LEADER SENSEMAKING AND SENSEGIVING IN TIMES OF CRISIS

An analysis of the COVID-19 pandemic

Master's Thesis
to confer the academic degree of
Master of Science
in the Master's Program
Management
SWORN DECLARATION

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[Signature]

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List of Abbreviations

COVID-19: This study refers to COVID-19 as a disease which was caused by SARS-CoV-2 and led to a pandemic.
SARS-CoV-2: Severe Acute Respiratory Syndrome Coronavirus 2.
Abstract

The purpose of this thesis is to gain knowledge about how leader sensemaking influence how leaders handle the COVID-19 pandemic by giving sense, and which (social) competencies are necessary for that. Several studies have shown that crises are likely to increase in the future, mainly because of globalization and climate change, among them pandemics. In order to survive such crises as an organization in future scenarios, understanding what organizational leaders have to do is required. This study follows a sensemaking and capabilities approach on crisis leaders. A qualitative research methodology was used, and data obtained through semi-structured interviews. Thirteen top Austrian leaders were interviewed in the midst of the pandemic to gain insight into their perceptions of the crisis. The findings reveal that leaders had to cope with several negative effects throughout the crisis phases, some positive effects were also noticed. Through resulting sensebreaking and sensemaking gaps, the leaders were able to take advantage of the sensemaking process. With sensemaking activities, the leaders in question were able to quickly discern important information and make sense of the confusing crisis situation. After leaders made sense of the situation by themselves, they then could give sense to their employees. This process gave the leader more legitimacy among his employees, which is one of three found sensemaking moderators. The most used sensegiving activity during the COVID-19 pandemic was communication itself, although made difficult due to social distancing. The outcome of a sensemaking process cycle enabled leaders to take action and give directions to their employees. Certain dynamic managerial capabilities on a cognitive, behavioral, and emotional level were found to be useful. Additionally, dynamic organizational and team capabilities acted as vital support functions. These capabilities served as the overarching crisis response strategy in form of strategic resilience for the interviewed leaders and their organizations. While much is known about sensemaking in change and organizational crises literature, comparably little is known regarding exogenous global crises, such as pandemics. The study offers novel insights into the dynamics of the COVID-19 pandemic and crisis. It shows the importance of using the sensemaking process and demonstrating certain dynamic capabilities for crisis leaders. Implications are drawn for academic scholars and practitioners, especially crisis leaders.

Keywords: Crisis leaders, crisis leadership, COVID-19 pandemic, COVID-19 framework, sensemaking, sensemaking process, sensegiving, sensemaking gap, sensebreaking, dynamic capabilities
Foreword

First, I would like to express my gratitude to my supervisor, Ms. Barbara Müller, who guided me through this thesis, with constructive and wise comments, and her wisdom about leadership and sensemaking. Attending her seminar offered me additional ‘food for thought’ on leader perceptions, the complexity surrounding them, and critical ‘reflexive’ thinking.

Second, I would like to thank all the participants who have taken time to be interviewed in person or via online video calls. Without them, there would have been nothing to analyze and no thesis. Having said this, I would also like to thank a good friend of mine, without whom I would not have had the chance to interview top Austrian leaders. Thanks a lot for making this possible!

Third, I want to thank Mr. Wolfgang Güttel, who helped me in the early stages of the research study as a quasi-supervisor. In addition, my thanks go to all, who supported me with thoughtful statements to help move the creation of this thesis forward.
1. Introduction

1.1. Background

Over one year now into the COVID-19 pandemic, the world is still confronted by its consequences. In the early months of 2020, the SARS-CoV-2 (virus) outbreak was classified as a major disaster and declared to be a global pandemic by the World Health Organization (WHO, 2020). The COVID-19 pandemic has had major effects on almost every country around the world. Besides the tragic humanitarian aspect and impact, the pandemic revealed drastic economic impacts as well. Governments around the world were forced to introduce lockdowns, close borders, and implement strict security measures in order to slow down the spread of the virus. Many companies had to either close their shops and facilities, put their workforce into home offices, short-work or even lay them off. The unique and global crisis was unexpected and unforeseen by organizations.

The degree of uncertainty and change has increased dramatically with the rapid advancement of globalization, global connectivity, and its complexity (Teece et al., 2016). The complex interrelatedness leads to increased vulnerability and a lack of resilience in organizations in regard to global crises (Ulmer, 2012). Studies have shown that crises, among them pandemics, are likely to increase in the future, mainly because of globalization and climate change (World Economic Forum, 2021). These trends suggest that organizations need to be prepared for significant future uncertainties and challenges. Hence, leadership plays an important role in organizational responds to crises (Pearson & Clair, 1998). Due to the threat of crises on organizations, responses are mostly devoted to the mitigation of its negative effects and damage control (Brockner & James, 2008). In order to cope with a crisis, the development of crisis leadership competencies is crucial in nowadays competitive world (James & Wooten, 2005). Characteristics on a behavioral, cognitive, and emotional level have been studied (James et al., 2011; Pearson & Clair, 1998).

Under circumstances of high uncertainty, such as the COVID-19 pandemic, processing information rationally is very difficult, however highly necessary for crisis leaders to accomplish, as they are responsible for taking action and leading their organization successfully out of a crisis (Boin et al., 2018). Therefore, a leader’s sensemaking ability during crises is essential. However, the uncertain situation of the pandemic does not stop in front of other organizational members, such as employees. Leaders are required to take care of them. Sensegiving as a perceiving tool during crises plays a major role, where language is the most used one (Maitlis & Christianson, 2014). The social context is emphasized on by various scholars, highlighting the importance of shared meanings and emotions during crises (Maitlis & Sonenshein, 2010; Sandberg & Tsoukas, 2015).

Given the novelty of this pandemic and still little information about it in crisis leadership literature, the following questions arise: How did leaders approach the COVID-19 pandemic and how did they make sense of the unprecedented situation? As many leaders had to switch their teams into remote work, how did they manage this novel situation? What are its challenges and what role does sensegiving play in this regard? How can leaders be prepared for such a crisis? How can they do better and what can be learned from this crisis? The thesis addresses this knowledge gap and offers insights into the current COVID-19 pandemic and crisis from the viewpoint of top Austrian leaders.
1.2. Scope of thesis

The aim of this thesis is to gain knowledge about and understand how leaders handled the COVID-19 pandemic, applying to the concepts sensemaking and leader capabilities. As the study is being conducted amidst the COVID-19 pandemic, the research context is of relevance and timely. Hence, the research is going to make both an academic and practical contribution. From a scientific point of view, the study will contribute to the scarce literature dealing with leader sensemaking in relation to crisis capabilities on a micro, meso, and macro level in the context of pandemics. Through the lens of top Austrian leaders, the qualitative research study therefore seeks to incorporate crisis leadership in form of dynamic capabilities and sensemaking in an unprecedented, unique global pandemic. From a practical point of view, the study will add to recommended actions for crisis leaders and leadership training programs preparing them for times of high uncertainty. As mentioned earlier, future crises are likely to become more in the already competitive and complex environment (Coombs & Laufer, 2018), having a huge impact on leaders and their organizations globally. Therefore, organizations need to prepare for future uncertain times by gaining knowledge about the perceptions and learnings of crisis leaders mitigating the current COVID-19 pandemic, provided by this study.

In order to fulfill the aim of understanding how Austrian leaders handled the COVID-19 pandemic in regard to sensemaking and capabilities, the following research questions have been formulated.

Research question 1: How do leaders perceive and act upon the COVID-19 pandemic?

Research question 2: How can the theoretical concepts “sensemaking” and “sensegiving” explain the different perceptions and actions of leaders during the COVID-19 pandemic?1

Research question 3: What (social) capabilities are therefore required for leaders to successfully guide their organizations through crises such as the COVID-19 pandemic?

In order to answer the research questions, it is necessary to draw and understand the overall picture in which leaders operate. It is therefore crucial to examine the changes that have taken place at the micro (leader), meso (team), and macro (organizational) levels. The aim is expected to reveal underlying factors affecting how leaders perceive and act in accordance with the COVID-19 pandemic, by adding academic and practical knowledge to crisis leadership.

1.3. Outline

This section gives an overview of the following chapters underlying this research study. Chapter two presents a comprehensive literature review of the used theoretical concepts. Firstly, the concept around crises is discussed, providing definitions, types and phases of crises, as well as examples of previous crises explored in management studies. In a last step, the COVID-19 pandemic as global crisis is elaborated on. Secondly, the role and meaning of leadership and leaders in academic literature, leaders’ attributes, and sensemaking respectively sensegiving

1 Partly based upon the thoughts of Crayne and Medeiros: „Using COVID-19 to demonstrate how sensemaking can explain differences in how leaders think about crises, as well as differences in outcomes for those that these leaders represent, it may be possible to fundamentally change the way that we, as a collective, evaluate our leaders in the future.” (Crayne & Medeiros, 2021, p. 471).
efforts are discussed. Thirdly, the two concepts of crisis and leadership is combined, leading to crisis leadership. In this chapter the crisis management process is explained, leader capabilities during crises outlined, and the important role of sensemaking and sensegiving in crises discussed. After reviewing previous literature about the COVID-19 pandemic regarding crisis leadership and sensemaking, the literature review leads to the theoretical conclusion and research gap. Chapter three outlines the choice and design of methodology and methods used in this study. The methodology section explains the main research strategy underlying this study, provides insights into the reliability and validity of this study, notes on ethics, and limitations of the research strategy. In the methods section, procedures on data collection and data analysis are described. In chapter four, the findings of the study are systematically outlined in the three sections ‘crisis context’, ‘sensemaking process’, and ‘crisis response strategy in form of strategic resilience’. These are at the same time the aggregated dimensions based on the data structure provided in chapter 3.2.2. Data analysis. Chapter five provides a comprehensive discussion, where the findings are put in relation to the main concepts of crisis leadership and sensemaking theory of recent literature. Additionally, a crisis framework showing the relationships in the data structure is provided, answering the research questions introduced above. With the last, chapter six, the study is concluded. The conclusion chapter summarizes the main findings of this research study, provides with practical implications, outlines the study’s limitations, and offers recommendations for further research.
2. Literature Review

In this section I want to review existing literature on the topics crisis, leadership, and leadership in crises to better understand the surroundings of my study. In leadership theories a special focus is laid upon the concepts of leader capabilities and sensemaking. The emphasis in this review is on papers published in internationally highly ranked management journals.

2.1. Crisis

In this chapter, the issue ‘crisis’ is examined in more detail. Specifically, the term crisis is defined and characterized, types of crises and crisis phases outlined. Further, a look on previous crises is made, and lastly, the COVID-19 pandemic as a crisis examined and classed, which is underlying this study.

2.1.1. Defining (business) crises

The word crisis derives from the Greek word ‘krisis’ and ‘krinein’ which means to separate, decide, judge (DeCaroli, 2020), therefore crises have to do with decision-making, leader decision-making. Pearson and Clair (1998) define an organizational crisis as "[…] a low-probability, high-impact event that threatens the viability of the organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly." (Pearson & Clair, 1998, p. 60). Another rather current representation defines crises as "[…] a process of weakening or degeneration that can culminate in a disruption event to the actor’s (i.e., individual, organization, and/or community) normal functioning." (Williams et al., 2017, p. 739). The definitions are fundamentally different, but the difference in time should also be pointed out.

Despite scholars have not yet agreed on a common definition of crises (also because crises are changing in their very nature), some characteristics seem to be especially relevant in crisis situations: ambiguity/uncertainty, time pressure and swift decision-making, and threat or risk (James et al., 2011). Crises also have to be distinguished from non-crisis situations (e.g., a company facing challenges or problems), in the way that crises are unique, occurring infrequent, highly disruptive, and having in most cases an impact on stakeholders (James et al., 2011). Stakeholders include workers, stockholders, management, suppliers, competitors, consumers, unions, and others (Pearson & Mitroff, 1993). As crises are rare, organizations are often not prepared for them and may never have faced one before. Crises can have major consequences on organizations and their stakeholders on an economic, social, and psychological level (e.g. reputation, financially, threat on viability, …) in the short and long run, and are emotionally charged (James & Wooten, 2005).

2.1.2. Types of crises

While crises have some characteristics in common (as described above), they can vary significantly in their typology, regarding a crisis’ size, impact, scope, cause, and other factors (James et al., 2011) which have different impacts on organizations. The reason for classifying a crisis into specific typologies is because they allow for a better examination of crises on a scientific and practical level (Gundel, 2005).
Pearson and Mitroff (1993) for example differentiate between four major types of crisis, divided into the origins of crises (primarily technical/economical induced crises versus primarily human/social in nature), and how crises are initiated (by normal, everyday events versus severe, deviant causes). Similarly, but differentiating between internally and externally caused instead of how the crisis is triggered is made by Mitroff et al. (1987). Pearson and Clair (1998) list a collection of organizational crises, including environmental spills, plant explosion, natural disasters having different effects, and others, which are classified and categorized into sudden (e.g., natural disasters, terrorist attack,…) and smoldering (product defects, rumors and scandals, …) crises by James and Wooten (2005).

As the existing crisis typologies seem to show overlaps and therefore criticized, another classification is made among predictability and influenceability (both in contrast of easy versus hard) of crises (Gundel, 2005). In a matrix of four quadrants ‘conventional crises’ are easy to predict and to influence, ‘unexpected crises’ are hard to predict but also easy to influence. ‘Intractable crises’ in the third quadrant are easy to predict, but hard to influence, and ‘fundamental crises’ are both hard to predict and to influence by organizations. Examples for fundamental crises were the Heysel Stadium disaster in 1985 and the ongoing global change (Gundel, 2005).

In context of situational crisis communication theory (SCCT) three crisis type clusters are defined (Coombs, 2007). The first one is victim cluster (e.g., natural disasters or rumors, where the organization is a victim of the crisis), followed by the accidental cluster (e.g., technical-error accidents or product harm, where the organization caused the crisis but unintentional), and preventable cluster (e.g., human-error accidents or product harm, organizational misdeeds, where the organization is intentionally responsible for the crisis, Coombs, 2007).

Another distinction which can be made and is debated in literature about is whether a crisis is a process or an event (Williams et al., 2017). James et al. (2011) for example see a crisis as a ‘deviant’ event. Representatives of ‘crisis as an event’ (e.g., Gundel, 2005; Pearson & Clair, 1998) define a crisis as an unexpected incident or accident, isolated in time and space, and possessing a distinguishable trigger. ‘Crisis as process’ representatives (e.g., Pearson & Mitroff, 1993; Roux-Dufort, 2007) see crises unfolding in phases, therefore a triggering event is just the start or peak of the crisis (Williams et al., 2017).

### 2.1.3. Crisis phases

If we consider ‘crisis as process’ as outlined above, a crisis unfolds and proceeds in different stages or phases. Several scholars have introduced related models either containing three or five crisis phases, which are now considered here.

Pearson and Mitroff (1993) introduce a five phases model of crisis management, starting with ‘signal detection’, going over to ‘preparation/prevention’, ‘containment/damage limitation’, ‘recovery’, and ‘learning’, after which the circle would start again with ‘signal detection’ (for a slightly different, initial model see Mitroff et al., 1987). Each phase poses different perils and safety hazards.
opportunities for leaders and their organizations. The five phases model is also applied by other scholars (see for example Wooten & James, 2008, Walker et al., 2016).

In a similar way, but put under the umbrella of just three phases, Coombs and Laufer (2018) differentiate between pre-crisis phase (including prevention and preparation), crisis phase (the actual crisis response), and post-crisis phase (organizational learning and revision). Bundy et al. (2017) comparably describe the three phases in ‘pre-crisis prevention’, ‘crisis management’, and ‘post-crisis outcomes’, while also considering an internal and external perspective in each of the phases. Another, more contemporary, consideration is made by seeing the crisis in an ‘emergency’ phase, ‘regression’, and ‘recovery’ phase, where the emotional state of organizational members and its effects are considered (Wedell-Wedellsborg, 2020; Wedell-Wedellsborg & Folke Møller, 2015).

2.1.4. Previous crises

As many crises happened over the past decades, numerous management studies on previous crises got published. Several disasters are for example have been studied in the ‘Handbook of Disaster Research’ (Rodríguez et al., 2018). Past human-induced crises and natural disasters include the Chernobyl and Bhopal incidents in the 1980s, the Hurricane Katrina disaster in 2005, the BP oil spill in 2010 or the tsunami, earthquake, and nuclear disaster in Fukushima in 2011. The tragic events of September 11, 2001, classified as a terrorist attack, leading to a post-economic downturn were studied by some scholars in regard to public leadership (Kendra & Wachtendorf, 2008; Phan & Wood, 2020) or resilience (Gittell et al., 2006). Specifically in Europe, the migration crisis in 2015 and the recent case of Brexit are noteworthy. Other crises concern trade wars and the climate (global warming). All of these crises may differ in scale and origins, but have a common ground that they disrupt and (negatively) impact individuals, society in general, organizations, or whole economies, some even on a global scale (Wenzel et al., 2021).

The Asian economic crisis in 1997 and the dot-com bubble from 2000-2002 (Dowell et al., 2011) are examples of major economic crises affecting organizations and citizens globally. Several management studies relate to the financial crisis in 2007/08 (Höllerer et al., 2018; Makkonen et al., 2014; Walker et al., 2016). A recent multi-level event study investigates the last global crisis (Stoker et al., 2019). The authors analyze the crisis in regard to leadership behavior. The crisis caused a global economic shock and an internationally collapse of trading. As the crisis was unexpected and unprecedented, little to no preparation was possible for organizations, and affected organizations differently depending on the country and sector an organization was located in. The financial and manufacturing sectors were affected the most according to the study (Stoker et al., 2019). The financial crisis has some characteristics similar to the COVID-19 pandemic underlying this study, which is elaborated on in the following.

2.1.5. COVID-19 pandemic and global crisis

In this chapter the background of the COVID-19 pandemic is outlined, with its beginnings, development, measures, impact, current standpoint around the globe, but with a special focus on Austria, as this study was conducted in this country.

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4 It should be noted here that crisis studies explicitly focusing on sensemaking are outlined in a later chapter as they seem to be better suited there (see 2.3.2. Sensemaking and sensegiving during crises).
The COVID-19 pandemic is considered a global economic crisis, besides a drastic global health crisis, with severe consequences (McKee & Stuckler, 2020). The beginnings of the virus spread can be found in Wuhan, China in January 2020 (WHO, 2020). At the end of January, the first cases were detected in Italy, Europe, and soon thereafter, on February 8th Austria reported first infections. The virus spread quickly around the world with more and more people being infected by it, leading to a global shutdown converging in early-to mid-March 2020. Austria introduced the first nationwide lockdown on March 16th, at a similar time than other countries such as Germany, lasting until April 20th. In this timeframe, non-essential retailers and shops other than groceries and drugstores, and service providers (e.g., hairdressers, restaurants,…), also schools and universities had to close. Additionally, many organizations put their workforce in remote work/home offices for security reasons where it was possible, others closed their facilities for some time, put their workers in short-work, or had to lay off employees (Bundesministerium für Soziales, 2021).

With the ease of the first lockdown in early/mid-May, many shops could reopen again, and employees were allowed to come to the office again. Over the summer months, under the restrictions of some security measures, the easing basically stayed like this. In mid-August, cases started to rise again in Austria, the fear of a second wave was evident. A second (hard) lockdown was introduced on November 17th, lasting until December 6th, were non-essential business had to close again. Over the winter holidays a third lockdown was in effect, lasting until February 7th, 2021. After the lockdown was lifted, retailers, service providers, schools, and others were allowed to open again, however under the condition of heavy security measures (e.g., FFP2-masks and negative COVID-tests). The gastronomic and cultural sector still had to keep their business closed until the partial opening in mid-March 2021 in some regions, however, again, under strict conditions. In April, another lockdown was introduced in the eastern regions of Austria. Since May, there have been facilitations in all regions of Austria, lasting until now (as of July 2021). The measures undertaken should contribute to the slowdown of the COVID-19 virus spread, and to prevent the national healthcare system to collapse (Bundesministerium für Soziales, 2021). A similar approach has been taken in other European countries such as Germany (Bundesregierung, 2021).

Despite the rather calm situation at the moment, the long periods of lockdowns and shutdowns over such a long period have had a serious (negative) impact on many companies in Austria, but also all around the world. A rising rate of unemployment and short-work applications was affecting all sectors, especially the Austrian tourism, retail, and building sector (Bundesministerium für Arbeit, 2021; WIFO, 2021), leading to essentially important household incomes breaking away. Supply chains were affected by border closures and travel restrictions, leading to a collapse of trade, long delivery delays or impediments of freight traffic. Volatile financial markets further destabilized the systems. The global health crisis led to a major economic crisis, which only slowly and unevenly recovers around the world (Miranda et al., 2021). As economic and political circumstances have been particularly unstable in recent years, the current pandemic hit organizations at a very fragile time, which may lead to even more devastating effects (Wenzel et al., 2021). Furthermore, other potential crises have to be dealt with in the meantime such as more common natural disasters (e.g., recurring hurricanes, tornadoes, floods), and societal problems (e.g., poverty, which could have also accelerated through high unemployment rates during the pandemic) have to be dealt with (Christianson &
Barton, 2021; Stephens et al., 2020). Therefore, uncertainty is still high and long-term consequences unknown.

Considering the before outlined types of crises studied, one can compare where the COVID-19 crisis fits in. The World Health Organization declared the COVID-19 outbreak a pandemic and classified it as a major disaster in the beginnings of 2020 (WHO, 2020). Given the newness and suddenness of the pandemic, for many organizations the crisis was unprecedented and partly unexpected (Kuntz, 2021), and therefore out of control for company leaders. If we look at Coombs’ (2007) classification, the COVID-19 pandemic would fit into the ‘victim cluster’, as organizations are also victims of the crisis and show a weak contribution to being responsible for the crisis. The nearest fit would be to a ‘natural disaster’ in this cluster, as acts of nature (virus) damages an organization in some form (through restrictions, lockdowns, short-work, etc.; Coombs, 2007). Additionally, the COVID-19 pandemic can be classed into a ‘fundamental crisis’, the fourth quadrant of Gundel’s (2005) typology. Social crises and characteristics of non-predictability, rarity, restricted influenceability, high uncertainty, long duration of the crisis, and affecting stakeholders on a global scale indicate a ‘fundamental crisis’ (Gundel, 2005). The COVID-19 pandemic shows these characteristics.

In the model of Pearson and Mitroff (1993), the COVID-19 pandemic would fit best into quadrant of human/social in nature as origins (virus vulnerability of humans) of the pandemic and initiated by severe, deviant causes (virus transmission and spread). However, as the progressing pandemic also led to an economic crisis, the pandemic can also be classed on the dimension technical/economical in nature. Completing the fourth dimension, the pandemic also shows characteristics of normal, everyday events, as the virus spread through normal, everyday activities. Hence, all four quadrants fit somehow to the characteristics of the COVID-19 pandemic. This could also have to do with the change and increase of global complexity and therefore the necessity of newer typologies. As organizations are embedded in a complex system (Boin et al., 2018), one (type of) crisis is likely to induce another (type of) crisis, which, in this case is the COVID-19 health crisis inducing a financial crisis. This also shows the complexity of the global system.

The conceptions of crisis as event versus crisis as process is taken up by Williams et al. (2017), as outlined before. Applying to the COVID-19 pandemic, crisis as process would fit better, as the pandemic developed over stages (see description and sequence above), lasting for a longer period of time. However, the pandemic also shows some characteristics of crisis as event because of association with being unstructured, unplanned, unexpected, and inconceivable. The authors themselves appeal for integrating the two perspectives which also led to their proposition of integrating crisis management and resilience (Williams et al., 2017).

Hence, because of the rarity of pandemics, the complexity and multitude of influencing factors, the current COVID-19 crisis is hardly classifiable into existing typologies. This could be due to the unique characteristics of the pandemic, which have never occurred in this form before and therefore could not be analyzed.
2.2. Leadership

In this chapter, the meaning and importance of leadership as well as of individual leaders is theorized on, including attributes of leaders for being effective, but also outlining the importance of other organizational members, therefore the leader-follower relationship. Further, the concepts of leader sensemaking and sensegiving, sensebreaking, and sensemaking gaps is elaborated on and why these concepts matter in leadership research.

2.2.1. Meaning of leadership and leaders

The topic leadership has been studied for a long time now, having its original thoughts from famous Greek philosophers like Socrates or Plato. Since then, many research streams on leadership have emerged. Even though the phenomenon is well researched, there is no commonly accepted and universal definition of leadership (Northouse, 2021). The reason for this is that every research stream focuses on a different aspect of leadership (Alvesson & Jonsson, 2018), therefore leading to fragmented fields of concepts (Alvesson et al., 2017, p. 5), and because of generational differences and global influences (Northouse, 2021). Leadership is typically conceptualized in leader traits or behaviors, or seen from a relational or information-processing viewpoint (Northouse, 2021). Therefore, characteristics describing what leadership is, seem to be important. Northouse (2021) characterizes leadership as being a process, involving some form of influence over groups (e.g., employees), where common goals are at the center, or as Laub (2018) puts it: “Leadership is an intentional change process through which leaders and followers, joined by a shared purpose, initiate action to pursue a common vision” (Laub, 2018, p. 62). Although some studies use the terms “leadership” and “leaders” synonymously, there is a different understanding between leadership and leaders, despite their connectedness (Laub, 2018). Leaders are individuals engaging in leadership (Northouse, 2021), and are part of a complex leadership process (Laub, 2018). While leaders can see a vision, take actions accordingly, and mobilize their teams to initiate change, they are dependent on actions by their followers, which then would complete leadership. This suggests an action approach instead of a positional one, focusing on real actions and doings of leaders, and essential functions of leading (Laub, 2018).

The importance for studying leadership is because it is a complex concept, where leaders are embedded in a complex environment (Northouse, 2021). The importance of leaders is also shown by the various managerial roles introduced by Mintzberg. According to the framework, leaders have to take on informational, interpersonal, and decisional roles at the same time (Mintzberg, 1989). Leaders allow for organizational change and movement, by building visions, aligning people, and inspiring and motivating them (Laub, 2018; Northouse, 2021). However, much of the previous leadership work is criticized of focusing too much on heroism and positive leadership (Alvesson & Jonsson, 2018; Schweiger et al., 2020) and being leadership-centered, and idealized (Alvesson et al., 2017, pp. 8–9).

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5 In this study, the focus is more on the leader and not leadership, as individual leaders are underlying the investigation, analyzing their perceptions and related actions. However, focus is also laid upon the interaction between leaders and employees - suggesting leadership - but it is not ‘simplistically’ subsumed under the umbrella term leadership or categorized into one leadership style, as criticized for example by Alvesson and Jonsson (2018).
2.2.2. Leader sensemaking and sensegiving process

In recent literature, sensemaking is recognized as a **socially constructed process** (Maitlis, 2005), including leaders and followers. Given the **high potential for influence** of a leader in an organization, the focus should now, however, be on the individual leader of the leader-follower continuum. Before going into detail on leader sensemaking and sensegiving, the overall process needs to be understood, including what makes effective leaders (with high influence potential), who must operate, as suggested before, in a complex environment. **Effective leaders** are typically described and analyzed by their personality, ideals, values, competencies, skills, and interests among scholars (Alvesson, 2020). The first outline should be made on approaches to leadership (Alvesson et al., 2017, pp. 27–50). Classic approaches include the trait approach, style approach, and situational approach, where the focus is on leaders' dispositions and their behavior. Leadership research then focused on symbolic leadership approaches, including charismatic leadership, transformational leadership, and authentic leadership (see for example Dietl & Reb, 2021, Howell & Shamir, 2005, Searle & Barbuto, 2013), where the focus is on higher meaning and an emotionally appealing vision. The assumption underlying these two streams is that good leaders set a specific, targeted direction, keep an overview of the organization and its environment in order to make the right decisions at the right moment in time. Then there is a more contemporary stream of approaches focusing on relationship-oriented leadership styles (e.g., leader as a coach, see Alvesson & Jonsson, 2018, collective approaches to leadership, see Ospina et al., 2020). The **leader-follower-relationship** implies that satisfied and involved employees are performing better, therefore focusing on the well-being of employees. The assumption underlying this stream is that good leaders **try to understand and respond to** (take responsibility for) the needs of their employees to motivate them pursuing the targeted organizational goals (Alvesson et al., 2017, pp. 27–50).

Another stream of research focuses on specific behaviors of effective leaders. Yukl (2012) identifies 15 leader behaviors in four meta-categories of behaviors (task-, relations-, change-orientation, and external behaviors). A leader's skillset and traits (see Zaccaro, 2007) have to some extent an influence on leader behaviors, however it is recommended to study behaviors over traits as behaviors are observable (Yukl, 2012). Another study analyzes leader's cognitive skills, and identifies nine distinct skills, including a leader's ability to define a problem, to analyze a cause and linking goals, to analyze constraints, to plan and forecast, to think creatively, to evaluate (others) ideas, to be wise, and to envision/make sense (Mumford et al., 2017). Especially the last one, leader sensemaking, is tightly linked to leader sensegiving. Leadership is also often associated with power, allowing to influence others (Northouse, 2021). However, for leadership being effective, the self-concept of a leader as being a leader, and the development of leader identity (but also identity of followers/employees) needs to be promoted (Sveningsson & Alvesson, 2003).

Another important attribute for effective leadership, linked to the above, is **reflexivity** (Alvesson et al., 2008; Fatien Diochon & Nizet, 2019; Tsoukas & Chia, 2002). Reflexivity is a leader's capability of (constant) self-reflection, developing a complex view, including different perspectives, and involves interpreting the already interpreted, therefore critical thinking (Alvesson et al., 2017, pp. 14–15). With open-mindedness comes the importance of adaptability,

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6 Which is criticized by the author at the same time.

7 This also suggests a leader's influence potential and the importance of leaders' sensemaking and sensegiving capacities, which are outlined in the next sub-chapters that follow.
especially important in the domain of digital leadership (Kane et al., 2019). A growing literature can be seen on virtual working in leadership studies. For digital leadership to work it needs a transformative vision and forward-looking perspective of leaders (Kane et al., 2019). In virtual teams the issue of knowledge sharing (Voelpel et al., 2008), trust (Breuer et al., 2016; Breuer et al., 2020), complexity (tensions between autonomy and connectedness, empowerment and disempowerment, inclusion and exclusion, Gibbs, 2009), and work-life balance (Shumate & Fulk, 2004). In virtual settings, leaders should first assess team and task characteristics, further elaborate on presence awareness, situational awareness to cope with coordination needs, and task awareness of teams (Malhotra & Majchrzak, 2014). Resilience in virtual teams is another component recently studied (Degbey & Einola, 2020).

However, not only team resilience is important, but also leader resilience and a resilient organization in general, therefore resilience in the workplace context (Lim et al., 2020). Hartwig et al. (2020) and also Hartmann et al. (2020) argue that resilient leaders are an essential element and pre-condition/moderator allowing for a resilient team. Resilience is the ‘capacity to bounce back from adversity’ (Degbey & Einola, 2020, p. 1301), or seen in light of thriving and hardiness (Ledesma, 2014). The importance of leaders’ cognitive resilience (with an opportunity mindset) is outlined by Dewald and Bowen (2010), and leader resilience in light of positive organizational behavior by Luthans (2002). A leader’s resilience characteristics or capabilities depend on internal variables (positive self-esteem, hardiness, self-efficacy, optimism, a sense of coherence, determination, perseverance, high tolerance of uncertainty, risk-taking, adaptability) and external variables (strong coping skills, strong social resources, Ledesma, 2014). A set of capabilities is required of resilient organizations which enables them for adaptation, integration, and reconfiguration of internally and externally based resources in order to cope with a changing environment (Duchek, 2020). Resilience capabilities of leaders in context of high uncertainty are studied by Duchek (2020).

Following on from this, the last concept and classification which should be mentioned in this chapter is made among leader competencies and capabilities. Dynamic capabilities in general were first introduced by Teece et al. (1997) and are seen as advanced or higher-level competencies (Teece, 2012). Dynamic managerial capabilities are related with (organizational) dynamic capabilities, however, concern the (individual) leader (Adner & Helfat, 2003). The micro foundations of dynamic capabilities are sensing opportunities, seizing them, and reconfiguring or transforming activities of the resource base in change context (Helfat & Peteraf, 2015). The antecedents underlying these phases are based on human and social capital, and cognition. The first antecedent refers to a leader’s prior knowledge and skills, and past experience (Helfat & Martin, 2015). The second one characterizes a leader’s social network ties internally and externally of the organization. The last one, managerial cognition, include leaders’ cognitive capabilities (paying attention, perceiving, interpreting, and reasoning; including problem-solving), and also emotion regulation (Helfat & Peteraf, 2015). The three antecedents are in constant interaction with each other (Adner & Helfat, 2003), and allow for organizational learning (Zollo & Winter, 2002).

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8 This, as we will see later in the findings section, gained even more importance during the COVID-19 pandemic, which also serves as a frame for my study.

9 More on resilience can be seen in the next chapter (2.3.3.5. Resilience) in context of crisis resilience.

10 While the dynamic capabilities research stream is rooted in change management, it can also be applied in crisis management (see chapter 2.3.3. Dynamic managerial capabilities during crises), as both require management of risk and uncertainty, therefore suggesting a multidisciplinary perspective of dynamic capabilities (see Teece et al., 2016).
Micro, meso, and macro levels
While the above comments dealt with the effectiveness and influence power of individual leaders, it is important to note here (again) that it is also important to include other perspectives. As recent leadership concepts suggest, and outlined in the previous sub-chapter, leadership is the interaction between leaders and followers (e.g., stakeholders such as employees), who are closely linked and depend on each other (Northouse, 2021). Criticism is made that too much focus is laid upon individual leaders in academic research, and instead the involvement of all organizational members is necessary (Schweiger et al., 2020). This suggests a processual view of leaders and followers, who communicate and interact with each other, embedded in an organizational frame.

Going even further, Duchek (2020) indicates to differentiate between and analyze different levels (individual, group, organizational, or micro, meso, macro), as organizations are complex social systems and embedded in a complex environment (Tsoukas, 2017) with limited predictability, control, and influence (Schweiger et al., 2020). Therefore, besides analyzing dynamic managerial capabilities, on an (individual) leader level, it is possible and wise to include and study dynamic team capabilities, and dynamic (organizational) capabilities (Güttel & Wiesinger, 2019).

Summarizing this chapter up to here, there is no doubt that leaders and the overarching leadership role can make a difference. However, as outlined, leadership is complex and calls for reflexiveness and mindfulness (see also Dietl & Reb, 2021). Therefore, leadership has a social, relational, and processual character, including leaders and followers, who are engaged in a mutual interaction between meaning making and understanding. This suggests the importance of sensemaking (meaning making for self) and sensegiving (meaning making for others, e.g., followers) concepts, which are outlined next. Again, the focus should be primarily on leaders, as their influential power and effectiveness depend on how they, for example, perceive a crisis situation and pass this on to their followers.

2.2.2.1. Leader sensemaking
The term sensemaking was originally shaped and developed by Karl E. Weick (Weick, 1988, 1995), and has had a major influence and inspiration on organizational and management studies since then (Maitlis & Christianson, 2014). The largest research stream on (leader) sensemaking can be seen in light of strategy and change context, the second largest in light of crises and accidents, followed by organizational identity, and learning (Sandberg & Tsoukas, 2015).11

In his seminal work, Weick introduced seven feature properties/characteristics of sensemaking (Weick, 1995), and a sensemaking framework on enactment, selection and retention stages (Weick, 1979, 1995). The seven dimensions of sensemaking comprise of social relations, identity construction, cue extracting, plausibility, retrospective meanings, enactment or proactiveness, and ongoing or updating (Weick, 2005). In the last century, with the beginnings of sensemaking studies, focus lied upon the importance of engaging in the sensemaking process during unexpected, novel events, that can otherwise lead to severe consequences (Maitlis et al., 2013) illustrated by cases in the midst of disasters (Weick, 1990, 1993), and how sensemaking

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11 The crisis context will be elaborated on in the next chapter (see 2.3.2. Sensemaking and sensegiving during crises). Recent examples are studies by Duchek (2020), Kaltenbrunner and Reichel (2018), Makkonen et al. (2014), Sheng (2017).
helped in the aftermath of a crisis (Gephart et al., 1990; Gephart, 1993). Further, studies on strategic change evolved (Gioia et al., 1994; Gioia & Chittipeddi, 1991). Sensemaking studies in the 21st century then began to have a focus on social processes (Maitlis, 2005), the importance of language in sensemaking (Cornelissen, 2012), discursive practices and narratives (Balogun et al., 2015; Balogun & Johnson, 2004; Rouleau, 2005), and emotions (Fatien Diochon & Nizet, 2019; Heaphy, 2017; Maitlis et al., 2013; Maitlis, 2020; Mikkelsen et al., 2020; Sonenshein, 2009; Weick, 2010).

Recently, a popularity in change management on prospective sensemaking emerged (Bruskin & Mikkelsen, 2020; Konlechner et al., 2019; Rosness et al., 2016), challenging the traditionally assumed retrospective character of sensemaking.12 Other scholars see a relationship between retrospective and prospective sensemaking (Gatzweiler & Ronzani, 2019). Current literature of sensemaking13 focus on intuition and embodiment (Meziani & Cabantous, 2020), sensemaking in teams (Einola & Alvesson, 2019), ethics and reflexivity (Fatien Diochon & Nizet, 2019), very recently the notion to study public figures (Bishop et al., 2020; Chace et al., 2021; Crayne & Medeiros, 2021), and power in sensemaking (Schildt et al., 2020). This sample of current literature suggests that scholars study sensemaking under rather normal circumstances, as Sandberg and Tsoukas (2015) appealed for examining the understudied normal practices of organizations. Weick (2020) however sees a danger of ‘normalization’ in sensemaking practice in this (Weick, 2020, 1424).

While much literature on sensemaking and related concepts exists, so does a variety of conceptualizations and a range of (inconsistent) definitions on sensemaking (Maitlis & Christianson, 2014). To clarify sensemaking in academic research, several review papers on sensemaking have emerged in recent times (Holt & Cornelissen, 2014; Maitlis & Christianson, 2014; Maitlis & Sonenshein, 2010; Sandberg & Tsoukas, 2015, 2020; Weick et al., 2005), some specifically focusing on Weick’s works (Glynn & Watkiss, 2020; Tsoukas et al., 2020; Weick, 2020). The recent paper of Sandberg and Tsoukas (2020) tries to reconsider the fragmented sensemaking literature and proposes that sensemaking can occur in various phenomena, subsumed in four types (representational, immanent, involved-deliberate, and detached-deliberate), and its core constituents (language, temporality, embodiment, and sense-action interrelation) are different for each type, as the studied phenomena always take place in a specific context (Sandberg & Tsoukas, 2020). Similarly, sensemaking is defined as “a process, prompted by violated expectations, that involves attending to and bracketing cues in the environment, creating intersubjective meaning through cycles of interpretation and action, and thereby enacting a more ordered environment from which further cues can be drawn.” (Maitlis & Christianson, 2014, p. 67).

**Major characteristics**

The identified overarching constituent of what has been explored yet by scholars on sensemaking is the notion that sensemaking is tied to specific episodes of organizational interruption (Sandberg & Tsoukas, 2015). Sensemaking episodes can either unfold in specific change contexts (Balogun & Johnson, 2004), amidst a crisis (Weick, 1988), or following a crisis or disaster (Christianson et al., 2009).

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12 The notion of prospective sensemaking already emerged in the early sensemaking work of Gioia et al. (1994, p. 378).
13 Excluding sensemaking papers on COVID-19 pandemic as they will be outlined in the next chapter (see 2.3.2. Sensemaking and sensegiving during crises).
Other major constituents comprise of the analysis of sensemaking triggers and processes, its outcomes and influencing factors (Maitlis & Christianson, 2014; Sandberg & Tsoukas, 2015), depending on the cognitivist versus constructivist orientations of studies (Sandberg & Tsoukas, 2020). Concerning triggers, major/minor planned or unplanned events trigger sensemaking, or a mix of them (Sandberg & Tsoukas, 2015). A (unplanned) crisis for example provides intense sensemaking triggers, studied in the areas of responsibility, reputation, and blame (Maitlis & Christianson, 2014). Threat to identity (unplanned, see Corley & Gioia, 2004) and planned change efforts (see Gioia & Chittipeddi, 1991; Mantere et al., 2012) are other examples of studied sensemaking triggers.

The processes of sensemaking, the second constituent, include the creation of initial sense, its interpretation, and enactment to restore the interrupted situation in an ongoing, recursive cycle (Weick, 1995, pp. 1–62). Through enactment organizations create their environment constraining them then, which becomes even more dynamic and unpredictable in complex systems (Weick, 2005). Outcomes of successful sensemaking are organizational stability or renewal, learning and strategic change (Sandberg & Tsoukas, 2020), additionally creativity and innovation (Maitlis & Christianson, 2014). In a narrower viewpoint the outcomes relate to restored sense, restored action, non-sense, or no restored action (Sandberg & Tsoukas, 2015).

The last constituent are factors influencing sensemaking, where most studies are in the areas of context, language, emotions, cognitive frames, and identity (Sandberg & Tsoukas, 2015). Concerning context, studies on sensemaking always take place in a specific context, either in form of action (Weick, 1995, pp. 43–49), social (Maitlis, 2005), and/or wider institutional context (Weber & Glynn, 2006), influencing the sensemaking process and related outcomes. Linguistic influences on sensemaking include discourse, rhetoric, narratives, metaphors/symbols, and stories (see for example Cornelissen, 2012). Emotions are another, recently emerging, studied element. Negative emotions include anxiety, fear, desperation, panic, and sadness, either felt or expressed, especially present in complex, dynamic and uncertain change or crisis situations (Sandberg & Tsoukas, 2015). The effect of negative emotions can be the significant reduction of information processing, and therefore negatively impacting the sensemaking ability of noticing and extracting critical cues, leading to rigid actions and reactions (Maitlis & Sonenshein, 2010; Sonenshein, 2009). When leaders address these emotions of employees, then they can be more successful in, for example, a change effort (Gioia & Chittipeddi, 1991). Positive emotions include relief, hope, and joy as felt emotions, and enthusiasm or excitement as expressed emotions of leaders, either allowing for more cognitive capacities, increasing the ability of stressor coping and resilience, or serving leaders as a sensegiving resource (Maitlis & Sonenshein, 2010). The next factor are cognitive frames influencing the sensemaking process, either in form of cultural patterns or ideologies individuals are embedded in, or tacit knowledge of the individual leader (Sandberg & Tsoukas, 2015). The last factor mentioned here is identity. While most sensemaking studies on identity see identity constructed through sensemaking (therefore an outcome, see above), only a few studies see identity as influencing factor (see for example Patriotta, 2003; Tsoukas et al., 2020).

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14 Cognitive capabilities of leaders see in the beginning of this sub-chapter.
2.2.2.2. Leader sensegiving

Several other concepts have emerged relating to leader sensemaking, which include sensegiving, sensebreaking, sense-demanding, sense-exchanging, sense-hiding, and sense-specification (Maitlis & Christianson, 2014). The first concept, sensegiving, gained much importance in academic literature and is therefore elaborated on in this sub-chapter. The second one, sensebreaking, and ‘sensemaking gaps’ should be outlined afterwards.

While sensemaking covers the process of an individual's (leader's) attempt to understand ambiguous and uncertain events, like it is the case during crises, and to create meaning (Weick, 1995), (leader) sensegiving refers to “[...] influence the sensemaking and meaning construction of others towards a preferred redefinition of organizational reality.” (Gioia & Chittipeddi, 1991, p. 442). Sensemaking and sensegiving efforts are often seen as two sides of a coin, meaning that a sense-maker is also a sense-giver and the other way around (Sandberg & Tsoukas, 2015), relating to the leader-follower relationship. It is a dynamic and cyclic process between sensemaking and sensegiving, as a leader first has to make sense of the interrupted situation and then externalizes meaning through sensegiving efforts to guide sensemaking of organizational members (Heaphy, 2017). Sensegiving is limited to leaders, while sensemaking is practiced by both leaders and organizational members such as employees (Klein & Eckhaus, 2017). Symbols (most commonly by language), metaphors, images, and other types of influencing techniques are used to strategically shape employee’s sensemaking (Gioia et al., 1994; Gioia & Chittipeddi, 1991; Maitlis & Lawrence, 2007). In most cases multiple activities are conducted to shape sensemaking by others (Gioia & Chittipeddi, 1991).

Sensegiving is mainly studied in the context of change initiatives, such as sensegiving in identity ambiguity and change (Corley & Gioia, 2004), social issues at work (Sonenshein, 2006), conflict and power games (Drori & Ellis, 2011), micro-practices of middle managers (Rouleau, 2005), moderators (Kraft et al., 2015), interrelation of leaders and employees (Kraft et al., 2018), role of power (Lines, 2007), justice in a post-merger integration (Monin et al., 2013), reflexivity (Robert & Ola, 2021), decision-making process (Roeth et al., 2019), and triggers and enablers of leaders’ and other stakeholders’ sensegiving (Maitlis & Lawrence, 2007). Concerning the last paper, triggers for sensegiving are sensemaking gaps either perceived and anticipated by leaders or stakeholders. Sensemaking enablers comprise of leaders’ and stakeholders’ capacities (Maitlis & Lawrence, 2007). Robert and Ola’s (2021) empirical study reveals that reflexive sensegiving has four distinctive features of being open-ended, having low control over available cues, which derive from several sources, and promoting ambiguity and complexity instead of simplification.

2.2.2.3. Leader sensebreaking and sensemaking gap

After analyzing the concepts of leader sensemaking and sensegiving, it should now be turned to the concept of leader sensebreaking, which is defined as “the destruction or breaking down of meaning” (Pratt, 2000, p. 464). While little research on sensebreaking exists, it has some important aspects on the sensemaking process. In the traditional sense, sensebreaking serves as a bridge between sensemaking and sensegiving, in which a leader can fill the before sense-broken meaning (meaning void) with new meaning (Pratt, 2000). If leaders want to implement some form of change in their organization, they can challenge the status quo being viable and feasible, bring employees to question their assumptions and reconsider previously made sense through sensebreaking (Maitlis & Christianson, 2014). Successful sensebreaking in combination

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with successful sensegiving practices influence employee’s identification with the organization positively and eventually lead to positive change (Pratt, 2000).

In another qualitative study, in context of a reversal of planned change, sensebreaking residuals and sensegiving residuals as recollections of prior accounts are detected (Mantere et al., 2012). Embedded in a so-called “sensemaking history”, sensegiving residuals confuse sensebreaking, and in the later stage of the sensegiving process, sensebreaking residuals confuse sensegiving activities (Mantere et al., 2012, p. 190). Other and rather recent studies examine sensebreaking in other contexts than change management, namely in social media communication (Mirbabaie et al., 2020; Mirbabaie & Marx, 2020), managerial political behavior to affect an innovation project’s meaning and decision-making guiding (Roeth et al., 2019), intellectual capital measurements (Giuliani, 2016), and in regard to power structures (Schildt et al., 2020).

A rather recent paper directly challenges the traditional view of sensebreaking and suggests an expansion of the sensebreaking concept. According to Bishop et al. (2020), sensebreaking should not only refer to intentional sensebreaking activities in change efforts to create an occasion for sensegiving, but also to unintentional sensebreaking externally caused (e.g., by a crisis, in their case a scandal). Therefore, they suggest a more general process in which meanings are broken down, which serves an opportunity and context for sensegiving and sensemaking activities (Bishop et al., 2020). Similarly, Roeth et al. (2019) argue that sensebreaking is carried out by leaders to ‘undermine existing understanding’, applying it to decision-making processes of leaders.

Another concept, which should be mentioned is a so-called ‘sensemaking gap’. While not many academic papers address this issue, it serves as a substantial element in the sensemaking process. A sensemaking gap is described as “a triggering condition for sensegiving that can be applied across contexts and actors” (Maitlis & Lawrence, 2007, p. 78), where either leaders or stakeholders perceive or anticipate this gap in unpredictable or ambiguous circumstances leading to sensemaking and sensegiving efforts (Maitlis & Lawrence, 2007). Sensemaking gaps are also observed in a study applying sensemaking in change context (Robert & Ola, 2021) and mentioned in regard to sensemaking and systemic power structures (Schildt et al., 2020).

In sum, leader sensemaking is an important and vital process in change or crisis context. Leader sensegiving is another very important process in regard to followers (employees). As outlined before, organizations are embedded in a complex system, where leaders and followers are equally important. Therefore, an interrelation should be seen between every sensemaking and sensegiving effort (Gioia et al., 1994), complemented by sensebreaking (Pratt, 2000). All three processes are embedded in a sequential, iterative and reciprocal cycle (Mantere et al., 2012). Sensemaking gaps serve as vital sensemaking and sensegiving triggers to re-establish meaning (Maitlis & Lawrence, 2007).
2.3. Leadership in crises

After reviewing the phenomenon ‘crisis’, the role of ‘leadership’ and ‘leaders’, especially in regard to the sensemaking and sensegiving process, it is now time to combine both research streams in order to fully understand the COVID-19 pandemic and leaders’ perception on it. Therefore, in this section, leadership in crisis situations is examined, outlining sensemaking and sensegiving in light of crisis or disaster situations, and examining important dynamic managerial capabilities for crisis leaders. As this study is concerned with the COVID-19 pandemic, relevant literature on the pandemic is presented in the corresponding chapters in terms of crisis leadership and crisis sensemaking. A theoretical conclusion and research gap is then drawn from the overall literature review.

2.3.1. Crisis management process

In the first chapter of the literature review crises and crisis phases were outlined. Here, the focus should be on the specifics that are required by leaders in different crisis stages. In order to understand the crisis management process or life cycle in regard to its management by leaders, first, crisis management has to be specified and understood. Crisis management is defined as “[…] the set of efforts aimed at minimizing the impact of an urgent threat.” (Boin et al., 2018, p. 29), or as “the actor’s attempt to bring a disrupted or weakened system at any stage of crisis back into alignment to achieve normal functioning.” (Williams et al., 2017, p. 740). Crisis management differs in the way of how much is known about the crisis, the level of uncertainty, and the similarity or difference to past crises, referring to the level of uniqueness of the crisis (Boin et al., 2018). Additional complexity arises through global crises and hence global crisis management (Coombs & Laufer, 2018).

As outlined in the ‘crisis phases’ chapter, scholars have developed frameworks categorizing a crisis in different stages. Applying the traditional five-phases framework of Pearson and Mitroff (1993) to crisis management, leaders, because of their high potential for influence, need to accomplish the following things: In the first phase, a leader is required to detect signals early, which is often difficult to accomplish. The challenge for leaders is to filter the right signals from wrong ones, which is not easy whilst a constant flow of information (Pearson & Mitroff, 1993). Many leaders do not see these warning signals, especially in cases of sudden crises (James & Wooten, 2005), or deny them (Alpaslan et al., 2009). In the second phase, a leader is advised to prepare crisis plans and try to prevent the crisis if possible (Pearson & Mitroff, 1993). In the following (third) phase, the actual acute crisis, leaders are required to control the situation and limit the negative effects (e.g., financially), which is easier done if the organization was well prepared for it in the first place. Afterwards, in the fourth phase, leader’s focus needs to be on the recovery of the organization and the return to normalization. The last (fifth) phase necessitates crisis learnings by leaders in form of reflection and critically examining the lessons learned from the crisis, often neglected by organizations because of their reactivity and defensiveness, although vital for improving the future (James & Wooten, 2005; Pearson & Mitroff, 1993).

With the understanding of and the crisis phases and leaders’ role in them, it is now possible to take a look at leader sensemaking and sensegiving during crises and necessary dynamic managerial capabilities of leaders to guide organizations through turbulent times (James & Wooten, 2005). The outcome of crisis management is either success, failure, or a midground,
largely depending on leadership (Pearson & Clair, 1998). Again, the focus should primarily be on individual leaders, as they have a major influence in organizations and are the subject of this empirical study. Leader sensemaking in crisis situations and the crisis skill-set of leaders for effective crisis management studied so far is explored in the next sub-chapters. Reference is made to crisis phases where it is considered necessary. Before doing so, the existing literature on COVID-19 will be outlined with regard to crisis management.

**Previous literature about COVID-19 and crisis management**

Despite the newness and suddenness of the pandemic, several academic papers, some appearing in special issues, have been published since the beginning of the pandemic. In the following, the existing literature on the COVID-19 pandemic regarding crisis management and related concepts should be outlined.

Amis and Janz (2020) emphasize on a people-centered approach during the pandemic where trust among members is important. **Trust** is reached through transparent decision-making and sharing information accordingly (Amis & Janz, 2020). Some argue that servant leadership and prosocial behavior is crucial during the pandemic (Hu et al., 2020), others believe in versatile leadership (Kaiser, 2020). Similarly to versality, leaders are perceived to be successful when they have skills to adapt, to integrate, and provide direction, while applying each of them when necessary, as different situations require different responses (Caligiuri et al., 2020). The role of **complexity and adaptability** seems to be especially crucial in crisis responses to the pandemic (Uhl-Bien, 2021) and necessitates the ability to deal with complex and evolving situations (Maak et al., 2021). Through a lens of dynamic capabilities Rashid and Ratten (2021) empirically found that leaders had to move to more agile business models during the wake of the COVID-19 pandemic; having to prepare for the worst case scenarios, modifying operational factors, and meeting with new needs (Rashid & Ratten, 2021). Caringal-Go et al. (2021) identify in their qualitative study specific leaders' behaviors and traits perceived to be helpful in tackling the crisis through the eyes of employees. The results show that leaders are perceived to be compassionate and caring (for this see also Maak et al., 2021), have foresight, are decisive, transparent and visible to employees. Additional leaders should be supportive, proactive, solution-oriented, and constantly communicating in a very open manner (Caringal-Go et al., 2021). Other crisis leadership roles detected are leaders as **sense-makers** for employees, providing emotional stability and well-being to employees (see also Wedell-Wedellsborg, 2020), maintaining financial stability, and enabling technology (Dirani et al., 2020). Concerning the last one, another study found that a previous high level of digitalization in small and medium-sized companies helped them to better cope with the crisis situation (Guo et al., 2020). Emotional stability, including **self-regulatory skills** and mental fitness is of course also important for crisis leaders themselves (Trachslser & Jong, 2020), also in regard to **mindfulness** (Mirvis, 2020). The importance of walking the talk and acting as **role models** during the COVID-19 pandemic is emphasized by Heide and Simonsson (2021). Referring to general response strategies, leaders can either retrench, preserve, innovate or exit their organizations in times of the COVID-19 pandemic (Wenzel et al., 2021).

Another stream of research focuses on **resilience** during the COVID-19 pandemic (Li et al., 2020; Li, 2021). Kuntz (2021) shows in her qualitative study of workers during the early stages of the crisis the other side of the coin in a manner that workers were not so well supported by leaders and struggled. The author outlines resilience-promoting factors mitigating stressors and
cognitive factors through social support (Kuntz, 2021). Sarkar and Clegg (2021) develop a process development framework on resilience. The qualitative study shows that resilient organizations first perceived and interpreted the crisis situation, accepted it, took stock, enacted, and finally acted and adapted, which is embedded in a feedback loop (Sarkar & Clegg, 2021).

Social distancing required organizational members to switch to remote work and virtual working (Li et al., 2020). van Dyne et al. (2007) already found out that less face time has negative impacts on teams, and due to the negative effects of the COVID-19 pandemic, employees were ‘forced’ to do it, demanding further studies on virtual working and its effects (Guest et al., 2021; Unsworth, 2020). One study focuses on leader effectiveness in virtual working, which demands relation- and task-oriented behavior of leaders to keep employees in a virtual work setting motivated and perform accordingly (Bartsch et al., 2021). Following on from that, virtual team members are required to be emotionally authentic and communicate in an authentic emotional manner in online meetings (Brodsky, 2021). The role of stress and stress factors in this context is outlined by Hagger et al. (2020).

Effective internal and external communication is necessary during crises, especially during the COVID-19 pandemic (Heide & Simonsson, 2021; Mirvis, 2020), as the transition to social distancing and remote work poses several communication challenges (Sanders et al., 2020). The authors emphasize on multiple channels/tools like video conferences, email, intranet, and others. They pose the question of how leaders are communicating with employees and other stakeholders in the context of a university and generally pose the question whether large organizations communicate similarly to all of their employees during the pandemic or not. According to them, messages to employees need to be distinctive, consistent and consensual to reduce their uncertainty, which implies the importance of sensegiving (Sanders et al., 2020). Heide and Simonsson (2021) add the significance of improvising, being flexible, and listening for effective internal crisis communication. Additionally, the value of making sense of the uncertain situation is emphasized on (Heide & Simonsson, 2021). In the following, specifics on sensemaking in regard to crises in general and to the COVID-19 pandemic are therefore discussed.

### 2.3.2. Sensemaking and sensegiving during crises

Under circumstances of high uncertainty, processing information rationally is very difficult, however highly necessary for leaders to accomplish, as they are responsible for leading their organization successfully out of a crisis (Boin et al., 2018). Therefore, a leader's sensemaking ability during crises is essential. As outlined in the crisis definition section, crises may have an impact on stakeholders as well (e.g., employees, customers, communities; James et al., 2011). Certain strategies are used in organizations to influence for example stakeholders' perceptions (James & Wooten, 2006), and therefore sensegiving as a perceiving tool during crises plays a major and important role as well.

Senior management (therefore leaders) are seen as essential sense-makers in organizations (Gioia et al., 1994), especially during crises (Ancona et al., 2020; Kalkman, 2020). The primary goal of sensemaking and sensegiving in crises is to reduce uncertainty of the leader and organizational members (Weick et al., 2005). Sensemaking is about complexity reduction and sensegiving for giving a direction (Güttel & Wiesinger, 2019). In terms of capabilities, sensemaking is about inductive reasoning and generative sensing about abductive reasoning;
sensing capabilities comprise mainly of generative sensing and sensemaking (Teece et al., 2016). The requirement to form positive cognitive crisis responses is an individual’s reciprocal attention to (interrupted) structures and meaning construction to reaffirm or reconstruct the interpretive system (Weick, 1993). The importance and interrelation of sensemaking and capabilities in turbulent times is pointed out by Sheng (2017). The concept of crisis sensemaking sometimes appears in and is applied to the resilience literature (Degbey & Einola, 2020; Duchek, 2020; Normandin & Therrien, 2016; Sarkar & Clegg, 2021), suggesting that sensemaking is a major part in resilient organizations tackling a crisis. While much of the sensemaking process and its compositions were outlined in a previous chapter, focus should be on shared meanings and the role of emotions in crisis context in the following, as much academic literature emphasizes on social context, and sensemaking’s social embeddedness (Maitlis & Christianson, 2014; Sandberg & Tsoukas, 2015).

Shared meanings
Sensemaking is recognized as a socially constructed process, however often broken down to an individual (leader) level (Maitlis, 2005), where other factors such as followers or the organization as a whole are neglected. Three types of shared meanings in crises seem to be especially important, namely, identity, commitment, and expectations (Maitlis & Sonenshein, 2010). Especially during crises, identity construction is involved in the sensemaking process (Weick, 1995; Weick et al., 2005). When it comes to threatened identity due to high uncertainty and ambiguity in crises, individuals are losing important anchors relating to the organization and about themselves, triggering sensemaking (Maitlis & Sonenshein, 2010). Sensemaking is not triggered in crises when identity is too positive and strong in an organization, low capacity, and/or a rigid belief system exists. Identity threat of oneself is also associated with negative and intense emotions (Maitlis & Christianson, 2014). In their case study, Klein and Eckhaus (2017) show that individuals facing a severe crisis need to modify either their identity or perception of the world to resolve cognitive dissonance (Klein & Eckhaus, 2017). Shared identity serves as a vital anchor for meaning construction (Maitlis & Sonenshein, 2010), and is not static but rather a reciprocal and dynamic learning process based on self-reflexivity (Battaglia et al., 2019). The notion and importance of shared sensemaking in virtual teams is outlined by Einola and Alvesson (2019), and can be seen in combination with resilience (Degbey & Einola, 2020).

The second type of shared meanings is commitment, serving as a sensemaking foundation (Weick, 1995). While commitment can be a vital source of constructing meaning in crises (Christianson et al., 2009), the analysis of the Bhopal disaster shows that commitment can create detrimental blind spots (Weick, 1988). Expectations are the third type of shared meanings (Maitlis & Sonenshein, 2010). In combination with cues, expectations can create meaning, however overly negative (or overly positive) shared expectations can have the same harmful effects as with commitment. This raises the question under which conditions or which levers need to be in place for the three types of shared meaning being helpful in crises. The levers for adaptative sensemaking are activated by the processes of ‘updating and doubting’ in case of shared meanings (consisting of three forms), and moderately intense emotions (either positive or negative) in case of emotions (Maitlis & Sonenshein, 2010; for updating see also Christianson, 2019), which are following now.
Emotions
The role of emotions in sensegiving processes and the important role of emotional capabilities of crisis leaders were already mentioned in past chapters. Now the specifics of emotions in crisis context respectively in regard to sensemaking should be outlined. Weick et al. (2005) already appealed for the important role of emotions in the sensemaking process. Intense and negative emotions are likely to hinder sensemaking, because of cognitive capacity consumption which in turn deters paying attention to cues and interpretations (Maitlis & Sonenshein, 2010). Differently, when consistency between felt emotions and an individual’s interpretation and action orientation exists, it can signal a plausible account (Maitlis et al., 2013) or in case of positive emotions opening alternative perspectives and allowing for decision-making (Sayegh et al., 2004). The condition for engaging into sensemaking are moderately intense (negative) emotions in form of providing enough energy to engage, but is dependent on a person’s (leader’s) prevention- or promotion focus (Maitlis et al., 2013). The role of emotions and emotion-regulation/emotional control on sensemaking and -giving process in crisis context is also examined by Zhang et al. (2012), showing the importance of value congruence between leaders and their employees (suggesting sensegiving). Expressed emotions can be used for sensegiving efforts, including enthusiasm and excitement (Maitlis & Sonenshein, 2010). Kraft et al. (2015) propose that an employee’s negative or positive experienced emotions moderate how leader sensegiving is perceived by them. Positive emotions are likely to alternate existing schemas, whereas negative emotions emerge new schemas (Kraft et al., 2015). Similarly, Vuori and Virtaharju (2012) find that emotional arousal influences sensegiving activities with the outcome of more/or less intense beliefs. As mentioned before, moderately intense, either positive or negative emotions are important levers for adaptive sensemaking (Maitlis & Sonenshein, 2010).

Sensemaking and sensegiving activities
The concepts of shared meanings and emotions underly the approach of social constructionists, situating the sensemaking process and related outputs in language, therefore communication (Maitlis & Christianson, 2014). As already outlined some communication channels are especially important during crises (Johansen et al., 2012), however they can also serve as a vital sensegiving tool (Kraft et al., 2015) in crises. Ulmer (2012) also appeals for positive communication practices and the opportunity of honest and open exchange of information in crises, meaning sensegiving activities. Some discursive (meetings, newsletters, memos) and non-discursive, symbolic strategies (rituals and symbolic objects, workshops and seminars, restructuring measures) are used as sensegiving tools (Kraft et al., 2015). Examples for sensemaking activities are for example noticing and bracketing (Weick et al., 2005), in combination with heightened attention (Kalkman, 2020), listening and asking questions (Heaphy, 2017), and/or increased collection of information (Klein & Eckhaus, 2017).

Sensemaking in previous crises
Several studies contribute to the sensemaking literature by analyzing large past crises. Big crises of the 20th century are for example the Bhopal Disaster (Weick, 1988, 2010), the Tenerife Air Disaster (Weick, 1990), and the Mann Gulch Disaster (Introna, 2019; Weick, 1993). The investigated crises show that sensemaking can be triggered at various times in the early stages of an unfolding crisis, either noticed leading to action, or ignored leading to inaction (Maitlis &

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15 More on prevention-/promotion focus see Williams et al. (2017, p. 752), for leaders before and during crisis see Brockner and James (2008).
Christianson, 2014). Other studies are dedicated to public inquiries in crisis sensemaking, representing the long-term organizational responses in regard to their learning abilities (Brown, 2000; Gephart et al., 1990; Gephart, 1992, 1993, 2007). One of Weick’s studies shows failed sensemaking caused through misleading collective cognition, where complexity was not reduced but the situation rather more complexified (Weick, 2005). Other, more contemporary, examples of failed sensemaking are illustrated by public figures in the Flint water crisis (Nowling & Seeger, 2020), volatile and complex wildfires at Yarnell Hill (Parrish C.S.C. et al., 2020), and the case of an aviation disaster (Berthod & Müller-Seitz, 2018). Other studies reveal the important role of sensemaking in the early stages and emergency phase of the unfolding Ebola Virus Disease in Liberia (Nyenswah et al., 2016), the collapsing roof of a museum and the important role of sensemaking and sensegiving enabling for learning (Christianson et al., 2009), and sensemaking, -giving efforts of business media during the financial crisis (Höllerer et al., 2018). The importance of including prospective sensemaking in combination with the traditional retrospective sensemaking view is outlined by a recent humanitarian crisis study (Gatzweiler & Ronzani, 2019).

Sensebreaking in previous crises
The definition and relevant aspects of sensebreaking were already outlined in a previous chapter (see 2.2.2.3. Leader sensebreaking and sensemaking gap). While the origin of the sensebreaking concept and most literature about it lies in change contexts, one (recent) study analyzes sensebreaking in crisis context. Mirbabaie and Marx (2020) study the tragic events of the 2017 Manchester bombing in regard to sensebreaking patterns in social media crisis communication. The authors indicate that individuals in form of journalists and influencers were initiators for sensebreaking in this crisis, leading to collective knowledge gaps. Sensebreaking efforts included rumors, disinformation or misinformation as constraining factors, which get countered by sense-givers providing accurate information. The results also show that sensegiving activities need to be closer to the sensebreaking event, for promptly closing the knowledge gap and providing new meaning. This is implying that sensemaking during crises, the prerequisite to sensegiving, has to happen very quickly (Mirbabaie & Marx, 2020).

Sensemaking during the COVID-19 crisis
Literature on sensemaking theory during the COVID-19 pandemic regarding organizational leaders is very rare. However, those academic papers addressing sensemaking in regard to the crisis should be mentioned here. Christianson and Barton (2021) for example argue that the COVID-19 pandemic has created a dynamically uncertain environment, complicating the sensemaking process. Because of the severity of the COVID-19 crisis, it is important to understand how leaders make sense of the crisis (Crayne & Medeiros, 2021). Implications regarding the sensemaking components noticing, meaning-making and action-taking are made. For example, due to the large and constant amount of information, distilling cues and constantly updating them is depleting cognitive capacities, leading to attentional fatigue (Christianson & Barton, 2021). In an empirical study, Crayne and Medeiros (2021) show how different sensemaking approaches of leaders are critically different in the success of crisis management. Focusing on world leaders (presidents of different countries), the authors find that pragmatic leaders are the most efficient and successful sense-makers and fit best for this crisis, because they are willing to seek advice from experts, are able to managing complexity changing with a given situation, and balancing contradicting goals (Crayne & Medeiros, 2021).
The key for mitigating the COVID-19 pandemic is to make quickly sense of the uncertain situation, however it also requires sensegiving (Cuevas Shaw, 2021). Even though the results are related to the analysis of press releases in regard to academic writing, it can be useful in crisis leadership theory. The style of communication used in press releases included empathic, prosocial, solution-oriented, explanatory, and collaborative aspects. Focus was also laid upon identity and relationship building important in sensemaking and sensegiving (Cuevas Shaw, 2021). The COVID-19 pandemic however poses the challenge of incomplete information and therefore hindering quick sensemaking. Christianson and Barton (2021) therefore appeal for studying why leaders are making meaning of fragmented and contradicting data available to them. While existing literature focus on plausibility as an outcome, the novel characteristics of this crisis could alter the knowledge about meaning-making in sensemaking theory (Christianson & Barton, 2021).

Other researchers study previous crises to transfer this knowledge to the current COVID-19 pandemic. Mirbabaie et al. (2020) analyze the case of social media interactions during the Hurricane Harvey disaster and show the interplay of sensemaking, -giving, and -breaking during crises. Sensegiving efforts and trust (of members) is highlighted to be especially relevant during the COVID-19 pandemic (Mirbabaie et al., 2020). The sensegiving tool communication seems to be especially important (Rubin & Vries, 2020; Stephens et al., 2020). While sensegiving is important, sensemaking precedes sensegiving efforts. As it is argued, leaders are less likely to generate cues during the COVID-19 pandemic, and therefore less likely to make properly meaning of the uncertain situation, because of disrupted action taking (partly due to social distancing, Christianson & Barton, 2021), leading to difficulty in sensegiving.

Li et al. (2020) argue that resilience in organizations during the COVID-19 pandemic is enabled and fostered through how organizational members and leaders make sense of the crisis. Engaging in sensemaking and growing resilience is dependent on the organizational context (Li et al., 2020). Ancona et al. (2020) discuss the importance of sensemaking during the COVID-19 pandemic, predicting leadership success, and appeal for the development of sensemaking capabilities and a sensemaking culture to allow for better decision-making in the uncertain and complex times of the COVID-19 pandemic (Ancona et al., 2020). Training in sensemaking frames is also highlighted by Rubin and Vries’ (2020) study of key-decision makers and country leaders. Leaders’ dynamic managerial capabilities during crises should therefore be the next consideration.

### 2.3.3. Dynamic managerial capabilities during crises

As outlined in a previous section, crises are highly disruptive, posing high uncertainty and risk on organizations. While risk has known outcomes and calibrated probabilities, "[u]ncertainty is about unknown unknowns." (Teece et al., 2016, p. 14) and have different requirements on management. Most crises pose high uncertainty and therefore require to do the ‘right things’ (Teece et al., 2016), which is not always easy under time-pressuring conditions and complexity. Crisis leadership is required, which is “the process of leading group members through a sudden and largely unanticipated, intensely negative, and emotionally draining circumstance.” (DuBrin, 2013, p. 3). Therefore, certain dynamic managerial capabilities are needed of leaders during crises. Dynamic team and organizational capabilities are included as needed (referring to followers/employees and the organization as a whole), but the main focus is again on leaders and their dynamic managerial capabilities.
There is a general notion of focusing on crisis responses and crisis response strategies in academic literature in regard to crisis leaders (Williams et al., 2017). Due to the threat of crises on organizations, responses are mostly devoted to the mitigation of its negative effects and damage control (Brockner & James, 2008). Dynamic managerial capabilities with regard to certain behavioral, cognitive, and emotional characteristics of leaders have been studied so far (James et al., 2011; Pearson & Clair, 1998). Behavioral characteristics including problem-solving actions emerge most in literature, as they are easier to observe and to study (James et al., 2011).

### 2.3.3.1. Behavioral characteristics

Leaders’ behavioral characteristics comprise of the actions addressing environmental uncertainty caused by a crisis to restore normal organizational operations as quickly as possible (Williams et al., 2017). A leader’s decision-making is the most central aspect in handling crises (James et al., 2011; Weick, 1988). Critical decisions have to be made in every crisis stage, especially in the unfolding acute crisis state (Boin et al., 2018). If timely and accurate decisions are made, grounded in facts, they will lead to success of crisis management (Pearson & Clair, 1998). Otherwise, if they are made slow and inflexible, it will lead to failure, increased vulnerability, and following adversity (Pearson & Clair, 1998; Williams et al., 2017). Wooten and James (2008) empirically find that decision-making is especially relevant in the third crisis phase, the ‘containment and damages’ phase (Wooten & James, 2008, p. 364). Pearson and Clair (1998) propose that a crisis management team is more effective in crisis handling and making important decisions than an individual leader, supported by recent literature (Boin et al., 2018), also in regard to priority setting and delegation (Güttel & Wiesinger, 2019). Relational capabilities including social connections and trust (e.g., of employees) are related to this proposition, allowing for quick action taking (James & Wooten, 2005; Williams et al., 2017). Symbolic decision-making in the way of making decisions clearly visible and making symbolic gestures towards employees is regarded as helpful in crises (Güttel & Wiesinger, 2019).

DuBrin (2013) recognizes other important leaders’ behaviors in crises besides decision-making, such as staying calm, planning capabilities before and during crisis, problem-solving capabilities, restoring a work routine, and enhancing team spirit and recognizing their efforts. Creating a common frame of reference and efficient teams as leaders is confirmed by Güttel and Wiesinger’s (2019) qualitative work on crisis leadership. Leader behaviors can also be distinguished between proactiveness versus reactivity, defensiveness, and being accommodative in preparation and response phases or not (Alpaslan et al., 2009). Proactiveness and strategic vigilance are found to be helpful in mitigating a crisis (Güttel & Wiesinger, 2019). Deep uncertainty requires strong dynamic capabilities, which consist of a robust and flexible organizational design structures and highly effective managerial teams with an entrepreneurial spirit. Dynamic managerial capabilities change in times of high uncertainty (in contrast to normal situations, therefore ‘dynamic’) and agility is increasingly needed (Teece et al., 2016). Agility is seen to be especially relevant in the second crisis phase, where organizations need to prevent and prepare for a crisis (Wooten & James, 2008). Symbolic management efforts or impression management strategies in regard to public image are other areas studied relating to behavioral crisis responses (Bundy et al., 2017; Bundy & Pfarrer, 2015; James et al., 2011).

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16 They are in relation to sensing, seizing and reconfiguring activities — the micro-foundations of dynamic capabilities according to Helfat and Peteraf (2015).
In regard to leadership, an extent of literature focuses on **crisis leadership approaches**, relevant for leaders and followers during crises. Some argue that directive or autocratic leadership behavior is necessary during crises, where leaders make decisions and organizational members follow them without asking. This behavioral aspect was especially relevant during the last global financial crisis (Stoker et al., 2019). Others find transformational leadership at the core of leaders’ crisis approach (DuBrin, 2013; Geier, 2016; Zhang et al., 2012) in combination with emotional control of leaders, role modeling, and sharing a vision (Zhang et al., 2012). Other cases include charismatic leadership (Pillai & Meindl, 1998), transactional leadership allowing for crisis learnings (Vera & Crossan, 2004), participative leadership (Kaltenbrunner & Reichel, 2018), and servant leadership, which is a more contemporary concept in the leadership literature (Hu et al., 2020). Bhaduri (2019) argues that different leadership styles are required, depending on which of the five crisis phases a leader is in at a given moment and whether it is an internal or external type of crisis (Bhaduri, 2019). In another case, a distinction between transformational vs transactional leadership style during crises is made, depending on the promotion (in case of transformational leadership) or prevention orientation of leader communication (Stam et al., 2018). **Communication** is another very important tool of crisis leaders, which is elaborated on in more detail in a following separate sub-chapter. The COVID-19 crisis literature cited above already shows that communication is essential during crises, especially during a pandemic.

### 2.3.3.2. Cognitive characteristics

Cognitive responding to a crisis involves the leader’s capabilities of **observing**, **interpreting**, and **analyzing changes** in the organizational environment and in a further step **formulating responses** (Williams et al., 2017). Despite large information inflows during a crisis, a leader’s cognitive ability to quickly discern important information, while also accurately and timely sharing information with stakeholders is important (Pearson & Clair, 1998). The outcomes are rebuilt and reconstructed assumptions and the establishment of new beliefs and values leading to social order in the affected organizations (Pearson & Clair, 1998). This suggests the importance of sensemaking and sensegiving during crises, elaborated on in a previous chapter. Cognitive capabilities enable **behavioral responses** to crises (Williams et al., 2017).

A second consideration can be made in regard to perceiving a crisis as an opportunity (Brockner & James, 2008) or as a threat (Coombs & Holladay, 1996). While in the early stages of a crisis the situation should be perceived as a potential threat and taken seriously, a crisis can and should also be seen as an opportunity leading to open-mindedness (Brockner & James, 2008). Brockner and James (2008) identify two types of opportunity realization during crises and two sets of variables on whether leaders see the crisis situation also as an opportunity (besides realizing the threat). An opportunity from crises can either develop through reducing negative impacts, or going even further, to improve the impact and likelihood of optimistic actions, for example, in form of change implementation or innovation. The variables depend on a leader’s general mindset on reflection and learning, and a leader’s perceived values and attainability of these opportunities (Brockner & James, 2008). In order to frame crises as opportunities, leaders must show several behavioral characteristics, comprising of treating causes and not just symptoms, listening to and allowing for the viewpoints of multiple other stakeholders for solution finding, and emphasizing on both short- and long-term consequences (Brockner & James, 2008). These behaviors can be seen as important additions to the above outlined behavioral...
characteristics. The attitude of leaders for not wasting a crisis and instead perceiving it as an opportunity or chance (DuBrin, 2013) enables learning from crises (Lampel et al., 2009). Leaders who are learning-focused are typically better in crisis handling, referring to the last crisis phase (James et al., 2011; James & Wooten, 2005). Learning is, however, also important during crises, requires evaluation if a certain crisis strategy works or not, and potential adaptation (Boin et al., 2013).

Furthermore, critical reflection (Duchek, 2020), reflection on scenario development or thinking in different development scenarios are vital cognitive capabilities of leaders (Güttel & Wiesinger, 2019). Similarly, crisis leaders need the ability of strategic thinking, the ability to see the big picture (Williams et al., 2017), foresight in the way of experience of individual leaders, and organizational vigilance on a continuous level (Boin et al., 2018). These cognitive capability endowments enable individuals to observe and make sense of early signals swiftly and prevent crises to become bigger (Williams et al., 2017). Other important cognitive characteristics of crisis leaders comprise of charisma and inspiration (Davis & Gardner, 2012), empathy (König et al., 2020), self-determination (Kaltenbrunner & Reichel, 2018), compassion, decisiveness, adaptability, flexibility, and resilience (DuBrin, 2013). Due to the importance of resilience in crisis leadership, which has already been pointed out in the COVID-19 crisis literature further above, it will be elaborated on in a separate sub-chapter.

### 2.3.3.3. Emotional characteristics

An established emotional/belief system of senior executive mindsets was already pointed out by Pearson and Mitroff (1993) as part of the system capabilities they formulated. Emotions play an important role in a crisis response strategy, as for example stakeholders responding with different emotions can influence the efficiency of a leader's (behavioral) crisis responses, especially in case of decision-making (Bundy et al., 2017; Jin et al., 2012). However, due to the crisis effects, leaders can become emotionally exhausted as well (Pearson & Clair, 1998). They feel and express negative emotional responses when crises are cognitively framed as threats. Negative emotions in form of anxiety, anger, depression, or guilt are common in crisis situations. Anxiety in combination with heightened stress levels can restrict the amount of processing information, and hinder to frame a crisis as an opportunity (Brockner & James, 2008). It is difficult for an individual to feel or react in a positive way to an unfavorable crisis situation while standing under high pressure and stress, limiting the possibilities on how a crisis can be solved. However, leaders are required to transform negative emotions into more positive ones and to go further than ordinary problem-solving strategies to cope with the crisis (James et al., 2011). Emotion-regulation capability endowments are therefore required, in form of self-regulation and mental toughness. Emotions of hope, optimism, and sharing emotional states with others are important for responses to the crisis and organizational outcomes (Williams et al., 2017). Mindfulness is, for example, especially relevant and practiced in high-reliability organizations (Bundy et al., 2017).

In sum, leaders need an interplay of dynamic managerial capabilities with certain cognitive, behavioral, and emotional characteristics and responses to manage crises. In the wake of high ambiguity and little time to respond, leaders need to take action (Brockner & James, 2008), and therefore behavioral characteristics are at the core of a leader’s crisis strategy. Cognitive and emotional characteristics serve as influential or enabling/disabling factors. In the following, a
special attention should be made to the behavioral capability ‘crisis communication’ and emotional capability ‘resilience’.

2.3.3.4. Crisis communication

Although crisis communication is a central part in crisis containment (Shrivastava, 1987), many companies struggle with effective communication during times of crises (Ulmer, 2012). Pearson and Mitroff (1993) stress on the importance of “open and effective communication channels among levels and across divisions” (Pearson & Mitroff, 1993, p. 54) during crises. Relating to crisis phases, crisis communication is especially relevant in the third and main phase ‘containment and damages’ (Wooten & James, 2008), but to be found in all crisis phases with different requirements of communication in each phase (Frandsen & Johansen, 2011). For internal crisis communication being effective, the importance of leaders is not only on transferring information, but also on exchanging information in order to reach common awareness of emerging issues (Shrivastava, 1987).

While internal crisis communication has not been explored in detail for a long time by scholars (Bundy & Pfarrer, 2015), researchers began to focus on its important role in crisis management after the global financial crisis (Mazzei & Ravazzani, 2015). Several scholars point out the importance of crisis communication (DuBrin, 2013), also in regard to the financial crisis (Walker et al., 2016). Strategic crisis communication is seen as an important dynamic team capability (Güttel & Wiesinger, 2019). Negative impacts in form of destroying trust of disregarding communication with employees during a crisis event are shown by Mazzei and Ravazzani (2015), the positive impacts of engaging with employees through crisis communication by Mazzei et al. (2012). The importance of trust building in crises is outlined by Gatzweiler and Ronzani (2019). Another recent study examines leader communication in times of crisis with a self-regulatory focus on communication (Stam et al., 2018). While leaders with promotion-oriented communication (focus on achievement and pleasure) are found to be more endorsed by their followers, leading to more motivation, leaders with a prevention orientation (focus on avoiding threats) are found to be not so (Stam et al., 2018).

Concerning employees as the biggest internal stakeholder group, attention should be laid upon their emotional and cognitive state, as well as their feelings. Factors include feelings of uncertainty and insecurity, stress and pressure, chaos, lack of meaning, feeling of betrayal, grief, fear of losing one’s job, and/or anger (Frandsen & Johansen, 2011; Jin, 2010; Jin et al., 2012). In order to mitigate the negative impacts of a crisis and try to influence the (negative) perceptions of stakeholders, communication in form of actions and words is therefore very critical in the acute phase (Coombs, 2014). Successful communication practices include the provision of open, honest and timeliness information by leaders, however other skills and knowledge are necessary as well in order to effectively communicate during crises (Ulmer, 2012). Important crisis communication channels internally of an organization include joint or special meetings, emails, intranet, employee magazines and newsletters, bulletin boards, internal blogs, among others (Johansen et al., 2012). The establishment of solid communication channels and a good understanding and relationship with employees before a crisis are found to be an important pre-condition for successful crisis communication (Ulmer, 2001).

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17 Suggesting sensegiving, see more in the previous chapters 2.2.2.2. Leader sensegiving and 2.3.2. Sensemaking and sensegiving during crises.
Sanders et al. (2020) argue that effective crisis communication is especially necessary during the COVID-19 pandemic, as pointed out earlier. While crisis communication is an important part in crisis management, it also serves as an essential sensegiving tool (Mantere et al., 2012), as previously outlined.

2.3.3.5. Resilience

In a previous chapter on leadership, the role of resilience was discussed, as well as mentioned in regard to the COVID-19 pandemic literature. Now the focus should be on resilience in context of crisis management. Some scholars find resilience in only a specific phase, for example in the fourth and business recovery phase (Wooten & James, 2008) or just mentioning that resilience is important in crisis handling (DuBrin, 2013). Others see resilience in every crisis phase and make it a substantial part of crisis management (Duchek, 2020; Williams et al., 2017). Despite the importance and relevance of resilience in organizational research, it has been sparingly researched in crisis management literature until recently (Williams et al., 2017). As a "resilient system is one that can adapt, be creative and flexible, but also is able to self-regulate and have processes and routines capable of handling complexity without oversimplifying" (Normandin & Therrien, 2016, p. 110), resilient organizations should be able to successfully handle a crisis. What is needed for this in detail is following now.

First of all, organizational crisis resilience should not be seen as an addition to individual leader resilience, but rather as a composition of the organization, the leader, its stakeholders, and the organizational environment, constantly interacting with each other (Williams et al., 2017). The multi-level and multi-stage characteristic of crisis resilience is also illustrated by Güttel and Wiesinger (2019), showing decision-making capabilities promoting resilience on an individual (leader), team, and organizational level. Duchek (2020) conceptualizes resilience as a ‘meta-capability’ of resilient organizations and propose a ‘capability-based conceptualization’ of resilience in organizations (Duchek, 2020, p. 224). The relation between leaders’ and team members’ resilience during organizational crisis is shown by Sommer et al. (2016). The authors argue that transformational leadership helped to heighten team members’ resilience levels (Sommer et al., 2016). The importance of resilient employees (Kim, 2020) and relational reserves including the role of relationships (Gittell et al., 2006) are positively influencing organizational resilience and helping to withstand a crisis.

Crisis resilience factors comprise of the interdependent dynamic forces of order/stability and disorder/change (Normandin & Therrien, 2016). Examples of order factors are rules and processes, sensegiving leading to identity and emotional connection, good relationships including trust and solidarity, more communication with stakeholders, among others. Disorder factors comprise of a leader’s self-questioning in form of critical reflection, learning from experience, sensemaking, flexible and creative processes and structures, among others (Normandin & Therrien, 2016). Similarly, Duchek (2020) sheds light on what the practices of resilient organizations in crisis context are. Referring to the three main crisis phases, anticipation (pre-crisis), coping (acute crisis), and adaptation (post-crisis) capabilities are necessary. The antecedents of resilience comprise of an organizational knowledge base; potential drivers are available resources, social resources, and power in combination with responsibility (Duchek, 2020).
As recent literature suggests, resilience is not one capability or one factor needed in crisis handling, but rather a set of capabilities required, spanning over the organization and its members (leaders and employees), in constant interaction with its volatile environment. Understanding the sensemaking process can help to build resilience in organizations (Cuevas Shaw, 2021) as previously outlined.

2.4. Theoretical conclusion and research gap

From the literature review one can subsume that leadership is crucial, and requires both, leaders and followers (Uhl-Bien, 2021). During crises, the role and importance of leaders and the associated impact of their decision-making and action-taking magnify, as it did during the COVID-19 pandemic (Caringal-Go et al., 2021). As crises are likely to become more in the future (James et al., 2011), it is important to study current crisis events. A recent study on the global financial crisis in 2007/08 found that a crisis context not only moderates but shapes leadership behavior (Stoker et al., 2019). Additionally, research on leadership facing a ‘truly exogenous shock’ is scarce (Stoker et al., 2019, p. 199), suggesting that the COVID-19 pandemic setting is contributing to filling this gap in literature. A call for ‘future research on complexity and adversity’ is also made by Williams et al. (2017, p. 754). As it was difficult to classify the COVID-19 crisis into one of the previously defined crisis types by scholars18, this indicates the novelty of the crisis and thus also an under-researched research stream. This is also in line with the argument that crises change (and also get more severe) over time (James et al., 2011), and therefore typologies are likely to lose their value and significance over time - especially because the global organizational context complexifies (Coombs & Laufer, 2018; Tsoukas, 2017).19 As the COVID-19 pandemic have had major impacts on society and organizations, leading to a major global economic crisis, and given the newness of the pandemic, it is important to study how organizations, especially leaders dealt with this situation (Wenzel et al., 2021). The need for additional research on global crises is emphasized by Coombs and Laufer (2018).

Further, a lack of empirical studies on resilience in combination with crisis management exists (Bundy et al., 2017; Williams et al., 2017). Duchek (2020) calls for future research in the ongoing practices during a crisis and resilience (comprising of capabilities, see also Bundy et al., 2017, p. 1682), and also indicates to differentiate between and analyze different levels (individual, group, organizational). Stoker et al. (2019) also indicates that much empirical leadership research focuses exclusively on the individual level, and leave out the rest (e.g., organizational members, organizational level). This study sees leadership as a process, residing in interactions between leaders and their employees, as suggested by Northouse (2021), which is observable in perceptions of leaders and followers. The interaction of sensemaking and sensegiving should therefore be the next consideration.

Due to the severity of the COVID-19 pandemic, it is important to analyze and understand how leaders made sense of the crisis (Crayne & Medeiros, 2021). In addition, the unprecedented characteristics of the COVID-19 pandemic (e.g., social distancing, virtual setting) offer a novel research context, which is both relevant for academic and practical considerations. This is

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18 See in the previous sub-chapter 2.1.2. Types of crises.
19 For example, in the typology graph of Pearson and Mitroff (1993, p. 50), I could not clearly allocate the COVID-19 pandemic. In some way it would fit to ‘occupational health diseases’, the box in the middle referring to all four quadrants. This implies the complexity of the COVID-19 pandemic, and that the focus of older typologies was on just company induced crises and not so much on exogenous crises.
supported by Gatzweiler and Ronzani (2019), as they appeal for studying outstanding cases (such as humanitarian crises) because they can provide novel understandings about sensemaking. Christianson and Barton (2021) argue that sensemaking is required significantly during the COVID-19 pandemic and yet its accomplishment is very difficult in the context of complexity, uncertainty, novelty, and rapid change. According to them, the COVID-19 pandemic is offering a unique and exclusive occasion for studying sensemaking (Christianson & Barton, 2021). The majority of previous studies on sensemaking focus largely on change contexts, and in cases of crises on organizational induced (internal) crises or disasters (meaning a one-time event and how leaders reacted; Sandberg & Tsoukas, 2015). A rare global crisis such as the COVID-19 pandemic or the last global financial crisis are unique crises with a longer duration. Especially in the case of the COVID-19 pandemic, organizations do not know how long it will last and as Sandberg and Tsoukas put it “ […] the more diverse contexts within which sensemaking are studied, the more likely it is for SP [Sensemaking Perspective, author’s note] to be enriched.” (Sandberg & Tsoukas, 2015, p. 22). Studying the crisis context in regard to sensemaking appears important and is emphasized by Sandberg and Tsoukas (2020). Critique is made on overlooking the larger contexts in which sensemaking occurs and that not all sensemaking stages are addressed in previous studies (Sandberg & Tsoukas, 2015). It is further emphasized by Christianson and Barton (2021) to take in the larger context when studying the current crisis, also because other crises are in place besides the COVID-19 pandemic.

In sum, there is still little knowledge about the COVID-19 pandemic, especially on leader sensemaking. The identified research gap should therefore be the basis for the underlying thesis. It explores how Austrian leaders are perceiving and acting upon the novel COVID-19 pandemic, which role sensemaking and sensegiving have in this regard, and what capabilities of leaders are necessary for leading through the COVID-19 pandemic. This will bridge the gap in current literature by tying the concepts of crisis leadership and sensemaking together in a novel and unprecedented context of the COVID-19 pandemic.
3. Methodology and methods

3.1. Methodology

3.1.1. Research strategy

As this research study aims to gain a deeper understanding of how Austrian leaders perceive and act upon the recent COVID-19 pandemic, a qualitative research design has been used (Bell et al., 2018). A qualitative approach basically underlies the assumptions of constructivism and interpretivism. The first one assumes that organizational reality is socially constructed, constantly reformulated and reassessed, and the second one assumes the need to understand the social world through an examination of how the informants themselves interpret social reality, suggesting to gain rich and deep data (Bell et al., 2018). Therefore, an interpretative, constructive approach for this study appeared to be most appropriate, attempting to understand and representing interpretations and experiences of Austrian leaders during the COVID-19 pandemic, without being biased by prior theoretical viewpoints which might not fit in this specific context.

This particular research approach was also driven because “sensemaking and sensegiving” of leaders in the context of the COVID-19 crisis is an unfamiliar concept, with little to no empirical research available yet, and therefore requiring grounded exploration (Corbin & Strauss, 2008; Parry, 1998). In order to understand social constructs and processes, Gioia et al. (2013) suggest that the focus on existing constructs and processes can mislead the researcher to wrong tools, and therefore new tools in the way of new concepts need to be developed, suggesting grounded theory. Even though literature exists on sensemaking in crisis situations, the lack of literature on externally caused crises (also suggesting the uniqueness and rareness of a pandemic), affecting organizations and therefore leaders globally, leave this specific context unexplored. The characteristics and requirements of leaders in this crisis context surfaced during the conduct of interviews and provided useful themes aiding to answer the research questions. As it is typical for inductive research, the process, theory, and analysis have been reflected upon on a continuous basis throughout the research and was thus iterative.

In order to accomplish the aim to understand how leaders perceived and acted upon the pandemic, which role sensemaking and sensegiving played, and which competencies are necessary for leaders to guide their organizations through the pandemic, first-hand data was used and analyzed. Semi-structured interviews with Austrian leaders of various organizations in the midst of the crisis were conducted to obtain and evaluate the necessary data.

3.1.2. Reliability and validity

Research reliability is considered as the measuring instrument’s accuracy when repeated or replicated by e.g., other researchers, however difficult in the setting of grounded theory (Parry, 1998). In a qualitative study like the current one, reliability strongly depends on evidence, credibility, and on the ability of the researcher. As this research is of inductive nature, not much clear indicators are provided by theory, therefore consistency of measurement is of high importance. To guarantee reliability, certain steps were undertaken. Firstly, a rather large sample of leaders across several sectors and of different organizations was taken (also to guarantee credibility, Parry, 1998). Secondly, commitment and rigor, and therefore sensitivity on
the data is shown by undertaking a detailed and in-depth analysis of the conducted interviews (Alvesson, 2003; Yardley, 2017). Thirdly, transparency is provided in form of detailed and clear explanations on how the interpretations were derived from the data, mainly with the help of the Gioia methodology (see Gioia et al., 2013), which allows for the generation of new ideas, concepts and theories while also ensuring credibility, plausibility and defensibility. The chosen inductive approach provided a widely-accepted and systematic set of procedures for analyzing the collected data, producing reliable and valid findings.

The validity of a study refers to the extent to which research best approximates to a correct answer or proposition (Parry, 1998). Internal validity can for example be enhanced by analyzing multiple sources of data. In this study the prime source were interview transcripts. As a secondary source supplementary protocols (field notes) taken immediately after the interviews served for this research (Froschauer & Lueger, 2020). In order to understand perceptions (of leaders) during crises, and to gain details and insights into underlying relationships, it was believed that the inductive qualitative approach fits best the aim of this study (James et al., 2011). Further, as Parry (1998) notes, interviews are a better source than for example participant observations when interviews should be the main source, as it takes the negative effect of researcher reactivity. As social processes of leadership are observed, semi-structured interviews (underlying this study) fit best and help for better research validation (Parry, 1998).

3.1.3. Ethics

The interviewees in this study were asked about how they handled the crisis in their companies, revealing personal and company specific data, which could be seen as a sensitive topic. Therefore, confidentiality, anonymity and data discretion were guaranteed to the respondents. At the beginning of each interview, the interviewed leaders were informed about this and were asked to agree verbally. All names of the interviewees, colleagues, and other people that were mentioned, and of course the company have been made anonymous within the transcripts. In addition, only my supervisor got access to the transcripts besides me as the researcher.

3.1.4. Limitations

As the virus still spreads world-wide and long-term economic effects are still unforeseeable, the COVID-19 pandemic will be a historic event we all were part of. Having said this, the researcher analyzing leaders in this context was well aware of potential biases, as the pandemic has impacted all of our lives. However, it was the fact that such a unique (and tragic) event sparked the interest in this research topic and encouraged the aspiration to contribute usefully to academic research.

Given the circumstances, some of the interviews were conducted in a digital setting. This might have had an impact on the course of the interview or potential loss of observations than in face-to-face conversations. The fact that the virus development and business situation changed frequently (sometimes even daily), it required leaders and their organizations to adapt constantly. Hence, the points of time, when the interviews were held played an important role. Careful considerations and discretion during interviews had also been made by the fact that the crisis was still an ongoing event (and still is) impacting people differently and in many aspects, both professionally and personally (e.g., concerning the speed of virus spread).
A limitation can also be seen in the missed opportunity or advantage of two or more authors analyzing the data (internal reliability; Bell et al., 2018). Interviewing other organizational members such as employees (as suggested and applied by Caringal-Go et al., 2021 for example) could have helped to fully understand the crisis impact and leader’s capabilities and can be seen as a limitation. Further, the design of a case study analysis including only a few organizations with interviewing different members of the organization would have been another approach to study in this context, however with the disadvantage that less leaders would go under examination. Another supplementary approach could have included a quantitative study on how effective leaders are in mitigating the crisis, therefore measuring leader effectiveness during the COVID-19 pandemic (also with the possibility of including employees’ opinions), would, however, have gone beyond the scope of a master thesis. Moreover, a limitation could be that findings of this study might not be applicable to other future crisis contexts as the nature and scope of next crises might differ from the current crisis/pandemic.

3.2. Research methods

3.2.1. Data collection

As already mentioned, data was collected in form of interviews for this qualitative study. Thirteen interviews have been conducted in total and have been taking place between August 2020 and February 2021. Nine interviews have been conducted in between one month (beginning of August to beginning of September 2020), and four later on (beginning of December 2020 to February 2021). All interviews lasted from about 30 to 120 minutes and were audiotaped with a smartphone and transcribed verbatim via MAXQDA software. The software offers robust data organization and an in-depth analysis (Rädiker & Kuckartz, 2020).

Note-taking during the interviews and the afterwards creation of supplementary protocols were a further part of data collection (Froschauer & Lueger, 2020; King et al., 2018). Table 1 below provides details of the thirteen interviews.

With the help of a semi-structured interview guideline, one-to-one interviews were held. The reviewed literature provided with certain theoretical concepts that aided structuring the interview guide. However, as it was important to understand the leaders’ perceptions, the interviews were only semi-structured, therefore allowing the interviewees to add topics. In the introductory section a story-telling-like approach was followed. This helped that interviewees were able to express how they perceived the pandemic, without too much guidance of the interviewer, revealing which aspects were important to them (Froschauer & Lueger, 2020, pp. 50–55). Afterwards some specific and in-depth questions followed, depending on what was said and seemed important to the interviewee. However, the researcher also tried to guide the conversation with the bullet points of the interview guideline, aiding to find out what the researcher was interested in. In Appendix I the interview guideline can be found.

The sample collection of interview partners was done through the professional and personal networks of the researcher. The prime target group were leaders which businesses were impacted by the COVID-19 pandemic in some way. Following maximum variation sampling (Sandelowski, 1995), for the sample it was not relevant to focus on a specific sector or size of

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20 In particular the work of Güttel and Wiesinger (2019).
21 The approach of semi-structured or open-ended interviews is especially useful to gain rich data on the reconstruction of sensemaking processes according to Sandberg and Tsoukas (2020).
the organization. In contrast, with the help of a variety of businesses it was possible to find out potential differences or similarities in them. The leaders’ direct responsibility for employees ranged from two to nine-hundred. Seven interviewed leaders were responsible for over 100 employees, and six leaders were responsible for below 100 employees.

<table>
<thead>
<tr>
<th>Interviewees</th>
<th>Date</th>
<th>Length (in minutes)</th>
<th>Setting</th>
<th>Sector</th>
<th>Direct responsibility for X employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>2020-08-04</td>
<td>120</td>
<td>in person</td>
<td>culture (event-organizer)</td>
<td>20</td>
</tr>
<tr>
<td>E2</td>
<td>2020-08-05</td>
<td>26</td>
<td>virtual</td>
<td>consulting (training)</td>
<td>25</td>
</tr>
<tr>
<td>E3</td>
<td>2020-08-06</td>
<td>51</td>
<td>in person</td>
<td>steel (tubes)</td>
<td>600</td>
</tr>
<tr>
<td>E4</td>
<td>2020-08-10</td>
<td>70</td>
<td>in person</td>
<td>steel (automotive)</td>
<td>300</td>
</tr>
<tr>
<td>E5</td>
<td>2020-08-12</td>
<td>28</td>
<td>in person</td>
<td>steel (alloys)</td>
<td>70</td>
</tr>
<tr>
<td>E6</td>
<td>2020-08-21</td>
<td>45</td>
<td>virtual</td>
<td>steel (automotive)</td>
<td>900</td>
</tr>
<tr>
<td>E7</td>
<td>2020-08-26</td>
<td>40</td>
<td>in person</td>
<td>steel (metal forming)</td>
<td>10</td>
</tr>
<tr>
<td>E8</td>
<td>2020-08-27</td>
<td>60</td>
<td>in person</td>
<td>steel (tubes)</td>
<td>120</td>
</tr>
<tr>
<td>E9</td>
<td>2020-09-04</td>
<td>50</td>
<td>in person</td>
<td>healthcare (holding)</td>
<td>140</td>
</tr>
<tr>
<td>E10</td>
<td>2020-12-05</td>
<td>80</td>
<td>virtual</td>
<td>finance (bank)</td>
<td>27</td>
</tr>
<tr>
<td>E11</td>
<td>2020-12-14</td>
<td>80</td>
<td>virtual</td>
<td>healthcare (nursing)</td>
<td>120</td>
</tr>
<tr>
<td>E12</td>
<td>2020-12-17</td>
<td>27</td>
<td>in person</td>
<td>healthcare (nursing)</td>
<td>100</td>
</tr>
<tr>
<td>E13</td>
<td>2021-02-24</td>
<td>45</td>
<td>virtual</td>
<td>advertising agency, IT</td>
<td>60</td>
</tr>
</tbody>
</table>

Table 1: Characteristics of interviewees

3.2.2. Data analysis

The data provided by interviewees was analyzed following grounded theory (Bell et al., 2018; Parry, 1998). With this inductive approach, theory is viewed as an outcome of the research process, and presents a more open-ended strategy in which theoretical ideas emerge out of data (Bell et al., 2018). In specific, the widely-recognized and accepted ‘Gioia Methodology’ was applied (Gioia et al., 2013), also in order to pursue qualitative accuracy. The Gioia methodology is a guide for analysis and presentation of a qualitative, interpretive, systematic inductive, grounded theory research design, or as Gioia et al. put it: “[…] a systematic approach to new concept development and grounded theory articulation that is designed to bring “qualitative rigor” to the conduct and presentation of inductive research.” (Gioia et al., 2013, p. 15).

The main steps of the data analysis following the Gioia methodology involve five stages, ultimately leading to a so-called data structure. In the following the derivation to the data structure with first-order concepts, second-order themes and aggregate dimensions is explained and outlined. Applying to all stages, this approach involved a constant and iterative interaction between the collected data, theory and method, resulting in analytic cycles (Froschauer & Lueger, 2020; Gioia et al., 2013). Additional interviews were conducted until a theoretical saturation was achieved (Froschauer & Lueger, 2020, pp. 25–26). It seems to be rather usual in inductive research and mentioned by Gioia et al. (2013) to start with a broad guiding question. In the beginning the research question was rather broad and general (initial guiding question: ‘How did leaders cope with the COVID-19 pandemic?’), narrowed down through and adapted to the additionally found data, and led in the end to three research questions (see in the introductory chapter 1.2. Scope of thesis).
The first round of analysis involved an open-coding method after each interview by identifying initial concepts in the data (what interviewees said). In this step the interview guideline also served as a basis, where some emerging themes corresponded to literature, and some were of complementary nature. The open coded themes were put into (overarching) categories (descriptive summary labels) by seeking similarities and differences among the many themes, and adapted accordingly during the process of additional interviews, in order to fully understand and grasp the data set. The creation of a large set of data-based codes is termed “open-coding” (Corbin & Strauss, 2008) or first-order coding in the Gioia methodology (Gioia et al., 2013). After the first round of open-coding and structuring, the theme sensemaking and related concepts emerged out of the data. Therefore, a second round of coding focusing on this phenomenon seemed appropriate and necessary (see similar procedure Gioia & Chittipeddi, 1991). After reading much literature about sensemaking and related concepts (see for example Maitlis et al., 2013), the researcher coded again with certain definitions of sensemaking as a basic anchor (suggesting abductive data analysis). In this way, the researcher was able to capture the sensemaking process during the COVID-19 pandemic (also with the help of word search functions in MAXQDA, e.g., searching for emotions → word ‘joy’ search). Carefully weighting and considering the variety of possible meanings guided the process, also to provide for validity and credibility (Alvesson, 2003). A comprehensive compendium of first-order concepts, which are presented in the following data structure (see Figure 1: Data structure), are examples of these open codes.

In a second step, the first order-codes were organized into second-order themes. This step is theory-centric, by searching for theoretical concepts that might summarize the first-order themes and help to explain the observed phenomena (Gioia et al., 2013). In this study eight second-order themes were developed, which are represented in the data structure (see Figure 1). Theories on crises, sensemaking, and dynamic capabilities were applied. Despite the fact that sensemaking is an existing and well-studied theory, this specific concept leaped out during the analysis, suggesting to have relevance to the COVID-19 pandemic as a new domain. The category formations (theme labels) were mostly based on existing literature and are explained in more detail in the following results chapter where necessary (see chapter 4. Findings). It should be noted here that the relationships between the second-order themes are established later in the theorizing process (see framework in the discussion section, Figure 2: COVID-19 crisis framework).

In a third step, the emergent second-order themes were further distilled and summarized into three “aggregate dimensions” (‘crisis context’, ‘sensemaking & sensegiving process’, and ‘crisis response strategy in form of strategic resilience’). After this step, it was possible to gather the themes, concepts, and dimensions into a “data structure” (see Figure 1). The data structure allows for a visual representation of how the researcher progressed from the first stage of raw data to advancing to themes, concepts and aggregate dimensions, providing for qualitative rigor (Gioia et al., 2013).

As mentioned before, the static data structure can further be transformed into a dynamic grounded theory framework or model by formulating dynamic relationships among the second-order themes (Gioia et al., 2013). Framework development derived from data structure was done in this study as well and is presented in the discussion section. In a final step, this analysis was used to answer the formulated research questions (see also in discussion section).
First-order concepts: the informant’s viewpoint

- Being digitally savvy and resourceful beforehand helped
- Recognizing signals/early/strategic vigilance otherwise surprise and/or shock effect, switching to crisis mode
- Quick and flexible crisis handling between governmentally enforced lockdowns and easing
- Reflecting on and learning from crisis

- Implementing security measures, social distancing and switching to remote work which leads to different deliberate communication (O)
- Short work/closing days, uncertain business, higher coordination (O)
- More responsibility and decision-making (L)
- Lack of personal contact and communication lead to social/psychological impact (T)
- Loss of level of detail in online meetings (L/T)

- Digitalization boost, cost and time savings on less/no business trips, change (O)
- Closer bonding with employees and within teams (L/T)
- More motivation and productivity through online meetings (T)

- Information overflow through unclear governmental regulations and medial information leads to high uncertainty and ambiguity for leaders, employees, and other stakeholders
- Different ambiguous, uncertain, and unpredictable issues during phases of the crisis
- Question marks in employees’ faces, confusion, uncertainty

- Crisis committee meetings, active information seeking and information from and exchange with experts/interactions (SM)
- Actively listening instead of teaching, sensing, and filtering (SM)
- Open, honest, trustful, transparent, and also more private communication with employees through newsletters, emails, online meetings, intranet (SG)
- Informing stakeholders in a very clear, brief and targeted way about the most important things – filtered information (SG)
- Giving direction, meaning through symbolic acts (SG)

- Feeling of responsibility, being authentic, leader as formal authority, representative role, with legitimate power, self-interest (L)
- Daily information updating and constant reviewing of information including to update others (e.g., employees) on a constant basis (O)
- Emotionally fueled through fear, hopelessness, depression, sadness, stress-related (negative), but also hope, joy, and enthusiasm (positive) of leaders and/or employees felt or expressed (E)

- Previous crisis experience is helpful for mitigating this crisis and provides you with self-confidence (G)
- Seeing the crisis as a chance/opportunity instead of a threat, proactivity (C)
- Learning in form of reflexivity, reflection, and analysis (C)
- Fast and time-sensitive decision-making under high uncertainty, decisiveness (E)
- Flexible coordination, agility (B)
- Human relations: symbolic incentives, interpersonal relationships, trust in employees, role model (D)
- Optimism, staying calm and radiates peace/optimism/serenity (E)
- Tolerance for stress and mindfulness (E)

- Installation of risk boards and crisis committees (O)
- Adapting to situation (strict vs easing), controlling (O)
- Finding and taking advantage of business chances/new business models/ideas (O)
- Common reference framework willingness of employees (T)
- Handling high tension/stress and more work over a long period of time (T)

Second-order concepts: themes

- Crisis phases:
  - Crisis preparation, signal detection, emergency, sensebreaking phase
  - Crisis management, response, regression & recovery
  - Crisis learnings & revision

- Perceived negative effects through:
  - External organizational environment leading to sensebreaking

- Perceived positive effects influenced by:
  - Sensemaking process outcomes

Sensemaking gap caused by:
- External organizational environment Enforced by:
- Stakeholders

Sensemaking and sensegiving activities:
- Crisis communications

Sensemaking moderators:
- Leader legitimacy
- Doubting & updating
- Emotions

Dynamic (ad-hoc) managerial capabilities:
- Cognitive
- Behavioral (temporality vs permanent)
- Emotion-regulation

Dynamic organizational & team capabilities (support functions):
- Institutionalization
- Adjustment and Flexibility
- Identity and trust

Aggregate dimensions

Figure 1: Data structure
4. Findings

In this section I want to outline the data structure introduced in the previous section, following the guideline by the Gioia Methodology (Gioia et al., 2013). My research questions ask how leaders perceive and act upon the crisis, what role sensemaking and sensegiving play in this regard, and what capabilities are necessary for leaders in order to cope with the crisis. My analysis of the thirteen interviews with Austrian leaders revealed distinct features for each of my questions, which are also illustrated through suitable quotes from the talks with my interview partners. Referring to the three levels micro, meso, and macro – as outlined in the literature review section – is applied throughout the findings part, where it was necessary and helpful to distinct between.

In the remainder of this section, I first report the findings regarding the crisis context, and therefore dealing with the first research question. Secondly, findings on the sensemaking process are explained, dealing with the second research question. Lastly, the crisis response strategy in form of strategic resilience is outlined, which has to do with the third research question. I explore why sensemaking plays an important and distinct role for leaders in this crisis setting, and how these dimensions are connected in the following section, when the empirically derived framework on the COVID-19 crisis is introduced.

4.1. Crisis context

The first dimension covers the crisis context where leaders and their organizations are embedded in and in which they have to cope with and act upon. The aggregate dimension ‘crisis context’ consists of the three found themes ‘crisis phases’, ‘perceived negative effects’, and ‘perceived positive effects’, which are explored in more detail, also with the help of first-order concepts, in the following.

4.1.1. Crisis phases

As outlined in the literature review, Pearson and Mitroff (1993) distinguish between the five overarching crisis phases in their framework, namely, signal detection, crisis preparation, crisis management/containment, recovery, and crisis learnings. Another classification would be emergency, regression, and recovery (see Wedell-Wedellsborg, 2020). Both classifications are applicable to the crisis context, observing the crisis from slightly different angles (with the later approach having more focus on feelings and emotions of leaders and their teams)\textsuperscript{22}. Analyzing the interviews, their results revealed insights into both kinds of frameworks, which are helpful and necessary for understanding the sensemaking process and the importance of dynamic capabilities.

\textbf{Crisis preparation, signal detection, emergency, sensebreaking phase}

Concerning crisis preparation, leaders were not realistically able to be prepared for this kind of pandemic, as this was new and surprising to everyone. When asking leaders directly of how much they felt prepared for this crisis, eight out of thirteen felt not really prepared, and only five felt moderately or good prepared. The main reasons for feeling not prepared were first and mostly an experienced shock effect and second having to deal with an internal crisis parallelly. The mentioned reasons for feeling prepared were strategic vigilance/foresight, digital savviness, and having enough resources. Through digital savviness (e.g., established online

\textsuperscript{22} This brings me to sensemaking and is important for the sensemaking enabler ‘emotions’, see more later on.
communication and networks) and IT resources (e.g., notebooks) before the crisis (suggesting indirect preparation) better crisis handling was possible for leaders, because the transition to remote work went smoother. Another important factor was leaders’ recognizing signals early (e.g., through risk boards). Through strategic vigilance an early signal detection was possible. Strategically scanning the environment with observing and evaluating the risk of the virus starting in Wuhan, China, swapping over to Italy, and finally affecting Austria as well was important. Leaders who evaluated the potential threat as serious and prepared their organization for the worst were better in handling the first lockdown.\(^{23}\) Further, being able to have connections to the government or similar to know that a lockdown will be introduced, helped leaders to organize themselves and their teams for fast social distancing (over one weekend) and enabled them for fast action. In the case of weak or no strategic vigilance in organizations, leaders were surprised, even leading to a shock effect, and struggled to switch to crisis mode and effective crisis response.

*The current crisis, because it actually came out of nowhere or we didn’t see it, because it was already known in China in December, we were actually very badly prepared, because nobody could see it.* (Transcript_E5, item 3)

*Basically, one has to say, on such a crisis, on this kind of crisis, it would have been strange if one really could have or had to assume in advance that something like this would happen. That would certainly have been too clairvoyant, let’s call it that. But I think we were still relatively well prepared for it, […] we had already dealt with the issue in January. […] In other words, we recognized very, very early on that something was about to happen. […] Of course, we have not dealt with this in detail. But we have dealt with it and have started to work out certain emergency plans at a very high level, not yet in detail, but already in February.* (Transcript_E4, item 3)

Looking through the lens of ‘emergency’, this phase was at the beginning of the first lockdown is characterized by leaders’ energy, fast action, rather emotionless, like robotically working off first steps of crisis mode, and learning by doing. It should be noted that in this first stage sensebreaking took place (outlined in a later sub-chapter).

*The beginning was very, very theoretical and professional, which is very good, because you have to, if a doctor were to cry every time a child has an accident - he has to save the child, with as little emotion as possible, and that’s how I would compare it.* (Transcript_E1, item 11)

**Crisis management/response, regression & recovery**

When asking leaders about their estimation of good crisis management, some leaders reacted in the way that they already mastered the crisis, but others were more cautious about it. The two most prominent patterns mentioned were fast reaction & flexibility and balancing stakeholder needs. The first one was positively influenced by early observation, preparation, and organization, following fast implementation and communication of measures (also implementing strict rules of conduct in some cases), which allowed for quick and flexible crisis handling between governmental enforced lockdowns and easing. The second one was to balance between the protection of employees by implementing security measures (especially blue-collar

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\(^{23}\) This has certainly to do with previous crisis experience as well (see in chapter 4.3.1. Dynamic (ad-hoc) managerial capabilities more about it).
workers were negatively affected, as they still had to work in the facilities) while still offering "normal" services to customers and other stakeholders. Other factors affecting good crisis management mentioned were a smooth transition to home offices/remote work and being economically stable. Some leaders told me that it is too soon to evaluate what good crisis management was, as the crisis is/was still ongoing.

The most important aspect is first of all that we have protected our employees to the maximum and still served our customers in the best possible way. (Transcript_E3, item 9)

Now moving to the other framework, the ‘regression’ phase was during the first lockdown and was characterized by leaders’ and their teams’ exhaustion, fatigue, despair, boredom, actual realization of crisis, and also regression seen in sales/business.

But then, when you feel it, the crisis starts. When you cry into your pillow and say shit. That’s the bad thing. (Transcript_E1, item 11)

In the recovery phase, mainly during the summer months after the first lockdown, where the most interviews were conducted, most leaders thought that the worst was over, respired, and focused on recovery. However, some leaders also expressed their uncertainty about whether there will be a second lockdown or risk of further measurements (which became true in hindsight). The second round of further interviews during and after the second lockdown revealed that leaders on the one hand settled down and accepted the ongoing crisis situation, admitting that the crisis will probably last longer. Despite the detection of a general fatigue of the crisis among leaders and their teams, they did not fall back into a regression phase, as they learned from the initial regression phase and tried to keep employees motivated as much as possible. However, leaders raised their concerns about following societal and economic consequences for the future, which also might impact their companies.

And now, after a lot of asking around and a lot of talking, today, also probably thanks to your visit, I feel for the first time that a few solutions are close. I was able to do something with the Assembly for the first time today, because I said, pay attention, the following: The fog drive- we are still driving in the fog, but I believe there is a way, there is a way forward, and I have also been able to motivate visibly. (Transcript_E1, item 9)

Crisis learnings & revision
The final phase of a crisis is to reflect on the crisis and learn from it; however, it is also possible to be practiced during each other phase. When asking leaders about their learnings of the crisis so far, they mentioned the following things: that strategic vigilance is more important than previously thought, concerning detecting (future) crises, but also in regard to new business areas, innovation or a company’s long-term vision. Further, the crisis brought insights into proper handling of digitalization and online-communication. On the one hand leaders reported the necessity to keep up with personal meetings as they provide for a more qualitative communication internally (e.g., enabling discussions), however, to improve them with a better agenda and clearer focus. On the other hand, leaders revised that many business trips can be replaced with video conferences unless personal attendance is of utmost importance. In general, experience and knowledge has been gained throughout the crisis. The attitude that crises could be mastered should be seen as a chance and a time where solidarity and identification with the company can be enhanced. The rather positive attitude concerning the future can also be seen
in the leaders' predicted next steps. (New) strategies and forecast plans will be developed and tried to draw the most positive out of the crisis.

We have certainly also learned that we have to remain as flexible as possible, and that a crisis as always - but I think the crisis shows it particularly well - does not trigger new things, but is a real trend accelerator, the crisis, be it e-commerce, the whole online trade, or food delivery. Such topics have gained massive momentum. They would have anyway. But I think it was accelerated now. And from that point of view, you always have to be well prepared so that as a company you don't sleep through such trends [...] These are certainly issues, and I will spare you what we have learned socially. (Transcript_E3, item 23)

4.1.2. Perceived negative effects

In this sub-section, I want to concentrate on the perceived negative effects the crisis had on organizations as reported by the interviewed leaders. The perceived negative effects can be grouped into the three previously outlined levels, leader (micro), team (meso), and organizational (macro) level.

On an organizational level, the biggest perceived negative impact (especially in the beginning phase) was the implementation of strict security measures, including social distancing in form of organizational members forced to switch to remote work. For most of the organizations interviewed, remote working was not the norm and therefore a major transition necessary. Here, the challenge was to provide employees with the necessary IT infrastructure for a proper home-office. Leaders tackled this issue by allowing employees to take technical equipment such as monitors from the office with them home. Technical issues such as overloaded networks and security flaws emerged as well, however occurred mainly in the beginning of the lockdown phase and were solved rather quickly. Leaders also reported that advanced (and previous) knowledge on digitalization helped for the transition. However, not every job could be switched to remote work, especially in the case of factory workers, which posed additional challenges for organizations. Additional security measures had to be installed to guarantee the safety of this working class and required much flexibility (e.g., in form of flexible shift work, split teams) by the organization. One leader reported a limitation on remote work because of the company size. After the first lockdown, the organizations in question either used a hybrid form of remote work and office work or remained completely in remote work. Other COVID-19 related security measures had to be provided by the organizations, including to provide masks, medical assistance, and testing options, which to some extent were also tied to governmental provisions or provided to employees on a voluntarily basis.

In the administrative area, a very strong shift to either split teams or predominantly home offices, with the proviso that we have created the technical facilities so that almost all employees have technical possibilities to

24 Which leads to sensebreaking, outlined later on.
25 This also had an effect on the factory workers motivation, but leaders tried to tackle that issue with role modeling/being present and symbolic incentives.
26 This suggests that smaller companies are struggling more with the provision of necessary flexibility/infrastructure, however there is too little prove and information available for this assumption as the issue was just mentioned by one interviewee.
work from home, while complying with all security standards, of course. (Transcript_E10, item 8)

Another important but negative impact concerned the massive slump in sales and business in general, affecting the entire supply and value chain. Therefore, organizations had to make use of short-work or in some cases even closing days, as business came to a halt, especially during the first lockdown phase.\(^\text{27}\)

*We are talking about a drop in turnover of up to 90 per cent at the beginning compared to the budget (Transcript_E8, item 13).*

This effect correlated with high uncertainty facing organizations, in detail uncertain planning (e.g., concerning holiday guidelines, because of affected global networks and value chains), more planning (e.g., for implementing security measures), and higher coordination than usual (under distance, e.g., for virtual meetings) in combination with resource deficits. Leaders interviewed during the summer months in 2020 were uncertain whether there will be the risk of a second lockdown or when the crisis will be over.

*And that was clearly evident - I mean, when we talk about the fact that we might have to close down, that is a problem that affects the whole supply chain and not just us, and we are part of the supply chain and are so dependent on the customer. (Transcript_E8, item 55)*

*But it all happened in one weekend, on 13 March, when remote work had already started, before the short-time work, we had eleven people, some of them, as I said, key people, in quarantine. That was also an additional challenge. (Transcript_E4, item 7)*

All leaders agreed that the crisis had a major impact on their organizations, however some leaders also reported that there were no significant changes in the organizational structure and that previous organizational flexibility helped.

All these perceived negative effects on the organization (which were partly enforced by governmental provisions) were tied to decisions – decisions which had to be made by leaders. Therefore, for the leader himself, on the \textit{micro level}, the biggest impact was the necessity of (fast) decision-making under high uncertainty, but also more responsibility and handling uncertain situations with unclear governmental provisions and decisions.

Decision-making was sometimes highly conflicting (e.g., conflicting interests), had to be done in a very short time window with a decision time of just a few days or less, and under high uncertainty as much was unclear, especially in the beginning of the first lockdown phase, but also throughout the crisis as new challenges arose. This also required careful planning and careful decision-making by leaders.

\(^\text{27}\) However, the necessity for short-work is also sector specific and dependent, as health care facilities or IT companies (‘crisis winners’) for example did not have to put employees into short-work and were even in need of more personnel. In comparison, other sectors were highly affected by the crisis and even had to close factories for a period of time.
You hardly have time to think things through and clarify them well, but you always have to make decisions very quickly. The speed of the decisions actually, making the decisions. (Transcript_E9, item 14)

As the role of the leader takes an important part in every crisis situation (see for example Zhang et al., 2012), higher levels of responsibility and duties were another factor effecting the interviewed leaders during the COVID-19 crisis. The difference to other crises might however be the factor uncertainty tied to unclear governmental guidelines. Leaders implied that the government itself did not know how things work in a company (especially in the health care sector) and therefore did not make clear and precise statements, leaving the leader with his or her own interpretation, responsibility, and decisions.

That means we actually had a lot of responsibility and had to make decisions according to our best conscience and knowledge. Those were the first steps. (Transcript_E12, item 16)

Because at the beginning, the government gave certain guidelines - guidelines is a good word - but actually expressed recommendations, according to the motto, you are responsible if something happens. So, they did not make any clear statements. (Transcript_E11, item 10)

On the meso level, leaders reported that their teams were mostly affected by the social distancing measures. The lack of personal contact and face-to-face communication in combination with (sometimes) inadequate home office set-ups led to a social and psychological impact. This was also enforced by high uncertainty for employees. It was also observed that at the beginning of the crisis the social impact of social distancing and remote work was rather neglected, and only after several months of remote-work-experience the negative psychological impacts became visible. Leaders stressed on the importance of personal contact and communication as employees are human beings and therefore need personal contact. After this realization, leaders made personal contact possible whenever there was the chance or introduced alternatives (e.g., keeping social contact up on a more private level after an online meeting or holding special meetings just for this purpose, actively asking about employees’ well-being). However, this depended on employees’ different understandings and attitudes towards remote work. Some employees handled the situation well and others struggled more, depending on the private situation of employees (e.g., parents with children, adequate or inadequate home office situations, travel time savings to the office and back). Factory workers, on the other hand, were more exposed to the virus by continuing to work in the factories. They therefore felt disadvantaged and their motivation visibly decreased.

When it came to personal topics where you have to have face-to-face contact, we noticed that the first four or five weeks went relatively well, but after five or six weeks we noticed in the home office that certain topics that take place on a personal level simply cannot be clarified via Webex. (Transcript_E6, item 17)

The biggest drawback of social distancing however was the loss of level of detail and interpersonal exchange in online meetings, impacting not only employees, but also leaders.

28 One leader reported that the general (previous) good understanding within the team helped to cope better with the negative effects of online communication.
Leaders and their teams had to find new ways of communication\textsuperscript{29}, other forms of holding meetings and their preparation. Additionally, online meetings were more exhausting and took longer to negotiate and arrive at conclusions.

\textit{[...] but the bigger challenge is not ‘Now please go home and work from home’, but when I am at home and no longer in the office, what does a communication structure look like? What do meetings look like, how do all these things look like? It is not enough to just sit down at home. What do documents, protocols, preparations for team meetings look like via video conference? That’s a day full of video conferences, which is quite different from when they [employees, author’s note] see each other normally and sit together in a meeting. It’s much more exhausting and it takes much longer because not as much information is exchanged in a video conference as in a face-to-face meeting. (Transcript_E13, item 17)}

In sum, the perceived negative effects experienced by the interviewed leaders and their organizations were mainly caused by the external organizational environment (e.g., through governmental provisions). In the beginnings of the emergency phase, the necessity of social distancing and switching to remote work had the consequence that different, more intentional, and versatile communication had to be established by the leaders and their teams. This ultimately led to sensebreaking. According to literature, sensebreaking refers to “the destruction or breaking down of meaning” (Pratt, 2000, p. 464). During the COVID-19 pandemic, sensebreaking occurred in the form of changing/interrupting organizational identity. Organizational members’ habit of going to the office every day was interrupted and led to an abrupt change of switching to remote work. This is important for the sensemaking process, in particular the sensemaking gap which will be outlined in more detail in a later sub-chapter.

\textbf{4.1.3. Perceived positive effects}

As with the perceived negative effects, some positive effects of the crisis perceived by the interviewed leaders were also visible on the three levels. However, the (perceived) negative effects clearly outweighed the positive ones. Nevertheless, the positive effects identified by the interviewees should be mentioned here.

On an organizational level, the crisis enabled companies with a digitalization boost. Many organizations already showed a high level of digital competence, but this crisis setting enabled companies to explore even more what is possible with digital solutions (e.g., allowing for digital and transparent processes, effective virtual collaboration, and faster handling of information flows). However, what led to the boost was only due to forced ‘pain’ - companies had no other choice but to change to a digital setting due to the lockdown and remote work regulations.

Despite the perceived negative effects of remote work outlined above, the virtual setting allowed for the second positively felt effect of redundant business trips. Leaders reported that they did not have to attend time-consuming business trips during the lockdown period and instead used online meetings. Therefore, after lock downs and in periods of easing, leaders only planned business trips where they were absolutely necessary and otherwise avoided them. This allowed the organization to immensely save in cost and time, and in general, allowed for positive change

\textsuperscript{29} See more about communication in a later sub-chapter which is about dynamic team capabilities.
and transitions in organizations. In some situations, leaders even reported that their organizations were crisis winners, meaning that business boomed during the crisis (however after the first lockdown), which seems to be sector related (e.g., IT sector, banking, specific production areas, see also Arora & Suri, 2020).

The business trip rate is certainly 90 per cent less than before, and still upright.  
(Transcript_E3, item 11)

On a micro level, leaders reported closer bonding with employees and within teams, partly 'enabled' by social distancing. This may sound contradicting, but leaders tried to support their employees as much as possible in this difficult time and showed them appreciation. This was supported by positive feedback they received from their employees and for some teams leading to more motivation.

This has certainly opened up our cooperation, also with this remote working.  
(Transcript_E3, item 15)

Another aspect, concerning the leader and his teams is more motivation and productivity through online meetings. On the one hand, online meetings took more time than face-to-face meetings would have taken, as outlined in the previous sub-section. On the other hand, however, leaders reported that meetings became more efficient, enabled through more precise preparations and punctuality. This allowed for faster decision-making, however always under the premise of missing interpersonally.

So it works, which has also been shown in the home office, it works great. The people do their job just as well as before, or partly even better, simply more motivated, it seems to me, in the sense of Because something comes back, because there is appreciation, because there is recognition, and because you made it possible for them to withdraw so quickly [to home offices, author’s note]. (Transcript_E4, item 13)

In sum, the perceived positive effects occurring during the crisis were possible through internal organizational capabilities and positively influenced by the sensemaking process outcomes. Through the organization’s flexibility and adaptability, learning was possible and enabled leaders and their teams to seek opportunities despite these difficult times.

Concluding remarks
This chapter illustrated the leaders' understanding of the COVID-19 pandemic by showing the crisis phases in combination with the negative and positive impacts that the pandemic had on the organizations from the leaders’ perspective. In conclusion, it can be said that the factors discussed above demand leaders to tap into the sensemaking process which is elaborated on in the next chapter. Leaders framing on the perceived negative and positive effects has been found to be an upstream process that indicates how sensemaking works at its core. This became especially visible during the lockdown initiation in the emergency phase with 'sensebreaking' and 'sensemaking gaps', but was also necessary in every other phase.
4.2. Sensemaking process

The sensemaking process is the second aggregate dimension. It is a very important process, especially during crisis, as there is usually a lot of uncertainty and ambiguity in such a situation. While leaders had to make many time-sensitive decisions during the COVID-19 pandemic, they could only do so with some extent of good gut feeling. However, how can leaders rule with clear conscience and lead their employees in such uncertain times? This, and more is explained by the sensemaking process underlying what leaders reported during the interviews. The sensemaking process is comprised of the three themes ‘sensemaking gap’, ‘sensemaking and sensegiving activities’, and ‘sensemaking enablers and moderators’, which are outlined in the following.

4.2.1. Sensemaking gap

"The concept of a sensemaking gap is intended to describe a triggering condition for sensegiving that can be applied across contexts and actors." (Maitlis & Lawrence, 2007, p. 78). While the authors focus on sensemaking gaps in regard to sensegiving (as a goal), I am building on this concept, however, concentrate on the sensemaking gaps that trigger a leader’s sensemaking process (consisting of both sensemaking and sensegiving). In the context of the COVID-19 pandemic, the sensemaking gap was either triggered by sensebreaking (one-time event of first lockdown introduction in the emergency phase) or recurring in all crisis phases (when needed). The trigger for sensemaking was in both cases caused by the perceived negative effects of the external organizational environment, causing internal uncertainty (among others). This was felt as a sensemaking gap, which ultimately enabled the sensemaking process when detected/perceived and elaborated on by the leaders.

I think that is also the main problem we have now, that it is no longer understood why these regulations are like this. And these are all things that you as an entrepreneur and as a manager cannot influence. You are not a doctor and you are not a politician and that is what makes this crisis so special. That means you are dependent on external issues. (Transcript_E13, item 25)

In particular, leaders described a massive information overload through unclear governmental regulations and medial information, especially during the first months of the crisis. This led to high uncertainty and ambiguity of leaders, employees, and other stakeholders (e.g., customers, suppliers, residents, among others). However, during all phases of the crisis, different unpredictable and uncertain/ambiguous issues occurred, which needed to be made sense of by leaders (e.g., financially, regarding regulations and safety measures, short-work, motivational deficits of employees in home offices, …)

In the beginning, nobody really knew how to deal with it [the crisis situation, author's note] and there was a lot of information - different information - from the authorities. (Transcript_E12, item 16)

Yes, of course, it also has its area where you say What can we do? What should we do with the employees who come to you with questions that you can only answer with difficulty yourself? (Transcript_E5, item 21)
The need to resolve the sensemaking gap (through sensemaking) was enforced by employees, besides the tension through the external environment. Leaders reported that employees approached them with question marks on their faces (e.g., about the virus and regulations, about the safety of their job, …) and saw their confusion and uncertainty. The detection of employees’ uncertainty was however limited through social distancing, which required even more effort of leaders to do so anyway.

What also became apparent, especially among employees, was the insecurity. (Transcript_E11, item 14)

Therefore, the sensemaking gap was primarily triggered by the perceived negative effects of the external environment but also by stakeholder needs, which then led to sensegiving. The leader first had to make sense by him-/ or herself and then he/she could engage in sensegiving. This suggests leadership as a process that takes place in the interactions between leaders and their employees (followers), as pointed out already in the previous literature review.

4.2.2. Sensemaking and sensegiving activities

Sensemaking and sensegiving activities are the main content of the sensemaking process. The reason why leaders engage into these activities, is to firstly enable them to make decisions by complexity reduction (sensemaking), and secondly, to inform, give direction, and to reduce uncertainty, ambiguity (sensegiving). During the COVID-19 pandemic, however, the leaders were only able to take these measures when they recognized the need for them. This is what is meant and illustrated by the sub-chapter above.

Sensemaking

Due to the pandemic, a huge information flow, often confusing and contrary, was generated by governments and the media, which needed to be handled by leaders. However, leaders also reported on informational deficits which actively needed to be redressed. This was done through several activities by leaders.

The main activities were attending crisis committee meetings and exchanging information or concerns with committee members. Active information seeking externally and information from experts (e.g., doctors or other medical experts) and information exchange in networks with other leaders served as sensemaking channels as well. Another form of sensemaking was actively listening instead of teaching, therefore actively sensing and filtering.

And then you start researching, exchanging ideas, organizing a billion Zoom meetings with someone who somehow throws down a grain of breadcrumbs, so that you find a new path on the ground, like in Hansel and Gretel, and then after many discussions and new insights, there is a new picture of the situation and at some point you can say, ok, I think that's going to happen. And then after the phase of analysis, it's back to implementation, and that feels really good. (Transcript_E1, item 11)

And the second point is that you have to set up your personal sensors much more sensitively, which was not such a problem before. (Transcript_E13, item 27)
When the leader had successfully made sense by himself, the outcome was uncertainty and ambiguity reduction, also reduction of (e.g., information, environment) complexity. Most importantly however, sensemaking enabled the leader for taking action, therefore tapping into his/her dynamic managerial capabilities. Moreover, the leaders were able to perceive and capitalize on the (albeit small) positive effects of the COVID-19 pandemic.\(^{30}\)

**Sensegiving**

After the leaders had successfully gathered information and filtered them, they could approach the problem of employee uncertainty by giving sense.

Sensegiving activities mainly consisted of **crisis communication**. Leaders emphasized not only on open and transparent communication, but also meant that honest, trustful, confident, authentic, and more privately held conversations (on a social level) were very important. Sensegiving activities also led to more communication than usual, also because of loss of detail in virtual communication (except for two interviewed leaders).

> And internally, you have a completely different role in crisis communication, because you actually have to make sure that your team is motivated and that they don’t fall into this hole. How do I manage to support them somehow in their daily difficulties that they have? And all these things do not come from the company, but actually from a state organization that is forced to do these things because of the pandemic. That’s completely new and that will remain sustainable, because before it was often lip service, of course, employees are at the center, blah blah blah. If you look at it closely, there hasn’t even been a home office regulation, so no law so far. So, you have to be careful.
>
> (Transcript_E13, item 25)

The main communication **tools** in the crisis were newsletters, emails, online (exchange) meetings, and – if available – the organization’s intranet. Traditionally, communication (also during other crises) was possible via face-to-face. Uniquely in this crisis, sensegiving demanded communication without the possibility of seeing a person directly. Therefore, the challenge of sensegiving in this crisis was to give sense in the setting of social distancing. Leaders reported a loss of direct exchange of emotions; therefore, it was difficult for them to detect how employees are really feeling in their home offices. In order to compensate this drawback, leaders had to be more sensitive about it and proactively ask about their team’s well-being. This required more privately held communication, which was more time-consuming and coordination-heavy for leaders, posing additional burden on leaders. The perceived negative effects by leaders were outlined in a previous chapter.

> I now have to make sure that I intentionally communicate with one or the other, which otherwise happens more or less en passant, because when you’re in the office, you quickly drop in on everyone two or three times a day because you have something in common somewhere. That all falls flat now.
>
> (Transcript_E10, item 24)

\(^{30}\) Leader’s dynamic managerial capabilities will be explained in detail in the next chapter. The perceived positive effects were explained in the previous chapter.
It was important for leaders to keep employees informed (e.g., often even on a daily basis) in a very clear, brief and targeted way about the most important things (referring to filtered information). Additionally, leaders wanted to make the situation clear for employees and stakeholders (e.g., residents in the health care sector) and by bringing the ‘reason why’. Therefore explaining, so that employees could understand a leader’s decision and support it. Sometimes explaining the decisions made or why measures were introduced was absolutely necessary because of employees’ confusion, uncertainty, or feeling of unequal treatment (e.g., in regard to short-work, security measures). This provided security and stability to employees.

Sensegiving activities also served to defuse rumors, and as a tool for motivation. What made the process difficult was that the interviewed leaders had to cope with a constant information in- flow, which required constant crisis communication with employees (tension handling). In some cases, leaders also sought help from occupational psychologists or works councils to support employees in their sensemaking.

*It is particularly important to maintain the flow of information, even if it is only sparse, because of course every employee has a big question mark here, i.e., what does this really mean for me? But of course, it is also sometimes difficult from an organizational point of view. (Transcript_E5, item 17)*

As the virus posed additional fear and uncertainty, some leaders emphasized on being more present and visible to employees, especially to blue-collar workers, who could not switch to remote work. Symbolically coming to the office every day was a sensegiving method of leaders to show fairness to their workers. Two leaders however also explicitly said that they do not think that being visible is necessary.

*Why drive in [to the office, author’s note] every day? It was quite clear, namely for our employees, they had to see that a managing director is always present here, every day, every single day. And I think that is also part of the question of leadership, to show that the captain is always on board […] (Transcript_E4, item 11).*

In the sense of the concept ‘prospective sensemaking’ (Sandberg & Tsoukas, 2015), leaders applied prospective sensegiving in the way that they tried to give employees a positive vision for the future, also by giving direction and meaning through symbolic acts (e.g., providing incentives, emphasizing on milestones, building a balcony for smoking employees,…).

The central aspect of sensegiving was crisis communication during the pandemic. Communication was explicitly said to be a very important leader competency during the crisis, meaning that sensegiving is very important during crisis. Successful sensegiving activities had the outcome that employees calmed down, had more certainty and direction, more or less accepted the measures, and were “willing to go the extra mile”. Meaning-making (giving a purpose) was another important outcome of effective leader sensegiving, especially during the difficult times of social distancing. Again, the leaders were able to perceive the positive effects of the COVID-19 pandemic (as outlined in the previous chapter) and harness them together with their teams through the outcomes of successful sensegiving (and of course sensemaking).

*Communication, as I mentioned earlier is very crucial. (Transcript_E12, item 66)*
4.2.3. Sensemaking moderators

During leader’s sensemaking or sensegiving efforts, certain factors support the process. Kraft et al. (2015) for example examine some moderators in the sensegiving process in their literature review. In my analysis of leaders, the three following moderators on an individual level were most prominent in the sensemaking process during the COVID-19 pandemic. This primarily concerned the leaders, but insights could also be gained about the employees (referring to the leader-follower relationship and focus of this study).

Leader legitimacy
Leader legitimacy derives from the power and formal authority of leaders, also seen in their higher position in a company (Kraft et al., 2015). During the COVID-19 pandemic, leaders implied that their legitimacy enabled, on the one hand, the leader him-/or herself to make sense. On the other hand, a leader’s legitimacy also supported a leader to give sense to his/her employees.

Firstly, the leader’s legitimate power and self-interest helped to gain superior information (e.g., through better networks to the government or politicians, experts, or medical professionals) and therefore fostered the sensemaking process of the leader. With the help of faster sensemaking, the leader was in a better position to prepare the organization for social distancing, but also later on when further security measures had to be implemented, or for evaluating the future outlook for the company.

(Transcript_E13, item 15) [...] where I knew through information from government circles that a lockdown was coming, we had already started to convert to home office.

Secondly, leader legitimacy allowed for successful sensegiving to employees as they rather excepted what leaders said. Leaders felt great responsibility for their employees and took advantage of their representative role, and by the notion of ‘leader as a formal authority’. They showed this by some form of steadfastness or firmness, wearing a uniform (e.g., in form of a business suit), and by being authentic and credible. It gave employees a sense of security. This goes hand in hand with the notion that their leaders are there for them, care about them, and that leaders act in their best interest. However, they also have to keep business running, and therefore provide them with the necessary security and trust that employees can accept the circumstances and decisions by their leaders.

(Transcript_E4, item 13) But the trust in the management has been emphasized extremely strongly, because people have perceived that the management is here, that the management sets the tone from the top in the sense that not everyone has disappeared but is really here. The management knows what it is doing. It deals with the issues.

Doubting & updating
The second sensemaking moderator is the leader’s ability of doubting and updating. This concept was mentioned by Maitlis and Sonenshein (2010) as being important in the sensemaking process, or as Weick (2010) refers to this concept in a similar way, when he puts it in the concept of ‘awareness’.
During the COVID-19 pandemic doubting and updating was especially important for leaders to properly make sense and give sense as unclear information (on a large scale) was the norm. Leaders had to update information daily and constantly review the information for its accuracy. Especially in the beginning or ‘emergency phase’ (constant and frequent) doubting and updating was important, which became visible through crisis committees’ information exchange flow (however declining after a few months from the beginning of the crisis).

In reality, we must always be up-to-date. In other words, you always have to be up-to-date and look at What is needed? Daily new scrutiny of the actual situation with the measures in force. So, it’s a tireless covering for oneself, and looking accordingly, does it still need something? Are we doing something away again? Do we add something again? Do we change something?

(Transcript_E4, item 19)

After the leaders made sense by themselves, they were able to give sense to their worried employees, by communicating the information to their subordinates (therefore updating them).

We gave an update every time [after the jour fixes to the employees, author’s note]. (Transcript_E5, item 13)

The concept of doubting and updating is intertwined with dynamic managerial capabilities (in regard to leader's learning and reflection capabilities), which will be outlined in the next chapter.

**Emotions**

The third and last moderating factor detected for the crisis sensemaking process are emotionally-related. Emotions have a facilitating role in the way that people “make sense of and assign meaning to their environment” (Williams et al., 2017, pp. 744–745). During the pandemic, emotions played a vital role in the sensemaking process as well.

Leaders reported on different emotions during the interviews, they were confronted with during the pandemic (either felt or expressed emotions). Both positive and negative emotions were mentioned, also regarding their employees’ emotional state. Negative emotions included fear, hopelessness, depression, sadness, and stress-related tensions. Fear was felt more among employees, and when detected by the leader, he/she tried to calm them by giving sense. Hopelessness, depression, and sadness were other felt emotions mainly felt by the leaders at either the beginning (with the question in mind, what is going on, what is happening to us?), or already during the second lockdown period (how long will this last or how long can we survive?), as the pandemic necessitates unique and challenging conditions of leaders. These emotions led the leader to make sense of their environment and to transform these emotions into more positive, optimistic ones. Another, very prominent and intense factor were stress-related tensions, which more concerned the leader, but in some cases also employees (especially in the health care sector). Heightened stress levels of leaders were reported to also have a negative effect on the leader’s private life. This emotional tension was more or less (to some part, besides the many other challenging tasks and decisions) caused by the sensemaking process, as leaders had to invest plenty of time in sensemaking and sensegiving activities.

The stress level has become much higher, because before [the pandemic, author's note] we were arguing about why we are not reaching the budgeted amount, and we are talking about fluctuations of five to ten per cent, and now
suddenly there is nothing left, so that was already, so Corona has pulled the rug out from under our feet. (Transcript_E8, item 55)

While negative emotions were rather felt than expressed, positive emotions were of course felt but also expressed, especially to employees. Positive emotions ranged from hope, to joy, and enthusiasm of leaders and/or employees. Hope was an expressed emotion by leaders to take employees fears, therefore relating to sensegiving. However, hope also helped the leader to stay on track, and to further make sense of the chaotic surroundings. Joy and enthusiasm were rather seen in employees after the first lockdown, when employees could come back from their home offices to the offices.

[…] and ultimately also fears that are there, they are allowed to come out, but you can eventually also transfer them positively by ultimately conveying security. (Transcript_E10, item 26)

Another, very important enabler for sensegiving, relating to emotions, necessitated empathy of a leader. Empathy enabled a leader to detect (negative) emotions of their employees and act upon them by actively listening and asking questions, showing understanding to stakeholders (by the capacity to place oneself in another’s position), and ultimately by giving sense and providing security.

Concluding remarks
The moderators described above also serve in some cases as an ‘enabler’ of sensemaking or sensegiving. For example, Maitlis and Lawrence (2007) categorize a leader’s legitimate power as an enabler for sensegiving. Having said this, I decided to categorize them as ‘moderators’, as the moderating role can be at any stage of the process. For example, it can start very early, like an enabler would, enabling the leader/employee to start making sense. Or later on in the process, supporting or being the last step for an employee to make sense of what the leader said. This can vary and is dependent on the specific situation. Therefore, leader legitimacy, doubting and updating, and emotions are primarily moderators, either enabling or supporting the sensemaking process of leaders and their teams.

Regarding the process of sensemaking in general, sensebreaking (caused by perceived negative effects) led to sensemaking gaps, which further activated (if recognized by the leaders) the sensemaking process. Specific sensemaking and sensegiving activities helped to close the sensemaking gaps. A challenge for the leaders was the constant in-flow of (often contradicting or incomplete) information and the different crisis communication (due to social distancing). The outcomes of the successful sensemaking process allowed for a crisis response strategy, dealing with dynamic capabilities which are following now.
4.3. Crisis response strategy in form of strategic resilience

The last of the three dimensions in the data structure derived from the interview analysis is related to the strategy leaders used in response to the pandemic, which, we will see later on, is in form of strategic resilience. Williams et al. (2017) suggest that for a proper crisis management response one needs to analyze not only the individual (e.g., leader) level, but also organizational and other stakeholders (e.g., employees) factors. Therefore, the analysis concentrated on the three levels again (micro, meso, macro), with ‘dynamic managerial capabilities’ and ‘dynamic organizational & team capabilities’ as the two major themes. This, again, includes the leader-follower relationship perspective (what is meant with ‘leadership as process’), through the lens of the interviewed leaders.

4.3.1. Dynamic (ad-hoc) managerial capabilities

This theme concentrates on the skill set and crisis response which were important during the pandemic for the interviewed leaders. The notion and importance of ‘ad-hoc capabilities’ of leaders during a crisis event is also emphasized on in current literature (Williams et al., 2017, p. 738). The observed capabilities are dynamic, because constant adaptations were necessary between the capabilities, depending on the crisis situation. Based on Williams et al. (2017, pp. 744–745), the found capabilities of leaders during the COVID-19 pandemic were categorized into ‘cognitive capability endowments’, ‘behavioral capability endowments’, and ‘emotion-regulation capability endowments’ (for the categorization into behavioral and emotional responses see also Brockner & James, 2008), as this classification appears to be most appropriate and enriching.

Cognitive capability endowments

The first set of capabilities focuses on the leader’s cognitive skills. Leaders reported that previous crisis experience has been helpful for mitigating this crisis. Despite the uniqueness of the pandemic, the gained knowledge from tackling a previous crisis served leaders to better cope with this crisis and provided them with more self-confidence and routine. One interviewee explicitly said that he does not have any (bigger) crisis experience yet, which made crisis handling more difficult for him. Another interviewee mentioned that this crisis poses a general threat and challenge for many other leaders as many of them are not crisis prepared.

Further, it required proactivity of leaders to not just tackle the crisis but to go further and take something positive out of the crisis (e.g., to be open to change). This has to with the crisis attitude or mindset of a leader; when leaders perceived the crisis as an opportunity or challenge instead of a threat, they tapped into certain emotions and (pro-)actively participated in crisis handling. In case of opportunity, they could handle the tension between stability, adaptability, and change. If leaders framed the crisis as a chance and were open to it, they were solution-oriented and confronted arising conflicts during the crisis.

[...] it depends on what you make of it. And in this respect, these are very big opportunities at the moment, especially in terms of the portfolio, in terms of cooperation, and so on. But you have to have the space to be able to deal with

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31 Suggesting resilience.
it more intensively and now you are slowly starting to be able to breathe a little more deeply. (Transcript_E2, item 27)

The last cognitive capability copes with crisis learning. For leaders, constant reflection (also self-reflection) on the crisis was crucial, also for accepting the crisis, gaining experience, and to enable foresight. Some leaders also proclaimed to dedicate a time and team after the crisis is over to re-evaluate all the options they took and mishaps they chose to learn for future crises. They also recounted learning in form of reflexivity, to ‘ask why’ as a leader and to bring the ‘reason why’ to employees (on reflexivity see for example Alvesson et al., 2017).

[…] if you want to make people do or have to do certain things, from home office, any kind of change, we are talking about a huge change process, then the very, very, very most important question is always Why? Why do I have to change now? And the simple exercise is because the state says so. So, with that you hand over the responsibility of your leadership. You say, he said, we have to do this. And at the end of the day though, you have to say, bring the Reasons Why. Why do we have to do this now? Why are we doing this? That is the core task, so to speak, because the why is your basis for decision-making. [...] (Transcript_E13, item 93)

Behavioral capability endowments

Behavioral capability endowments are the second set of dynamic managerial capabilities. The most important behavioral capability of leaders during the pandemic was decision-making. Leader reported on having to make fast, flexible, and time-sensitive decisions under high uncertainty, especially during the first period of the crisis. This efforted decisiveness (follow through on decisions) and courage to make decisions rapidly under ambiguous conditions. To enable leaders to make decisions, it was first necessary to listen to and analyze the environment (both have to do with the sensemaking process). In some situations, it was also necessary for the leader to be strict, even at the cost of negatively impacting the workforce. Two leaders reported that a flat hierarchy was easier for making decisions and for delegating tasks. Delegation was another point mentioned to be important for some leaders, but it was probably addressed less, because the crisis had its novelty with increased uncertainty and decisions lay centrally with the leaders. When leaders delegated, they emphasized on clarity in delegation or finding solutions/designing a common vision together (with e.g., employees, or other stakeholders like residents or visitors in case of the healthcare sector). This collaboration facilitated creativity and finding solutions together. Another form of delegation mentioned was more in form of responsibility-delegation for safeguarding and being honest when it came to positive (infection) cases and who came in contact with whom.

[…] and a certain amount of courage to make decisions at short notice without knowing what the outcome will be, and then to be able to counteract accordingly afterwards when you know Okay, now something went wrong or maybe that wasn't the right decision. (Transcript_E6, item 33)

Another important behavioral capability related to the leader’s flexibility and adaptability. Leaders had to provide flexibility regarding remote work, depending on which measures were in place, provide for flexible and adaptable coordination (e.g., change area of responsibility of...
employees as needed, which was also very relevant in the health care sector, or production sector) and decisions, also in regard to customers and suppliers. Especially at the beginning of the crisis, finding the right balance of both employee safety and customer demands was crucial for good leadership. Leaders had to be flexible in regard to capacities and future prospects as well. Their proactive behavior also showed that leaders handled to address various and changing challenges besides working on already existing problems or crises within the company. These attributes tend to show that leaders had to behave in a very agile manner (Kane et al., 2019; Wooten & James, 2008).

While the first two behaviors were task-related, the third related to people-orientation (Caringal-Go et al., 2021). Leaders stressed on the importance of human relations in general, but it had an even greater significance during the pandemic. The first one addresses the role of interpersonal relationships. While much of this also relates to sensemaking and sensegiving (as outlined further above), leaders explicitly referred to the importance of the interpersonally during the pandemic. The emphasis was also laid upon the capacity of sensibility by asking employees about their wishes and concerns, as well as emphasizing on their implementation (referring to the importance of the leader-follower relationship again). One leader described it as a completely new leadership task and skill-set, as ‘interpersonal relationship’ was often just a lip service in the past, which also needs to be retained in the future (supported by other interviewees). Another important skill-set concerns the appreciation/value and compensation of employee’s efforts during the crisis (e.g., appreciation that staying in home offices means additional costs for employees and therefore providing compensation for that; or free meals for blue-collar workers as symbolic incentives). Leaders reported that their appreciation led to visible motivation of employees. This has to do with the next capability, which is having trust in employees (e.g., trusting employees in their home-office-activities), which has partly to do with dynamic team capabilities (outlined further below). As leaders granted them trust, employees gave back trust and vice versa (interrelation of trust). Serving as a role model to employees was another capability mentioned by leaders (e.g., in regard to short-work or financial constraints), which points to a more charismatic leader (Caringal-Go et al., 2021).

Yes, for me as a leader, the most important thing is to be with the people, to be able to understand the problems of the people, but still to keep the interests of the company in focus, to make the right decisions, and at the same time to adapt the employees to the new needs, to get them on board, so that they are behind what the management is doing, because the necessary change processes are extremely short, go extremely quickly and must be implemented easily. (Transcript_E6, item 53)

In the second step, it was also important to have this human knowledge at the personnel level, because employees themselves are also in crisis. (Transcript_E6, item 33)

The different behavioral capabilities which were especially relevant during the crisis appear to have exerted different dimensions of temporality by leaders. While decisiveness and flexibility required more temporal behavioral capabilities (e.g., in form of quick and flexible
decision making), other behaviors, mainly those under the umbrella of human relations, had to be more permanent and required more time (e.g., interpersonal relationships require time, such as listening to employees fears and needs).

**Emotion-regulation capability endowments**
The third and last set of capabilities focuses on leaders' emotion-regulation capabilities. The first one addresses the important role of leaders' optimism. Despite the pandemic's highly uncertain characteristics, and despite uncertain business, leaders had to stay optimistic and calm, and believe in themselves. They also had to transfer calmness and peace to their teams (which has to do with sensegiving). Staying calm also had to do with maintaining perspective and allowing for reflection. This was promoted by a leader's previous crisis knowledge (e.g., providing with some extent of routine in uncertain times).

> [...] and the plan is to stay optimistic and not lose your nerve. As a leader, I think it is important to stay calm. [...] And there is always a new way, simply, [...] there is always a way. I trust in that, and it has always gone on basically. And so, I believe that everything is manageable in a certain way and also finds its way. And you can also trust in that. I think that is also important. (Transcript_E11, item 33)

The second important emotion-regulation capability confronts the stress factor. As outlined in the chapter about sensemaking moderators, leaders were confronted with heightened stress levels throughout the crisis period. High uncertainty caused by the global crisis, affecting supply and value chains and given the rarity of global crises, the stress factor had reached unnatural heights, leading to a cause-and-effect relationship. Therefore, emotion-regulation in form of tolerance for stress and mindfulness proved to be very important during the pandemic (see also Kuntz, 2021).

In sum, the leader’s cognitive, behavioral, and emotion-regulation capabilities (as outlined above) build the first component of crisis resilience, or as Williams et al., put it “[...] beyond merely framing an event, leadership is critical to actively facilitating resilience.” (Williams et al., 2017, p. 752). The second and third ingredients for crisis resilience follow in the subsequent chapter, by analyzing the organizational and team level. While the leader-follower relationship became already visible in some parts above (especially with the behavioral capabilities of people-orientation and interpersonal relationships), the importance of the follower/employee side (team level) should be highlighted once more in the following.

### 4.3.2. Dynamic organizational and team capabilities (support functions)

Other than the leader's capabilities concerning him-/or herself, the leaders also mentioned important characteristics necessary for proper crisis management on an organizational and team level. Therefore, this theme concentrates on dynamic organizational and team capabilities. The categories for this theme are on an organizational level ‘institutionalization’ and ‘adjustment and flexibility’, and on a team level ‘identity and trust’. These capabilities are seen as a support function for the leader's capabilities and the crisis response in general, as the leader was the central part in this analysis.

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33 The term ‘dynamic organizational capabilities’ derives from the understanding of ‘organizational capabilities’ which are dynamic in the sense that they must have some dynamism in order to cope with the challenging crisis situation. Other literature only refers to them as ‘dynamic capabilities’, see for example Teece (2012).
On the **organization level**, institutionally available risk boards and installed crisis committees are meant with the theme ‘institutionalization’.34 Leaders reported that previously established **risk boards** (therefore pre-crisis) enabled them for strategic vigilance. At the beginning of the crisis, almost all35 leaders installed COVID-19 **crisis teams**. On the one hand, they served to gather information and exchange information and thoughts with other organizational members (therefore serving as sensemaking tools), discuss how to handle the crisis and allow for strategic-decision making. On the other hand, new information could always be passed on to employees (sensegiving). In the beginning, the crisis committee met daily on a digital basis, in some cases even twice a day. After some weeks into the lockdown, as new information came in more sparsely, leaders stated that the crisis team did not have to meet and exchange information that often anymore, and the meetings settled down to once a week or every other week.

*Since mid-February, we have had the crisis team at the site. We prepared ourselves for topics like: How can we stay in contact with our staff in the most extreme case, when everyone must stay at home. That is not so trivial. We have 600 people, many in production, who do not have a company phone, and many employees do not have a company phone either. How do you communicate with the people? (Transcript_E3, item 9)*

The second set of organizational capabilities concerned organizational **flexibility**, in form of flexibility adapting to the given situation (strict vs easing). It demanded keen attentiveness and constant information gathering of organizations to adapt according to the current governmental regulations. The first lockdown required organizations to switch to remote work or apply for short work (also, for example, how many employees need to be put in short work?). Two leaders reported that time advantage helped for the preparation and transition as their organizations are located in North America. Regarding remote work, an organizations digitalization level and the ability to adapt quickly (e.g., with the provision of all necessary processes, infrastructure, and components) helped immensely with the (rather smooth) transition to remote work. Two leaders reported that the flattening of organizational hierarchy helped in decision-making and holding online meetings, calling for organizational flexibility. In Mid-May, where the easing period started, organizations cautiously prepared for employees coming back to the office again. Allowing employees to come to the office again or allowing them to stay in their home offices (also considering the legal provisions and current security measures) required additional flexibility. Questions arose, like, how many employees can come to the office at the same time? Or, how to provide for safety distances and other safety measures complying to the regulations? Over the summer easing there was the question and risk of employees enjoying holidays abroad (e.g., how does it look like when they come back? Do they have to stay in quarantine then?). Some leaders reported that in the time of the second lockdown in autumn, their organizations were already back to ‘normal’. As organizational members adapted to the situation and learned to live with the crisis, normality has returned, but still provided for security measures. However, organizations had to be flexible again in the period of harder, more restrictive, and risk-limiting measures, as the need of COVID-19 tests and their quick results, wearing masks (from voluntary to mandatory), adapting personnel (especially in the health care sector) and other organizational

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34 Related to the findings of Güttel and Wiesinger (2019).
35 One leader reported that his organization did not install a crisis committee, because of the uniqueness of this crisis, differing from other crises, where a crisis committee would have made sense.
struggles arose. As one leader reflected, the everyday-life in organizations has changed due to the pandemic and profoundly shaped it.

So we have to be very flexible and actually have to organize things in a very short time. So that is our everyday life. (Transcript_E12, item 16)

With the extra costs of the COVID-19 pandemic (e.g., buying masks, offering free meals, among others) already straining on the budget, the additional costs of extra flexibility in organizations in these uncertain times, demanded rigorous organizational controlling and thinking in scenarios (e.g., thinking about the impact of future possible measures and regulations) to not go over budget.

Then the big thing was insecurity, so to speak, the costs that arose, they are not inconsiderable. (Transcript_E9, item 12)

The last found organizational capability is related to organizational diversification. Through the crisis new business opportunities arose. Some leader reported that their organizations changed and adapted their business model accordingly. Therefore, besides handling a difficult crisis, organizations were required to be open to new ideas and business chances and seek their opportunities. With the completion of analyzing the dynamic organizational capabilities, we now come to the findings of dynamic team capabilities proven to be important during the crisis.

On the team level, leaders reported a common reference framework willingness of employees throughout the crisis, referring to employees’ identity with the company. The importance of identity was also pointed out by Sandberg and Tsoukas (2015) in regard to the sensemaking process. With identity in mind, trust was an important issue. Getting trust from employees had also partly to do with the given trust of leaders to their employees (dynamic managerial capability), and as mentioned previously had a mutual relation. Similarly, trust was also developed through sensegiving activities during the crisis (through open, honest, and trustful communication by the leader, role modeling, or showing presence despite these difficult times, see also Williams et al., 2017). Leaders reported that employees were very understanding and willing to serve the organization through this difficult time. A previous good understanding and team spirit beforehand helped of course. This, again, highlights the importance of ‘leadership as process’ – the distinct relationship between leader and followers.

We have a great team, not only management, but really every employee. They run the extra mile for the company more than ever. […] The trust is absolutely strengthened and it is not only a trust advantage, but I think we have now shown them, that all of us together, that we are sitting in one boat and not rowing for ourselves and not for the company to maximize profit, but as a team, that we keep everyone in the boat as much as possible, that no one goes overboard. (Transcript_E4, item 35)

Having said this, ‘running the extra mile for the company’ required employees to be highly flexible and to work more often than usual. They had to handle high tensions and stress over a long period of time, either in their home offices, in facilities, or in the caring area. One leader reported that the constrictions and psychological stress led to employees leaving the company, because they could not handle the high burden anymore. In many cases, inter-divisionally cooperation was necessary, therefore requiring efficient and capable teams.
And what you also notice is that the workload that the employees have, and over such a long period of time, that the tension is actually always there on a regular basis. That is exhausting [for the employees, author's note], I would say. (Transcript_E11, item 14)

Summarizing, the organizational and team capabilities form the essential remaining components for crisis resilience reported by interviewees. These capabilities support leaders in their dynamic managerial crisis capabilities, completing ‘leadership as process’.

Concluding remarks
This sub-chapter addressed the dynamic capabilities that leaders believe are needed to handle the COVID-19 pandemic. Flexibility, for example, was necessary on all three levels. It needed an interplay between dynamic managerial capabilities provided by the leader and ‘support functions’ by the organizational characteristics itself and by employees to achieve strategic resilience during this crisis (see also Williams et al., 2017 for crisis resilience in general). The reason why resilience is the crisis response strategy during the COVID-19 pandemic, is because the described dynamic capabilities led to (organizational) resilience, which allowed the organization to respond to the different crisis circumstances. This comes also forth by the conclusion of Güttel and Wiesinger (2019) in the way that dynamic (organizational) capabilities let organizations be resilient and therefore stable (“krisenfest”) enabling for crisis response strategies, where the leader plays a major part of course. Organizational resilience based on capabilities in crisis context can also be seen in the work by Duchek (2020).

As Normandin and Therrien (2016) suggest, for proactive and transformational resilience it requires both order and disorder factors. Order factors in this crisis were provided by the organizational capability ‘institutionalization’ or by the team capabilities of strong ideological identity and trust, leading to more stability in organizations. Disorder factors included the flexibility on all three levels, the capability of critical reflection by the leader, seeing the crisis as a chance, among others, allowing for change and adaptability in organizations.

What is unique about the COVID-19 pandemic, and illustrated by the findings above, is that other capabilities were used and needed than for example in the last global crisis, the financial crisis. While financial survival was most important during the crisis in 2008/2009 (Walker et al., 2016), this crisis required an organization’s focus and orientation on its people, as the pandemic had a major humanitarian effect and impact on organizations, leaders, employees, and the society as a whole. Lockdowns and social distancing aka remote work necessitated many social skills and a different form of communication, for which leaders and their organizations where not prepared for. This also shows the importance of the sensemaking process during this crisis, especially sensegiving. Crisis communication as the main sensegiving tool had to be different, because of social distancing, and focus had to be laid upon employees’ well-being and emotions than it is for example necessary in a sole financial crisis. Another example would be decision-making, which is basically called for by leaders in every crisis. However, in this crisis there was another kind of uncertainty not controllable by leaders, namely the non-controllable measures implemented by governments and also the non-controllable cases of infected people by the virus. This was also a major danger in companies, meaning that cases had to be minimized, otherwise there was a risk of considerable organizational damage. A prime example was provided by an interviewed leader, where at the beginning of the crisis some of the organizational key personas were threatened to be in quarantine and disabled of work, leading
to the organization's disability of (important) crisis responses. This also illustrates the **requirement of flexibility** and fast responses by organizations and its members. Another leader illustrated the comparison of the financial crisis and the COVID-19 crisis, and puts:

> In relation to the last big crisis in business life, which was Lehman in 2008/09, it was clear that the problem was financing. Where do I get money from? But otherwise it was all logical. Not now. It wasn’t money, it was just - infrastructure, transport, value chains are gone and I don’t know how to react. (Transcript_E13, item 15)

**Concluding the Findings part**, for an organization being able to survive the COVID-19 pandemic, it needed a dynamic interaction between the organization and its environment in all crisis phases. Leaders showed that organizational resilience is a **dynamic, interactive process** during the time of a crisis. The connection between the three dimensions ‘crisis context’, ‘sensemaking process’, and ‘crisis response strategy in form of strategic resilience’ was to some extent already indicated in some parts of the writings above. They are illustrated in a framework (Figure 2: COVID-19 crisis framework), linking all three dimensions, which are outlined in more detail in the following discussion section.
5. Discussion

The findings reported above describe key observations of leaders about the COVID-19 pandemic. In this chapter, the findings are discussed in comparison to current literature. Due to the reality of a complex world and therefore a complex organizational environment, complex theory building by elucidating instead of decontextualizing is of importance (Tsoukas, 2017). To complexify in studying organizational phenomena is also appealed by Weick (1979). A vivid inductive model grounded in the analyzed data (illustrated by the data structure in Figure 1) is presented, which portrays the complexities underlying crises and the interviewees’ experience in theoretical terms (Gioia et al., 2013). The main purpose of this study was to better understand how leaders handled the COVID-19 pandemic, applying to the concepts sensemaking and leader capabilities on a micro, meso, and macro level. Three research questions were formulated in the introduction chapter, which will be answered one after the other in the following.

5.1. Leader perceptions and related actions

The first research question related to leader perceptions and related actions regarding the COVID-19 pandemic. The pandemic has once again shown how complex global operations are, especially in times of crises, which is why global crisis management is very important (Coombs & Lauffer, 2018). In order to comprehend responses to crises, it is essential to study the crisis context, as “cognitive and behavioral responses are enacted and integrated” (Williams et al., 2017, pp. 748–749) in its foundations. Understanding underlying crisis variables and its relations in a bigger context appears to be crucial (James et al., 2011). Findings on COVID-19 crisis phases and its related perceived negative (and also positive) effects by leaders offer insights into this matter.

The categorization of crisis phases is helpful because it can explain, for example, the associated different perceptions of the COVID-19 pandemic. Wedell-Wedellsborg (2020) describes the early stages of the COVID-19 pandemic and categorizes them into the three phases emergency, regression, and recovery. This basically covers the time between March and August/September 2020 of the pandemic and are consistent with the findings of this study. In the lockdowns that followed, however, the leaders had to deal with a kind of alternating regression and recovery, with the slow but steady recovery taking centre stage. Kuntz (2021) explains the transition from the initial emergency to the regression phase from a psychological standpoint on individuals’ stressors, and highlights the importance of moving to recovery as soon as possible (Kuntz, 2021). However, this is not always easy as demonstrated by the findings of the protracted and lengthy COVID-19 pandemic, leading to a general fatigue in society, among them organizational members.

While most of previous research on crisis phases (James & Wooten, 2005; Pearson & Mitroff, 1993) position the ‘learning phase’ on the very end of a crisis after an organization recovered, findings in this study showed that learning occurred at every stage. It was necessary for leaders to constantly learn from the crisis and apply its wisdom on next challenges. Pearson and Mitroff (1993) further emphasize on the prevention of crises by organizations, and therefore highlight the ‘prevention phase’. In the case of the COVID-19 pandemic, however, preparation to the crisis was nearly impossible. Only the leaders’ ability to detect potential threats to their organizations early allowed for some sort of preparation, but very limited and on short notice, as
none of the leaders could foresee the vast impact and duration of the COVID-19 pandemic. Already existing and well-established communication channels, (remote work friendly) technology and digitalization further seemed to support the response to the pandemic. However, these measures were not carried out in preparation to this specific crisis or this type of crisis, but rather favored by chance.

Factors that are influential in studying crises and crisis management, also in regard to the crisis stages, is emphasized by Bundy et al. (2017) to examine. Understanding the crisis context is relevant in order to fully determine relevant traits and behaviors of crisis leaders (Caringal-Go et al., 2021), like the requirement of proactive versus reactive behavior in different crisis phases (Mitroff et al., 1987). Similarly, dynamic capabilities are the conditional factors or enablers leading to crisis response strategies, which are in constant flow (action/reaction) with the crisis context and its environment (Güttel & Wiesinger, 2019). Wooten and James (2008) identify specific competencies for each crisis phase. While this study makes the sensemaking process the central part in each phase, they only consider sensemaking in the ‘signal detection phase’. Nyenswah et al. (2016) similarly detect sensemaking in just two phases, the ‘recognition’ and ‘emergency phases’. At different crisis stages, differing sensemaking needs are triggered in form of triggering events, assuming crisis as a process approach (Williams et al., 2017). Wooten and James (2008) also consider organizational resilience only in the ‘business recovery phase’, whereas this study makes resilience the overarching crisis response strategy, in alignment with Duchek’s (2020) argumentation. It requires different forms of resilience at different crisis stages, for example, restoring in form of early signal detection (Williams et al., 2017, p. 746). The discussion above emphasizes the importance of considering the specific underlying crisis context in an empirical study. A crisis may have the same overarching phases, but it may require different efforts from leaders and their organizational members at each phase. This is also illustrated by the unprecedented and novel situation of the COVID-19 pandemic.

Findings other than the crisis phases showed that the COVID-19 pandemic also had negative effects (in the perception of the leaders). The biggest perceived negative effect in organizations was due to social distancing in the initial phase of the pandemic. The negative impact of virtual working in regard to team communication and struggles of telework is stated by Stephens et al. (2020). Teamwork is observed to be very negatively affected due to restricted problem-solving, emotional silencing, and hampered collective creativity (Stephens et al., 2020). Kuntz (2021) refers to it as ‘technostress’. Leader’s stress levels were tested as well during the COVID-19 pandemic as found in the underlying study. High uncertainty posed considerable challenges on a leader’s decision-making ability. This finding is in line with former studies about the COVID-19 pandemic (Caligiuri et al., 2020), however, also in regard to previous crises (DuBrin, 2013; Wooten & James, 2008). On an organizational level, more coordination and planning were necessary, requiring additional resources. While not addressed directly as a negative effect or burden in crisis leadership literature on the COVID-19 pandemic, heightened coordination efforts in uncertain situations are for example addressed by Majchrzak et al. (2007) and made visible in regard to virtual collaboration (Malhotra & Majchrzak, 2014; van Dyne et al., 2007). Virtual cooperation required more coordination effort on the one hand, but on the other hand it saved costs due to fewer business trips. In general, the leaders reported a digitalization boost in their organizations during the crisis, which could be seen as a perceived positive effect due to the

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36 Dynamic capabilities in regard to the COVID-19 pandemic are discussed and linked in the discussion section further below (see 5.3. Dynamic capabilities on a micro, meso, and macro level).
COVID-19 crisis. Amis and Janz (2020) find that high levels of digitalization is improving organizational performance; and also employees’ performance levels during the COVID-19 pandemic (Bartsch et al., 2021). Guo et al. (2020) empirically discover that digital transformation of organizations served as a response strategy during the pandemic. The above illustrates that in a crisis, it is also necessary to consider the specific effects (perceived negative and positive ones) that change the organizational environment and in turn affect the business operations of the organizations. These perceived negative and positive effects are embedded in a bigger crisis context and have an important function, linked to the discussion of the sensemaking process in the next sub-chapter. A leader’s framing on these perceived effects of the COVID-19 pandemic appears to be what Weick et al., (2005, p. 411) refer to as ‘noticing and bracketing’. Perceived effects are the first (crucial) step in the process of sensemaking, which determines how making sense and giving sense function at their core. This upstream framing then leads through ‘sensebreaking’ and ‘sensemaking gaps’ to the actual sensemaking and sensegiving activities of leaders.

Concluding the first question, outlining the crisis context in regard to its crisis phases and negative or positive effects explain how leaders perceived and acted upon the COVID-19 pandemic. Furthermore, the crisis context contributes to the understanding of the sensemaking process and even plays an important role in it. The crisis context and resilience as crisis response strategy in form of dynamic capabilities on a micro, meso, and macro level are in constant and dynamic interrelation as illustrated in Figure 2 COVID-19 crisis framework. For the framework, additional comparisons were made with the literature to “refine articulation of emergent concepts and relationships” (Gioia et al., 2013, p. 26). The framework contributes to a deeper and more comprehensive understanding of the dynamics of the COVID-19 pandemic in relation to crisis leaders.

5.2. Sensemaking and sensegiving process

The second research question addressed the theoretical concepts “sensemaking” and “sensegiving” in regard to their relation and explanation of different perceptions and related actions of leaders during the COVID-19 pandemic. Gioia et al. (2013) argue that although conducted in different areas, the majority of processes and concepts developed by scholars tend to show a similarity or structural equivalence. This suggests that, for example, a similarity comparison of sensemaking concepts conducted in other areas than crisis leadership can be made. The majority of sensemaking studies focus on (strategic) change in sensemaking efforts according to Sandberg and Tsoukas’ (2015) analysis (see for example Gioia et al., 1994: Gioia & Chittipeddi, 1991; Mantere et al., 2012). The COVID-19 pandemic also led to significant change, mainly due to social distancing, like switching to remote work, implementing additional security measures, introducing short-work, finding new business models, among others. The unplanned and sudden change required radical and quick actions, shifting strategies, processes, and structures into new directions. Therefore, it is relevant for this study to consider the results of these papers as well.

Sensebreaking is the first concept that should be discussed here. It is also the first element to enable leaders to engage in the sensemaking process during the COVID-19 pandemic. The prerequisite for this is, as discussed above, the negative effects of the crisis as perceived (noticed) by the leaders. While sensebreaking is almost exclusively studied in change context, Bishop et al. (2020) highlight the importance and possibility of sensebreaking in other areas,
such as in crisis context, which is in their study a scandal. In the traditional sense, sensebreaking is initiated by leaders to implement organizational change (Mantere et al., 2012; Pratt, 2000) or undermine employees’ understandings (Roeth et al., 2019). In the case of the COVID-19 pandemic and this study, no leader sensebreaking took place. Sensebreaking was rather initiated by external forces, mainly by the general and government-initiated (or enforced) security measures in the form of the lockdown introduction and its consequences. Through sensebreaking a meaning void is created which provides an opportunity for the sensemaking process (Bishop et al., 2020).

In case of the COVID-19 pandemic, sensebreaking also led to sensemaking gaps, the second element enabling leaders to start the sensemaking process during the pandemic. As mentioned in the literature review chapter, there is little knowledge or empirical research on the concept of ‘sensemaking gaps’. Certain events can become triggers for sensemaking (Maitlis & Christianson, 2014), or ambiguous and unpredictable issues in light of an influencing strategy can let leaders anticipate a sensemaking gap (Maitlis & Lawrence, 2007). Maitlis and Lawrence (2007) summarize sensemaking gaps as a “triggering condition for sensegiving” (Maitlis & Lawrence, 2007, p. 78). This study focused on sensemaking gaps that trigger a leader’s sensemaking process primarily for his/her own sensemaking needs, because not every sensemaking attempt led to sensegiving for the leaders interviewed; rather, they enabled leaders to make better decisions, for example. However, a sensemaking gap was not only triggered by the external environment, but also by the employees, because the employees came to the leader with question marks on their faces, who were supposed to close this gap for them. This corresponds to the legitimacy of a leader and the fact that sensegiving comes primarily from the leader, which is consistent with the findings of Zhang et al. (2012). The sensemaking gap is thus primarily triggered by the external environment, but also by varying needs of stakeholders, which then leads to sensegiving. The leader must first make sense of it for him/herself and can then engage in sensegiving activities, which changes and expands the previous understanding of sensemaking gaps.

Regarding sensemaking and sensegiving activities, this study agrees with the process of ‘sensemaking-for-self’ and ‘sensegiving-for-others’ (Gioia & Chittipeddi, 1991, p. 444). The underlying study also supports the understanding of sensegiving as action, however sensegiving activities by the interviewed leaders were not primarily initiated to ‘influence’ employees (Gioia & Chittipeddi, 1991, p. 442) or to ‘shape understanding’ (Roeth et al., 2019, p. 18), but rather to take their uncertainty or panic by calming them down. While most of the literature assumes that sensemaking is only there to enable the leader to sensegiving (see for example Maitlis & Lawrence, 2007 Robert & Ola, 2021), this study only partially agrees with this argument, as sensemaking is in itself necessary for the leader to make decisions with certainty, for example, or at least to have some certainty in doing so. The interplay of sensemaking and sensegiving during the COVID-19 pandemic is also recognized by Mirbabaie et al. (2020).

As outlined in the findings chapter, communication was explicitly reported by leaders to be a very important leader competency during the crisis; meaning that communication as a

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37 See the statement by Zhang et al. (2012, p. 4088): “This is especially true when there is a significant crisis, one that threatens an organization’s viability and that is characterized by ambiguity and an employee’s sentiment that decisions ought to be made swiftly (Pearson and Clair 1998). Under such circumstances, all eyes look to the top and every one of the leader’s actions is scrutinized.”
sensegiving tool was crucial during the COVID-19 pandemic. This finding is in line with previous studies suggesting that COVID-19 pandemic communication of authorities is a vital sensegiving tool to citizens (Rubin & Vries, 2020) and that crisis communication should be distinctive, consistent, and consensual (Sanders et al., 2020). Internal crisis communication is important in every crisis phase requiring different forms of communication in each phase (Frandsen & Johansen, 2011). This is also evident from the findings of the sensemaking process in this study. Depending on the circumstances, the leaders needed to provide their employees with new information, make difficult decisions such as short-work applications, or to detect employees’ emotional state and respond accordingly, all under the difficult condition of social distancing. According to Sandberg and Tsoukas (2015), the virtual setting is an understudied situation in regard to sensemaking. Comparing to the findings of the last global financial crisis (Walker et al., 2016), open and honest communication is highly relevant in both crises. However, during the COVID-19 pandemic, open, honest, trustful, and transparent communication was additionally complicated by the virtual setting, and the rising focus on employees, emotions, and the humanitarian aspect in general than it is necessary in a sole financial crisis. This comes also forth in the statement “[…] whether because people are separated by masks and personal protective equipment or because they are communicating online, struggling to make themselves understood as a two-inch square on a video conferencing grid. Greater distances and reduced information channels diminish the richness and consistency of information flow.” (Christianson & Barton, 2021, p. 574). This will also be relevant in regard to emotions, discussed further below. Regarding prospective sensemaking (Sandberg & Tsoukas, 2020), this study can be applied to this concept in the way that leaders try to communicate a positive vision of the future to employees in order to reassure them.

Communication was also important in regard to sensemaking activities. To make sense by themselves, the leaders interviewed had to gather and exchange information in crisis committees, with experts, among others. This is in line with previous crisis studies suggesting the necessity of increased information collection (Klein & Eckhaus, 2017), action and mobilization (Cuevas Shaw, 2021), heightened attention (Kalkman, 2020), and the ability to listen and asking questions (Heaphy, 2017) for proper sensemaking. Despite their importance, many leaders are not aware of the concepts sensemaking and sensegiving. Ancona et al. (2020) argue that leaders do not recognize that they engage in sensemaking and sensegiving activities, and therefore do not know about its importance in their organization, especially during crises. In the underlying study similar results became visible. Interviewed leaders did not mention for example that ‘sensemaking’ is important for them in tackling the crisis, but they described the very characteristics of sensemaking. The same can be applied to sensegiving. While leaders reported that communication with organizational members was key in comforting them, calming them down, or giving them a perspective, they did not call it ‘sensegiving activities’, or ‘engaging in sensegiving is important’. This is also in line with the argument to reconstruct the sensemaking process by conducting, for example, interviews in an open-ended manner (Sandberg & Tsoukas, 2020, p. 24), indicating that the methods used in this study were appropriate for the research of the COVID-19 pandemic in regard to leaders.

Another important finding of this study is that there are three sensemaking moderators. Leader legitimacy is the first one, supporting (moderating) sensemaking of the leader and sensegiving to employees. The moderating role of legitimate power is also considered by Kraft et al. (2015). In case of high legitimate power of leaders abstract, positive language is used in
sensegiving efforts. Additionally, more direct sensegiving techniques are used when leader legitimacy is high (Sonenshein, 2006). Similar findings are revealed by the interviewed leaders, as their sensegiving efforts were very direct and positive, suggesting their high legitimacy in the company. This also has to do with the power a leader wields in their organization (Leonardi et al., 2012; Lines, 2007; Schildt et al., 2020). Contrary to prior conclusions that a leader’s legitimate power serves as an enabler for sensegiving (Maitlis & Lawrence, 2007), this study found that it is a moderator, either enabling or supporting both the sensemaking and sensegiving process of the leaders. The second moderator, **doubting and updating**, is on the one hand intertwined with dynamic capabilities (as mentioned in the findings part), and on the other hand justifies the ongoing process of the framework illustrated in Figure 2. Hence, as new information (repeatedly) arrived during the pandemic, the leaders had to process and evaluate it, which changed their actions in terms of decisions and reactions at different stages of the crisis. Constantly updating is an effortful process in general (Christianson, 2019), in combination with a high information in-flow during a crisis, such as the current pandemic, even more (Christianson & Barton, 2021); which was a difficult task for them in addition to their other important activities as crisis leaders. Given the ‘socially constructed nature’ in the sensemaking process during the pandemic (Cuevas Shaw, 2021, p. 11), **emotions** also played a moderating role here. Existing literature has provided evidence that emotions in form of empathetic accounts (or empathy) of individuals enable them to engage into sensegiving activities (Heaphy, 2017). The important role of leaders showing empathy was also pointed out by König et al. (2020). This study highlights that emotions played a vital role in every crisis stage, which is in line with recent literature (Bishop et al., 2020). Emotions are sometimes consuming cognitive capacity, important for other crisis tasks (Maitlis & Sonenshein, 2010, p. 566), this was especially true for negative felt emotions (in form of hopelessness, depression, sadness, and stress-related tensions) of leaders. However, these emotions allowed for the sensemaking process, and for subsequent decision-making, which is in line of similar findings of another study (Sayegh et al., 2004).

The **outcomes** of successful sensemaking during the COVID-19 pandemic enabled the leaders to reduce uncertainty, the pandemic’s complexity, and to take action. As few studies focus on ‘restored sense and action’ as the outcome of the sensemaking process (Sandberg & Tsoukas, 2015, p. 15), this study provides insights into this matter. Similarly, the outcomes of sensegiving were also different to previous understandings in literature. A leader’s sensegiving efforts provided employees with a sense of purpose and direction, leading to their acceptance of the circumstances and willingness “to go the extra mile” for the organization. Zhang et al. (2012) point out that value system congruence between leader and followers is possible through the leader’s transformational leadership, which can serve as a motivational aspect. This suggests that it essentially happens through sensegiving, and therefore successful sensegiving also leads to value system congruence, which can motivate employees to serve the organization unconditionally in a crisis. Further, successful sensemaking enabled the leaders to make more intensive use of the positive effects (as described earlier) that the crisis could offer despite its predominantly negative effects, linking to the first research question again.

In this study, sensemaking is seen as an **ongoing process** (during the crisis) rather than a one-off event, as the traditional view of sensemaking focuses on a specific episode or event, which is criticized by Sandberg and Tsoukas (2015). The dynamic sensemaking process can be seen in the framework in Figure 2. Although sensemaking and sensegiving could be subsumed under the umbrella of a leader’s dynamic capabilities, this study sees the sensemaking process as a
The third and last research question concerned (social) capabilities that leaders need to successfully guide their organizations through crises such as the COVID-19 pandemic. Several characteristics on a behavioral, cognitive, and emotional level have been studied (James et al., 2011; Pearson & Clair, 1998). This study’s findings expand understanding of dynamic managerial capabilities on these levels, but also highlights the importance of dynamic organizational and team capabilities in crises. Weick (1993, p. 646) suggests that sensemaking is the pre-condition to any response (strategy), in line with what this study’s framework (Figure 2) describes; in order to activate cognitive responses (followed by behavioral or emotional responses) the leaders first had to activate their sensemaking process.

Dynamic managerial capabilities
Understanding leader cognition is important in crisis context in order to get a more complete picture on leadership (Crayne & Medeiros, 2021). On a cognitive level, previous crisis experience has been shown to be helpful for mitigating the pandemic and provided the leader with more self-confidence. This finding is supported by other studies. According to Sayegh et al. (2004), prior experience in form of education and training leads to tacit knowledge of leaders, allowing for an intuitive decision-making process in crises. Similar conclusions can also be found in the analysis of Mitroff et al. (1987), allowing for proactive behavior the more crises an organization has been gone through. Perceiving the crisis as a chance/opportunity instead of a threat, suggesting a leader’s level of proactivity was another finding of this study on cognitive capabilities. This is in line with a previous study on the COVID-19 pandemic from the viewpoint of employees (Caringal-Go et al., 2021). Brockner and James (2008) suggest that leaders who’s regulatory focus is on promotion, perceive the crisis as a chance, and those with a prevention focus do not. Additionally, more promotion-focused leaders in communication are found to be better crisis leaders (Stam et al., 2018). Learning in form of open-mindedness, reflection, and analysis provided the leaders to perceive opportunities in the otherwise tragic pandemic.
Attention seems critical for perceptions (Helfat & Peteraf, 2015), suggesting that a leader’s learning skills are highly relevant during crises.

Turning to behavioral capabilities, decision-making and problem-solving skills in the midst of a crisis can be challenging and are detected as core competencies (Wooten & James, 2008; Yukl, 2012). This is in line with the underlying study’s finding on the COVID-19 pandemic. Leaders were required to make quick and time-sensitive decisions under great uncertainty, which demanded their highest degree of decisiveness. However, this was only possible because of leaders’ previously made sense of the situation (as discussed above), enabling them to take action. Additionally, to making decisions, leaders’ flexible coordination and agility proved to be important during the pandemic. A leader’s level of agility and adaptability has been identified as a key element for proper crisis management (Uhl-Bien, 2021; Wooten & James, 2008). In regard to human relations, this study reveals that leaders’ symbolic incentives, interpersonal relationships, trust in employees, and role modeling were especially relevant during the pandemic. This is in line with a recent study on the COVID-19 pandemic, which states that employees demand a compassionate and caring, supportive leader to go through these difficult times (Caringal-Go et al., 2021). According to another study, a leader’s role modeling in crises suggest transformational leadership behavior (Zhang et al., 2012), which fits with the findings of this study. Relation-oriented behavior by leaders is also seen as highly relevant in non-crisis situations (Yukl, 2012), which shows that it becomes even more important in times of crisis, especially in a pandemic with forced social distancing. This study’s most distinctive finding in capabilities concerns the leaders’ behavioral capability to switch between temporary and permanent behavior. While quick and flexible decision making required more temporal behavioral capabilities, other behaviors in regard to interpersonal relationships, such as listening to employees fears and needs, had to be more permanent and required more time. As to the researcher’s knowledge, there is no previous literature that specifically addresses these tensions, so future studies will require further investigation of these.

According to literature, emotions have to do with the regulatory focus (similarly to cognitive capabilities, see above), either the prevention or promotion focus, of the leader (Maitlis et al., 2013), and leader’s cognition are dependent on emotion-regulation (Helfat & Martin, 2015). On the emotional level, this study’s findings highlight the importance of leaders’ optimism, staying calm and radiating peace, optimism, and calmness to employees. Tolerance for stress and mindfulness were additionally challenging but necessary emotional capabilities required of the leaders, suggesting their promotion focus. These are partly in line with a previous study on the COVID-19 pandemic from the viewpoint of employees, suggesting that inspiring confidence and positivity were perceived to be important characteristics for leaders (Caringal-Go et al., 2021). Emotional authenticity in virtual communication is highlighted by Brodsky (2021).

**Dynamic organizational capabilities**

In addition to the leaders’ capabilities, two dynamic capabilities on an organizational level were identified to be relevant during the COVID-19 pandemic. The first one, institutionalization, characterizes the installation of risk boards and crisis committees, where the leaders could gain and exchange knowledge, also serving for decision making. This finding is in line with previous studies suggesting that ‘permanent crisis management teams’ (Pearson & Mitroff, 1993, p. 54), or think thanks in form of a dynamic capability (Güttel & Wiesinger, 2019) are highly relevant during crises. The second capability was organizational adjustment and flexibility.
Organizations had to adapt to the constantly changing situation (strict vs easing conditions) and push controlling. In addition, organizations had to find and exploit business opportunities/new business models to survive the pandemic. A previous study on the COVID-19 pandemic underlines the important role of SMEs’ existing level of digitalization and their adaptability to the virtual working environment (Guo et al., 2020).

**Dynamic team capabilities**
The importance of followers during a crisis is highlighted by Uhl-Bien (2021), their legitimacy, potential power, influence, and claim urgency by James et al. (2011). Regarding the leaders’ teams, findings expand the understanding of dynamic team capabilities. During the COVID-19 pandemic, the leaders emphasized on the common reference framework willingness of employees, and their handling of high tension/stress and more work over a long period of time. This can be subsumed under the capability of identity and trust. Williams et al. (2017, p. 752) emphasize that the field of trust is still under-researched and argue for a more comprehensive understanding of trust in crisis management. Findings reveal that the outcomes of sensegiving activities are in relation to trust and identity. As employees were given purpose and direction by leaders, they were willing to ‘go the extra mile’ for the company. The importance of trust throughout an organization during the pandemic was also highlighted by Amis and Janz (2020), and is depending on an organizational (informal, formal) crisis culture (Frandsen & Johansen, 2011). The supporting role of crisis communication for organizational member’s trust is mentioned by the empirical findings of Mazzei and Ravazzani (2015). The willingness of employees to serve the organization during the COVID-19 pandemic, implying their trust in the organization, can be characterized as ‘relational capability endowments’ and is seen as an ‘elemental capability’ (see Williams et al., 2017, p. 745). The rapid transition to remote working in the early days of the pandemic required a high level of trust between team members but also between teams and the leaders. Recent studies highlight the importance of trust in virtual teams (Breuer et al., 2016; Breuer et al., 2020). The trust of the teams in their leaders (and vice versa) led to employees identifying with the organization, magnifying employees’ willingness to go through the crisis together with the leader. The role of identity has been already explored in previous crisis situations (Battaglia et al., 2019; Christianson et al., 2009; Zavyalova et al., 2016), most importantly to influence stakeholders perceptions (Bundy et al., 2017). Identity was particularly important during the pandemic, but not primarily to influence perceptions, but to keep employees motivated and willing over a long period of high tensions and stress. Both the dynamic organizational and team capabilities supported dynamic managerial capabilities in the difficult days of the pandemic. This once again underlines leadership as a process and the social aspect in it – the crucial interaction between leaders and followers, embedded in a larger organizational frame, which in turn is surrounded by a larger (crisis) context.

**Crisis response strategy in form of strategic resilience**
This study’s findings expand understanding of dynamic capabilities on a leader, team, and organizational level, forming the crisis response strategy during the COVID-19 pandemic. As ‘perserving’ and ‘innovating’ is important as response strategies in crises (Wenzel et al., 2021, V15), resilience is at its forefront. According to Duchek (2020) “[r]esilient organizations possess a set of capabilities that enables them to adapt, integrate, and reconfigure internal and external resources and competences to match the requirements of changing conditions […]” (Duchek, 2020, p. 219). Resilience during the COVID-19 pandemic is highlighted by Sarkar and Clegg (2021), also in regard to sensemaking (Kuntz, 2021). Since “leadership is critical to actively
facilitating resilience" (Williams et al., 2017, p. 752), the crisis response strategy of the leaders was in form of strategic resilience. Normandin and Therrien (2016) identify several universal resilience factors based on favorable order and disorder factors. The above outlined capabilities are part of these resilience factors. This study highlights those resilience factors that were particularly important during the COVID-19 pandemic, given its unique characteristics. It should be noted here that the dynamic capabilities discussed above do not automatically lead to a resilient crisis response. It always depends on the specific crisis context, how leaders perceive and make sense of the various effects of a particular crisis and how they give sense to their followers. This underlines once more the leaders’ power of influence and their crucial role in crisis leadership. Additionally, however, an interplay between several dynamic capabilities at all three levels, resulting in a complex and fragile construct, is essential to form a resilient crisis response strategy in organizations. The sensemaking process is an essential and central aspect of this. This was underlined by the findings.

Summarizing research question three, dynamic managerial capabilities at the cognitive, behavioral, and emotion-regulation levels are needed by the leaders to positively steer their organization through the COVID-19 pandemic. Dynamic organizational and team capabilities serve as vital support functions. Together, these form an organization’s crisis response strategy in form of strategic resilience, which are in constant and dynamic interrelation with the crisis context (see Figure 2). This illustrates a process which is the study’s most distinctive finding and is in line with the following quote. “Maintaining positive functioning in the aftermath of a disaster [emphasis added] depends on the organization’s cognitive and behavioral responses [emphasis added], which are in turn reinforced by context [emphasis added].” (Williams et al., 2017, p. 748). It is important to remember that the dynamic capabilities on all three levels cannot emerge if the crisis and its effects are not even noticed or perceived (referring to the crisis context in research question one) and vice versa.

Concluding remarks
In sum, this study’s findings expand understanding of the COVID-19 pandemic through the lens of top leaders, exploring its phases and perceived effects on organizations, the role of the sensemaking process, and dynamic capabilities on an (individual) leader, team, and organizational level. Starting with the perception of negative (and positive) effects by leaders, the sensemaking process is activated, enabling dynamic capabilities, which serve as the main crisis response strategy of organizations, embedded in a larger crisis context. Due to the constant and dynamic interrelation, the process ultimately leads back to perceiving (noticing) of individuals, the pre-step to (another) sensemaking process, allowing for further resilient crisis responses during different crisis phases.
Figure 2: COVID-19 crisis framework
6. Conclusion

6.1. Summary

This study provides an expanded understanding of the COVID-19 pandemic in regard to crisis leadership, highlighting the social process between leaders and followers. Following the suggestions of current literature (Christianson & Barton, 2021; Sandberg & Tsoukas, 2015, among others) a research gap was identified, which led to three research questions posed at the beginning of the thesis. The first question was about the perceptions and related actions of leaders regarding the pandemic. Findings showed that in different crisis phases the pandemic had different perceived negative and positive effects on the leaders’ organizations, posing different requirements of leaders. This goes hand in hand with the second research question, addressing the relation and explanation of different perceptions and actions of leaders during the pandemic to the theoretical concepts “sensemaking” and “sensegiving”. Findings indicated the important role of the sensemaking process, by redefining sensebreaking and sensemaking gaps, shedding light on important sensemaking and sensegiving activities, and the role of sensemaking moderators. The third and last research question concerned (social) capabilities that leaders were required to successfully guide their organizations through the pandemic. Findings showed certain dynamic capabilities on an individual leader (micro), team (meso), and organizational (macro) level. Different dynamic managerial capabilities have been found to be helpful at the cognitive, behavioral, and emotion-regulation levels. Dynamic organizational and team capabilities served as vital support function. This formed the crisis response strategy in form of strategic resilience. With the help of an inductive, grounded theory approach, a framework could be generated (see Figure 2), demonstrating the dynamics, connections, and interrelationships between the three research questions. The framework contributes to a deeper and more comprehensive understanding of the dynamics of the COVID-19 pandemic in relation to crisis leadership.

6.2. Limitations and implications for future research

One of this study’s strengths is the focus on top Austrian leaders and their exclusive insights gained in in-depth interviews. Rich data served as a solid basis for the qualitative research design. Nonetheless, the study underlying this thesis of course has its limitation. One consideration is the very fact that only leaders’ points of view were taken into account. Additional helpful information could have been gained from other organizational members, for example, from employees. While this study showed insights into the meso (team) level as well, they were gained through the observations of the leaders. However, some findings by this method were supported by other study’s findings focusing on employees’ perceptions (see for example Caringal-Go et al., 2021). Nevertheless, the results of this study are of importance as they shed light on the dynamics of the pandemic and how leaders made sense by themselves and then gave sense to employees. The focus was laid upon leaders to gain rich insights into their perceptions. Another consideration concerns the research method. A quantitative study on the effectiveness of leaders in coping with the crisis could be useful for future research. Measuring leader effectiveness during the COVID-19 pandemic in form of a supplementary quantitative study would, however, have gone beyond the scope of a master thesis. Looking at the results and the current standpoint in literature, future research may benefit from a broader analysis of the COVID-19 pandemic. As the crisis is still ongoing, a long-term analysis since the beginning of the pandemic until now (or longer) could gain further insights into its dynamics. This could
provide richer, more longitudinal, and more comparable data. Furthermore, we do not know about the economic and social long-term impacts caused by the pandemic and crisis. Future studies can cover that.

In view of its findings, this study raises important questions for future research on sensebreaking and sensemaking gaps. With some current exceptions (see Bishop et al., 2020), the concept of sensebreaking has been exclusively applied in change management studies and was initiated by executives. This study’s findings could serve as a basis for future studies on sensebreaking in crisis context, initiated by exogenous factors outside the power of an organization. Future studies can also advance the little knowledge we have about sensemaking gaps. A second question concerns this study’s findings on temporality in leader behavior. As little knowledge exists about these tensions, a future study could further explore the dynamics of temporary and permanent behavior (as mentioned in the discussion section). It could be studied in the same context of the COVID-19 pandemic or advanced to other areas, such as other crises or change initiatives in organizations. Another question raised by the present research concerns sensemaking and sensegiving in the virtual workspace, which will certainly continue to grow in importance. A special focus can be laid upon emotions as sensemaking moderator. How are emotions transferred through a small screen without the possibility of face-to-face communication? How can leaders or team leaders succeed in giving sense in an exclusively digital environment, especially in uncertain times when fear and despair are the order of the day? Thus, the underlying study can serve as a starting point for further research on crisis leadership and sensemaking. Future research can build on these findings to develop appropriate metrics and quantitatively test the relationships explored in the underlying study. On a more general note, while global crises such as the COVID-19 pandemic are rare, future studies on leader sensemaking in such large-scale crises would benefit from their findings.

6.3. Implications for practice

The question that arises after conducting this study is how organizations can respond to the current crisis and future crises, as future crises, among them pandemics, are likely to increase. It raises the importance of leadership development programs teaching the found capabilities in normal times, as the development of such capabilities and competencies have to happen outside a crisis. This study has shown how important the social skills of leaders are in times of crisis. Apart from having to make sense themselves, they also need to communicate meaning to their teams in a convincing way, especially in uncertain times. This also underlines the trust and good rapport between leaders and their teams in normal times, so that they are prepared for uncertain times when this relationship is put to the test. Furthermore, leadership programs should make sensemaking a practical tool, and not just a theoretical construct of academics (see Ancona et al., 2020). Furthermore, this study shows the importance of strategic vigilance that enables early crisis preparation and action to be taken. Networking with other organizations, groups or experts to share information has proven to be extremely important in such an uncertain time where many issues are emerging and remain unresolved. On the one hand, the pandemic has shown how important interpersonal exchange and face-to-face communication actually are, but at the same time it has also shown how long you have to do without it and still have to cope with the situation, in this case with the virtual one. Improvisation and trying out new things are the top priorities here. And the leaders must then also be able to pass on this openness to new things to their employees in order to overcome the crisis well.
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Appendix

Appendix I. Interview guideline

Interview guideline

Topic: Leadership in times of the corona crisis

Skalenfragen (zu Beginn):

Auf einer Skala von 1-10, wie gut waren Sie auf die Krise vorbereitet? Wieso?

Woran erkennen Sie, dass Sie die Krise gut gemeistert haben?

Eckpunkte:

Timeline seit Krisenbeginn

Auswirkungen auf:

- das eigene Führungsverhalten/die individuelle Ebene (Dynamic Managerial Capabilities; Veränderungsfähigkeit)
- die teamspezifische Ebene (Dynamic Team Capabilities; Veränderungsvermögen)
- die organisationale Ebene (Dynamic Capabilities; Veränderungskompetenzen)
- das Privatleben (Umgang mit hohem Druck, Unsicherheit, etc.)

Wie gut vorbereitet war man auf die Krise?

Welche Kompetenzen haben bei der Entscheidungsfindung (während der Krise) besonders geholfen?

Was wurde aus der Krise gelernt?

Was sind die nächsten Schritte/Plan für die nähere Zukunft?