

# When the going gets tough . . .

. . . the tough get leading, writes **Margaret Harris**

**W**HEN a crisis hits an organisation, everyone looks to the leader to find a way out without incurring too much damage. There is no one way to lead through a crisis; the process will depend on what the crisis is and the personality of the leader.

A recent article in the Wall Street Journal listed seven lessons for leaders who have to lead their organisations through a disaster. They are:

- **Face reality:** The leader must face the reality of the situation so the whole organisation can also recognise and agree on the causes of the crisis;

- **Things will get worse:** Leaders might want to believe that the worst is over, but it is more likely that the worst is still to come;

- **Cash is always king:** In good times make sure the company builds a pile of cash to get through the tough times;

- **Delegate:** No one person can do it all. Leaders need the help of all their people to get through the bad times;

- **Be willing to make a sacrifice:** People are more likely to agree to making a sacrifice if they see that leaders are leading by example;

- **Make the most of the crisis:** This is the best time to make big changes. Don't waste it by making minor alterations; and

- **Move the goalposts in your favour:** Don't think that the crisis needs to be weathered until you get back to "business as usual". Be part of the changes rather than wait and react to the changes.

Pierre Tredoux, the executive director of management advisory services

company Barnstone, was the CEO of Deloitte Consulting. He agrees that a crisis can be a blessing in disguise, providing companies with the best opportunity to reassess the business.

"Everyone is expecting change anyway so it is the perfect time to change," he says.

Leaders have two choices when faced with a crisis, he adds — they can sit back and say the situation is too much to deal with, or be proactive and see what can be done to make things better.

Of course, this means there really is no choice — leaders have to be seen to be leading and not hiding. They certainly can't "shut the door to think up new plans in their office".

Tredoux's other suggestions include:

- **Communication is vital:** People need to understand why there will be changes and how they will happen. Make sure that there is a constant stream of communication — e-mails, meetings and walking the corridor. Generally, people only listen when developments will affect them personally.

- **Happy workers work harder:** If communication is well handled, staff members are more likely to feel

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positively about the company. There are many spin-offs from this, including that the way staff feel about their company can set it apart from its competitors.

- **Keep a clear head:** Look at, and then reassess, the company's focus to make sure you are clear about its goals;

- **Don't make rash cuts; blindly cutting costs is not the answer:** When people start to read about a recession they immediately think of cutting back, but in this process it is important to retain talent and key people. All companies pick up some fat, like people do during the December holidays, but cutting the fat must be done with a long-term focus; and

- **Discipline — you cannot change an organisation without it:** If people step out of line, they must know that they will be disciplined, even the star performers.

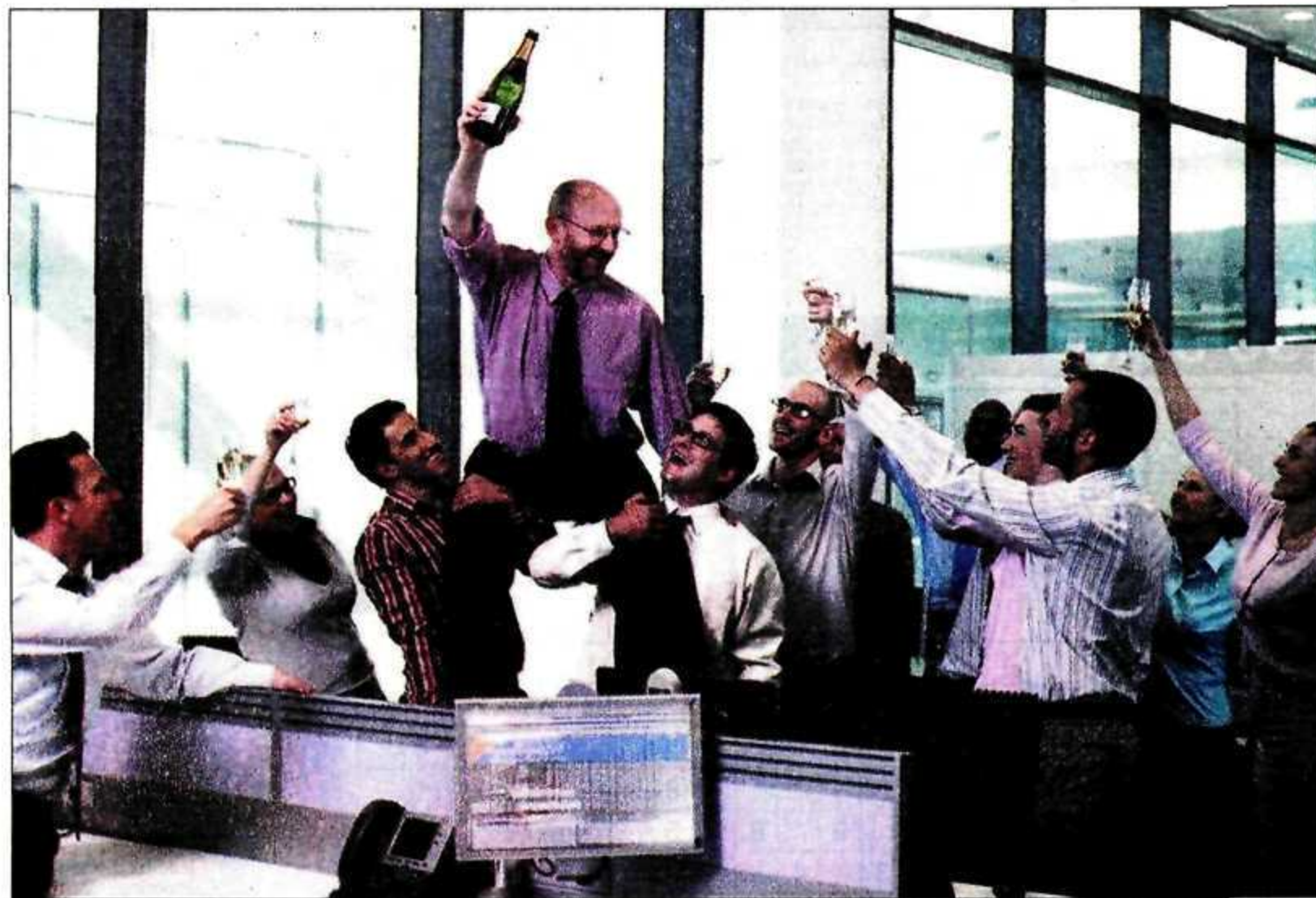
Another way to approach the issue of how to lead through a crisis is to list the things you should not do.

According to an article on [www.timesonline.co.uk](http://www.timesonline.co.uk) some of the things to avoid include:

- **Passing the buck:** When everything is going wrong it is best to practise the three Cs of crisis — management: competency, compassion and confidence;

- **Relying on the manual — the thing about crises is that they are unscheduled:** You might have plenty of plans and procedures in place, but none of them may apply to the situation.

Sometimes leading means having to make sense of the nonsensical and making a plan when nothing is immediately clear.



TO THE BOSS: A big measure of a boss is his or her ability to successfully lead an organisation through a crisis

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