The Role of Leadership in Crisis Management: A Literature Review

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Abstract

Purpose: The purpose of this study is to collect and analyze arguments and counterarguments about the role of leadership in crisis management. The aim is to enhance the existing knowledge in this field by examining and evaluating recent studies on the role of leadership in crisis management within organizational settings. An analysis of the literature examines the explanations of the nature of crises and leadership styles for crisis management. This analysis aims to develop a theoretical framework that may guide companies in their activities to effectively handle a crisis

Methodology: This study is a literature review that examines the role of leadership in crisis management. Abstracts containing the phrase 'the role of leadership in crisis management' were kept for the further stages of the research project. The method ensured that the publications provided a thorough and extensive examination of the function of leadership in crisis management. Abstracts that fulfilled these criteria were categorized as either one or two, depending on the importance of their topic and the empirical evidence they presented. Abstracts that received high ranking were thoroughly scrutinized and selected for further examination based on the inclusion of key terms and the discussion of leadership's role in crisis management across the main portions of the articles. This method ensured to present a conceptual model that focuses on the proactive aspects and variables of the crisis management process. The report examined different leadership styles in crisis management as discovered by academic researchers and empirical studies. A thorough evaluation of multiple literary sources was conducted to assess their contribution to the research.

Findings: The findings of the study showed that there is no leadership style that can be considered universally effective. The selection of a leadership style is contingent upon several factors, including the competency and conditions of the followers, as well as other variables. There is no one-size-fits-all strategy to effective leadership, since leaders need to adapt their tactics to fit the individual conditions influenced by internal and external forces.

Unique Contribution to Theory, Practice and Policy: The academic theories i.e. transformational, transactional and charismatic leadership theories and concepts on crisis management and the role of leadership discussed in this study acknowledge how critical leadership is in crisis management, especially given the frequency and severity of crises organizations face today, such as natural disasters, economic recessions, global pandemics, and cybersecurity threats. In times of crisis, leadership is seen as an essential requirement for creating a proactive organizational environment and culture. These theories and models provide useful pillars for navigating different crises. The study provides a thorough grasp of the role of leaders in crisis management. Transformational leadership, for example, inspires followers to put the organization's goals above their own and encourages change and transformation to reduce environmental risks and disasters. The transformational leadership theory places emphasis on symbolic behavior and the role of leaders in motivating followers to surpass expectations and achieve success; transactional leadership offers rewards if staff follow their aims and receive recognition from the company. Effective compensation systems motivate employees to provide excellent service and address challenges; and charismatic leadership, provides the leader with the chance to exhibit innovation and depart from the current state of affairs in order to develop a solution for the problem. In times of crises, it offers the leader an opportunity to rally support from the followers.

Keywords: *Crisis, Crisis Management, Leadership, Leadership Style*

INTRODUCTION

The twenty-first century is characterized by its intricate nature, requiring astute management that is both proactive and responsive. Managers typically anticipate and proactively address situations before they escalate into crises, demonstrating sensible and professional control over the entire situation (Khodarahmi, 2009). Managing individuals in the twenty-first century is an exceedingly challenging task due to the significant transformation in employees' attitudes. They no longer have the patience for traditional leaders who utilize a rigid "command and control" approach, as was prevalent in the previous century. The significance of crisis leadership study arises from the inherent unpredictability of the labor market. Leaders globally grapple with the difficulties posed by crises. Crises are unforeseen and uncertain events that jeopardize the fundamental operations of a company. Crises are an essential component of the workplace.

In light of the heightened volatility, uncertainty, complexity, and ambiguity (VUCA) on a global scale, companies must implement necessary steps to prevent crises and respond promptly to overcome them. Crises are unforeseen and unpleasant sequences of events that occur in large numbers. Leaders must possess a certain attitude, toolset, and skillset in order to successfully tackle such problems. This research specifically examines transformational, transactional, and charismatic leadership styles due to their effectiveness in guiding leaders during times of crisis. One explanation is that they are widely examined leadership styles in the literature.

Many studies have concentrated on crises like war, floods, pandemic outbreaks which of course affects staff retention (Hart, Heyse, & Boin, 2001). This research offers useful insights for researchers and practitioners in comprehending the significance of leadership competences in achieving effective crisis management. This study delves into the intricacies of managing a crisis with different leadership style as demanded by different situations and provides insights that could help manager in different organization to survive crises that may arise due to different conditions. The study concentrates on reduction in force which is an organizational crisis especially when it is a result of an economic recession. A reduction in staff can be a significant crisis for an organization. It is important to manage it carefully to minimize negative impacts on both the organization and the remaining employees. In such times, the organization will need leadership that can help to allay employees' fears of job loss. Charismatic leaders have the ability to effectively communicate and cultivate a compelling vision (Alkhawlani, Haderi, bin Bohari, Ahmed, & Rahim , 2016). The leadership should be able to provide transparent communication by clearly explaining the reasons for the reduction to all employees, whether they are staying or leaving. Transparency can help maintain trust and morale. Transformational leaders motivate their followers to produce innovative ideas and evaluate their efforts in order to enhance their creativity in problem-solving. They achieve this by challenging assumptions, restating difficulties, and interpreting familiar circumstances in novel ways. This stimulation primarily occurs by encouraging followers to proactively act (Karaca, Kapucu, & Van Wart, 2012). Leadership should ensure compliance with labor laws and regulations. They must treat affected employees with respect and fairness, offering severance packages, career counseling, or outplacement services if possible. The leadership should offer support for the remaining staff by addressing their concerns and emotions as employees may feel anxious or uncertain. Such a crisis also calls for leadership that is able to reevaluate workflows and redistribute tasks among remaining staff to ensure operational continuity.

Transactional leadership is efficient for establishing sound frameworks and delineating the issues that need to be tackled during difficult periods (Anwar, 2017). This may involve redesigning roles or processes. Most importantly, leadership should focus on morale and culture. They should foster a positive workplace culture to boost morale and engagement by encourage teamwork, recognize contributions, and provide development opportunities. In order to survive the turmoil, leadership should delve into strategic planning and develop a strategic plan to stabilize the organization and set a path for future growth. Assess the skills and resources you need moving forward.

Any crisis demands proper management, but also effective leadership should learn and reflect in order to evaluate the reasons and processes involved. Learn from the experience to improve future decision-making and crisis management strategies. Handling a staff reduction with care and empathy can help mitigate its impact and set the stage for recovery and rebuilding.

Statement of the Problem

In today's fast-paced and interconnected world, organizations face a myriad of potential crises, including natural disasters, cyberattacks, financial downturns, and reputational threats. The ability of an organization to effectively manage such crises can significantly impact its long-term viability and success. Leadership plays a crucial role in guiding an organization through a crisis, from initial response to recovery and beyond. It is against this backdrop that a literature review was conducted to try and establish what leadership styles can proactively anticipate potential crises and formulate thorough crisis management strategies that involve prompt and resolute action, transparent and effective communication. Leaders who should also be flexible and resilient, and able to regulate their own emotions and prioritize the emotional well-being of their employees during a crisis to effectively manage crisis.

LITERATURE REVIEW

Leadership is the act of creatively directing, guiding, and influencing others in order to achieve specific goals. It involves mediating between individuals and the organization to ensure that both parties get the highest level of pleasure (Bhatia, 2013). Leadership is widely recognized as a crucial and efficient approach to addressing the challenges and opportunities that arise in the global context. A style refers to a unique or distinguishing behavior, a specific approach to behaving. The literature on leadership styles is redundant. The task of defining leadership style has become increasingly challenging due to the differentiation between the concepts of "leadership type" and "leadership style" over time (Deshwal & Ali , 2020). Various authors have identified numerous distinct leadership styles.

Leadership styles play a crucial role in the outcomes of crisis management. Different styles can significantly influence how a crisis is handled and how effectively an organization can navigate through difficult times. There exist numerous leadership styles, and no single style can be deemed superior to others in any given situation. Leaders can exhibit varying degrees of autocracy or democracy, control or enablement, and task-orientation or people-centeredness. The Hay/McBer investigation, as reported by Goleman (2000) identified six types and provided information on their appropriate usage: coercive - requires obedience (ideal for emergencies or dealing with difficult individuals); authoritative - inspires and galvanizes individuals to take action, particularly in situations where a fresh perspective and clear guidance are required; affiliative - fosters concord (used to mend injuries and inspire individuals experiencing stress); democratic leadership style is characterized by the ability to form a consensus and obtain

contributions from others; pacesetting - establishes ambitious benchmarks to achieve rapid outcomes from a driven workforce; and coaching a process that aims to enhance individuals' performance and cultivate their abilities (Armstrong, 2012),.

Theoretical Framework

An essential attribute of effective leadership during times of crisis is the ability to communicate efficiently and help people to navigate a precarious situation. Leadership attributes are generally useful during times of crises. Table 1 below depicts leadership theories with different characteristics that specific crisis situations may require.

Theories of Leadership

Table 1: Leadership Theories

Theory	Theorist	Description
Situational Leadership Theory	Hersey, P. and Blanchard, K.H. 1977	Situational theory emphasizes the importance of in shaping leaders' responses to be more relationship or task motivated, or more authoritative or participative. The focus of the situational approach to leadership is on observed behaviour, not on any hypothetical inborn or acquired ability or potential for leadership
Contingency Leadership Theory	Edward Fiedler, 1964	Contingency theory suggests that leaders' influence is contingent on particular variables related to the environment determining leadership styles. Leader behaviors have a direct impact on the performance and satisfaction of a group. To do this, various factors interact, including the leader, their position, group members, and the internal and external environment of the organization.
Transactional	James V. Downton, 1973	
Transformational	James McGregor Burns, 1978	Transformational leaders are focused on the performance of group members, but also on each person to fulfilling his or her potential.
Participative Leadership Theory	Kurt Lewin, 1939	The ideal leadership style is one that takes the input of others into account.
Skills Leadership Theory	Robert Katz, 1955	States that learned knowledge and acquired skills/abilities are significant factors in the practice of effective leadership.
Behavioral Leadership Theory	Robert R. Blake and Jane S. Mouton, 1960	Behavioral theories of leadership argue that a specific set of behaviors can be classified as a leadership style. Leadership style is the distinct behavior exhibited by individuals in formal leadership roles (Campbell, et al., 1966). Numerous research have been undertaken to determine these styles.

Slightly adapted from Khan, Bhat, & Hussanie, (2017). *Understanding leadership theories-A review for researchers. Asian Journal of Research in Social Sciences and Humanities*

Contingency theories, specifically situational theories, are being discussed. The theories of contingency suggest that no leadership style can be seen as universally effective, as the choice of leadership style depends on various elements such as the competence and circumstances of the followers, as well as other variables. Contingency theories of leadership center around

specific elements associated with the environment that may decide the most appropriate leadership style for a given work circumstance. According to this notion, there is no universally suitable leadership style for all situations. Success is contingent upon various factors, such as the style of leadership, the qualities of the followers, and the situational characteristics (Amanchukwu, Stanley, & Ololube , 2015).

The contingency theory of leadership asserts that there is no universally applicable leadership technique that is suited for all circumstances. Leadership can be either directive or supportive, and it should be applied effectively to certain situations. Leaders must continuously assess and improve their leadership style based on the competency and dedication of their followers. It has been proposed that leadership tactics should be contingent upon particular circumstances, such as leader-follower dynamics, job complexity, and power dynamics. Various circumstances may necessitate a leader to employ diverse approaches in order to exert influence and maintain control over their following (Mokhtar, Genovese, Brint, & Kumar, 2019).

Transformational Leadership

(Griphin, 2013) defines transformational leadership as a kind of leadership that surpasses typical expectations by instilling a sense of purpose, promoting opportunities for growth, and motivating innovative thinking. Due to the swift and unpredictable nature of change and unstable situations, transformational leaders are being increasingly recognized as essential for the success of businesses.

Transformational leadership frequently inspires individuals to surpass their own self-interests for the betterment of the firm. Employees, when exposed to a high level of transformational leadership, are more likely to embrace challenges, even when they encounter obstacles. Conversely, in an environment characterized by low levels of transformational leadership, people may be discouraged from seeking out answers (Nguyen, Malik, & Budhwar, 2022).

(Shadraconis, 2013) identified dimensions of transformational leadership as idealized influence, inspirational motivation, intellectual stimulation, and customized consideration. Idealized influence because leaders foster social identification among their followers, leading to a strong desire to closely associate with the leader, inspirational motivation because leaders encourage and motivate followers by establishing attainable goals and showcasing dedication to a common vision; intellectual stimulation because leaders who are intellectually stimulating have the ability to enhance the innovation and creativity of their followers: and customized consideration because leaders challenge underlying assumptions, redefine problem statements, and approach familiar issues from novel perspectives. Leaders must possess adaptability in order to effectively address the challenges presented by a swiftly evolving operational context.

(Maruhom, Minoza, & Zosa, 2024) posited that over the past five years, there have been research studies examining the effects of transformational leadership on many factors such as workplace wellbeing, employee empowerment, organizational performance, and productivity. These research studies have demonstrated the importance of transformational leadership in enhancing the performance and productivity of both people and organizations. When making critical decisions, particularly in times of crisis, it is quite probable that the leadership style must not be ignored. Transformational leaders can boost followers' performance and inspire good conduct. By encouraging members to work hard and exceed expectations. Empirical findings have shown that transformational leaders are able to achieve synergistic outcomes during times of crisis. Specifically, transformational leaders that exhibit high levels of

emotional control are connected with greater alignment of values. (Buhagiar & Anand, 2023; Maruhom, Minoza, & Zosa, 2024). During times of crisis, transformational leaders exhibited self-assurance and adeptness in managing problems, while refraining from emphasizing current accomplishments and using emotionally charged language. Transformational leaders help organizations make sense of crises by providing a clear, inspirational vision and structure. Sensemaking is the ongoing process of rationalizing human behavior. Sensemaking is the cognitive process of organizing complex situations into a cohesive framework for action (Shadraconis, 2013).

Transformative leaders are confident, flexible, and rational. They consult with subordinates and actively solicit their feedback to reach consensus-based judgments. They have strategic thinking skills, pay attention to details, have a broad perspective, and can use a variety of experiences to establish connections using cause-and-effect reasoning (Beugré, Acar, & Braun, 2006).

(Scheuerlein, Chládková, & Bauer, 2018) noted that transformational leaders can emerge not only during acute crises. They can also develop if the situation becomes chronic, such as when significant societal changes are happening on a big scale or when the values of an entire society are being questioned. In the midst of an extended crisis, a leader who inspires change must effectively convey that there will be a favorable resolution to the crisis, while also clearly articulating what this resolution will include. Transformational leaders typically guide their team by providing them with creativity and foresight. The leaders have devised follower-benefits tactics to attain optimal advantages and fulfill wants during times of crises. Transformational leadership is a leadership style that aims to inspire people through the leader's approach and charisma to a significant degree (Rathi, Soomro, & Rehman, 2021).

Transformational leadership can be highly effective in managing crises because it focuses on inspiring and motivating followers to achieve extraordinary outcomes and empowering them to overcome challenges. There are keyways that transformational leadership aids in crisis management:

- Vision and Direction: Transformational leaders provide a clear vision of the future, even in times of chaos. This clarity helps to align the team's efforts and maintain focus on the long-term goals, reducing panic and uncertainty.
- Communication: Effective communication is crucial in a crisis. Transformational leaders excel in transparent and frequent communication, ensuring that everyone is informed about the situation, the actions being taken, and their roles within the plan.
- Empowerment: By empowering team members, transformational leaders foster an environment where individuals feel confident and capable of contributing to the solution. This empowerment leads to innovative problem-solving and a proactive approach to crisis management.
- Motivation and Morale: Transformational leaders inspire and motivate their followers through their passion and commitment. They uplift morale by recognizing and addressing the emotional and psychological needs of their team, which is crucial during stressful times.
- Adaptability and Innovation: These leaders encourage adaptability and creativity, prompting the team to think outside the box and develop innovative solutions to the crisis. They view challenges as opportunities for growth and improvement.

- Collaboration: Transformational leadership fosters a sense of community and teamwork. In a crisis, this collaborative spirit can lead to more cohesive and effective responses, leveraging the diverse skills and perspectives of the team members.
- Confidence and Trust: By demonstrating confidence and decisive action, transformational leaders build trust among their stakeholders. This trust is essential for maintaining stability and ensuring that everyone moves in the same direction.

Overall, transformational leadership not only helps in stabilizing situations during a crisis but also galvanizes the team towards recovery and future preparedness, ensuring that the organization emerges stronger from adversity.

Transactional Leadership

Transactional leaders possess distinct leadership abilities typically linked to achieving outcomes, exerting control through structures and procedures, resolving issues, planning and organizing, and operating within the organization's established frameworks and limitations (Armstrong, 2012).

The transactional theory is founded on the principle of reciprocity, whereby leaders not only exert influence over their followers but are also influenced by them. Several studies have found that transactional leadership exhibits a disparity in terms of the extent of leaders' actions and the quality of relationships with followers (Nawaz, A. K. D. A., & Khan, 2016). Transactional leaders focus on structure, rewards, and penalties, which can help maintain order and ensure tasks are completed efficiently during a crisis.

(Bowers, Hall, & Srinivasan, 2017) observed that the transactional leader, due to their adherence to rules and regulations, is not well-equipped to effectively handle the complexities of emergent crisis circumstances This style may not inspire or engage employees, leading to lower morale and reduced creativity in problem-solving. This sort of leader may not be suitable in situations of significant time constraints, mostly due to the time-consuming nature of consensus-building. The transactional leader can be described as a meticulous and detail-oriented leader. This leader prioritizes a limited number of specific details, demonstrates intelligence, adheres to regulations, and successfully completes tasks

Transactional leadership can also play a crucial role in crisis management due to its focus on structure, order, and clear roles. Here are keyways transactional leadership aids in managing crises:

- Clear Goals and Expectations: In times of crisis, having specific, unambiguous goals and expectations is essential. Transactional leaders clearly define what needs to be done, which helps reduce confusion and ensures that everyone knows their responsibilities and tasks.
- Immediate Response and Control: Transactional leaders thrive in environments that require swift decision-making and strict control. Their command-and-control style is effective for quickly mobilizing resources and implementing necessary actions to manage the immediate aspects of a crisis.
- Structured Processes: These leaders implement rigid structures and procedures, which are crucial during a crisis. Having pre-established protocols and processes for crisis response can prevent chaos and ensure a cohesive and effective response.

- Consistency and Discipline: Transactional leaders enforce rules and maintain discipline, which can be particularly valuable in a crisis. This consistency ensures that everyone adheres to the necessary actions and follows the crisis management plan.
- Performance Monitoring: Through constant monitoring and feedback, transactional leaders ensure tasks are completed efficiently and effectively. This is especially important in a crisis, where the situation can change rapidly, and constant adjustments may be necessary.
- Reward and Punishment: The reward and punishment system of transactional leadership can be motivational during crises. Employees know they will be rewarded for going above and beyond, but also understand the consequences of not meeting expectations.
- Short-Term Focus: Transactional leadership is effective for managing the immediate aftermath of a crisis. It focuses on short-term goals and quick fixes to stabilize the situation, which is often the first priority in crisis management.

Overall, transactional leadership provides structure, immediate response capability, and clear expectations, which are critical components for managing the chaos and uncertainty that come with crises. It ensures that urgent tasks are completed, roles are understood, and a disciplined approach is maintained throughout the crisis.

Charismatics leadership

Charismatic leadership is a multifaceted social phenomenon that possesses an enigmatic and mysterious quality. Charisma is developed at times of societal crisis when a leader emerges with a clear vision that offers a solution to the crisis and attracts followers who believe in acting. The presence of a charismatic leader and the devotion of organizational members have a positive influence on crisis situations. Effective leadership can significantly improve the performance and outcomes of a firm during a crisis (Alkhawlani, Haderi, bin Bohari, Ahmed, & Rahim , 2016). These leaders possess outstanding communication skills and have the ability to inspire others. They effectively represent and embody the principles that a group aspires to. Charismatic leaders possess the ability to effectively express a set of beliefs and ideas that create a feeling of belonging and unity among the group and employ a wide range of communication and presentation skills to effectively influence others (Jacquart & Antonakis, 2015). The vision serves to communicate an idealized future goal to members of the organization and aims to align the organization around a strategic path. The leader consistently presents a strategic vision to followers in an inspiring manner, fostering a sense of continuity inside the organization. (Wegge, Jungbauer, & Shemla, 2022) posited that during periods of crises, followers may encounter circumstances that exceed their capacity to effectively manage independently. Prior studies on the convergence of crisis and leadership have put forth two primary theories to explain why charismatic leadership stands out as the most applicable form of leadership in crisis situations. The initial explanation pertains to the distinctive capabilities of charismatic leaders that become apparent during times of crisis. Crises relax the limitations imposed on organizations and provide leaders with greater freedom to exhibit charismatic behavior, so creating more chances for them to express their ideas for drastic transformation.

(Maruhom, Minoza, & Zosa, 2024) add that charismatic leaders have the ability to sway their followers to alter their attitudes, beliefs, and behaviors, while also inspiring and motivating them to enhance their performance in order to achieve organizational objectives.

Charismatic leadership can be particularly powerful in crisis management because of the leader's ability to inspire and mobilize people through their personality, vision, and communication skills. (Alkhawlani, Haderi, bin Bohari, Ahmed, & Rahim , 2016) identifies charismatic leadership characteristics that aid in crisis management:

- Inspiration and Motivation: Charismatic leaders have the ability to inspire and motivate their followers, even in the most challenging times. Their enthusiasm and confidence can be contagious, helping to uplift and energize the team.
- Communication Skills: Charismatic leaders are exceptional communicators. They can deliver compelling messages that provide clarity, reassurance, and motivation, which is essential during a crisis when people may feel uncertain and anxious.
- Emotional Connection: By forging strong emotional connections with their team, charismatic leaders can alleviate fear and anxiety. Their charisma helps build trust and loyalty, making people more willing to follow their guidance during turbulent times.
- Vision and Hope: Charismatic leaders often articulate a compelling vision for the future. During a crisis, this vision can offer hope and a sense of direction, helping the team to see beyond the immediate challenges and work towards long-term solutions.
- Decisiveness and Confidence: Charismatic leaders exude confidence and decisiveness, which is crucial during a crisis. Their unwavering belief in their actions helps to reassure team members and stakeholders that the situation is under control.
- Adaptability: Charismatic leaders are often flexible and adaptable, able to pivot quickly in response to changing circumstances. This agility is vital in a crisis, where conditions can evolve rapidly, and unexpected challenges can arise.
- Encouraging Unity and Collaboration: Charismatic leaders foster a sense of unity and collaboration within the team. By rallying people around a common cause and emphasizing collective effort, they can strengthen teamwork and enhance the collective response to the crisis.
- Role Modeling: Charismatic leaders often serve as role models, demonstrating the behaviors and attitudes they wish to see in others. Their actions can inspire team members to remain resilient, dedicated, and focused during challenging times.

In summary, charismatic leadership is particularly effective in crisis management due to its ability to inspire and motivate, communicate effectively, build emotional connections, provide a hopeful vision, and demonstrate confidence and adaptability. These attributes help to stabilize and galvanize a team, fostering a strong, unified response to the crisis.

Key Factors in Effective Crisis Management

Regardless of the specific leadership style, here are some key factors that contribute to effective crisis management:

Clear Communication: Leaders must communicate clearly and transparently to keep everyone informed and aligned. Communication is the act of transmitting information, ideas, and emotions from one person to others. Ultimately, all managerial operations rely on the efficacy of a communication process. Managerial decisions, their outcomes, and an organization's future vision can only be actualized and carry significance if they are effectively conveyed to employees and other stakeholders (Kapucu & Ustun, 2018). Effective communication has a crucial role in resolving a crisis scenario. Indeed, there is a contention that businesses ought to prioritize crisis communication over crisis management.

Communication has a crucial role in various aspects of a crisis, including its creation, providing meaning to people affected, aiding in its resolution, and restoring lost faith. It is the vehicle is the driving force behind the emergency (Lukaszewski, 1999). A leader should utilize many modes of communication to effectively convey the narrative and achieve maximum receptivity. When a leader communicates successfully, they have the ability to shape and potentially influence the narrative. Failure to communicate can lead to an uninformed public that has the potential to harm or even dismantle the organization (Prewitt, Weil, & McClure, 2011).

Develop a communication strategy that is tailored to specific information requirements, both within the organization and with external stakeholders.

Decisiveness: A crisis is a transformative process in which the existing system becomes unsustainable. In this context, the critical decision process aims to identify and implement the most effective strategies to mitigate and prevent potential hazards to a business. Specifically, crucial decisions should address dangers prior to, during, and subsequent to their occurrence. Management must possess advanced skill competencies and methodologies to effectively detect, assess, comprehend, and manage a critical situation, particularly from its first occurrence to the implementation of recovery processes (Coccia, 2020).

Adaptability: Leadership entails the optimal blend of appropriate knowledge, suitable individuals, correct conduct, and effective activities. Given the unpredictable and intricate nature of global risks, it is increasingly crucial for leadership models to be adaptable, agile, and resilient to possible shocks caused by both internal and external threats (Hayashi & Soo, 2012).

Leaders should be able to adapt their style and strategies as the situation evolves.

Empathy: Showing understanding and support helps maintain team morale and encourages loyalty.

as it allows individuals to share their experiences, wants, and desires, creating an emotional connection that encourages prosocial conduct. This ability necessitates a delicate interaction of brain networks and allows us to comprehend the emotions of others, empathize with them both emotionally and cognitively, understand the viewpoint of others, and differentiate between our own emotions and those of others (Socas, 2018).

Resilience: Resilience refers to the ability to effectively adapt to new events and situations despite facing disadvantages and adverse conditions. It may be described as the process of achieving positive adjustments under trying circumstances, resulting in the organization becoming more robust, powerful, and resourceful. It functions as a reservoir that enhances the likelihood of adaptability. While absolute certainty may be elusive, the likelihood of a particular outcome is significantly elevated. This implies that the capacity to recover quickly and effectively from a difficult situation or setback in one period enhances the likelihood of being able to do so in the subsequent era (Baykal, 2018).

Conceptual Framework

The Concept of Crisis

From an organizational standpoint, crises are defined as catastrophic events triggered by individuals, organizational frameworks, economic factors, and/or technology, resulting in significant harm to human life and the natural and social surroundings. Unforeseen incidents resulting in fatalities or severe injuries to staff, clients, or the general public; closure of the business; disruption of activities; physical or environmental harm; or jeopardizing the financial

stability or reputation of the establishment (Appelbaum, Keller, Alvarez, & Bédard, 2012; Anwar, 2017).

(Prewitt & Weil, 2014) add that a crisis is an unforeseen process of change that causes the entire organization to break down by endangering its assets, goals, and resources. And (Hasan & Rjoub, 2017) also posited that a crisis creates tension among the organization's members due to uncertainties and time constraints. In a crisis the fundamental structures and standards are adversely impacted by unforeseen developments creating a significant condition of imbalance that disrupts the regular operations of public sectors. Occurrences of peril can manifest in various forms, such as earthquakes, hurricanes, floods, political crises, or even economic downturns, such as financial crises resulting in the collapse of organizations or staff downsizing. At times, crises can be anticipated, which enables the business to cultivate skills that assist managers in effectively addressing the crisis (Sinjar Alsamaray, 2014).

The concepts of crisis and leadership are inherently interconnected, as they possess a natural tendency to mutually enhance each other. The leader's task is to restore things to their usual state. Although crises have negative repercussions, it is crucial to recognize that they also create an opportunity for a leader to revamp institutional structures and longstanding policies. The current existence of modern crises can be attributed to globalization, deregulation, information and communication technologies, as well as technological advancements and improvements. Although these advancements foster global interconnectedness, it is undeniable that they also render us increasingly vulnerable to the catastrophic consequences of a single disaster. During times of crises, citizens rely on leaders to provide security and guidance (Demiroz & Kapucu, 2012; Anwar, 2017).

The Concept of Crisis Management

Crisis management refers to the strategic steps taken by managers who assume leadership during challenging periods arising from many sources. Put simply, crisis management necessitates a methodical approach to decision-making and the formation of a team to implement these decisions. It also demands the capacity to promptly make new decisions in order to attain desired outcomes effectively. Crisis management is a systematic process of identifying and evaluating crisis indicators to assess the possible risk of a crisis. It involves implementing essential procedures and strategies to minimize losses during a crisis. Crises necessitate prompt and effective decision-making and swift rectification of any aberrations. Crisis management involves perceiving and evaluating signals of a crisis, and then taking appropriate actions to mitigate the situation and minimize any associated losses (Celik, Akgemci, & Akyazi, 2016). Crisis management is typically associated with the ability to handle unexpected or unforeseen occurrences that have the potential to cause harm and shock to an individual, organization, or its stakeholders (Peter & Placido, D. M., 2023).

The Concept of Leadership

Leadership is exerting influence over organizations in order to accomplish objectives. It is a social phenomenon where an individual is able to persuade and gain the assistance and backing of others to achieve a shared objective. Leadership entails the presence of four fundamental dimensions:

Leadership is inherently a notion that exists beyond the individual level, necessitating a clear differentiation between those who lead and those who follow. Leadership entails the fundamental concept that leaders take charge and engage in specific actions to guide or exert

influence on their followers. Leadership is inherently linked to specific objectives. These goals can encompass expansive visions of potential future worlds, but they can also be specific and tangible targets. Leadership indicates a specific course of action. In the context of this research, goals are crucial as leadership is consistently focused on the objective of guiding during crises. This review specifically examines this aspect (Kesting, Ulhøi, Song, & Niu, 2015).

Successfully managing crises depends on the effectiveness of leadership in addressing them. This involves anticipating and predicting crises, implementing measures to minimize their impact, and effectively responding to and learning from the outcomes. It is crucial for leaders to make informed decisions and take appropriate actions in order to overcome crises. However, some leaders may choose responses and policies that either hinder the organization from achieving its goals or result in significant losses that threaten the organization's survival (Rathi, Soomro, & Rehman, 2021).

In times of crisis, leadership is seen as an essential requirement for creating a proactive organizational environment and culture. This is typically achieved through a leader's personal qualities, such as positivism, motivation, visionary communication, emotional regulation, and empathy. Crisis leaders have the primary responsibility of effectively handling the conflicting and contradictory aspects of human resources, including establishing a flexible environment while enforcing rules; promoting freedom while preventing isolation; and encouraging risk-taking while applying corrective measures (Buhagiar & Anand, 2023).

Existing literature on crisis and leadership indicates that periods of crisis can have a substantial impact on the dynamic between leaders and their followers. Presumably, the alterations in this relationship are connected to the fact that a crisis entails something novel, which necessitates the capacity to acquire knowledge, since previously acquired experience may prove inadequate when the usual stability of the organization is disturbed. Organizational actors can mobilize to generate a novel solution and facilitate the required adaption within the enterprise Leaders also cultivate optimistic mindsets, emotions, and associations that foster resilient and self-regulated reactions to potentially adverse crisis situations. Effective crisis leadership can have a significant impact on managing a crisis (Santos, Bandeira de Mello, & Cunha, 2016; Appelbaum, Keller, Alvarez, & Bédard, 2012).

Furthermore, during times of crisis, the concept of leadership is a relatively new idea that involves combining several abilities and characteristics that enable a leader to strategize, react to, and gain knowledge from the crisis, all while being observed by the public. In addition, in these situations, leadership has the ability to either ensure a company's success or cause its failure, as the successful execution and efficacy of crisis management strategies often depend on a leader's competencies, responsibilities, and expertise. Several scholarly studies have examined the influence of different leadership styles, including transformational leadership, charismatic leadership, and destructive leadership, in crisis situations (Buhagiar & Anand, 2023).

Effective crisis leadership can have a significant impact on managing a crisis, while ineffective leaders may fail to accurately assess a crisis and thereby expose their companies to higher levels of risk (Appelbaum, Keller, Alvarez, & Bédard, 2012).

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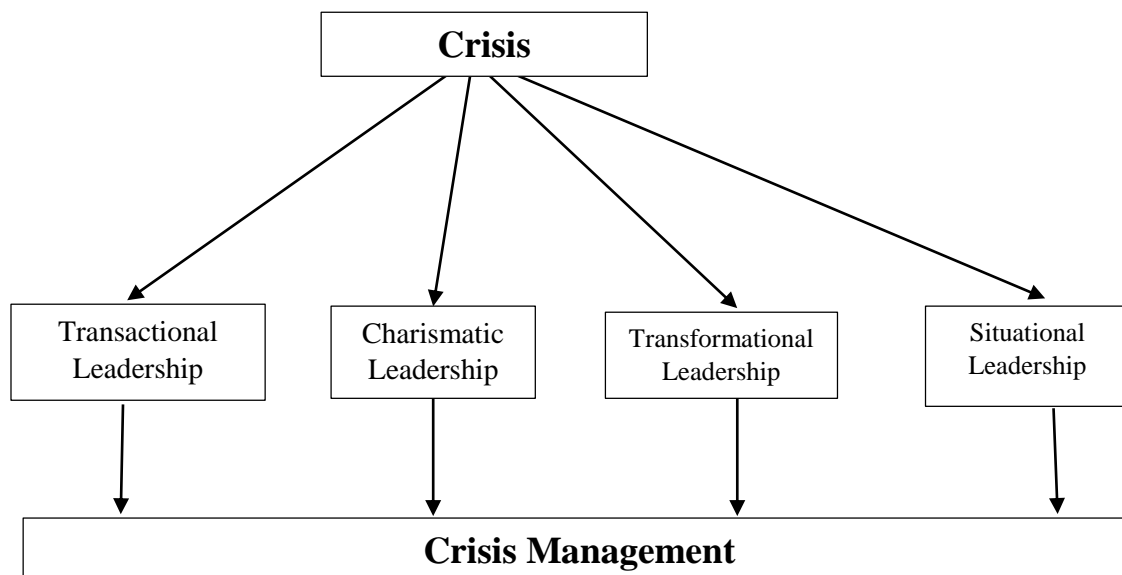
Figure 1 Conceptual Framework

METHODOLOGY

The purpose of this study was to identify significant academic resources that are relevant to leadership and crisis management, such as JSTOR, Google Scholar, Cite Seer, and Academia. The search framework was created to establish specific search terms and keywords that are relevant to the issue. Some examples of topics are "leadership," "crisis management," "transformational leadership," "decision-making in crisis," and "leadership communication." In addition, the researcher established specific criteria for including or excluding certain elements. The inclusion criteria encompassed peer-reviewed articles, case studies, and books that were published in the past two decades. These sources specifically emphasized empirical research, theoretical frameworks, and substantial examinations of leadership responsibilities in crisis scenarios. The exclusion criteria encompassed papers that were not written in English, articles that were not peer-reviewed, opinion pieces lacking empirical data, and studies that focused on areas of crisis management other than leadership.

A systematic literature search was performed using specified keywords and databases to gather articles, abstracts, and citations that are pertinent to the subject matter. The chosen articles underwent screening to ensure they met the inclusion requirements. The final step involved doing a comprehensive examination of whole texts for articles that successfully passed the initial screening in order to determine their pertinence and excellence, which was then followed by extracting the relevant data. This study utilized a desk study technique, doing a thorough literature review to investigate the role of leadership in crisis management. This study thoroughly examined existing literature that specifically addressed salient areas of research. These areas combined formed a conceptual framework to serve as a guide for the analysis and interpretation. The areas of focus were understanding the concepts around crisis management

and identifying the necessary leadership styles organizations should utilize to achieve effective crisis management.

Leadership is crucial in times of distress as leaders play an important role in helping to navigate a crisis. Leaders are responsible for anticipating potential crises and managing the planning process to mitigate any avoidable elements through sense-making. Leaders bear the responsibility of making ultimate decisions and ensuring that they seek assistance from others who can aid in addressing the situation. They are in the spotlight to guide the public in the correct route. It is their paramount duty to inspire the individuals to have faith in their ability to overcome this predicament. One of the leader's responsibilities is to ensure that the affected parties stay focused on reaching a resolution and have the chance to move on from the crisis. Ultimately, the leader should assess the situation and derive valuable insights from both the failures and achievements of the complete response efforts. Effective communication is the key factor in leadership during a crisis (Demiroz & Kapucu, 2012)

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

The twenty-first century is defined by its complex and nuanced nature, necessitating savvy management that is both proactive and responsive. Managers generally predict and take proactive measures to handle difficulties before they become crises, displaying rational and competent management of the entire scenario. In times of crises, it is crucial to identify and implement effective solutions to address the current crisis and guide the organization towards a state of safety. The literature study examines the crucial role that leadership plays in efficiently overseeing crises. Crises, encompassing a wide spectrum of events such as natural catastrophes and organizational upheavals, necessitate resolute and flexible leadership to effectively handle uncertainty and maintain the resilience of the business.

The success of crisis management is influenced by various leadership styles, including transformational, transactional, and situational. Transformational leaders, known for their capacity to inspire and motivate their teams, are frequently considered more effective during a crisis because they can cultivate trust and effectively express a clear vision. Transactional leaders, characterized by their emphasis on organizational structure and adherence to established procedures, can offer stability in times of crisis. However, they may have difficulties when faced with the necessity for swift and flexible adaptation. In times of crisis, the ability to communicate effectively is crucial. Leaders must uphold transparency and ensure the timely and precise dissemination of information to all stakeholders. Leadership should promote bidirectional communication to ensure that leaders not only distribute information but also actively listen to opinions and concerns, encouraging a collaborative approach to resolving crises.

Crucial circumstances frequently necessitate prompt decision-making while facing intense pressure. Leaders must strike a balance between the imperative of swift action and the necessity of doing a comprehensive evaluation of potential risks. It is necessary for leadership to establish adaptive decision-making frameworks that can be adjusted and flexible in response to changing conditions. In times of crisis, it is advisable for leaders to demonstrate a certain degree of emotional intelligence. Leaders that possess a high level of emotional intelligence are more adept at leading during such periods.

Conclusion

This review article presents a comprehensive literature analysis that can serve as a valuable resource for future study on leadership in crisis management. It explores the various leadership styles that can be employed in different scenarios. In light of the evolving corporate landscape, it is crucial to acknowledge the specific duties and obligations of leaders within the dynamic work environment. Effective leadership enhances job satisfaction and efficiencies, while also providing leadership with the chance to drive business growth.

Recommendations

In times of crisis, the role of competent leadership becomes crucial in guiding an organization through challenging and uncertain circumstances. The study recommends that leaders should engage in effective and regular communication, and they should practice transparency and openness by openly communicating about the ongoing situation, acknowledging the true nature of the problem, and sharing both their expertise and their lack of information. Provide regular and frequent updates to keep everyone well-informed about the most recent advancements and actions being done. Additionally, they should foster an environment that encourages feedback and ensures that communication channels are open for team members to express issues and discuss ideas. It is imperative for them to offer a well-defined vision and strategic plan that clearly outlines the desired objectives to be accomplished in spite of the crisis. Create and disseminate a strategic plan that clearly explains the necessary actions to navigate the crisis. This strategy should also identify and communicate the most important priorities that require the allocation of resources and efforts in an efficient manner. Leadership must exhibit empathy and provide support. This demonstrates comprehension and compassion for the emotional and individual difficulties that your team members may encounter. Ensure the presence of sufficient support mechanisms, such as counseling services, flexible working arrangements, and time-off rules. Lastly, leaders must possess the ability to make prompt and resolute judgments by utilizing the most reliable information at their disposal, while also being adaptable to changing circumstances.

Effective crisis management relies heavily on strong leadership. Leading at times of crises necessitates distinct talents and traits compared to other forms of leadership. Catastrophic disasters and ordinary emergencies typically require distinct leadership approaches. Leaders must possess the ability to effectively handle unexpected events, particularly those that are highly significant and disastrous in nature. Conversely, common emergencies typically necessitate more uniform procedures. The most crucial leadership attributes include the ability to collaborate with other stakeholders, being adaptable in decision making and operations, having the capacity to adjust to catastrophic conditions, and effectively communicating with other stakeholders and the public. Form these insights, it can be deduced that the eclectic method is best suited to address crises in different situations. Therefore, contingency theory will be the best guide as specific leadership needs may differ depending on factors such as the nature of the crisis, the environment, the type of organization, the sector, and the scale of the event, it is feasible to establish a framework outlining the essential leadership skills required for managing disasters and crises.

The aforementioned ideas are intended to provide guidance to leaders in improving their leadership abilities during times of crises. The recommendations have the potential to foster trust and instill confidence in the existing leadership inside the businesses.

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