CRISIS MANAGEMENT: DETERMINING SPECIFIC STRATEGIES AND LEADERSHIP STYLE FOR EFFECTIVE OUTCOMES

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ABSTRACT
The purpose of this study is to investigate and discuss current literature on crisis management within organizational settings. Analyzing what the literature explains about the nature of crisis, steps toward effective crisis management, and a general model of crisis management provides a theoretical framework to understand what organizations should undertake in order to manage a crisis. From the discussion, it is found that a crisis, which is classified into two main types, namely natural and human-induced, can be viewed from two different perspectives. A crisis is an unexpected event that has the potential to threaten the function and the existence of an organization and it may strike at any time. On the other hand, a crisis can also cause an organization to blossom. In order to be able to manage a crisis effectively, an organization should be able to determine the role of the stakeholders and choose appropriate strategies and leadership style. More specifically, an organization needs to focus on the importance of a two-way style of communication, re-evaluate existing strategies before implementing new strategies as proposed in the study, and introduce a transformational visionary leadership style as essential steps to recover from the crisis situation.

Keywords: Crisis, crisis management, organizational development, strategy, leadership

INTRODUCTION
"The impact of crises on organizations and individuals has been stronger than ever" (Wang, 2008, p. 1). Leaders in organizations need to be aware of these words. They should have specific skills, which will enable them to prepare, manage, and find a solution for possible crises that could threaten the existence of their organizations.

Houlihan (2007, p. 11) explained that examples of such skills are the ability to anticipate the natural reaction of the staff and discuss with them a strategy to make a difficult process more effective. Her comment suggests that what leaders have to do is to understand the feelings of staff members and share with them a clear direction of where the organization needs to be in the future after crises are over. In short, building two-way communication is needed. In addition, providing greater autonomy for staff members and seeing them as part owners of organizations are important (Collins, 2007, p. 55). This suggests that subordinates should be treated as responsible adults. Leaders need to trust them to express their ideas and explore their creative thinking in the effort to manage crises.

Furthermore, it is possible for members of organizations to view crises "as a natural phase of an organization's development" (Seeger, Sellnow, & Ulmer, 2001, p. 156). This statement implies that crises need to be treated as part of organizational development, not as a situation, which produces serious harm. Despite its potentially destroying consequences, times of crisis can also lead to new and better ways of doing things, as well as providing chances to determine what strategic planning would result in more effective organizational development.