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FOR IMMEDIATE RELEASE

## **New research finds retrenchment and investment strategies help businesses survive and thrive during a crisis**

*Report from Kansas Leadership Center's Third Floor Research*

Wichita, Kan. – [Third Floor Research](#)—the research partnership between the Kansas Leadership Center (KLC) and Kansas State University's Staley School of Leadership Studies—has released its latest report which studied how businesses adapted during the 2007-2008 global financial crisis to identify characteristics and behaviors resulting in long-term success.

“Amidst the global pandemic, organizations in every sector have faced hard choices. Some will weather this storm. They will survive the crisis and thrive. Others will struggle to recover pre-crisis revenue and impact. Decisions companies make now mean everything for the future. That’s why we were interested in looking at the global financial crisis in 2007 and 2008 to see what lessons could be learned to help businesses survive the COVID-19 crisis and be better set up for success,” said Dr. Tim Steffensmeier, professor and director of the leadership communication doctoral program at the Staley School and director of research at KLC.

“Weathering the Storm: Leadership Lessons from a Global Financial Crisis” looked at academic literature on the 2007-08 global financial crisis.

A key finding: Although most organizations rely on retrenchment strategies during periods of crisis, studies show that companies that combine retrenchment and investment strategies are more likely to thrive in an economic crisis.

The study, which can be [downloaded here](#), also reports that:

- Companies that implemented alternative corporate social responsibility strategies before the crisis were more resilient during the crisis.
- Companies that thoroughly understand themselves and their environment are more able to deal with crisis.
- Multinational companies that permitted autonomy or fostered entrepreneurship in subsidiary units outperformed those that insisted on uniformity.
- Key components that differentiated organizations during the financial crisis include: Organizational resilience, business strategy and entrepreneurial activities.

“Weathering the Storm: Leadership Lessons from a Global Financial Crisis” is the fourth study to come out of Third Floor Research, and was conducted by Steffensmeier; Onyedika Ekwerike from Lagos, Nigeria and Tamas Kowalik, from Pecs, Hungary, two graduate research assistants at Kansas State University's Staley School of Leadership Studies.

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### **About the Kansas Leadership Center**

The Kansas Leadership Center (KLC) is a singular educational organization founded to foster civic leadership for healthier Kansas communities. Its programs and teachings present leadership as an activity available to anyone at any time. KLC offers training for organizations, teams and individuals as well as advanced programs for leadership development practitioners. It provides development grants for civically oriented organizations in Kansas, partners with community leadership programs and offers customized trainings for businesses and non-profits alike. KLC hosts civic leadership forums and encourages Kansans to take active part in public life for the common good. KLC Press publishes books on leadership and The Journal, a nationally recognized, award-winning civic issues magazine. Based in Wichita, KLC receives core funding from the Kansas Health Foundation. [Learn more.](#)

### **About Third Floor Research**

Third Floor Research is an applied research center operated through a partnership between the Kansas Leadership Center and Kansas State University's Staley School of Leadership Studies. The global research program was designed by KLC staff alongside eight expert researchers and practitioners from Harvard University's Kennedy School of Government, Chile, Israel and the states of Colorado, Kansas and Wisconsin. Third Floor Research focuses on the impact of leadership training and contributes to global learnings in the field of leadership and adaptive change processes. It creates useful findings that address individual development, organizational impact, and community capacity. [Learn more.](#)

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