

LEADERSHIP IN TIMES OF CRISIS

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INTRODUCTION



The most constant thing on earth today is change. However, when the reality that you are used to changes and you are not ready, you will face a crisis. Therefore a crisis is the end result of changes that were never managed.

Crisis involves people and can call up emotions, uncertainties, and inconsistencies. Simply managing crisis is insufficient. Successful crisis management requires **leadership**.

Statements to reflect on from the onset

- The higher up the tree, the thinner the branches – **sensitivity of your position**
- Do not start the quarrel when the gun is loaded – **In crisis the situation is tense**
- If you and your boss reason the same one of you is redundant- **Consult others**
- It is not necessarily the one who has facts who wins the debate, but one who sounds the best – **Effective communication**

Melting Chocolate scenario



My Chocolate is Melting help me!

Lesson from melting chocolate



Some leaders find out that their model about something becomes almost irrelevant before the duration of the strategic plan ran out.

This is largely because external conditions grew faster than their strategy. So, how do we ensure that today you are not building an organization (chocolate) that will stand only in cool condition and melt away in a hot season ?

- I hear the cry of many of you board members
- And you are saying ‘**HELP**’ me please my chocolate is melting.
- The only help you can get is from your leadership.

Then what is this Leadership?



According to Myles Munroe he defines leadership as “The capacity to **influence** others through **inspiration** generated by a **passion** motivated by a **vision** birthed by a **conviction** produced by a **purpose**.”

meaning of key words used in definition:

- **Purpose**-original intent
- **Conviction**- believe in significance
- **Vision**- Your future address i.e a seed seeing a tree with a fruit in it
- **Passion**- desire stronger than death
- **Inspiration**- People are always inspired by your passion
- **Influence**- The ability to cause others to do something or think in a particular way, without the use of sanctions.

True leadership



- True leadership is not finding something to live for but soothing to die for.
- True leadership is finding a human cause worth sacrificing yourself for.
- True leadership is discovering the problem you were supposed to solve and solve it.

True leadership cont..



- “I have said nothing but what I am willing to live by and if it be the pleasure of the almighty God die by ”- **Abraham Lincoln**
- “It is an ideal which I hope to live for and achieve. But if need be, it is an ideal for which I am prepared to die” - **Nelson Mandela**

Therefore, if you do not nurture a strong philosophy in your leadership you may find difficulties in managing through a crisis, especially moving forward as a team.

Team Spirit



Distilling the wisdom of ducks in team spirit



You have noticed, ducks on flight. With two observable characteristics in the movement. First, they always fly in a **V-formation**. Second, one side of the V is always slightly longer than the other side. The reason that one side of the V is always slightly longer than the other side is simply that the side that is longer has more ducks in it. On the other hand the reason ducks fly in a V formation is to take advantage of the partial wind vacuum created in the wake of each duck. By periodically changing the lead duck they can fly nearly twice as far together as they could on their own.

Team of diverse skills



Build a strong team



CBS anchor Kate Couric asked Barak Obama which one book he would take with him to the White House apart from the Bible. Obama singled out **‘Team of Rivals’** written by Doris Goodwin. He clearly knew there was no better author to put the subject of leadership in times of crisis in perspective than Doris Goodwin.

What did Obama want to learn from the book?

Build Strong Team Cont..



He wanted to understand how Lincoln was able to surround himself with people including his rivals during times of crisis of civil war, who had strong egos and high ambitions, who felt free to question his authority and who were unafraid to argue with him. For example, Lincoln brought **Salmon Chase** into his cabinet as **treasury secretary**, knowing full well that Chase craved the presidency with every fiber of his being.

Build a strong team cont..



- On learning this, Obama reprised Lincoln's strategy by creating a team composed of his most able rivals, people who were unafraid to take issue with him and who were confident of their own leadership abilities.
- That is why he chose his chief rival, Hillary Clinton to be secretary of state, Joe Biden as his deputy and also included powerful Republicans in his cabinet like Robert Gates and Ray LaHood.

Critical lessons from Lincoln

- Your genius as a board is to manage the ambitions and egos of your members / staff to form a team that can confront the challenges of the crisis at hand.
- Your ability to create a team of different interest groups must be rooted in an extraordinary level of emotional intelligence. You must learn from your mistakes, share responsibility for mistakes of others and do not hold grudges.
- In times of emergency, give hope to the employees and shareholders that your board will weather the storm.

Characteristics of successive leaders in a crisis

- **See things for what they are** –strong crisis leaders live on the front end of reality.
- **Strategy and detail** – they are able to see the big picture.
- **Multiple options** – they are willing to consider multiple approaches.
- **Decisiveness**- they are humble and firm
- **Collaboration** – they understand that a long term solution requires the input of others.

Characteristics cont...



- **Listen to unpopular advice** – unsuccessful leaders only listen to those who agree with **them**.
- Calm, courageous and positive.
- Take risk in the face of risk.
- **80% rule** – they believe making imperfect decision is better than making no decision at all.
- Prepared to admit mistakes.

5 Things successive leaders do

- 1) They don't let their emotions get in the way.
- 2) They are brave.
- 3) They are accountable to their victories and losses.
- 4) They don't take failures personally.
- 5) They possess positive attitude from start to finish.

Lincoln's principles in war crisis



- 1. Circulate among the people. 2. Build strong alliance. 3. Persuade –not coerce
- 4. Honesty and integrity. 5. Never act out of vengeance. 6. Courage to handle criticism
- 7. Be a master of paradox. 8. Exercise a strong hand -decisive 9. Lead by being led.
- 10. Be result oriented. 11. Keep searching until you find your “Grant”
- 12. Encourage innovation. 13. Master the art of public speaking
- 14. Influence people thro’ conversation. 15. Preach a vision and continually reaffirm it.

Examples of companies that experienced crisis in the past

Kodak, Motorola and Nokia:

- Kodak used to have a cradle, “You press the button, we do the rest.” The reality today is that there is no rest to be done. We do not need film processing, we all have smart phones. It developed a corporate blind spot and Fuji Film tore into its market space and was in a crisis. In the year 2012 it filed for bankruptcy.
- Motorola lost its top spot to Nokia simply because it did not go round the curve fast from analogue to digital.

Example cont..



- There was a time Nokia was celebrated as a major player where mobile phones were concerned. They never saw a crisis coming.
- Change is the key to preservation and relevance.
- In an interesting twist of events, Nokia was late to catch on to the touch screen wave and their share prices went down 88% between 2007 and 2012.
- They had become victims of the same kind of scenario that Motorola faced years earlier and thus went into a crisis.
- If you do not anticipate change, you will be caught in a crisis.

Lessons from example



- Every business suffers downturns; every hit product runs out of steam, every business model has its time and its place and must be reinvented after every few years.
- To target every rising growth, quarter after quarter is to engage in an elaborate charade.
- As one business leaders advisor said, “Do not make business a rat race. Only rats win those races; and rats never build anything.”

Crisis Response Strategies



Like we have seen earlier in the introduction, change is inevitable. It always happens. What determines success is not whether the chocolate melts or not. It is the ability for **leaders** to make **cocoa** from the melted chocolate.

Dealing with crisis



1. Complaint.

- Never complain about things that complaint cannot change.
- Complaining about a crisis does not put you in a position to overcome it. It only makes you a victim.

2. look for the advantage in the crisis

Lunar eclipse case



3. Focus

- Do not dwell on the negativity, speak solutions.
- Declare where you are going and not where you are coming from or what you are going through.
- Set your focus on your destination and you will arrive there.
- You have a destiny that is greater than your history

4. **Never court Sympathy.**

- Never get to a place where you seek and court sympathy and attention because of the crisis you are facing.
- This can become the most limiting thing and obstacle to your advancement in handling the crisis.
- Always remember that no matter what the event is, you can ride on the wave of crisis for a better result.
- Sympathy does make you feel good for the moment but it has no transforming value.

5 .Conserve Energy.

- Most people use valuable energy in fighting crisis.
- Instead of fighting crisis, a simple adjustment of perspective can make all the difference.
- This can happen by initiating another change.
- The more knowledge we fill ourselves with, the better equipped we will be to deal with crisis happening around us.
- When people are ignorant about things, they will fight battles they had no business getting involved in the first place.

Back to you!



General timeless principles



- These 21 ideas, insights and strategies are the springboards to your leadership success as a board member during a crisis.
- Take note that the failure to apply any one of them can by itself undermine and even destroy your chances of becoming effective in your participation in a crisis. They are hereby presented verbatim...

Quotable Quotes



'I dream of men who take the next step instead of worrying about the next thousand steps'.

Theodore Roosevelt (Former US President)

"I'm in this race not just to hold an office, but together with you to transform a nation."

"In the face of impossible odds, people who love their country can change it."

Barack Obama quote from his February 10, 2007 Presidential announcement.

Quotable quotes



To be able to lead others, a man must be willing to go forward alone.'

- Harry Truman (Former US President)

'If I have the belief that I can do it, I will surely acquire the capacity to do it, even if I may not have it at the beginning'.

Mahatma Gandhi

'The word impossible is not in my dictionary.'

-Napoleon Bonaparte

Over To You...your Memoirs...



- ☐ What will the future remember you for?
- ☐ Will history condemn or vindicate you?
- ☐ What do you want your great grandson to say about you with pride?
- ☐ Will your eternal pillow give peace to your conscience or disturb your dreams?

