As the business community becomes more complex, crisis events are likely to increase in both prevalence and severity. Whether management scholarship has kept pace with this new reality is debatable. Moreover, much of the existing crisis research stems from a negative frame: crises are threats or problems to overcome. In “Crisis Management: Informing a New Leadership Research Agenda,” Erika Hayes James, Lynn Perry Wooten, and Kelly Dushek argue that this framing fundamentally limits the types of questions asked and the methodological approaches used to answer those questions. In this article, the authors review an array of crisis research and explore deviance, emotional and behavioral response to crisis, and issue framing as theoretically rich avenues through which to continue research on organizational crisis. They discuss the challenges of conducting crisis research, and offer suggestions for new methodological approaches and new research questions that are consistent with a more positive leadership approach.

Nearly 90,000 news accounts of business crises in the United States alone were reported between 2000 and 2009. The decade began with the financial scandals of Enron, Worldcom, and Tyco, resulting in the near collapse of the entire financial system. The decade ended with an environmental and organizational disaster when the BP/Deepwater Horizon oil rig exploded off the Gulf Coast region, killing eleven oil rig workers and causing the second largest oil spill in history. With the perceived proliferation of extreme negative events, and the concomitant increase in crisis reporting, crises can seem to be normal occurrences in organizational life. An important first step is to differentiate true crises from business problems, so that managers can act accordingly in both types of situations.

Deviance plays an important role as it relates to crisis and effective crisis handling. Crises, by definition, are deviant events that invoke considerable disruption to an organization’s ongoing activities. Such crises require leaders to act in extraordinary ways to move beyond early emotional responses to threat, e.g., fear, anxiety, and denial, and advance beyond routine problem-solving strategies for resolution. Although crisis resolution is an important goal, the authors argue that merely resolving a crisis, without also engaging in learning practices, can potentially limit future possibilities for organizational innovation and change, activities that contribute to an organization’s ability to compete. Thus, they posit that learning from crisis can position leaders to enter a realm of positive leadership.

Positive leadership requires sound decision making; and decisions must be framed. How crisis situations are framed evokes an array of emotions. Together, cognitive frames and the subsequent emotions those frames produce can have significant implications for the decisions leaders make when responding to crisis. First, decision makers have a natural proclivity to conceptualize external stimuli as relatively good or bad, positive or negative. Second, these stimuli elicit emotional and behavioral responses, such as perceiving and reacting to a crisis as an opportunity or a threat. Threats perceived to be caused by other people tend to elicit the emotion of anger; for example, stakeholders responded with anger directed toward BP after the oil rig explosion and subsequent oil leak. Whereas the negative emotions elicited may differ
from person to person, they have the common consequence of causing decision makers to be less apt to perceive opportunity in crises.

If research in the crisis domain is not pursued rigorously as a theoretical or empirical imperative, we miss an opportunity to learn from and inform the practicing communities. The body of crisis research to date is vulnerable to criticism for being fragmented by a myriad of disciplinary approaches. Some scholars have argued that this fragmentation has kept crisis research on the periphery of “mainstream” management theory. In addition, fragmentation has prevented a widely accepted understanding of, or commitment to, a common research paradigm in the field of crisis management. Beyond its scholarly importance, the reality is that business crises are a practical matter; indeed, it would be a disservice for the academic community not to consider the potential relevance and impact of theoretical contributions on practicing managers. And the ability to lead through crisis has implications for how stakeholders perceive the organization and its leadership, as well as for the firm’s post-crisis reputation.

Unfortunately, researchers are faced with limitations and challenges in crisis research. Because crisis cannot be planned or anticipated, data gathering efforts of a typical field study may take more time than is feasible due to the processes needed to arrange and carry out the studies. Conducting a field study during a real-time crisis, researchers may encounter insurmountable problems of attaining permission from and access to people involved in the crisis. Thus, researchers attempting to study crisis often need to look to historical or archival sources for data. Historical case studies, however, are limited to publicly accessible archived information or may rely heavily on individual memories, which potentially introduces hindsight bias. Furthermore, researchers face the added challenge of a leader’s unwillingness or inability to talk about issues that potentially have severe legal ramifications or tremendous adverse reputational consequences.

Although it is unlikely that researchers can capture firsthand information from organizational leaders in the midst of a crisis, it is possible to obtain other forms of data. Employee and customer surveys, for example, may reveal interesting variables and relationships worthy of examination. Data in the form of written minutes or recordings from meetings, memos, transcripts from legal proceedings, annual reports, and other communication between an organization’s leaders and its stakeholders can prove worthwhile. Similarly, as technology and social media become more sophisticated, increasing opportunities to use them in research attempts will arise. Qualitative research methods, such as the case study, have been especially suitable to studying crisis.

In summary, leaders and scholars can benefit from a fundamental reframing of how we think about, examine, and respond to a crisis. To this end, the authors encourage more theoretical development and empirical investigation into crisis framing. In particular, they advocate examination of the origins and implications of positive framing and research on positive leadership.