

When Leadership Matters Most



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In the midst of the COVID-19 crisis, leaders are doing their best to chart the right course under harsh and unpredictable conditions, knowing that the morale, viability and prosperity of their organizations depend upon them getting this right. Leadership

matters most in moments of extreme stress. Most leaders don't have direct experience of leading through a crisis of this magnitude and there is value in synthesizing what we know about the traps and success factors.

A number of common traps are in plain sight as we look across organizations today.

1. *Invisible leaders*: A crisis will pull leaders into an endless succession of top team meetings where the issues are discussed and strategies agreed. While necessary, if this crowds out communications between leaders and employees, it can create unnecessary aimlessness and anxiety

2. *Stiff communications*: Many crises follow an unpredictable course, and leaders may hesitate to be specific in case they are later proven wrong. Furthermore, they may be fearful themselves and try to cover this with a calm gloss. The result is formal, inauthentic communications, which create rather than reduce distance.

3. *Communications gridlock*: Many organizations move from being unengaged early in a crisis to becoming hyperactively engaged. An ever-expanding echo-chamber develops as everyone emails everyone about various aspects of the crisis, and crisis communications and daily crisis meetings absorb people's time. The main work of the organization becomes talking about the

crisis. This not only crowds out the critical *real* work to be done; it creates exhaustion, and generates a fog of information, which impedes the communication of critical messages.

4. *Overly-tactical focus*: There are lots of urgent matters to be attended to in a crisis. In the COVID-19 crisis these include hygiene policies, home working policies, travel policies, supply chain adjustments, facilities closures, daily updates and more. While necessary, these are not sufficient. This short-term focus must be complemented by looking ahead and anticipating what comes next, to prevent organizations from perpetually being in reactive mode. In the COVID-19 crisis there must be an equal emphasis on Reaction, Rebound, a likely Recession and on Reimagining the business in a post-crisis world. Many organizations are primarily focused on the first of these.

5. *Introversion*: A crisis naturally precipitates a defensive psychological stance. Organizations look inwardly to address their pressing challenges. But crises such as COVID-19 affect customers, suppliers, industry peers, investors and other stakeholders equally. Turning away from stakeholders in a time of need is a missed opportunity to create collective solutions, to meet new needs and to build trust.

6. *Inertia*: The COVID-19 virus is characterized by very-high transmissibility. This has created an epidemic which moves faster than most organizations are able to. We have seen the dire

consequences of losing a week or two before taking action in some European countries.

7. *Failure of imagination*: The first casualty of a crisis is imagination. But, while responding to a crisis requires getting certain simple things right without over-thinking them, fundamental solutions and adjustments require more creativity.

What then are some of the guiding principles which leaders need to heed during a crisis?

1. *Be visible, purposeful and authentic*: Communicate in ways that engage and increase the relevance of your teams and clarify the reasons underlying your communications

2. *Leverage the principle of “commander’s intent”*: The Prussian general Helmuth Von Moltke pioneered the idea of *Auftragstaktik* (Commander’s Intent) to allow the effective functioning of an organization in the fog of war. Rather than peppering the organization with frequently changing and detailed instructions (and allowing others further down the chain to amplify such behaviors), he shared only the key objectives and their rationale, allowing soldiers to employ whatever tactics were necessary to achieve the objectives in each situation they faced. This not only allows the organization to be flexible and adaptive, but reduces time lags and allows a focus on execution rather than internal communications.

3. *Use multiple clock-speeds*: Leaders need to think on multiple timescales by considering the now, the next and the later. They need to make sure that leadership teams look ahead. And they need to prepare their organization to pivot to the next wave of considerations.

4. *Engage externally*: Your customers and stakeholders need you now. The best intelligence on a crisis, comes from the crisis itself and you need frequent, fresh, first-hand information to adapt and respond effectively. You need to be able to see the weak signals which spell new threats and opportunities.

5. *Cut through bureaucracy*: Assemble a multi-functional task force which is empowered to make decisions and suspend normal decision protocols which may require multiple sign-offs and consensus building. Be comfortable taking decisions on the best available information and changing them if better information becomes available.

6. *Keep imagination alive*: You will need imaginative solutions. There is advantage in adversity. It's no accident that the Chinese word for crisis combines the characters for danger and opportunity. There will be new needs and new opportunities to serve clients now and beyond the crisis. There will be new opportunities for innovation. The world beyond the crisis will not be a reversion to 2019 reality — attitudes, behaviors and needs will change. A crisis effectively speeds up the clock: bad things come

faster, but so do opportunities. Leaders will need to adopt and help their organizations adopt an ambidextrous mind set — defending, protecting and reacting on the one hand and creating, innovating and imagining on the other.

Now is precisely when leadership has the greatest impact. Effective crisis leadership has a multiplicative effect on organizational capability. Every leader will need to modulate their style to help flip organizations from a peace-time mode to a wartime mode as swiftly and effectively as possible.

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