

# How Do Leaders Build Organizational Resilience? An Empirical Literature Review

\*Choirum Rindah Istiqaroh<sup>1</sup>, Indrianawati Usman<sup>2</sup>, Dhyah Harjanti<sup>3</sup>

<sup>1</sup> Management Study Program, Faculty of Economics, Universitas Merdeka Madiun, Madiun, Indonesia

<sup>2</sup> Department of Management, Faculty of Economics and Business, Universitas Airlangga, Surabaya, Indonesia

<sup>3</sup> Management Study Program, School of Business and Management, Universitas Kristen Petra, Surabaya, Indonesia

Correspondence\*:

Address: Jl. Serayu No. 79, Madiun, Jawa Timur, Indonesia 63133 | e-mail: choirum\_ri@yahoo.co.id

## Abstract

**Objective:** The purpose of this study is to compile a synthesis of the application of leadership in building organizational resilience, especially when the organization faces a crisis or difficulty.

**Design/Methods/Approach:** The approach used is a literature review, with a systematic search from a database of scientific journals indexed by SCOPUS as an indexing organization for reputable research journals. Selected journals that match the theme will be reviewed and data synthesized.

**Findings:** When the organization is down, leaders play various roles in building organizational resilience. The leader develops and disseminates the organization's vision, builds awareness, ensures the learning process runs, builds capability and adaptability, strengthens physiological capital, and builds an organizational culture and team resilience. These roles are doable by implementing the right leadership style and strategy, configuring resources, and building relationships and collaborations. Furthermore, this research also identified the stages of the process and their mechanisms. From the results of this study, there are several opportunities for future research.

**Originality:** This research generates a literature review on building organizational resilience with a leadership perspective and its synthesis model.

**Practical/Policy implication (optional):** This research provides a more comprehensive understanding of how resilience is fostered in organizations and best practices regarding the role of leaders in building organizational resilience.

**Keywords:** Leadership, Organizational Resilience.

**JEL Classification:** L21, L22, M10



DOI: <https://doi.org/10.20473/jmtt.v15i3.37640>

Received: Received: (July 19, 2022) Revised: (November 8, 2022) Accepted: (November 18, 2022) Published: (December 17, 2022)

Copyright © Choirum Rindah Istiqaroh, Indrianawati Usman, Dhyah Harjanti 2022

Published by Universitas Airlangga, Department of Management, Faculty of Economics and Business

This article is published under the Creative Commons Attribution 4.0 (CC-BY) International License. The full terms of this license may be seen at: <https://creativecommons.org/licenses/by/4.0/>

## I. Introduction

The concept of organizational resilience is interesting to be discussed in the current study when many management experts begin to examine how organizations grow through challenges and develop new competencies (Gaspersz, 2016); (Dulewicz, Higgs, & College, 1999) and (Gaspersz, 2016) Organizational resilience also shows an increasing trend in academic publications (Annarelli & Nonino, 2016). The idea of resilience is growing in popularity. However, the question of “how an organization can build resilience at the organizational level” has not been fully answered (Linnenluecke, 2017). Building organizational resilience (OR), especially when the organization suffers from a crisis or adversity cannot be separated from the role of the leader (Teo, Lee, & Lim, 2017); (Boin, Kuipers, & Overdijk, 2013). The leadership role is fundamental to actively facilitate resilience to manage crises and focus on recovery (James, Wooten, & Dushek, 2011). However, there has been little research on how leaders build resources (within organizations and themselves), especially those that promote resilience (Williams, Gruber, Sutcliffe, Shepherd, & Zhao, 2017). Leadership is an organizational process rarely discussed in resilience research (Andersson, Cäker, Tengblad, & Wickelgren, 2019).

When discussed, the discussion is more often associated with specific leadership than with the process (Andersson et al., 2019). There is lack of explanation of how leaders facilitate the process by which an organization and its members learn from the crises they face by encouraging resilience from adversity (Williams et al., 2017). According to Manfield & Newey (2018), resilience is a process developed concerning specific threats. Resilience development can be a deliberate learning process that forms capabilities that can lead to different desired outcomes, such as returning to a previous balance or growth from adversity and an entirely new company incarnation.

A comprehensive study of the role of leaders in building resilience in organizations is crucial to building a holistic understanding. Empirical research is essential as a basis for testing how leaders succeed in building the resilience of their organizations in the face of decline. Unfortunately, most of the literature related to leadership and organizational resilience is in the form of conceptual papers. Empirical research on resilient organizations is still rare (Van Der Vegt et al, 2015) ; (Boin et al., 2013) .(Williams et al., 2017) even stated that 'there is no empirical research that discusses the role of leadership in the process of building organizational resilience.' The scarcity of empirical research is an opportunity for future studies so that the concept of leadership in building organizational resilience can be more established.

Following the directions of (Williams et al., 2017), this study contributes substantially to the literature by exploring the role of leadership in preparing for, adapting to, and responding to adversity and building support by encouraging greater resilience. This understanding assists companies in managing crises and avoiding events that trigger them. The purpose of this paper is to reveal the role of leaders in building organizational resilience from the empirical research that has been carried out, and making practical contributions to leaders who face difficulties in their organizations.

## 2. Method

This article reviews the empirical literature and compiles a synthesis of the application of leadership in building organizational resilience, especially when organizations face crises or adversity. The literature search was carried out systematically by searching for articles listed in the SCOPUS database as reputable journals. The research started by selecting the topic “leader”, “leadership” and “organizational resilience” in the article title, abstract, and keywords. This search found 320 documents from the period 1999-2019. We filtered these documents first based on the field to get articles with the scope of resilience at the organizational level (not at the individual, group, or industry level). Second, based on perspective, which excludes resilience from a medical perspective. Third, based on title similarity across the field. The filtering results are shown in Table I below.

Table I. Article Selection from SCOPUS Database

Field	Collected Documents	Deleted Documents*	Filtered Documents
Business, Management dan Accounting	86	0	86
Decision Sciences	13	9	4
Engineering	23	20	3
Arts and Humanities	12	11	1
Economics, Econometrics and Finance	13	13	0
Nursing	28	27	1
Psychology	30	29	1
Environmental Science	31	31	0
Medicine	84	82	2
Number of documents filtered	320	222	98

\* The title is the same as other fields or not the scope of the organization

In the next step, we conducted a full-text analysis of 98 filtered documents to identify papers in the research domain that were relevant to the research question. Two documents in the form of a book and two articles that emphasize gender comparisons in organizational leadership were removed from the list. The remaining 94 articles were re-filtered by selecting only empirical studies of leadership practices in building organizational resilience. Of the 94 articles, we had 43 empirical studies published from 1999-2019. Finally, we reviewed and synthesized the model from the study findings. The results of article selection from the database are shown in Table 2 and Table 3. Table 2 displays filtered articles from Management and Accounting, while Table 3 displays articles from other fields.

Table 2: Articles in Management and Accounting

No	Authors	Year	Category	Method
1.	Dulewicz et al.	1999	Empirical study	Survey
2.	Avey, Hughes, Norman, & Luthans	2008	Empirical study	Survey
3.	Kirkhaug	2010	Empirical study	Survey
4.	Pal & Torstensson,	2011	Empirical study	Semi-structured survey
5.	Povah.	2012	Empirical study	Case Study
6.	Zulkifli, Hashim and Ahmad	2012	Empirical study	Survey
7.	Weber.	2012	Empirical study	Case Study
8.	Edson.	2012	Empirical study	Case Study
9.	Leggat & Balding	2013	Empirical study	Survey
10.	Dennis	2014	Empirical study	Experimental
11.	Davison	2014	Empirical study	Survey
12.	Powley and Taylor.	2014	Empirical study	Case Study
13.	Krygier	2015	Empirical study	Case Study
14.	Oeij et al.	2016	Empirical study	Survey
15.	Mofuoa.	2016	Empirical study	Case Study
16.	Rego, Lopes, and Nascimento.	2016	Empirical study	Survey
17.	Antunes & Franco	2016	Empirical study	Case Study
18.	Nold and Michel	2016	Empirical study	Survey
19.	Brendel and Bennett	2016	Empirical study	Quasy Experimental
20.	Luthans & Youssef-Morgan	2017	Empirical study	Survey
21.	Magsaysay & Hechanova	2017	Empirical study	Mix Method
22.	Dovey, Burdon, & Simpson	2017	Empirical study	Phenomenology
23.	Alavi & Gill	2017	Empirical study	Case Study
24.	Wei, Bilimoria, and Li	2017	Empirical study	Case Study
25.	Teo et al.	2017	Empirical study	Survey
26.	Dalgaard-Nielsen	2017	Empirical study	Case Study
27.	McCray, Warwick, & Palmer	2018	Empirical study	Case Study
28.	Dimas, Rebelo, Lourenço, & Pessoa	2018	Empirical study	Survey
29.	Azevedo & Shane	2019	Empirical study	Experimental
30.	Kakkar	2019	Empirical study	Survey
31.	Mervyn, Amoo, & Malby	2019	Empirical study	Case Study
32.	Thude, Juhl, Stenager, von Plessen, & Hollnagel	2019	Empirical study	Case Study
33.	Morales, Martínez, Gómez, López, & Torres-Argüelles	2019	Empirical study	Survey
34.	Ahmad, Athar, Azam, Hamstra, & Hanif	2019	Empirical study	Survey
35.	Tuazon, Wolfgramm, & Whyte	2019	Empirical study	Multiple Case Study
36.	Zwane, Kanyangale, & Ndoro	2019	Empirical study	Phenomenology
37.	Oliver	2019	Empirical study	Survey
38.	Kakkar	2019	Empirical study	Survey

Source: Database

Table 3: Articles in Other Fields

	<b>Authors</b>	<b>Year</b>	<b>Category</b>	<b>Method</b>
39.	Schack & Essen	2014	Empirical study	Survey
40.	Kisekka, Sharman, Rao, Upadhyaya, & Gerber	2015	Empirical study	Survey
41.	Nguyen, Kuntz, Näswall, & Malinen	2016	Empirical study	Survey
42.	Tracey, O'Sullivan, Lane, Guy, & Courtemanche	2017	Empirical study	Case study
43.	Schultz, Shoobridge, Harvey, Carter, & Kitson	2019	Empirical study	Survey

Source: Database

Based on the type of study conducted, the conceptual studies dominated research conducted from 1999-2019 (75%). Empirical research is sparse. As time goes on in the 2010-2019 period, empirical research has begun to develop. Even in 2019, empirical studies dominate, of which 43 empirical research conducted for 20 years since 1999, turned out that as many as 25% of articles were published in 2019. Table 4 shows the categories of articles based on the research method used. Most quantitative research used survey methods, while qualitative research mostly used case studies.

Table 4: Methodology Used in Empirical Research

<b>Quantitative</b>		<b>Qualitative</b>		<b>Mixed Method</b>	<b>Total</b>
Survey	Experimental	Case Study	Phenomenology		
23	3	14	2	1	43

Table 4 shows the dominance of survey methods in quantitative research, while the case study design dominates qualitative research. There are opportunities to use experimental, phenomenological, mix method or other methodology to enrich the method usage in future research.

### 3. Result and Discussion

#### Result

##### 3.1. Context/Main Topic

The relationship between leadership and organizational resilience was studied in various topics. From several existing studies, we classified these topics into major and minor. The major includes the capability of leaders to build resilience, leadership styles, strategies applied by leaders, psychological capital needed by leaders and teams, and leader behavior in building organizational resilience. The minor topics includes relationship, organizational culture, organizational learning, and strategy. The research topics are shown in Table 5.

Table 5: Topics of Research

<b>Major Topics</b>		<b>Minor Topics</b>	
<b>Topic</b>	<b>Total</b>	<b>Topic</b>	<b>Total</b>
Leadership Style	13	Relationship	2
Psychological Capital	9	Strategy	2
Developing Capability	6	Organizational Learning	1
Behavior	8		
Organizational Culture	6		

The description of each research topic is as described below.

##### 3.1.1. Leadership Style

In crisis, some leadership styles are considered more effective than others in helping organizations respond (Bundy & Pfarrer, 2015; Stam, Wisse, & Pieterse, 2016). However, the effectiveness of the leadership style depends on the nature, causes, and stage of the crisis, how leaders interact, and how leaders and organizations prepare for possible organizational adversity (Bundy & Pfarrer, 2015). Organizations implemented several different leadership styles to deal with the crisis as shown in Table 6.

Table 6: Leadership Style in Crisis

Leadership Style	Authors	The Leadership Implementation
Transformational leadership	Avey, Hughes, Norman, & Luthans, 2008, Dimas et al., (2018), Sommer, Howell, & Hadley (2016) De Clercq & Belausteguigoitia ( 2017) eggat & Balding (2013)	Mobilizing human resources in times of crisis and building positive framing within the organization
Authentic Leadership	Alavi & Gill (2017)	Influence follower responses to complex change.
Creative leadership	Dovey et al., (2017)	As a collective achievement
Charismatic leadership	(Waldman, 2001)	Communicating determination, conveying vision and mission while articulating high performance expectations. Effective during periods of high uncertainty.
The “all-weather” leaders	Povah (2012)	Leaders with the capacity to adapt to changing contexts. The five core elements of a leader are: Learning, Intellect, Values, Emotion and Drive (LIVED)
Leader-Member Exchange (LMX)	Kakkar (2019)	High LMX leaders (through trust, reciprocity and clarity, play an important role in fostering employee resilience) induce positive appraisals of situations that encourage subordinates which in turn increases employee motivation and resilience
Resilient Leadership	Morales et al., (2019)	An effective leader to overcome the crisis and which is oriented to superior performance and focus on change.
Change Leadership	Magsaysay & Hechanova (2017)	Linking implicit change leadership theory with perceived change management effectiveness. This study suggests five competencies of ideal change leaders: strategic and technical competence, execution competence, social competence, character, and resilience.

Several leadership styles were identified that were applied by leaders when the organization was facing a crisis/decline. These leadership styles are transformational leadership, authentic leadership, creative leadership, charismatic leadership, Leader Member Exchange (LMX), Resilient Leadership and "all-weather" leaders. Transformational leadership is the dominant leadership style applied in building OR. Sommer et al., (2015) stated that transformational leadership is associated with greater levels of positive influence and lower levels of negative influence, which in turn predicts higher resilience among team members. And the implications for leaders and team members to foster positive influence and resilience during crises. In the context of emergency management, a transformational leader can be seen as effective at building a resilient organization, for example, when he or she inspires and articulates a vision for dealing with future emergencies.

Leaders play a key role in helping individuals and teams to cope with the complex demands of adaptive behavior, while they themselves must also build and use a portfolio of leadership styles that are appropriate for different situations. Strategic leadership is needed to build support structures in organizational design such as cultural standards and norms and to drive organizational change towards adaptive capacity development at every level of the organization. Grote (2019) argues that leaders play a central role in helping individuals and teams to adapt to complex demands while building and using appropriate leadership styles for different situations.

### 3.1.2. Psychological Capital Strengthening

Leaders can move their subordinates by influencing them in their mental strengthening or psychological aspects. Therefore, strengthening the psychological capital (PsyCap) of both the leader and subordinates/ employees is crucial for developing organizational resilience. PsyCap is directly related to positive emotions (Avey et al., 2008). PsyCap's positive traits can trigger positive affective states, which can facilitate the expansion of one's mind-action repertoire

(Cohn, Fredrickson, Brown, Mikels, & Conway, 2009) and lead to higher creativity (Luthans & Youssef-Morgan, 2017) and a broader range of pathways (Snyder, Ilardi, et al., 2000, Snyder, Feldman, Taylor, & Schroeder, 2000). In turn, positive emotions can facilitate the building and restoration of previously depleted physical, social, and psychological resources (Cohn et al., 2009), including PsyCap and its constituent psychological resources. PsyCap can facilitate the processes necessary for attention, interpretation, and retention of positive and constructive memories conducive to well-being. As a positive psychological resource, PsyCap can have an expanding and building effect (Cohn et al., 2009) on positive affective states that are especially beneficial in times of adversity. PsyCap can help reduce common negative biases and hedonic adaptations and maintain well-being over time.

Furthermore, acknowledging the role of key actor competencies (and their shortcomings) in shaping organizational perspective taking—in particular, the nature of socio-emotional resources and knowledge integration—contributes significantly to sustainability leadership. Socio-emotional resources contribute to the management of social relationships by managing the consequent emotional and affective processes in these relationships. In addition, socioemotional resources are important to organizations in the sense that they indirectly influence how leaders model empathy and perspective taking for their respective organizations Cojuharenco & Sguera (2015); Holt & Marques (2012), (Tuazon et al., 2019). Research related to Psychological Capital is included in Table 7.

Table 7: Psychological Capital

Authors	Psychological capital
Dulewicz et al., (1999) (Krygier, 2015) Avey et al. (2008) Ahmad et al. (2019)	Emotional intelligence Commitment for moral realism and intellectual coherency Positive psychological capital (hope, efficacy, resilience, and optimism) were significantly related to feelings of empowerment. Empowerment was significantly related to intentions to quit
Rego et al. (2016)	Four dimensions of positive psychological capital (optimism, resilience, self-efficacy, hope).
Tuazon et al. (2019), Thude et al. (2019)	Socio-emotional resources, leaders need to build strong emotional bonds among staff, and ensuring a reasonable role structure in daily work.
Brendel & Bennett (2016)	mindfulness p(Ahmad et al., 2019)ractice improves leaders mental qualities.

Leaders build resilience through positive psychological capital (hope, efficacy, resilience, and optimism), because positive psychological capital is significantly associated with feelings of empowerment. Empowerment is significantly related to intention to quit (Avey. et al., 2008). Leaders need to build strong emotional bonds among staff, and ensure a reasonable role structure in daily work (Tuazon, 2019). In addition, leaders also need to strengthen their psychological capital. themselves, including mindfulness practices that can improve the mental quality of leaders (Brendel, 2016), and leaders also need to apply effective supervisory attitudes and behaviors, not abusive supervision (Ahmad et al, 2019).

### 3.1.3. Building Organizational Culture

Implementation of organizational resilience requires effective leaders to overcome crises and oriented to superior performance and focus on change. With a formidable leadership role, organizations have the adaptive capability and reliability to manage disruptive challenges that contribute to organizational performance. Furthermore, the organizational culture created in the action of resilience will be the basis for improvement, future success, and organizational sustainability. The work culture built by leaders will encourage harmony and synergy, and is the basis of the driving force of leaders (Morales et al., 2019). And organizational resilience is significantly related to organizational culture. Therefore, it is important to understand the role of organizational culture in the resilience process carried out by leaders. Table 8 shows the role of leaders in building a culture for organizational resilience.

Table 8: Building Organizational Culture

Authors	The Leaders Role in building culture
Azevedo & Shane (2019) Morales et al. (2019)	Building participants' cultural intelligence Building a work culture by encouraging harmony and synergy through convincing statements about the mission, values, principles and vision of the future.
Wei et al. (2017)	Social competence (considering culture) contributes to leader effectiveness
Nold & Michel (2016)	Mobilizing human resources and building positive framing within the organization

Schack & Essen (2014)	Implement a proactive approach that focuses on developing organizational resilience.
Edson (2012)	institutionalizing competencies that support the renegotiation process

Leaders need to introduce new paradigms of thinking and acting into the culture and create situations with successful outcomes. Positive reinforcement is needed before new systems and beliefs are absorbed into the corporate culture. According to Morales et al., (2019), organizational resilience relies heavily on the ability and capability of leaders to develop effective responses and achieve satisfactory recovery to crises generated by disruptive events. To effectively handle this goal, a strong organization needs high caliber leaders, who are able to motivate and inspire people, it is also verified that the development of a strong organization is based on several factors, one of which is related to the development of Organizational Culture which is in line with the development of values, attitudes, and technical ability, awareness, and compromise, for human growth. A work culture built by leaders, in which a compelling statement of mission, values, principles and a vision for the future promotes harmony and synergy, creates a sense of identity, pride, and acceptable behavior, and is the basis of the driving force of leaders. The work culture development is built to develop technical capabilities in the form of cultivating the implementation of technical training developed for capable and competent workers who are ready to face unexpected disruption events. This effort requires management commitment and investment support for the development of flexibility and adaptability to change. To build an organization that is agile, flexible, responsive, able to adapt quickly are needed communication for effective understanding between groups providing support for group cohesion and better teamwork, top management commitment, and support for change. and new perspectives for resource allocation.

Leaders can drive complex and dynamic systems with culture, leadership, and systems as key factors driving organizational success in a rapidly changing environment. According to Nold & Michel, (2016) the existence of a relationship between culture and leadership indicates that an organization's leadership team can positively influence culture through their interactions and practices. The leader's practice of influencing culture is to make it a habit to have productive conversations with employees about direction, performance, beliefs, and boundaries that will help create shared intention across the organization. Discussions between leaders and employees about performance expectations will produce a shared agenda and build positive framing in the organization, while individual contributions and dialogue about risks can influence motivation and strengthen more accountable sensemaking in raising awareness of important conditions (Nold et al., 2016). while Edson (2012) suggests that to develop a strong organizational culture it is necessary to institutionalize competencies that support the renegotiation process regarding flexibility, versatility, and adaptive capacity, as well as the belief that negative feedback is an opportunity for improvement not failure). Schack & Essen (2014) suggest that leaders can adopt a proactive approach that focuses on developing organizational resilience, developing the ability to bounce back and handle difficult situations in a flexible way. Organizational capacity targeting to address the gaps identified using resilience programs consists of three main streams that address: how to work (HR processes and policies), how to lead (leadership competence) and within the organization (in the form of cultural support and awareness).

According to Edson (2012), the institutionalization of competencies that support the renegotiation process (flexibility, versatility, and adaptive capacity) is important in developing a strong organizational culture. While (Nold et al., 2016) says that people drive complex and dynamic systems with culture, leadership, and systems as key factors driving organizational success in a rapidly changing environment. The relationship between culture and leadership suggests that organizational leadership relationships can be positively influenced through their interactions and practices. Productive conversations between leaders and employees about direction, performance, beliefs, and boundaries will help create shared intention across the organization. Discussions between leaders and employees about expectations set a common agenda whereas individual contributions and dialogue risk influencing motivation and strengthening Sensemaking accountability in raising awareness of key conditions.

#### 3.1.4. Building Capabilities and Competencies for Organizational Resilience

Helfat & Winter (2011:1244) defined 'capabilities' are as the capacity an organization has to carry out certain activities reliably and at least in a satisfactory manner. And according to Manfield & Newey (2018), resilience arises from a portfolio of capabilities, which consists of different capability responses to various threats, disorganization and orientation (bounce back or bounce forward). In various studies that have been carried out, various capabilities developed by leaders to improve organizational resilience are summarized in table 9 below.

Table 9: Capabilities for Organizational Resilience

Capability	Authors	Leader Action
Adaptability/ flexibility	Morales et al (2019) Grote (2019) Holbeche (2018)	Mobilizing human resources and building positive framing within the organization
Social competency	Wei et al. (2017)	Top leaders develop cultural-based social competencies in the form of cognitive and emotional dimensions
Learning Capability	Tuazon et al. (2019)	Process of knowledge creation, maintenance and transfer within an organization
Dynamic capability	Pal & Torstensson (2011)	Adapt to changing environment and set up more complex adaptive systems by proposing organizational designs based on product and process designs and values

Building capability is about maximizing individuals' contribution to the benefit of the organization in a planned and managed manner. Building capabilities help motivate people to make the behavioral changes needed to achieve goals and successfully implement and persist in change. There are several capabilities that leaders build in dealing with crises or difficult times:

#### *Adaptability*

Grote (2019) argues that leaders play a significant role in helping individuals and teams to cope with the complex demands on adaptive behavior. Ability to build an organization that is agile, flexible, responsive, able to adapt quickly, some changes are needed, including Communication networks for effective understanding between groups providing support for group cohesion and better teamwork, top management commitment, and support for changes and new perspectives for resource allocation (Morales et al., 2019). Strategy must align with the caliber of personnel, leadership, with the operational environment, in addition to processes, organizational structure and OC. This is a necessary organizational requirement to be able to quickly and effectively, and is a function of the resilience of the Company's systems by developing adaptability and willingness to perform and change (Morales et al., 2019).

#### *Social competency*

Top leaders develop cultural-based social competencies in the form of cognitive and emotional dimensions (Wei et al., 2017). Having social competence is very important, because leaders who have social competence can manage their own intentions, job requirements, and expectations from others by applying social cognitive or emotional competencies effectively. There are various approaches to developing social competence. Through professional training and learning, leaders learn the meaning of these competencies; and through self-cultivation or self-development, leaders can better practice these competencies and build harmonious relationships between themselves and others. Effective leaders also empower followers, expressing and rewarding them with compassion and humanity ties to the workplace. Social competencies include emotional and cognitive elements and embody the dynamic interaction between the emotional and cognitive dimensions of social competence. Leaders are able to express emotions appropriately and adapt by combining aspects of emotional and cognitive resilience. The emotional dimension of social competence relates to the inclusion of feelings, influences and sentiments in intra and interpersonal interactions. And the emotional dimension of social competencies are bonds of affection, empathic attention, inspiration, support for developing others, expressing/regulating emotions, and expressing appreciation. Meanwhile, the cognitive dimension of social competence relates to incorporating perception, thinking, reasoning and understanding into intra and interpersonal interactions. They are instrumental guanxi (according to local culture), perspective taking, skilled influence, encouraging empowerment and participation, adaptability, and conflict resolution.

#### *Dynamic Capability*

The dynamic environment makes more difficult to achieve high operational performance so a framework has been proposed for adapting to a changing environment and setting up more complex adaptive systems. propose an organizational design based on product and process design and values at different hierarchical levels that have a positive mediating effect on operational performance and organizational success.

#### *3.1.5. Building Relationship*

Leadership and relational relationships are very important to increase organizational resilience in a crisis. It is very important for leaders as organizational actors to “engage, interact, and negotiate” with each other, and how to interact together to build meaning, generate understanding and results (Fairhurst & Uhl-bien, 2012:1044). The relational



aspect enables organizations to develop solutions to unexpected changes in the business environment and helps direct joint efforts to achieve mutually beneficial solutions (Ortiz-de-mandojana & Bansal, 2015), there by contributing to the adaptive capacity of the organization. Leaders need to build relational capital at the intercompany level to help organizations survive. Leaders need to build relational capital which requires companies to create relationships that are nurtured through mutual respect, trust, reciprocity, and personal friendship. For organizations to thrive after a crisis, the deep social fabric of goodwill and interpersonal relationships provides the foundation on which to build and maintain resilience (Adler & Kwon, 2002); (Lengnick-Hall & Beck, 2009). (Teo et al., 2017) suggests that leadership plays a key role in generating liminal suspensions through signaling changes in routines and procedures. It also links transitional network theory to leadership activities and highlights the role of mutual trust and rapid trust in building different types of relational relationships during crises.

During crises, creating new social relationships plays a more important role in establishing new ways to increase knowledge integration. New social networks can enhance perspective taking and knowledge acquisition (Florea, Ha, & Neil 2013, Tuazon et al., 2021). In particular, key actors who initially had weak ties to other key actors and did not share common goals were able to change their organizational terms of reference and even change some aspects of their organizational structure to accommodate their new terms of reference. Interestingly, it should also be noted that the key actors inadvertently created a paradox where the majority identified the value of collaborative dialogue but were unable and unaware of the importance of creating small-scale relational investments with other key actors who did not share the same frame of reference. . Key actors with previous experience in other roles are better positioned within their networks to become “knowledge intermediaries” conducive to the development of greater collaborative exchange (Tuazon et al., 2019).

The role of key actor competencies is critical in shaping organizational perspective taking—in particular, the management of social relationships and how leaders use social networks to achieve sustainability (Janjuha-jivraj, 2003). Therefore, leaders are expected to have useful modeling and networking behaviors, especially in the context of crisis management. Future studies could be directed towards achieving a more sophisticated understanding of how leadership behavior affects relationships and hence organizational resilience during crises. Future studies regarding the role of social capital in encouraging innovation to increase resilience are still not widely carried out.

### *Discussion*

Building organizational resilience requires a strong and effective leadership role in overcoming crises. Resilient leaders possess the adaptive ability and reliability to manage disruptive challenges and contribute to organizational performance. Organizational resilience is significantly related to organizational culture. A work culture built by strong leaders can encourage productivity and work harmony and synergy within the organization, and underlies adaptability. Therefore, it is important to understand the role of organizational culture in the resilience process carried out by leaders. Building a work culture can be done through convincing statements about the mission, values, principles and vision of the future (Morales et al., 2019), building participants' cultural intelligence (Azevedo & Shane, 2019), leader Social competence (Wei et al., 2017), Mobilizing human resources and building positive framing within the organization (Nold & Michel, 2016).

Building resilience needs to be supported by strengthening psychological aspects, both the psychology of subordinates and the leader himself. Therefore, strengthening psychological capital (PsyCap) both for the leaders themselves and for subordinates/employees is very much needed in increasing OR. as it is directly related to positive affect (Fredrickson 2001, 2009), and positive emotions (Avey et al. 2008), and leads to higher creativity (Luthans et al. 2011).

Leaders also need to apply an appropriate leadership style so that they are able to influence and mobilize human capital within the organization. From the literature review, we identify several leadership styles that are applied when the organization faces a crisis/downturn. These are transformational leadership styles, creative leadership, charismatic leadership, authentic leadership, "all-weather" leaders, Leader Member Exchange (LMX), and Resilient Leadership. Transformational leadership is the dominant leadership style applied in building OR. A transformational leader is defined as someone in an organization who is visionary, innovative, inspiring, and sensitive to the needs of others.

Building capability is about maximizing individuals' contribution to the benefit of the organization in a planned and managed manner. Building capabilities help motivate people to make the behavioral changes needed to achieve goals and successfully implement and persist in change. There are several capabilities that leaders build in dealing with crises or difficult times: Adaptability (agile, flexible, responsive, able to adapt quickly, communication networks), social competency (develop cultural-based social competencies in the form of cognitive and emotional dimensions, and dynamic capability for adapting to a changing environment and setting up more complex adaptive systems.

Leaders who are able to develop new social relationships during a crisis play a very important role and recognize the importance of creating investment relationships with other key actors. Key actors can become “knowledge brokers” conducive to greater collaborative development and use (Tuazon et al., 2019) as well as in shaping organizational

perspective taking—in particular, the management of social relations and how leaders use social networks to achieve sustainability (Janjuha- Jivraj, 2003). Therefore, leaders are expected to have useful behavioral modeling and networking, especially in the context of crisis management.

Based on the literature reviewed, we build a framework of the leadership role in develop organizational resilience as shown in Figure 1. This framework provides important insights for practitioners who attempt to design resilient organizations and build the necessary leadership capabilities. Studies using resilience constructs to explore the relationship between leadership and organizational resilience still need to be developed.

This study examines the influence of leadership on the organization it leads. The future studies can identify the characteristics and leadership styles needed to support the efforts of organizations willing to commit to fostering employee and organizational resilience through leadership development. We need a more comprehensive understanding of how resilience fostered in organizations can contribute to the existing literature on leadership development and organizational resilience. Researchers from the relational leadership school may be interested in deeply examining how organization actors engage and interact with others and how these interactions construct meaning and generate understanding and outcomes.

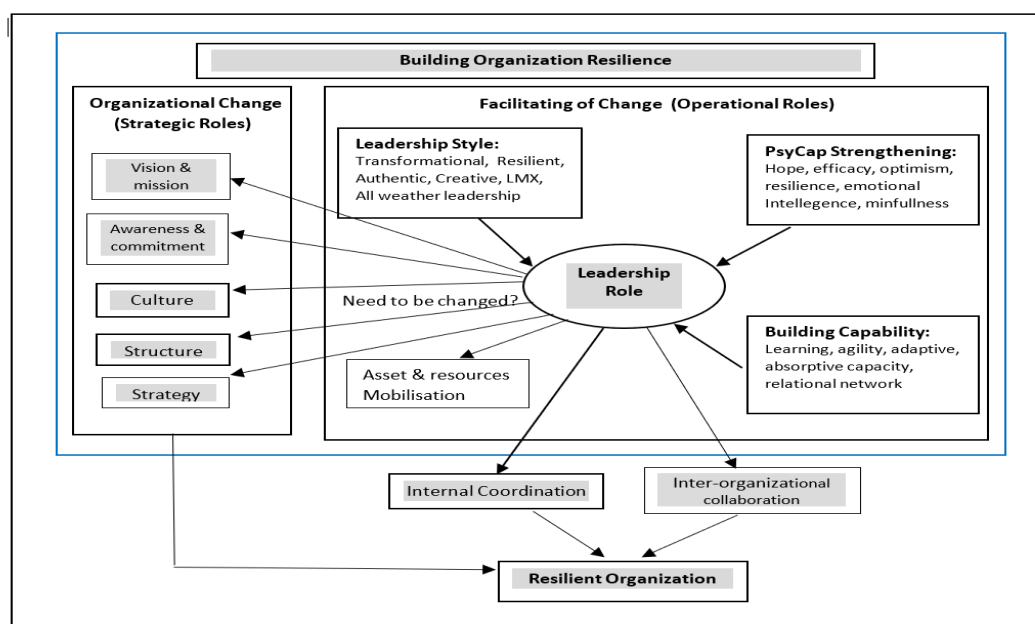


Figure 1. Framework of Leadership in Building Organizational Resilience

#### 4. Conclusion

This study reviews empirical work in leadership and organizational resilience over the past two decades (1999 to 2019). We discover how the field is evolving with new characters, methodologies and different leadership contexts to build organizational resilience. Leaders have an important role in the success of the organization in the future. This study reviews empirical studies on leadership and organizational resilience, especially when organizations are facing crises or setbacks. Previous empirical studies have not discussed the mechanisms and processes for building organizational resilience carried out by leaders in depth. Leaders play a key role in helping individuals and teams to cope with the complex demands of adaptive behavior, while they themselves must also build and use a portfolio of appropriate leadership styles for different situations. Leaders need to build supporting structures in organizational design such as standards and cultural norms to drive organizational change towards developing adaptive capacity at every level of the organization. This area represents an opportunity for future research, where empirical research can provide best practice regarding the role of leaders in building organizational resilience. The limitation of this literature review is that there are cases that are actually not related to the crisis, but only face dynamic environmental conditions.

#### Author Contribution

Author 1: conceptualization, writing original draft, data curation, formal analysis, investigation, methodology

Author 2: review and editing, writing review and editing, supervision, validation, visualization

Author 3: editing, review, visualization

## Financial Disclosure

None

## Conflict of Interest

The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

## References

- Adler, P. S., & Kwon, S. (2002). *SOCIAL CAPITAL : PROSPECTS FOR A NEW CONCEPT* *University of Southern California*. 27(1), 17–40.
- Ahmad, J., Athar, M. R., Azam, R. I., Hamstra, M. R. W., & Hanif, M. (2019). A Resource Perspective on Abusive Supervision and Extra-Role Behaviors: The Role of Subordinates' Psychological Capital. *Journal of Leadership and Organizational Studies*, 26(1), 73–86. <https://doi.org/10.1177/1548051818767391>
- Alavi, S. B., & Gill, C. (2017). Leading Change Authentically: How Authentic Leaders Influence Follower Responses to Complex Change. *Journal of Leadership and Organizational Studies*, 24(2), 157–171. <https://doi.org/10.1177/1548051816664681>
- Andersson, T., Cäker, M., Tengblad, S., & Wickelgren, M. (2019). Building traits for organizational resilience through balancing organizational structures. *Scandinavian Journal of Management*. <https://doi.org/10.1016/j.scaman.2019.01.001>
- Annarelli, A., & Nonino, F. (2016). Strategic and operational management of organizational resilience: Current state of research and future directions. *Omega (United Kingdom)*, 62, 1–18. <https://doi.org/10.1016/j.omega.2015.08.004>
- Antunes, A., & Franco, M. (2016). How people in organizations make sense of responsible leadership practices Multiple case studies. *The Eletronic Library*, 34(1), 1–5.
- Avey, J. B., Hughes, L. W., Norman, S. M., & Luthans, K. W. (2008). Kybernetes Article information : To cite this document : *Journal of Education*, 53(2), 177–196.
- Azevedo, A., & Shane, M. J. (2019). A new training program in developing cultural intelligence can also improve innovative work behavior and resilience: A longitudinal pilot study of graduate students and professional employees. *International Journal of Management Education*, 17(3), 100303. <https://doi.org/10.1016/j.ijme.2019.05.004>
- Bass, B. M., & Avolio, B. J. (2007). *International Journal of Public Administration Transformational Leadership And Organizational Culture*. (October 2014), 37–41. <https://doi.org/10.1080/01900699408524907>
- Boin, A., Kuipers, S., & Overdijk, W. (2013). Leadership in times of crisis: A framework for assessment. *International Review of Public Administration*, 18(1), 79–91. <https://doi.org/10.1080/12294659.2013.10805241>
- Brendel, W., & Bennett, C. (2016). Learning to Embody Leadership Through Mindfulness and Somatics Practice. *Advances in Developing Human Resources*, 18(3), 409–425. <https://doi.org/10.1177/1523422316646068>
- Bundy, J., & Pfarrer, M. D. (2015). A BURDEN OF RESPONSIBILITY : THE ROLE OF SOCIAL THE ROLE OF SOCIAL APPROVAL AT THE ONSET OF A CRISIS Jonathan Bundy The Pennsylvania State University Michael D . Pfarrer University of Georgia. *Academy of Management Review*, 40(3), 64.
- Cohn, M. A., Fredrickson, B. L., Brown, S. L., Mikels, J. A., & Conway, A. M. (2009). *Happiness Unpacked : Positive Emotions Increase Life Satisfaction by Building Resilience*. 9(3), 361–368. <https://doi.org/10.1037/a0015952>
- Cojuharenco, I., & Sguera, F. (2015). When Empathic Concern and Perspective Taking Matter for Ethical Judgment : The Role of Time Hurriedness. *Journal of Business Ethics*, 717–725. <https://doi.org/10.1007/s10551-014-2259-8>
- Dalgaard-Nielsen, A. (2017). Organizational resilience in national security bureaucracies: Realistic and practicable? *Journal of Contingencies and Crisis Management*, 25(4), 341–349. <https://doi.org/10.1111/1468-5973.12164>
- Davison, C. B. (2014). *Selected leadership demographics as predictors of continuity planning*. 23(3), 243–251. <https://doi.org/10.1108/DPM-08-2013-0140>
- De Clercq, D., & Belausteguigoitia, I. (2017). Mitigating the negative effect of perceived organizational politics on

- organizational citizenship behavior: Moderating roles of contextual and personal resources. *Journal of Management and Organization*, 23(5), 689–708. <https://doi.org/10.1017/jmo.2017.7>
- Dennis, R. (2014). Improvised performance: Nurturing natural leadership. *Journal of Organisational Transformation and Social Change*, 11(2), 108–124. <https://doi.org/10.1179/1477963313Z.00000000016>
- Dimas, I. D., Rebelo, T., Lourenço, P. R., & Pessoa, C. I. P. (2018). Bouncing Back from Setbacks: On the Mediating Role of Team Resilience in the Relationship Between Transformational Leadership and Team Effectiveness. *Journal of Psychology: Interdisciplinary and Applied*, 152(6), 358–372. <https://doi.org/10.1080/00223980.2018.1465022>
- Dovey, K., Burdon, S., & Simpson, R. (2017). Creative leadership as a collective achievement: An Australian case. *Management Learning*, 48(1), 23–38. <https://doi.org/10.1177/1350507616651387>
- Dulewicz, V., Higgs, M., & Collège, H. M. (1999). *Emerald Article: Can emotional intelligence be measured and developed? Can emotional intelligence be measured and developed?*
- Edson, M. C. (2012). A Complex Adaptive Systems View of Resilience in a Project Team. *Systems Research and Behavioral Science*, 29(5), 499–516. <https://doi.org/10.1002/sres.2153>
- Fairhurst, G. T., & Uhl-bien, M. (2012). Organizational discourse analysis ( ODA ): Examining leadership as a relational process. *The Leadership Quarterly*, 23(6), 1043–1062. <https://doi.org/10.1016/j.leaqua.2012.10.005>
- Florea, L., Ha, Y., & Neil, C. (2013). *For All Good Reasons: Role of Values in Organizational Sustainability*. 393–408. <https://doi.org/10.1007/s10551-012-1355-x>
- Gaspersz, P. R. A. O. S. D. J. (2016). *Mindful infrastructure as an enabler of innovation resilience behaviour in innovation teams*. 22(7/8).
- Grote, G. (2019). Leadership in resilient organizations. In *SpringerBriefs in Applied Sciences and Technology*. Springer International Publishing. [https://doi.org/10.1007/978-3-030-03189-3\\_8](https://doi.org/10.1007/978-3-030-03189-3_8)
- Helfat, C. E., & Winter, S. G. (2011). *UNTANGLING DYNAMIC AND OPERATIONAL CAPABILITIES: STRATEGY FOR THE ( N ) EVER-CHANGING WORLD*. 1250(June), 1243–1250. <https://doi.org/10.1002/smj>
- Holbeche, L. S. (2018). Organisational effectiveness and agility. *Journal of Organizational Effectiveness*, 5(4), 302–313. <https://doi.org/10.1108/JOEPP-07-2018-0044>
- Holt, S., & Marques, J. (2012). *Empathy in Leadership: Appropriate or Misplaced? An Empirical Study on a Topic that is Asking for Attention*. 95–105. <https://doi.org/10.1007/s10551-011-0951-5>
- James, E. H., Wooten, L. P., & Dushek, K. (2011). Crisis management: Informing a new leadership research agenda. *Academy of Management Annals*, 5(1), 455–493. <https://doi.org/10.1080/19416520.2011.589594>
- Janjuha-jivraj, S. (2003). *The Sustainability of Social Capital within Ethnic Networks*. 31–43.
- Kakkar, S. (2019). Leader-member exchange and employee resilience: the mediating role of regulatory focus. *Management Research Review*, 42(9), 1062–1075. <https://doi.org/10.1108/MRR-03-2018-0116>
- Kirkhaug, R. (2010). Antecedents of risk in compliance enhancing organizations. *International Journal of Organizational Analysis*, 18(4), 430–441. <https://doi.org/10.1108/19348831011081895>
- Kisekka, V., Sharman, R., Rao, H. R., Upadhyaya, S., & Gerber, N. (2015). Investigating the antecedents of healthcare workers' perceptions of organizational resilience in hospitals. *2015 International Conference on Information Systems: Exploring the Information Frontier, ICIS 2015*, 1–9.
- Krygier, M. (2015). *rganizational Studies Selznick's Hobbesian Idealism: Its Nature and Its Origins*.
- Leggat, S. G., & Balding, C. (2013). Achieving organisational competence for clinical leadership: The role of high performance work systems. *Journal of Health, Organisation and Management*, 27(3), 312–329. <https://doi.org/10.1108/JHOM-Jul-2012-0132>
- Lengnick-Hall, C. A., & Beck, T. E. (2009). Resilience capacity and strategic agility: Prerequisites for thriving in a dynamic environment. *Resilience Engineering Perspectives: Preparation and Restoration*, 2, 39–69. <https://doi.org/10.1201/9781315244389>
- Linnenluecke, M. K. (2017). Resilience in Business and Management Research: A Review of Influential Publications and a

- Research Agenda. *International Journal of Management Reviews*, 19(1), 4–30. <https://doi.org/10.1111/ijmr.12076>
- Luthans, F., & Youssef-Morgan, C. M. (2017). Psychological Capital: An Evidence-Based Positive Approach. *Annual Review of Organizational Psychology and Organizational Behavior*, 4, 339–366. <https://doi.org/10.1146/annurev-orgpsych-032516-113324>
- Magsaysay, J. F., & Hechanova, M. R. M. (2017). Building an implicit change leadership theory. *Leadership and Organization Development Journal*, 38(6), 834–848. <https://doi.org/10.1108/LODJ-05-2016-0114>
- Manfield, R. C., & Newey, L. R. (2018). Resilience as an entrepreneurial capability: integrating insights from a cross-disciplinary comparison. *International Journal of Entrepreneurial Behaviour and Research*, 24(7), 1155–1180. <https://doi.org/10.1108/IJEBR-11-2016-0368>
- Mccray, J., Warwick, R., & Palmer, A. (2018). *Impressions of action and critical action learning: exploring the leadership development of senior doctors in an English healthcare organization*. 69–85. <https://doi.org/10.1111/ijt.12119>
- Mervyn, K., Amoo, N., & Malby, R. (2019). Challenges and insights in inter-organizational collaborative healthcare networks: An empirical case study of a place-based network. *International Journal of Organizational Analysis*, 27(4), 875–902. <https://doi.org/10.1108/IJOA-05-2018-1415>
- Mofuoa, K. (2016). *Prospering in the southern Africa 's VUCA world of the nineteenth century A case of resilience of Basotho of Lesotho*. <https://doi.org/10.1108/JEC-09-2014-0019>
- Morales, S. N., Martínez, L. R., Gómez, J. A. H., López, R. R., & Torres-Argüelles, V. (2019). Predictors of organizational resilience by factorial analysis. *International Journal of Engineering Business Management*, 11, 1–13. <https://doi.org/10.1177/1847979019837046>
- Nguyen, Q., Kuntz, J. R. C., Näswall, K., & Malinen, S. (2016). Employee resilience and leadership styles: The moderating role of proactive personality and optimism. *New Zealand Journal of Psychology*, 45(2), 13–21.
- Nold, H., Michel, L., & Nold, H. (2016). *The performance triangle: a model for corporate agility*. <https://doi.org/10.1108/LODJ-07-2014-0123>
- Oliver, T. (2020). The Importance of Subordinate Emotional Intelligence Development in the Workplace. *International Trade Journal*, 34(1), 162–172. <https://doi.org/10.1080/08853908.2019.1651680>
- Ortiz-de-mandojana, N., & Bansal, P. (2015). *THE LONG-TERM BENEFITS OF ORGANIZATIONAL RESILIENCE THROUGH SUSTAINABLE BUSINESS*. (February 2014). <https://doi.org/10.1002/smj>
- Povah, L. (2012). Assessing leaders for the future. *Industrial and Commercial Training*, 44(5), 250–258. <https://doi.org/10.1108/00197851211244988>
- Powley, E. H., & Taylor, S. N. (2014). Pedagogical Approaches to Develop Critical Thinking and Crisis Leadership. *Journal of Management Education*. <https://doi.org/10.1177/1052562913519081>
- Rego, P., Lopes, M. P., & Nascimento, J. L. (2016). *Authentic Leadership and Organizational Commitment: The Mediating Role of Positive Psychological Capital*. 9(1), 129–151.
- Schack, C. M., & Essen, I. van den. (2014). Building organisational resilience - A fit for purpose approach. *Society of Petroleum Engineers - SPE International Conference on Health, Safety and Environment 2014: The Journey Continues*, 1(March), 48–57. <https://doi.org/10.2118/168318-ms>
- Schultz, T., Shoobridge, J., Harvey, G., Carter, L., & Kitson, A. (2019). Building capacity for change: Evaluation of an organisation-wide leadership development program. *Australian Health Review*, 43(3), 335–344. <https://doi.org/10.1071/AH17158>
- Snyder, C. R., Feldman, D. B., Taylor, J. D., & Schroeder, L. L. (2000). *The roles of hopeful thinking in preventing problems and enhancing strengths*. 270, 249–269.
- Snyder, C. R., Ilardi, S. S., Cheavens, J., Michael, S. T., Yamhure, L., & Sympson, S. (2000). *The Role of Hope in Cognitive-Behavior Therapies*. 24(6), 747–762.
- Sommer, S. A., Howell, J. M., & Hadley, C. N. (2015). *Keeping Positive and Building Strength: The Role of Affect and Team Leadership in Developing Resilience During an Organizational Crisis*. <https://doi.org/10.1177/1059601115578027>
- Stam, D., Wisse, B., & Pieterse, A. N. (2016). *Motivation in Words: Promotion- and Prevention-Oriented Leader Communication*

*in Times of Crisis*. XX(X), 1–29. <https://doi.org/10.1177/0149206316654543>

- Teo, W. L., Lee, M., & Lim, W. S. (2017). The relational activation of resilience model: How leadership activates resilience in an organizational crisis. *Journal of Contingencies and Crisis Management*, 25(3), 136–147. <https://doi.org/10.1111/1468-5973.12179>
- Thude, B. R., Juhl, A. G., Stenager, E., von Plessen, C., & Hollnagel, E. (2019). Staff acting resiliently at two hospital wards. *Leadership in Health Services*, 32(3), 445–457. <https://doi.org/10.1108/LHS-09-2018-0042>
- Torstensson, R. P. H. (2011). Aligning critical success factors to organizational design A study of Swedish textile and clothing firms. *Business Process Management Journal*, 17(3), 403–436. <https://doi.org/10.1108/1463715111136351>
- Tracey, S., O'Sullivan, T. L., Lane, D. E., Guy, E., & Courtemanche, J. (2017). Promoting Resilience Using an Asset-Based Approach to Business Continuity Planning. *SAGE Open*, 7(2). <https://doi.org/10.1177/2158244017706712>
- Tuazon, G. F., Wolfgramm, R., & Whyte, K. P. (2019). Can You Drink Money? Integrating Organizational Perspective-Taking and Organizational Resilience in a Multi-level Systems Framework for Sustainability Leadership. *Journal of Business Ethics*, (0123456789). <https://doi.org/10.1007/s10551-019-04219-3>
- Van Der Vegt et al. (2015). MANAGING RISK AND RESILINCE. *Academy of Management Journal*, 58(4). <https://doi.org/https://doi.org/10.5465/amj.2015.4004>
- Waldman, D. A. (2001). DOES LEADERSHIP MATTER? CEO LEADERSHIP ATTRIBUTES AND PROFITABILITY UNDER CONDITIONS OF PERCEIVED ENVIRONMENTAL UNCERTAINTY. 44.
- Weber, J. M. (2012). *Social Innovation and Social Enterprise in the Classroom : Frances Westley on Bringing Clarity and Rigor to Program Design*. 11(3), 409–418.
- Wei, H., Bilimoria, D., & Li, S. (2017). How Does Culture Matter? the Xin (Heart-Mind)-based Social Competence of Chinese Executives. *Management and Organization Review*, 13(2), 307–344. <https://doi.org/10.1017/mor.2016.37>
- Williams, T. A., Gruber, D. A., Sutcliffe, K. M., Shepherd, D. A., & Zhao, E. Y. (2017). Organizational response to adversity: Fusing crisis management and resilience research streams. *Academy of Management Annals*, 11(2), 733–769. <https://doi.org/10.5465/annals.2015.0134>
- Zulkifli, N., Hashim, R. G., & Ahmad, J. (2012). *Usage of Enterprise Information System ( EIS ) among SMEs in the East Coast of Malaysia : A Preliminary Study*. (1980), 156–161.
- Zwane, M., Kanyangale, M., & Ndoro, T. (2019). Shaping the organizational architecture for SME survival: A case of nascent small restaurants in Durban. *African Journal of Hospitality, Tourism and Leisure*, 8(4), 261–264.