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- [News archive](#)
- [Events overview](#)
- [Events calendar](#)
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Leaders for our times

How can firms nurture and develop managers and executives into leaders capable of turning today's problems into tomorrow's opportunities? Dr Babis Mainemelis, Assistant Professor of Organisational Behaviour, provides creative solutions



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In a downturn, having business leaders with the right skills and the best insights can pull a company through even the most challenging of environments. In fact, tough times can often bring out the best in terms of leadership and creativity.

To get closer to the reality of leadership, over the last eight years I have asked over 4,000 executives to identify the people they consider to be great leaders. As you would expect there was a great variability in their answers. The executives come from different cultures and have had different experiences. But, most of the people that they identify as great leaders appear to fall into two basic categories.

First, there are those who had to lead in really difficult and tough times. They were able to stand and meet the challenges effectively. And then there are those who made their times rather than being made by their times - though sometimes they made their times way more difficult than they had to. What I mean is that they didn't rest upon the glory of past success. They didn't automatically take the easy way out, to enjoy, for example, a prosperous situation. Instead, they kept on posing more stretching, more challenging objectives and goals for themselves and for their followers.

Easy options

In some ways being a leader in good times poses more difficult challenges. For example, we know that leadership succession tends to be very difficult when you succeed a highly successful leader who leaves behind a good, prospering situation. For the incoming leader this is one of the most difficult, if not the most difficult, type of succession scenario. In contrast, during tough times it is easier to rise to leadership roles in the first instance and, when you get there, there is a bigger appetite for fresh thinking, vision and challenging objectives.

Having said that people do not suddenly expect a different sort of leadership when the going gets tough. Fundamentally, I do not think they expect different types of leadership. They expect meaning, hope and mobilisation. They are the three fundamental things that people usually expect from their leaders.

What is different in tough times is that people seek these qualities with a higher degree of intensity. In addition, tough times provide leaders with more opportunities to really influence people. For example, consider meaning. People always expect their leaders to help them make sense of their world. This happens in boom times and in difficult times. But, in prosperous times people tend to be more resistant to altering their own mindsets.

In organization science there are a variety of terms to describe this. People become trapped in psychological webs of their own creation or become prisoners of inflexible mindsets which lead to organisational inertia. What all these terms actually express is that when things go well, people are much less likely to alter or to question their own mindsets. In contrast, during tough times when there is much greater ambiguity they are ambivalent. This means people are more likely (on balance) to question their assumptions. They are more open to understanding that perhaps the way they interpret and perceive their world and the markets and the way they act may not be the best response to the situation.

And herein lies the opportunity for leaders. They can come in and influence people's minds and steer them in a more positive direction. I am not suggesting that this is an easy thing to do or balance.

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A place called hope

In the cosmetics industry it is said that companies sell hope, the hope of beauty or youthful looks. You don't sell hope to someone who doesn't need it. In tough times people tend to become more concerned or experience more fear and that makes them more willing to accept and to look for hope from their leaders. So a leader who has the ability to offer hope, who can inspire people, will have much greater impact during turbulent times.

It is the same story with mobilisation. We know that sometimes people in organisations resist positive change. They will resist transformation efforts simply because they feel there's no good reason to change things. In tough times you have a sense of urgency. People know that something's going wrong and they must take positive action.

Leadership skills

But what about turning these notions into reality? This requires two basic categories of skills. The first embraces all-round leadership skills -- things like knowing the basics of the business, the ability to think in flexible and creative ways, emotional intelligence, the ability to inspire, communication skills, power-related skills, the ability to be able to influence others and so forth.

The second category I label insight. What are the causes and reasons that led to these difficult times and what is the best way forward? How can we turn these difficult times into an opportunity for recreating the organisation? The ability to pose and answer these sort of questions is what I mean by insight.

Some leaders don't have the basic skills nor the level of insight required. Then there is a second type of leader, what we sometimes call the failed reformist. This is someone who has the insight and in-depth knowledge of what's going on, but who lacks basic leadership skills. They cannot inspire nor communicate very effectively.

A third type of leader has good all-round skills, especially people or social skills. They have the ability to influence, and these skills allow them to keep their jobs, to stay in leadership positions. But, they lack insight; they cannot explain the situation and have no idea what the company should do to transcend it. These leaders really love dialogue, but they don't have anything new to say.

In the final category are people I consider truly creative leaders, people who have the all-round leadership skills and a high degree of insight. These are the people who excel during difficult times. Instead of being afraid of the situation, they use it as an opportunity for recreating and rejuvenating the organisation. These are the leaders we now need.

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