 pandemic.

Although the September 11th attacks occurred almost twenty years ago, they serve to illustrate the reality of crisis events in our modern world. The tragic attacks that occurred on a beautiful September morning challenged the traditional mindset and strategy of crisis preparedness. The traditional approach had been to prepare for the worst while recognizing that it was highly unlikely that the worst would ever occur. The worst case scenario unfortunately did occur on September 11, 2001 in New York City, in Arlington, Virginia, and in Western Pennsylvania.

An attribute of responsible leaders, whether serving in business or governmental roles, must be their desire and, ideally, passion to learn from the past in the interest

of preparing themselves and the organizations they lead for the future. This is without question the case in terms of the development of the necessary crisis management knowledge, skills, and confidence to lead their organization's crisis management initiatives. Through comprehensive, conscientious study of the September 11 attacks, governmental officials learned many lessons, including the need to integrate and coordinate resources from various governmental entities and levels effectively and efficiently, define and articulate in advance roles and responsibilities during an incident, operate under a common incident management system that all involved parties fully understood through training and exercises, credential personnel in accordance with the roles and responsibilities that they would be expected to enact, and ensure effective information dissemination throughout an incident. Later in this chapter we will emphasize the importance of responsible leaders ensuring that organizational stakeholders receive appropriate and necessary information throughout a crisis.

Responsible leaders recognize that it is not sufficient to simply learn from crisis situations; rather they must operationalize the lessons that they learn from crisis situations and events that they experience or study as they lead their organization's crisis management activities (Carmeli & Schaubroeck, 2008). Numerous governmental initiatives that have derived from the lessons learned from the September 11th attacks illustrate how organizations can and must successfully close the loop in their crisis planning activities based on crisis management lessons and experience. These post-9/11 initiatives have included the establishment of the Department of Homeland Security (DHS), the development and implementation of the National Incident Management System (NIMS), the development and implementation of a professional credentialing system corresponding with the various positions, roles, and responsibilities delineated in the National Incident Management System, and the development and implementation of a coordinated system of planning, training, and exercises.

It has been said that our world changed on September 11, 2001. The COVID-19 pandemic similarly changed the world in which we live, work, and travel, and in which organizations around the world have faced numerous unprecedented challenges not only to their present success, but also to their ability to remain viable and resilient to survive this monumental crisis. The Coronavirus is considered a pandemic rather than an epidemic. The distinction between these two classifications of health crisis is significant and important to understand and comprehend fully.

According to the Merriam-Webster Dictionary an epidemic is "an outbreak of disease that spreads quickly and affects many individuals at the same time" whereas a pandemic is a type of epidemic "that occurs over a wide geographic area and affects an exceptionally high proportion of the population." (Merriam-Webster, nd.) The inherent characteristics of the COVID-19 pandemic include its worldwide impact, rapid spread, highly contagious nature, severity, and potential impact on vulnerable populations. While all of these attributes of the COVID-19 pandemic present significant challenges, without question the most troubling reality of this worldwide health crisis is not being able to predict with certainty the actions that will be required to "flatten the curve" and eventually eradicate this deadly virus, and

how long that will take. The fact that our vocabulary has rapidly expanded to include such terms as asymptomatic, community spread, contact tracing, flattening the curve, isolation, quarantine, personal protective equipment (PPE), presumptive positive case, screening, and social distancing serves to vividly illustrate how this worldwide crisis has significantly changed our lives and world.

The lessons that we have learned from this devastating crisis include recognizing that the COVID-19 pandemic is a worldwide crisis requiring worldwide cooperation. We have learned that our healthcare systems can easily become overwhelmed as cases increase along with the need for many individuals who contract the virus to be hospitalized, often requiring intensive care for extended periods of time. Business and governmental leaders have embraced the need for proactive action in terms of personal protective equipment, social distancing, screening, and the development and approval of innovative vaccines designed to prevent the spread of the virus and treatments for those who unfortunately contract the virus. Together, business organizations and governmental entities have embraced the challenges of this major pandemic in the interest of ensuring that sufficient personal protective equipment is available and that revolutionary vaccines and treatments will be available to flatten the curve and eradicate this worldwide health crisis.

The above two crises serve to demonstrate the importance of responsible leaders regardless of the organizations that they lead becoming “students” of crisis management in the interest of enhancing their preparedness and thus that of their organization to address a variety of crisis situations effectively and efficiently. There is much that can be learned from even small crisis situations thus making learning about them extremely beneficial for both organizations and their leaders. Lessons from past crises provide valuable insights for present and future crisis management. An example of this would be the fact that prior to the September 11th attacks, most organizations viewed allowing their employees to work remotely as solely benefiting the employees rather than their organization. Similarly, many organizations failed to recognize the potential organizational benefits of virtual meetings. The lessons learned in both of these areas have demonstrated their merit on many subsequent occasions, including during Hurricane Sandy where many businesses were able to sustain their operations through remote work and virtual meetings. The fact that many crisis management plans provided for remote working arrangements, virtual meetings, and electronic commerce has subsequently enabled many organizations to maintain their operations and resilience during the COVID-19 pandemic.

Organizational Vulnerability and Resilience in Times of Crisis

A prerequisite for successful crisis management is that organizational leaders fully understand their organization’s vulnerability to various crisis situations and events. Responsible leaders not only fully comprehend the potential crises that their organization may experience, they “own” these potential threats to their organization’s

success and survival and develop and implement crisis management plans to ensure the resilience and survival of their organizations.

Assessing organizational vulnerability is therefore the necessary sound foundation for organizational crisis management activities, including the development and implementation of a crisis plan designed in accordance with the crisis situations that a particular organization must be prepared to address. There are a number of important factors that should be considered in assessing organizational vulnerability including the likely frequency, severity, scope, duration, and impact of various crises. As was pointed out earlier in this chapter, in an ideal world organizational leaders would be able to anticipate and predict with certainty the crises that their organizations would face, thus greatly simplifying the challenges of crisis management.

Responsible leadership incorporates crisis planning activities into an organization's strategic planning process. These leaders ensure that potential crisis situations and events capable of challenging the success and survival of their organization are identified as threats during environmental scanning activities. In evaluating each potential crisis, they seek to understand its likely frequency as well as its severity. These are two recognized dimensions that should be considered in risk management activities and consequently in prioritizing the threats that an organization may face and thus must be prepared to address properly.

It is also important to consider the potential scope and duration of each potential crisis. Both of these related factors, while often difficult to predict with certainty, serve to inform both the crisis and strategic planning activities of responsible leaders and their organizations. While many crisis situations and events may present themselves for a limited duration, it is important to recognize that even these events can challenge an organization's continued success and survival. While the duration of most weather-related events is fairly limited, their impact or consequences can span a much longer time, as illustrated by Hurricane Sandy. These events usually have a limited geographic scope which proves fortunate for organizations whose operations exist beyond the affected area. The COVID-19 pandemic, in contrast to a regional influenza outbreak with a fairly predictable cycle, has had a worldwide presence and at the time of this writing an unknown duration.

While there are many metrics by which the success of organizational leaders are measured, including the financial performance of their organization, ensuring organization resilience must be an essential expectation for organizational leaders (Moody-Stuart, 2015). In reality, ensuring organizational resilience captures the necessity and purpose of all crisis management activities. Successful crisis management that positions an organization for resilience and survival in times of crisis requires more than a token or passive effort on the part of an organization's management team. If there ever was a time where proactive, responsible leadership was imperative, it is in ensuring an organization's preparedness to weather the storm of all crisis situations regardless of their nature, frequency, severity, scope, or duration. While ideally an organization will never face the need to implement its crisis management plan, having a robust crisis plan in place will prepare an organization to

lessen the impact and consequences of a crisis event or situation, while enhancing organizational resilience, survival, and continued success.

There are a number of factors that should be considered as organizational leaders assess the vulnerability of their organization to potential crises and its resilience to such events. Factors in assessing organizational vulnerability include the potential business impact, degree of exposure, and impact of exposure for each crisis situation or event. Related organizational strengths and weaknesses should be evaluated in determining organizational resilience with respect to each crisis identified in planning activities.

Factors to consider in evaluating the potential business impact of crisis situations and events include reductions in revenues, market share, and profits, as well as the loss of customers. These factors can contribute to business failure, which obviously is the ultimate vulnerability that an organization can face at any time, but particularly as a result of a crisis. Effective crisis planning also includes a thorough assessment of both the organizational exposure and resulting impact of each crisis that an organization identifies and addresses in its crisis plan. In evaluating the degree of organizational exposure, it is important to consider mission critical activities, involved operations, and whether an organization's operations are centralized or decentralized. It is also important to consider the impact of a crisis in terms of the ability to operate, length of business interruption, increases in operating costs, and ultimately an organization's ability to survive. Evaluation of an organization's strengths and weaknesses is also essential in assessing organizational vulnerability and resilience in times of crisis. Comprehensive crisis management plans, risk management programs, and effective controls are essential organizational strengths that enhance organizational resilience and survival when organizations encounter crisis situations. Responsible leadership thus involves recognizing that, while crisis planning is vitally important in the contemporary world in which organizational survival and success can be challenged by crisis events and situations at any time, crisis management both contributes to organizational resilience and similarly benefits from the many other elements of responsible leadership in contemporary organizations (Koronis & Ponis, 2018).

Stakeholder Engagement in Times of Crisis

Astute organizational leaders understand the important role that stakeholder engagement plays in organizational success at any time, but especially during times of crisis. Stakeholders are individuals, groups, or organizations that have an interest or stake in what an organization does and its success. In times of crisis, organizational stakeholders have an interest in the effective, efficient, and safe resolution of the crisis situation. The employees, managers, and owners of an organization are considered internal stakeholders, whereas customers, suppliers, creditors, and the public are considered external stakeholders. Employees, customers, owners, and suppliers are considered primary stakeholders, in that they stand to benefit directly

from an organization's success, but also can be negatively impacted by an organization's business activities and challenges including during times of crisis.

Understanding and addressing the expectations of organizational stakeholders is central to the concept of responsible leadership. The importance of understanding stakeholder expectations and meeting and ideally exceeding reasonable expectations is recognized and respected by successful organizational leaders. These leaders also recognize that at times it can be difficult, if not problematic, to simultaneously balance and respond to the conflicting expectations of various stakeholder groups and therefore focus their attention on understanding and addressing the three stakeholder groups that are typically considered most important in determining the success of contemporary organizations: employees, customers, and owners. A failure to demonstrate an organizational responsiveness to the expectations of one or more of these groups can result in withdrawal of their support for the organization and significantly impact its success.

In addition to the general expectations that each of these stakeholder groups have for an organization, they also have specific interests during times of crisis. All three groups share a common interest along with the organization to see the continuation or restoration of business activities. In cases where there has been an interruption in business operations, they all want to see the organization "get back in business." While they share this overall expectation, each group has different reasons for desiring this outcome. Employees want to get back to work for various reasons, including maintaining their income. Customers desire the continuation or restoration of an organization's ability to provide products and/or services that they want or need. Owners seek restoration of the necessary business activities and financial performance that enables an organization to deliver an expected return on their investment in the organization.

A common expectation of each of these stakeholder groups that organizations must understand and properly respond to is their vested interest in knowing how a crisis is impacting the organization that they work for as employees, patronize as customers, or have invested in as owners. Thus, in addition to the normal expectation that organizational leaders will make and implement prudent decisions on behalf of the organization and its employees, customers, and owners, these stakeholder groups expect to be kept in the loop through official communications from the organization with which they have a business relationship. This is particularly important in times of crisis when numerous information sources are disseminating information that often will prove to be inaccurate, misleading, or confusing. Organizational stakeholders therefore expect and deserve to receive information throughout a crisis that meets their expectations that the information that they receive from the organization be accurate, complete, credible, professional, and timely.

While it may seem that meeting these expectations regarding information dissemination should be fairly easy, that is often not the case based on the evolving nature of many crisis situations and events. The fact that most individuals – including employees, customers, and owners – have come to expect instantaneous information further complicates the challenges of ensuring that information dissemination

meets the expectations of organizational stakeholders. Expanded media coverage by traditional media outlets along with the information disseminated through the Internet and social media can present many challenges as responsible leaders strive to disseminate accurate and credible information in a timely manner amidst the evolving developments and dynamics of many crisis situations. While stakeholders desire to receive complete information and responsible leaders desire to provide that information in a timely manner, the evolving nature of many crises make that impossible, and to prematurely disseminate inaccurate, confusing, or misleading information would actually be a disservice to an organization's stakeholders.

Stakeholder engagement is therefore an important role and responsibility of organizational leaders and a cornerstone of responsible leadership. In addition to disseminating information to relevant stakeholders regularly, and particularly during times of crisis, responsive leaders also seek stakeholder engagement and involvement in their crisis management activities. The input and insights of stakeholders can prove invaluable in the development of a realistic crisis plan. This inclusive leadership approach enhances the relationships that stakeholders have with an organization and can prove extremely beneficial when times get tough during a crisis. Their participation and involvement in crisis planning activities as well as learning about the resulting plan to which they contributed typically enhance the confidence that stakeholders have that organizational leaders are responding to a crisis in a prudent and responsible manner.

Crisis Management

In the final two sections of this chapter we will turn our attention first to the crisis management process and then to the role of responsible leadership in successful crisis management. Through successful crisis management facilitated by responsible leadership organizations can effectively and efficiently anticipate and prepare for potential crises, prevent or minimize the impact of crises, and successfully resolve and recover from crises. These desirable outcomes can be fully realized only through responsible leadership and the development and implementation of comprehensive crisis management plans.

Before we review the elements of the crisis management process it is appropriate to set the stage by defining what we mean by "crisis management." The Oxford Advanced Dictionary (Stevenson, 2010) defines crisis management as "the process by which a business or other organization deals with a sudden emergency situation." The five-step crisis management process introduced in this chapter is designed to contribute to an organization's preparedness to face crisis situations effectively and efficiently, thus enhancing organizational resilience in the face of crisis situations and events. These sequential steps include: (1) crisis prevention; (2) crisis preparation; (3) crisis recognition; (4) crisis resolution; and (5) crisis recovery. The overall crisis management process spans three specific phases with the first two steps of crisis prevention and crisis preparation taking place in advance of a crisis. The crisis

recognition and crisis resolution steps are triggered by the occurrence of a crisis and take place during the crisis. The final step of crisis recovery occurs after a crisis.

The first step in the crisis management process is *crisis prevention*. It involves the identification and evaluation of potential crisis situations that an organization may experience. It takes into consideration the likely frequency and severity of potential crises as well as the other dimensions identified in the earlier discussion on assessing organizational vulnerability to crisis. The intent of this step is to develop and implement a set of strategies designed ideally to enable the organization to avoid experiencing crises.

The understanding and insights gained during the initial crisis management step are instrumental as organizations advance to the next crisis management step of *crisis preparation*. During this step a crisis management plan is developed that is capable of addressing crisis situations and events that the organization was not able to prevent. An effective crisis management plan delineates potential crisis situations that an organization could likely face and appropriate strategies to address these crises. In addition to articulating appropriate strategies that will be enacted during each step of the crisis management process, an effective crisis management plan should define not only the roles and responsibilities that will be necessary in successfully managing crisis situations but also the organizational entities, whether individuals or workgroups, that will be expected to enact these roles and responsibilities. Through proactive preparation in advance of the occurrence of a crisis, visionary organizational leaders can ensure that necessary resources, including appropriately trained personnel, are available to enact critical roles and responsibilities should a crisis present itself.

While it might seem that *crisis recognition*, the third step in the crisis management process, is obvious, all too many organizations have suffered the consequences of either inadvertently not recognizing the occurrence of a crisis, minimizing its significance, or intentionally not acknowledging an impending or existing crisis. As unfortunate as the occurrence of a crisis can be, failure to recognize and respond in a timely manner to a crisis can have significant consequences for both an organization and for those who should have recognized and acknowledged the crisis.

Responsible leadership must incorporate proactive activities designed to monitor, detect, and address potential crisis situations and events identified during crisis preparation. The reality is that crisis resolution cannot take place until organizational leaders have identified and accepted responsibility for resolving the crisis. It should be noted that this is different than accepting responsibility for causing a crisis situation; rather it is taking ownership on behalf of their organization for the crisis and initiating the implementation of appropriate action in accordance with the organization's crisis management plan.

While it is easy to underestimate the importance of the prior three steps, to do so would be a critical mistake that would undermine an organization's success in managing crises. Astute organizational leaders recognize this and adopt a proactive approach to crisis management wherein they develop a comprehensive crisis management plan in advance of experiencing crisis situation or events, rather than "winging it" through a reactive approach after the occurrence of a crisis.

The fourth step in the crisis management process is *crisis resolution*. The crisis management plan provides a framework for effective and efficient crisis assessment, resolution, and recovery. This proactive approach enables an organization to enact all necessary actions while monitoring the crisis situation, allowing organizational leaders to make any necessary adjustments in planned actions. The role of information in successful crisis resolution should be recognized, both from the standpoint of making information-based decisions in accordance with the needs of a given situation and in ensuring that the expectations of stakeholders are addressed in terms of the ongoing dissemination of information that is accurate, complete, comprehensive, professional, and timely.

The final step in the crisis management process, *crisis recovery*, is obviously the one that all organizational stakeholders, particularly primary stakeholders, look forward to reaching. The focus during this step is returning things to normal. While recovery will ideally involve returning things to the way they were before a crisis, that may not always be possible, practical, or prudent. Just as the aftermath of the September 11th attacks involved organizations and society returning to a “new normal,” so too will the post-pandemic era in terms of our lives and work as well as how organizations operate and how we as individuals interact with them. While the new realities and challenges of working remotely, meeting virtually, and conducting business virtually will likely be with us for some time, the need for these things will hopefully lessen in the not too distant future and vanish upon the eradication of the Coronavirus.

Responsible Leadership in Times of Crisis

Throughout this chapter you have learned about the importance of crisis management as organizations prepare for the many challenges of an ever-changing world and the crises that they may face. We trust that you will recognize the essential role that proactive, responsible leadership plays in positioning an organization to confront these challenges successfully (Coldwell, 2012). While the crisis management methodology presented will serve an organization well, it is only a tool that in the hands of skilled, responsible leaders can enable an organization to weather the storm of the crisis situations and events that it is likely to encounter over time.

While the frequency, severity, scope, duration, and impact of crisis situations will vary and fortunately in most situations not present the unprecedented challenges of the current COVID-19 pandemic, this devastating worldwide crisis has served to enlighten organizational leaders on the importance of developing and implementing a proactive, robust, and comprehensive crisis management plan and process. This level of crisis preparedness is essential as organizational leaders strive to ensure their organization’s resilience, survival, and future success.

Through responsible leadership an organization’s leaders can manage and lead decisively throughout the crisis management process. In times of crisis responsible leadership can often make the difference between success and failure in crisis

management, organizational resilience to weather a crisis, and ultimately an organization's ability to survive. Astute organizational leaders recognize that there are many lessons that they can learn from past crises, whether or not they have directly impacted their organizations (Kayes, 2015). Lessons from past crises that can enhance the preparation of organizational leaders for the roles and responsibilities that they will have in future crises include: the importance of a proactive, engaged, and inclusive leadership approach; exceptional situational awareness; astute information-driven decision making; purposeful stakeholder engagement; and masterful crisis communication.

Responsible leadership has an essential role throughout a crisis and thus enlightened leaders recognize their roles and responsibilities before, during, and after a crisis. Prior to a crisis these leaders should lead from the front in terms of emphasizing the importance of crisis preparedness, initiating their organization's crisis management process, and affording organizational stakeholders appropriate opportunities to understand and participate in this process. Responsible leaders have the ability to impress upon organizational stakeholders the necessity of having an appropriate crisis management plan without causing undue panic or concern on the part of employees, customers, or owners. The knowledge, skills, and confidence that they demonstrate through responsible leadership will prove instrumental during the crisis prevention and preparation steps, as well as through the remaining three steps in the crisis management process.

Responsible leadership similarly undergirds effective and efficient crisis management during a crisis situation or event (Teo, Lee, & Lim, 2015). This begins with ensuring that their organization is alert to the occurrence of crises and prepared to implement the necessary strategies to resolve the crisis situation. This is an essential and critical role of responsible leaders during the crisis recognition step. Organizational leaders must set the tone that all employees are encouraged to report crisis situations and events without fear of reprisal. During crisis resolution, these leaders proactively embrace the crisis and aggressively implement necessary actions predefined in the crisis management plan. They constantly monitor the situation and make adjustments in planned strategies if and when necessary.

The importance of an organization's leaders being positive and optimistic during a crisis cannot be overstated in that it is natural for organizational stakeholders to form their perceptions of the nature, seriousness, and likely outcome of a crisis based on the actions of organizational leaders. Stakeholder engagement and information dissemination are therefore important duties of a responsible leader.

The pilgrimage of responsible leadership does not end with the resolution of a crisis; rather there are roles and responsibilities that should be embraced and enacted after the crisis. These include communicating with relevant stakeholders, learning from the crisis experience through after-action analysis, and translating these lessons into necessary changes in their organization's crisis management plan. Crisis recovery thus involves bringing a successful end to a crisis and ensuring an organization's preparedness to face future crises.

An easy to overlook responsibility of organizational leaders after a crisis is to acknowledge and express appreciation to an organization's stakeholders,

particularly its employees, customers, and owners, for their understanding, patience, and support during the crisis. In most cases this important responsibility will become second nature for the responsible leaders that have positioned their organizations to prevent, prepare for, recognize, resolve, and recover from crises effectively and efficiently.

Chapter Takeaways

- Leaders of contemporary organizations have a responsibility to prepare their organizations for the various crises that they may face.
- Responsible leadership that is proactive, inclusive and transparent is essential in successful crisis management.
- In assessing organizational vulnerability to crises, organizational leaders should consider the likely frequency, severity, scope, duration, and impact of potential crises.
- Through responsible leadership organizational leaders can enhance organizational resilience in times of crisis and thus their organization's ability to survive crisis situations.
- Successful crisis management incorporates appropriate stakeholder engagement and information dissemination that meets and, ideally, exceeds the expectations of stakeholders.
- A comprehensive crisis management process enables an organization to prevent, prepare for, recognize, resolve, and recover from crises effectively and efficiently.
- Organizations can engage in proactive actions before a crisis in the interest of preventing crises and preparing for those crises that do present themselves.
- It is important to recognize that a crisis is impending or has occurred and initiate appropriate actions to resolve it.
- Crisis recovery is an essential final step in the crisis management process that can be instrumental in enabling an organization to benefit from the lessons learned from the present crisis as it prepares for future crises that it may face.
- A comprehensive crisis management plan provides the necessary guidance for organizational leaders as they navigate the challenges inherent in managing a crisis.
- Responsible leadership is the key to successful crisis management, organizational resilience, and at times organizational survival.

Reflective Questions

1. What role does responsible leadership play in successful crisis management?
2. What factors should be considered in assessing an organization's vulnerability to crises?
3. What role does stakeholder engagement play in successful crisis management?
4. How does understanding and following the crisis management process contribute to successful crisis management and organizational resilience in times of crisis?
5. What role does learning from past crises play in preparing organizational leaders and their organizations for future crises?

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