



Impact case: Leadership in turbulent times



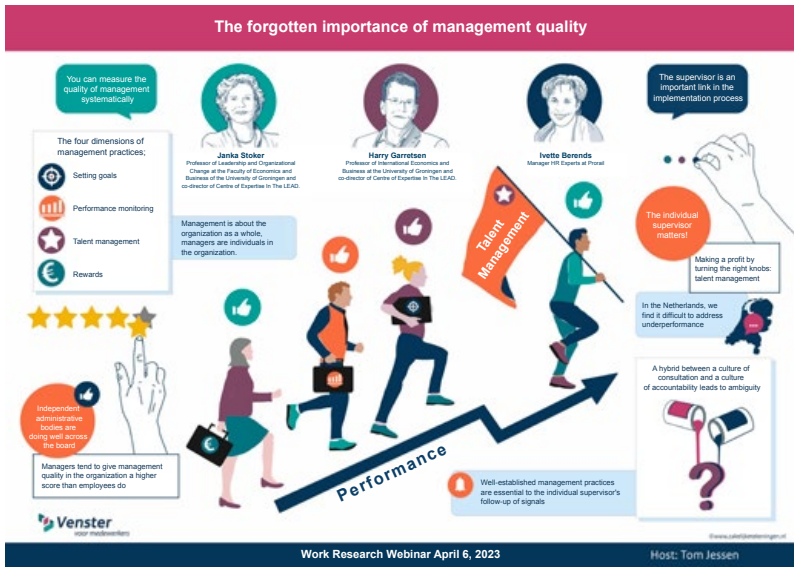
Creating societal impact is one of the ambitions of FEB's research policy. This case is one of the impact cases rewarded by FEB in 2023.

Professors Harry Garretsen and Janka Stoker reach large and diverse audiences with their expertise and research on leadership. In 2018, their first Dutch book 'Goede leiders zweven niet' (translates to English as: 'Good leaders don't levitate') was published. They were then also asked to become columnists at Het Financieele Dagblad (the Dutch Financial Times). These columns formed the basis of their second book, written for managers, policymakers and the general public, called 'Goede leiders in onzekere tijden' (Good leaders in turbulent times). This book, published in 2022, got a lot of attention in the Dutch media, and was the reason to start a podcast on leadership in uncertain times. Till now they have mainly focused on Dutch audiences, but they are branching out to reach an international audience, as an English book is also in the making.

Since 2016, the effect of crises on leadership behavior has been central in most of Harry Garretsen's and Janka Stoker's academic work. The professors are the directors of Centre of Expertise *In the LEAD*, that aims to disseminate knowledge about leadership and management. *In the LEAD* supports organizations and strategic leaders, through scientific research and education, in making effective choices. The centre utilizes insights from both economists and leadership and management experts and provides solid, empirical evidence about individual leadership in relation to the organizational context.

Janka Stoker is Professor of Leadership and Organizational Change at the Faculty of Economics and Business (FEB) of the University of Groningen. For many years she combined her role as senior managing consultant at Berenschot with her professorship. For 5 years, she was Vice Dean at FEB, giving her first-hand experience of what it means to be a manager. Her research focuses on questions that are both relevant to the academic world and of immediate interest to organizations.

Harry Garretsen is Professor of International Economics & Business at FEB. During his long academic career, he has always also been actively concerned with economic policy and policy advice. He gained management experience as Dean of FEB. His research field originally is the international monetary and trading economy and the link between economy and geography. Since several years, his research has branched out into the interface between economy, leadership and management.



References

Garretsen, H., Stoker, J. I., Soudis, D., & Wendt, H. (2023). The pandemic that shocked managers across the world: the impact of the COVID-19 crisis on leadership behavior. *The Leadership Quarterly*, 101630.

Stoker, J. I., Garretsen, H., & Soudis, D. (2019). Tightening the leash after a threat: A multi-level event study on leadership behavior following the financial crisis. *The Leadership Quarterly*, 30(2), 199-214. Google

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Underpinning Research

Stoker and Garretsen's research focuses on a myriad of topics related to leadership. The professors regularly work on research projects in partnership with other national and international research institutes and external parties like ministries. E.g., they executed a large-scale study on management quality in the Dutch manufacturing sector (see infographic). Moreover, they executed several studies on the impact of crises on leadership. Together with Dimitrios Soudis (FEB) and Hein Wendt (KU Leuven), they for example studied the impact of the COVID-19 crisis on leadership behavior. Focusing on the first lockdown and using a dataset covering monthly data for almost 27,000 managers across 48 countries and 32 sectors for January 2019 to December 2020, they found support for the so-called threat-rigidity hypothesis. During the first lockdown, directive leadership increased significantly. These findings provide new evidence on how large exogenous shocks like COVID-19 can impact leadership behavior.

Results from an earlier multi-level event study on leadership behavior following the 2008 financial crisis also showed that the financial crisis went along with a significant increase in directive leadership. Stoker and Garretsen found that this effect was stronger in the manufacturing sector, and in countries with a high degree of power distance. This shows that the context is not only a moderator but actually shapes leadership behavior. These studies have opened up a new avenue of leadership research where context is an antecedent of leadership behavior. The studies by Stoker and Garretsen are seen as state-of-the-art examples of leadership studies where the methodological set-up allows for causal inference.

Karen van Oudenhoven

Director The Netherlands Institute for Social Research (SCP)

Society is currently facing major challenges, such as climate change, income inequality, asylum and migration, the housing shortage and the sustainability of healthcare. Many people are concerned about this and have little confidence that the government will tackle these problems effectively. Many citizens have the feeling that the leaders of our country do not pay enough attention to them and do not really know what is going on. The result is that people experience little control over their lives and the direction society is moving in. A lot of people fear that the next generations will fare less well than they do. The call for leadership is therefore great. People want change, as evidenced by the results of the recent elections. There is need for leadership in connection with people; something that expertise centre *In the Lead* has a lot of knowledge about. Their tools for effective leadership, especially in uncertain times, are of great importance for leaders.



The forgotten importance of management quality

You can measure the quality of management systematically

- The four dimensions of management practices;
- Setting goals
 - Performance monitoring
 - Talent management
 - Rewards



Janka Stoker
 Professor of Leadership and Organizational Change at the Faculty of Economics and Business of the University of Groningen and co-director of expertise centre *In The LEAD*.

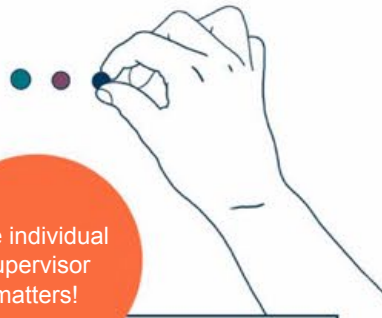


Harry Garretsen
 Professor of International Economics and Business at the University of Groningen and co-director of expertise centre *In The LEAD*.



Ivette Berends
 Manager HR Experts at Prorail

The supervisor is an important link in the implementation process



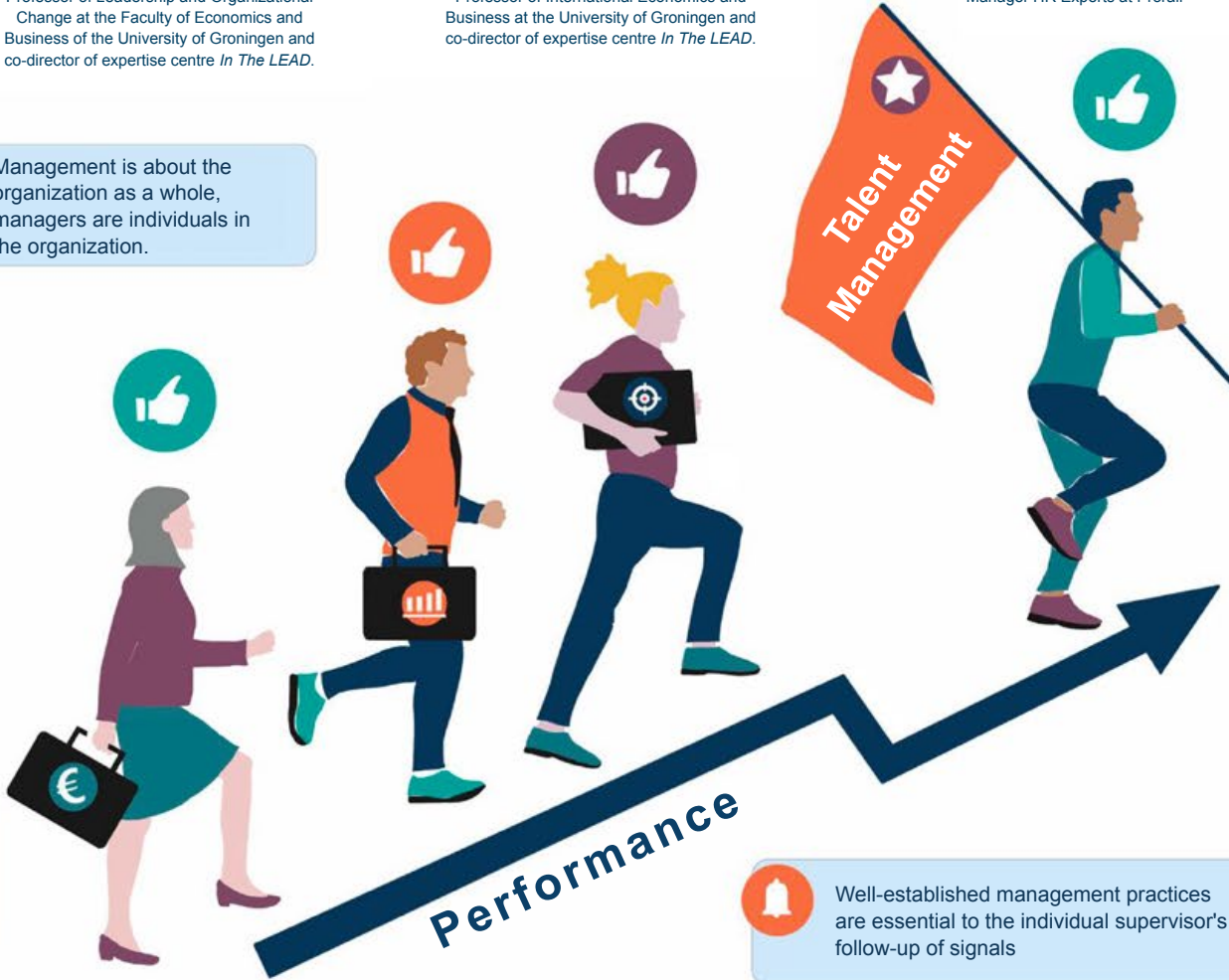
The individual supervisor matters!

Making a profit by turning the right knobs: talent management

In the Netherlands, we find it difficult to address underperformance

A hybrid between a culture of consultation and a culture of accountability leads to ambiguity

Management is about the organization as a whole, managers are individuals in the organization.



Independent administrative bodies are doing well across the board

Managers tend to give management quality in the organization a higher score than employees do

Well-established management practices are essential to the individual supervisor's follow-up of signals