

Leading the Organization in Times of Catastrophe

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The terrorist attacks of September 11, 2001 have made us more aware of catastrophe than ever before.

But the reality is that catastrophes -- both natural and man-made -- occur on a regular basis. In any given year, fires, hurricanes, tornadoes, earthquakes, riots, epidemics, terrorism and other calamities cause untold misery, destroy lives, damage businesses and impact communities. Catastrophes happen, and businesses must learn to survive them.

It is possible to prepare organizations to cope with catastrophe. The U.S. Naval Department, for example, developed a training program for sailors to teach them to make effective decisions under conditions of impending danger and uncertainty, when an incorrect decision could lead to disastrous consequences (Cannon-Bowers & Salas, 1998¹). And the 1993 bombing of the World Trade Center served as a warning to the financial firm, Morgan Stanley. The precautions they instituted after the 1993 bombing were effective in reducing deaths and injuries when the building was attacked and destroyed in 2001 (Wall Street Journal, 9/14/2001²).

At the heart of this preparation is leadership. When catastrophe strikes, management must assert leadership in an effective and productive manner in order to contribute to the preservation of the lives and health (both physical and mental) of its employees and the organization.

This requires adapting the appropriate effective leadership techniques of normal times to the challenges of danger, disruption, and heightened stress. Our research shows that the drivers of effectiveness in organizations are essentially the same in tough times and normal times.

¹ Cannon-Bowers, J.A. & Salas, E., (ed.). (1998). *Making decisions under stress*. Washington, D.C. American Psychological Association.

² Smith, Randall. 9/14/2001. At Morgan Stanley, Readiness Saved Lives. Vol. 238 (53), p.C1.

⁴ Maddi, S.R. & Kobasa, S.C. (1984). *The hard executive: health under stress*. Homewood, IL. DowJones-Irwin.

The following "Five Cs" can help leaders effectively deal with the aftermath of catastrophe:

- **COMPETENCE** – setting direction, being seen as a leader, being viewed as knowledgeable and completing what needs to be done
- **COMPASSION** – displaying a genuine concern for people and what they are going through
- **COLLABORATION** – seeking and obtaining the cooperation of all relevant parties in order to help each other and the organization
- **COMMUNICATION** – disseminating relevant and accurate information, even if it means admitting that some things are unknown
- **CONTRIBUTION RECOGNITION** – giving credit to those who help, sacrifice and contribute

COMPETENCE

Leaders must demonstrate in everything they say and do that they are genuinely concerned about their employees' well being. The demonstration of concern can take various forms. It is most important to use the resources of the organization (financial, medical, and counseling) to help employees and their families.

Providing the opportunity to get back to business as soon as possible is a component of an effective leadership strategy. People generally want life to return to normal. For some employees, focusing on work directs tension from the self and focuses it outside the self. The focus changes from inner directedness to outer directedness. We have data from companies close to the World Trade Center demonstrating that managers who were immediately responsible for the organization and its employees had more

positive attitudes than those who did not have such responsibility. Employees who were told to stay home and wait to be called back to work were more negatively affected by the tragedy than those who were working to restore the company to a functioning entity. Leaders should spread responsibility as far as possible among all those willing and able to accept it. But they should also understand those employees who are not able to return to work; these employees also need support as they work through their difficulties. It is important for leaders to give employees the choice of returning, and to support their decision.

COMPASSION

As a leader, it is important to demonstrate compassion. We recommend the following.

Acknowledge that employees (including leaders) are going through one of the most stressful times of their lives.

Recognize that people differ in the way they respond to stress. Some people are more vulnerable than others. Some suppress and repress the feelings. Others, labeled “hardy” by psychologist Suzanne Kobasa (Maddi & Kobasa, 1984)⁴, are less affected by stressful situations. They are better able to cope and plan under stress. This is probably a personality characteristic rather than a matter of will. Therefore, be understanding of those most affected by stress, and recognize your own vulnerability.

Realize that stress takes both a physical and psychological toll.

Recognize the behaviors that are symptoms of stress and be aware that the symptoms may fluctuate and change over time. These symptoms range from anger through depression. Depression comes in a variety of forms. At one extreme is overwhelming sadness and at the other extreme is overreaction to all stimuli. Other symptoms of stress are sleeplessness, nightmares, compulsive behavior, obsessive thoughts, inability to focus and concentrate, weeping, and irrational fears.

Some individuals react to stress by blocking all feelings associated with the catastrophe. You may not see a change in behavior but this is as much a reaction to stress as acting out or depression.

While everyone tries to cope with stress, not everyone does it the same way. Coping strategies do not work equally well for everyone and sometimes it takes a long time before they become effective.

Be aware that there are a number of formal procedures for coping with stress and many of them may be useful within the work organization.

Organizing support groups after a calamity is a good leadership strategy. If the organization has an Employee Assistance Program, it should be consulted in setting up such groups. Support groups have been shown to help people deal with stress and intense emotions by providing both cognitive and emotional support.

There are several cognitive strategies that are effective in dealing with stress. They include procedures for reinterpreting the event so that it presents less of a threat. This may involve setting new goals and learning to turn adversity into opportunity. People who have similar experiences or problems can share strategies for coping and provide guidelines for directing behavior into constructive channels.

The opportunity to express emotion and have it understood and accepted has a healing effect on people experiencing stress. Coping with the emotional component of the tragedy often allows the person to develop strategic means for recovery.

Some people find exercise an effective release from stress. Promoting exercise is an advisable strategy for dealing with the aftereffects of tragedy.

Expect people to deal with profound questions. What is life all about? What am I working for? Who cares about money or success? Who cares about the product or service? I should be doing something more meaningful with my life.

Anticipate a greater concern for spouses and children. Loved ones become more precious in times of crisis. It might be advisable to include children and spouses in workplace activities. Give time off to allow employees tend to the needs of the family.

Leaders can also help employees come to the assistance of their peers. Leaders can direct the concern that people feel for each other at such times into organized activities that will increase the likelihood of survival and return to normalcy. Assistance is most crucial during the crisis. In one company that was located near Ground Zero in New York City, a group of employees began escorting frightened workers through streets darkened by the ash. These employees went back time and again to help take people out of the area.

An effective leader may also develop strategies that will go beyond the immediate organization and its people and bring help to the community. They thereby demonstrate concern for people and families in general, and bring aid, comfort and solace to those who need it. For example, one company organized a food and clothing drive to assist people who had lost their homes and possessions as the result of a devastating hurricane. An organization that helps beyond its borders is a heroic organization.

COLLABORATION

Managing catastrophe requires collaboration and cooperation. Ask for help from your employees, peers, customers and even your competitors. After 9/11, many companies came to the aid of competitors. Organizations received computers, office space, equipment and transportation from other organizations not impacted by the catastrophe.

There is a desire for individuals to collaborate to solve problems during crises. The most recent example was the Blackout of August 2003, when citizens directed traffic in congested streets in New York City and fellow citizens collaborated by following their directions. People who deal

effectively with reality recognize that collaboration provides the additional physical and mental resources needed to cope with the situation.

Do not hesitate to ask employees to collaborate with you. Leaders are often surprised at the level of creativity and range of talents and abilities that employees have and are willing to share in times of crisis. Employees also have access to others with needed resources. In an organization after 9/11, employees were able to locate space to rent, carpenters to build partitions and electricians to set up electrical extensions. In another organization employees worked together in one of their homes to continue their work while overcoming impossible travel conditions.

COMMUNICATION

During crises, leaders should be calm, tell the truth, and put people before business. They should continuously communicate relevant and accurate information in a clear, composed and direct manner. Mayor Giuliani of NYC was a perfect example of this type of leader. The leader should become the source of truth and the barrier against rumors and false information. Do not say anything you cannot back up with facts or data. Do not withhold important relevant information because you believe people cannot handle it. If you do, you are underestimating the maturity of your employees and taking inappropriate parental responsibilities upon yourself.

CONTRIBUTION RECOGNITION

During the coping process many employees will contribute toward the recovery and return to normality. It is important that the leaders reinforce those efforts by recognizing contributions. Reinforced behavior tends to be strengthened and repeated.

One of the obligations of a good leader is to monitor employee performance. This obligation should not cease as a result of a catastrophe. Monitoring job performance as individuals begin to return to a normal routine has two purposes. The first is the maintenance of the organization. The second is that performance is usually a good indicator of the mental health of the employee. Performance deterioration in any of its forms (absenteeism, tardiness, arguments and fights, missed deadlines, increases in errors) may be an indication of a problem. Very often a discussion about the deterioration of performance can be a lever for getting the employee to recognize that there is a problem. When confronted with evidence of performance deterioration it is

difficult for the employee to deny there is a problem. The direct or implied threat of disciplinary action can be the motivating force to seek professional help.

SUMMARY

Leadership is not an easy task, and few are “born” leaders. Most have to learn to lead. Preparing to be an effective leader in catastrophic situations must be accomplished before the catastrophe occurs. The consequences of poor leadership during a crisis may be devastating. Leaders must be prepared for those situations which we hope will never occur, but in fact do occur more often than we would like.