

CLASSIFIED INSIGHT

How to turn a crisis into an opportunity

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Nobody loves a crisis because it is negative, unstable, nerve-racking and dangerous. Nevertheless, crises are part of every life, society and economy, as well as every enterprise.

At the same time, every crisis has two sides: a problematic and a positive one. This is probably why the Chinese word for 'crisis' is made up of two characters, which individually mean 'danger' and 'opportunity'. Ultimately, the term 'crisis' goes back to the ancient Greek word 'κρίσις' ('intensification'). Crises are thus a kind of acid test.

There are always entrepreneurs and companies in trouble – probably at least as many as those that are doing well. Yet crisis is considered a taboo.

“The crisis makes the weak points visible and that is precisely the opportunity that exists within the crisis”

I have never come across a company that was always doing well, yet I have successfully helped many entrepreneurs and businesses make it out of crises. Most of them were previously successful but still faced problems at some point.

A crisis arises mainly from some negligence. Something was overlooked or omitted, one or more weak points were ignored or not taken seriously, or put on the back burner. Then suddenly, everything that was already inconsistent underneath becomes obvious. In the crisis, every crack, every instability becomes an issue. In a crisis, every weak point is dangerous.

Crisis are, therefore, suitable for examining the business – this also applies to personal life. The crisis makes the weak points visible and that is precisely the opportunity that lies within the crisis. Whether they are weaknesses in leadership, structure, organisation, process, the business model, dealings with employees, customers



In a crisis situation, leaders should look at their company's weak points and try to transform them into strengths.
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and business partners, remuneration, motivation, market positioning, competitiveness, product or service quality, appreciation, modernisation, it doesn't matter – they all come to light. That is why a crisis is ultimately always a good thing. It is nonsense to make it a taboo.

Leadership in a crisis means saying to oneself: “We may not be able to solve the world crisis or the country's crisis, however, we can look at the weak points of our company and promptly improve them”. In doing so, we examine weak point by weak point and transform them into strengths. We also look at the strengths – we make ourselves aware of them again and use them all the more. Both the new and the old strengths must then be defiantly publicised.

In crises, leadership should build on two things above all – transparency and trust. Embellishments, half-truths and tactical games should be avoided at all costs because people are quick to notice deceit and abhor being taken for fools. Once trust and reputation have been ruined, it's hard to restore either.

On the other hand, in a crisis, the only thing left to do is to run on sight because

crises are highly dynamic processes with a fog factor. In a crisis, you can't make 10-year plans or decisions that are intended for long periods ahead.

In this respect, in a crisis, it is not dishonourable to openly say to someone or even to one's staff: “I have no idea how this will develop, because simply no one has any idea how it will develop.”

This honesty is essential; even adding that we are open to assessments and ideas from among staff and from outside.

In a crisis, it is also important to surround oneself with competent people. Knowing, overseeing, looking through and seeing everything yourself in a crisis is extremely difficult and, therefore, risky. It needs external people with expertise, competent advisers and at least one very experienced, crisis-tested 'devil's advocate'.

The latter has the task of critically scrutinising everything – the status quo and the improvement plans – from the most diverse perspectives. A devil's advocate also holds up a mirror to the boss or the management team. He can also challenge and question the higher-ups: “This is foolish,

what are you doing?” He does not mince his words and that is what makes him so important.

Another crucial point in crisis management is accountability. Especially in a crisis, the captain has to be on board – there is no holiday. Management personnel must be twice or even three times more present, resilient, ready to communicate, than usual. They must be there for the employees, from the lowest to the highest, giving their all, to the extent of being first to arrive in the morning and last to leave in the evening.

This gives us the best prerequisites to master a crisis, to successfully use its opportunities and to emerge from it stronger and more sustainable.

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