

The Two Faces of Leadership



By Stan Pohmer

Back in the first century B.C., Publius Syrus, a Latin writer and philosopher, said, "Anyone can steer the ship when the sea is calm." But when the seas have 30-foot waves threatening to capsize the boat, different leadership skills are required to keep it afloat!

When presented with a challenge, it's human nature to revert back to the management traits and styles that made us successful in the past. But business leaders must be adaptable: The traits that made a leader successful in the past are sometimes exactly what's *not* needed in a crisis. And very few schools teach the management and leadership traits required for crisis management, so most of us are somewhat unprepared, and we have to unlearn what we've already learned and been recognized for.

Different challenges require different responses with different thinking, actions and behaviors, and some of these will go against tradition and conventional wisdom.

Let's compare five core attributes that the traditional "management books" say are important for good leaders in healthy companies and how they apply in a crisis.

Focus

Healthy Company: When things are going smoothly and you're running on all eight cylinders, you can focus on strategic and financial decisions, cultivating your staff and company image, stimulating innovation and fine tuning systems and processes to maximize productivity. If change is needed, you do it systematically within your existing framework, and achieve it by gaining consensus from your entire team.

Challenged Company: Focus needs to be on

During times of crisis, business leaders must rethink their traditional management approaches and adopt new strategies.

short-term survival. It's tough to take a long-term perspective when you have creditors looking for their money. Challenged companies need decisive, problem-solving leaders.

Decision Making

Healthy Company: Decisions are made deliberately and analytically, with plenty of time to consider every option and alternative.

Challenged Company: You need to act on the best information available and operate on some gut instinct. I once worked for a company whose mantra was "ready, fire, aim": Speed to market was more important than arriving at a "perfect," delayed decision — fine tuning could come later.

Authority

Healthy Company: Good leaders know how to delegate, and managers who try to do it all themselves are control freaks or too authoritarian. Democracy rules.

Challenged Company: Good leaders in crisis situations get directly involved, take charge and make hands-on decisions. Employees want and need to see that someone is in charge and reacting to the realities that they also see. There's often no time to reach democratic consensus.

People

Healthy Company: One of a leader's most important jobs is managing and developing their

people, training new skills, and grooming staff for additional responsibility and personal development.

Challenged Company: You're forced to prioritize where to invest your resources (time, money and energy). Though your staff is still essential to both short- and long-term success, many resources are best applied to the more critical and immediate aspects of survival.

Consistency

Healthy Company: No surprises. Work the plan and manage the people, business and processes in an orderly and predetermined way.

Challenged Company: Adaptability and speed are key. Assessing the realities, accepting

the breadth and depth of the problems and responding decisively are critical. The pace of change, even contradictory change created by shifting priorities, is ramped up. Not all of your decisions will be 100 percent right, but you can't afford to second guess yourself.

A New Day

Traditional management thinking will not necessarily work in a challenged environment; in fact, it may exacerbate the situation and create even more problems. Management books and business schools simply teach you how to avoid the crisis in the first place. But it's impossible to avoid crisis when so many are created by external influences such as the economic downturn, the changing consumer mindset and purchasing behaviors, and lower discretionary spending.

Crisis leadership isn't teachable; it has to be learned from experience. That's why investors bring in turnaround experts, like the legendary "Chainsaw" Al Dunlap, to try to fix distressed companies or those that are already destined to fail: because traditional leadership thinking couldn't save them. While most of us would abhor these experts' management and leadership styles, they are effective and successful in their own right, making the hard decisions that must be made when in a survival mode.

My wish is that you never have to be in a situation that calls for crisis management and leadership. But in these challenging times, you have to understand and be prepared to shift from traditional leadership to crisis mode. Different challenges require different responses with different thinking, actions and behaviors, and some of these will go against tradition and conventional wisdom.

So although it may be uncomfortable and contradict your personal values and experience, be prepared to make changes as the situation dictates. These troubled times exemplify the need for the two faces of leadership... ☺

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