

Leadership in a crisis... have you got what it takes?



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A crisis is defined as a time of difficulty or danger. Many companies are fast approaching this point. Drought has devastated agri-business. Weak commodity demand has cut mining jobs and profits. Manufacturing is near recession. Retailers face growing pressure while banks prepare for more bad debt.

At times like this, CEOs come under scrutiny. Inevitably, questions arise about their ability to survive, renew the business and ensure it emerges stronger than before.

What leadership attributes are needed by CEOs in a crisis?

I put this question to CEOs in a range of sectors. Though businesses were dissimilar, there was broad consensus on the qualities required.

The first point of agreement was that even leaders appointed in the good times have what it takes. Anyone handed the top job should know how to make difficult decisions, decide on a course of action and see it through.

Then, as crisis develops at least eight responses are required:

- 1. **Be visible, be calm, be available...** All eyes are on you. Don't retreat into a corner. See and be seen across the business. Inspire hope, even when admitting how tough the road ahead will be.
- 2. **Be empathetic...** Show you share the pain and understand the fears. Staff may have to work longer and harder for scant reward. It becomes easier when 'we're all in this together'. EQ is as vital as IQ. Top executives with an EVA-based bonus may see remuneration stall, but it is worse for lower income employees where no bonus and no overtime mean school fees go unpaid and families suffer.
- 3. **Be a motivator**... Communicate constantly and positively. Don't simply send emails. People scrutinise every word and often misinterpret intentions. Meet face to face. Explain. Gather feedback. A manager tells people what to do. A leader motivates and encourages top performance. Be the brand ambassador. Live the mission.
- 4. **Be a team builder**... individual heroism doesn't win the war. It takes a heroic team. Build new connections across the business to create synergies and efficiency.
- 5. **Be open to new input and impressions**... Tap new sources of information and business intelligence. Reassess managers and talent. Show flexibility. The downturn wrecked Plan A. Move to Plan B or C.

- 6. Be focused... Identify what is core. Never forget what you're good it. Now you must do it even better. Establish priorities. Recalibrate and reform metrics and incentives.
- 7. Be decisive... Develop a change programme focused on structures and processes. Communicate a sense of urgency. Never make hasty decisions. But once the way forward is clear, commit to it. Without action, words mean nothing.
- 8. Be opportunistic... Celebrate every little win. It builds morale and shows there's light at the end of the tunnel.

The single golden thread is that a crisis is not only a time of danger. In medical terms, it's a turning point. Treat it as such. Crisis accelerates change. Initiatives that may have taken months are deployed at pace; often to great effect.

Crisis produces a new crop of winners. Make sure you're one of them!

ABOUT ANNELIZE VAN RENSBURG

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