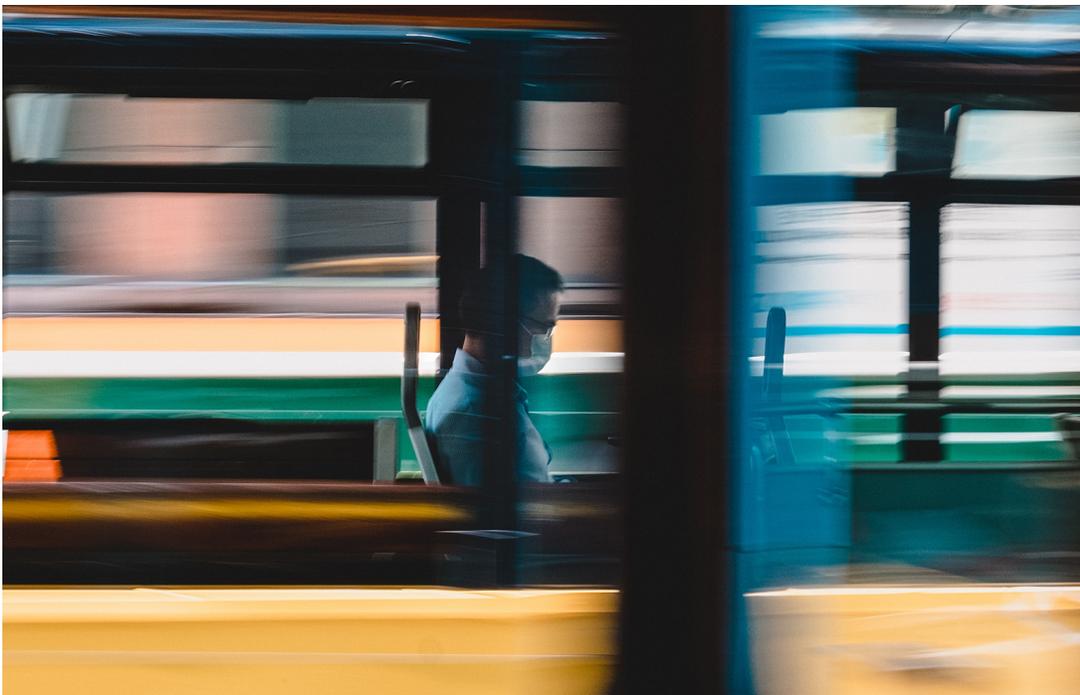


LEADERSHIP

Leading in a Troubled World: Lessons from COVID-19

by Tanusree Jain, Louis Brennan, and Harry J. Van Buren III



The true test of leadership comes during times of crisis.

✔ **INSIGHT** | NOTE 20 Aug 2020

When market conditions are favorable and business is generally booming, almost every CEO appears to be a seasoned leader. However, in today's era characterized by great upheaval and apparently constant tumult as a result of the COVID-19 crisis, leaders are facing an unprecedented wave of challenges. Very often the true test for a leader is how they function through a crisis, particularly in positioning the organization not just to

survive the crisis but to thrive once there is a return to normalcy. At a time when stakeholders expect corporate leaders to take a stance when it comes to dealing with new ways of organizing due to pandemic related disruptions, or addressing work place anxiety and the emotional well-being of employees or rebuilding stakeholder trust after workplace casualties, there is intense public pressure on corporate leaders to behave in ways that are morally and socially responsible.

While companies typically exhibit socially responsible behavior through their engagement in philanthropic activities and indeed the COVID-19 world has **witnessed unprecedented levels of CSR and corporate philanthropy around the world**, there is an increasingly rising expectation of leaders today to portray responsible behavior in **personal capacities as well**.

Existing models of leadership that are often referred to in times of crisis include transformational and visionary forms of leadership. Such leaders are those who communicate a future image to followers, inspire them to identify with that vision that reaches beyond their own immediate self-interests and motivate them to contribute to its realization. Take for example Steve Jobs. Hailed as the force behind Apple and the brand synonymous with perfection, simplicity and sophistication, Jobs was famous for constantly challenging employees to innovate and create product designs that met this vision. Similarly, when Unilever's CEO Paul Polman bravely shunned quarterly reporting of numbers, he offered a vision to other CEOs that companies should not work only toward the next set of numbers, but instead care more about the long-term health of their companies. During the pandemic, Jack Dorsey, the CEO of Twitter, was hailed as a visionary leader for pledging to donate a quarter of his fortune by giving \$1 billion in the form of his shareholding in Square to help with coronavirus research and promote relief efforts after the crisis.

However, the current toolkit of leadership models appears to singularly focus at the C-suite of large corporate giants. Within most executive boardrooms, leadership is essentially goal-centred, largely focused on organizational objectives, seeking to gain greater commitment and contribution from employees for their organisations. However, the COVID-19 pandemic has created a unique challenge for such leadership in the sense that the corporate survival-kit is not just about delivering on and exceeding corporate visions,

goals, and targets, but one that succeeds in creating a sense of belongingness and collegiality among followers, even among those at the lowest levels of the corporate food-chain.

The critical leadership ingredients at this time include creating a sense of connection on the part of the leader with followers, when much of the workforce is physically disconnected. In that sense, rather than being hunkered down and remote, employees need to feel that the leader is side by side with them as they address not only immediate work-related issues, but also struggle with the psychological and emotional challenges and practical family concerns arising out of the pandemic.

There is ample opportunity today for companies to think outside the typical leadership box. While there are exceptions such as Intuit QuickBooks, who have vowed to retain not only their key workforce but also their contractual cleaners on full pay, most businesses including large corporate giants such as AT&T, have laid-off entire teams. The ubiquity of uncertainty, that is the defining feature of the current business and societal environment, can serve to create an overwhelming sense of dread and fear among an organization's employees. Some companies such as Indeed, a global employment-related search engine, offered innovative alternate work arrangements by asking employees to volunteer and reduce their work and pay with a view to supporting their colleagues' jobs and business survival. Seeking employee participation and offering employees a choice in re-thinking their collective future helps maximize the chances for all. Innovatively involving employees in some of the harshest decisions impacting them, that are otherwise typically top-down in nature, can trigger feelings of psychological safety among employees, helping them to pull together in a crisis.

In many ways, this is the time for leaders to emerge and shine at the middle, the team and even more junior levels within organizations. When significant proportions of workforce are being furloughed or laid-off, maintaining a motivated workforce from those who remain becomes critical for any organization. And it may be difficult to do so from the ivory tower. Feelings of dissatisfaction and gloom among those remaining on the ranks can be picked up in employee-customer interactions leading to unwelcome consequences for companies. Middle and supervisory level leaders can engage in quick online check-ins and offer flexible work styles, that can go a long way in clarifying and managing work

expectations. Such leaders are also more adept at doing the emotional work needed to create a sense of “we are in this together” and relieving employees of work stressors inherent in a highly uncertain business environment.

However, employee engagement should not just be functional in nature. Because middle and junior level managers are closer to the coal face, they are more in tune with the real- world challenges facing employees who are working from home. Middle level managers are better equipped to understand and empathize the implications of closure of day-care centres and schools on a large section of employees who find themselves in the precarious situation of sole caregivers and home school teachers. At such a time, encouraging time offs, flexible work hours and sharing tips to manage work-life separation can go a long way to create greater affinity with employees.

Moreover, to provide a sense of reassurance, it is important to be seen as being available to employees in a holistic manner. Some households have suffered substantial financial downturn as they have gone from double income to single income households. Others have had to go through grief of loss of loved ones, separation from families and loved ones, and increased healthcare costs with increased sanitation guidelines. For middle level managers to be effective, empathy and compassion must transcend mere mechanistic enactments to be demonstrably authentic. Supporting home office setup costs, open discussions on workplace taboo-topics relating to isolation and depression, increased support through guided mindfulness meditations as well as communications on COVID-19 support payments can help signal greater authenticity while helping to overcome hurdles to work productivity.

What we are witnessing is the need for an empathetic and compassionate style of leadership which is visibly different than hitherto and that exists beyond the C-suite. The leadership that is emerging in a COVID-19 world is one that is transcendent in nature. It traverses boundaries of distance, operates at multiples levels of the organization and embraces stakeholder interests that holistically span a variety of considerations. Importantly, it is organic in origin and nature and is more likely to be a collaborative bottom-up process than necessarily a top-down process delivered in a command and control manner. Organizations that practice this form of leadership can be more confident that they will be perceived as conforming to, or exceeding stakeholders’ expectations,

particularly during a crisis such as that being currently faced. This positive perception can secure valuable competitive advantages for organizations in the form of easier access to capital or bailouts, the maintenance of stakeholder support despite painful lay-offs, and the potential to nurture a following in the form of a committed workforce and a loyal customer base when the crisis is over.



Tanusree Jain [Follow](#)

Tanusree Jain is an Assistant Professor in Ethical Business at the Trinity Business School, University of Dublin.



Louis Brennan [Follow](#)

Louis Brennan is a Fellow of Trinity College and Associate Dean at the Trinity Business School, University of Dublin.



Harry J. Van Buren III [Follow](#)

Harry J. Van Buren III is the Barbara and David A. Koch Endowed Chair in Business Ethics in the Opus College of Business at the University of St. Thomas, Minneapolis, Minnesota.