



Theoretical article

LEADERSHIP APPROACHES IN CRISIS SITUATIONS: A PSYCHOLOGICAL ANALYSIS OF ARTON BURTON'S MANAGEMENT AT ASTRO AIRLINES

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Abstract

The article describes and analyzes the rise and fall of Astro Airlines, led by its founder Arthur Burton. It examines the leadership style of the once-successful leader, Burton, who founded the company in 1980. His vision as a leader had a significant impact on the airline's success in the following years, despite tough economic conditions and industry wars that paralyzed most airlines. However, the study and analysis of the Astro Airlines case present two phases – one in which the company was successful in business and rapidly expanded, and another in which the long-term success of the company was not realized due to leadership problems, primarily related to the internal organizational structure, eventually leading to bankruptcy. Under Burton's visionary leadership and significant presence, the company quickly grew and achieved success with a low-cost model. However, as the company expanded, Burton became stagnant in his views, refusing to adapt the company to changes or seek new perspectives. His belief that he was solely responsible for the success, combined with human weaknesses, blinded him to emerging issues. When challenges arose, Burton's inability to share leadership, institutionalize processes, and fully implement the idea that success is built on two key elements – low-cost flights and the promotion of innovation (Kareva, 2019) – led to destructive processes among employees. Ultimately, the rapid success was followed by bankruptcy.

Keywords: leadership, organizational structure, security

Leader-Follower Interaction

The concept of the interconnectedness and effectiveness of the relationship between leaders and followers is profound and multifaceted, encompassing psychological and social aspects. This relationship is typically viewed as an interaction where the leader guides, inspires, and directs, while followers support, learn, and are motivated by the leader's actions and values. The connection between leaders and followers can be seen as the foundation for the existence of any successful organization or social group. The leader is not an isolated individual but part of a dynamic system where reciprocity plays a crucial role, including empathy and shared responsibility, building a shared vision. The effectiveness of the leader-follower relationship depends on the leader's ability to inspire and motivate others while addressing their needs. Effectiveness can be measured in several ways: leadership charisma and influence, agreement and cooperation, flexibility, and adaptability. Most leadership theories emphasize the

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characteristics of leaders, followers, context, or their combination, viewing leadership from the perspective of what leaders provide to their followers, treating them as a group (Kaminskas et al., 2011). Evaluating leadership from the perspective of relationships provides insight into the influence of subordinates on leaders, which is no less important than the influence of leaders on subordinates. A challenge for leaders is to seek methods for building mutual trust and respect with their subordinates, thereby exerting influence within their workgroup by building mature partnership relationships with each subordinate and avoiding inequalities. The quality of interaction between leaders and followers is the essential process of forming leadership. After analyzing data from his research, John Kotter discusses change management processes and provides a model for overcoming organizational crises, emphasizing intuition and a sense of timely change, a clear vision, and a resource of supportive people in the team (Kotter, 1996). Thomas Joseph identifies three main types of relationships—collaborative, partnership, and engaging—which significantly influence the leader-follower connection and individual representation in different aspects (Joseph, 2016). Leadership involves influencing others to achieve group or organizational goals. Leaders can use various influence tactics and leadership styles to guide their followers toward achieving these goals (Yukl, 2013). Leadership is a process where an individual influences a group of people to achieve a common goal. Effective leaders motivate others to give their best and lead them through the challenges of organizational life (Northouse, 2018). In other words, leaders must ensure a balance between their approach and the need for stability and structure within the organization. It is important to consider not only enthusiasm and motivation but also the need for professionalism and effectiveness in management.

Leadership and Leader Behavior by Arthur Burton

The choice of leadership style by a leader should depend on the situation. Leaders must be aware of the level of autonomy their followers need and the complexity of the tasks they are working on (Tannenbaum & Schmidt, 1973). Leadership can be viewed as a process of influencing significant changes in attitudes, beliefs, and behavior while focusing on the process of exchange to meet the needs of followers (Bass, 1990). Arthur Burton, founder and leader of Astro Airlines, can be described as a charismatic leader and visionary who possesses a strong sense of purpose and conviction but fails to manage the company effectively in the long term. As a leader, he is dynamic and emotional, dedicated to his vision for the company and striving to inspire his employees through enthusiasm and optimism. At the beginning of establishing the airline, Burton had a vision for it. He gathered enough information about the airline industry and found the path by which a successful business in air transport could lead to success. Burton was not only confident in the path he had chosen for the business, but he also possessed leadership skills. In fact, he had the ability to share his vision with his workers and influence their actions. With his inspiring and impactful speeches, he not only earned the love of his employees but also built a reputation among them. This respect and loyalty contributed to

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transforming his vision into action. Burton can also be described as a creative and innovative leader. This is because he was able to manage a startup company during a major recession and transform it into a giant. His belief in teamwork inspired his choice of a participatory management approach, which other companies and organizations did not recognize. However, Burton failed to create stable and effective management structures and did not implement adequate measures to address the operational problems that arose with the expansion of the company. He attempted to create a strong corporate culture that encouraged innovation and equality, but ultimately, the lack of formalization of the structure and the unsuccessful attempt to appoint experienced managers led to growing difficulties. Burton was inclined to expand the company too quickly, without considering the realistic level of resources and external circumstances, which led to serious financial and organizational problems. Burton was a thoroughly charismatic leader. His eloquence in speeches, influence, persuasion, and personality ensured loyalty among his employees (McCleskey, 2014). For this reason, he was able to share his vision with them. In fact, employees liked him, and the structure of the command chain was also well received. They not only enjoyed working in an environment where they were valued, but they also felt part of the company through stock ownership, as Burton had prioritized. Burton's strategic plan to reduce operational costs and ticket expenses was not only creative but also successful.

Proposed Solutions for Astro Airlines' Problems

To address the challenges faced by Astro Airlines, it is essential to reassess Arthur Burton's leadership approach and implement measures to create a stable and effective organizational structure. Key steps could include:

- **Establishing Organizational Structure and Hierarchy**
Astro Airlines should create clear hierarchical levels of management to facilitate effective decision-making. The number of managers should increase in line with company expansion, appointing experienced and qualified individuals to lead different areas. This hierarchy is not just a structure but a framework for clarity regarding responsibilities and operational efficiency. Without it, direction may be lost, and the work process may become disorganized and ineffective (Drucker, 1993).
- **Enhancing Employee Qualifications and Skills**
Invest in training new employees and create systems for ongoing support and team development. Instead of relying solely on the enthusiasm of young employees, provide structured training to master necessary skills and take on higher-level responsibilities. Investing in employee training and development is crucial for organizations seeking to maintain a competitive advantage. Qualified employees are not only more productive but also more motivated and engaged, contributing to the organization's success (Armstrong, 2014).
- **Managing Managerial Pressure**

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Ensure support for managers in handling pressure and stress. This could involve delegating authority and responsibilities and optimizing internal communication to reduce time spent in meetings and improve decision-making processes. Managerial pressure significantly increases when organizations face constant change, global competition, and the need for innovation (Mintzberg, 2009).

- **Improving Communication and Collaboration**

Stimulate open and effective communication across different company levels. Leaders should encourage active interaction among employees and create a culture of transparency and openness, leading to a better understanding of needs and problems. Learning more about a specific role enhances the ability to handle it effectively (Божинова, 2001).

- **Realistic and Adaptive Growth Strategy**

Instead of focusing solely on aggressive expansion, reassess the growth strategy to ensure it is sustainably built on realistic expectations and analysis of the external environment. Prioritize operational optimization over the mere quantitative expansion of the route network. Adaptive growth in organizations involves responding to changes in the external environment and adjusting strategies, structures, and processes accordingly. This flexibility is critical for achieving sustainable success and competitiveness in a constantly changing market (Kotter, 1996).

- **Engaging Employees with the New Vision**

Leader-follower interaction should be based on mutual trust and shared responsibility. Efforts should focus on building deeper employee engagement by providing opportunities for active participation in solving company problems and implementing strategy. Employee engagement with a new vision is crucial for organizational change. When employees understand and connect with company goals, they are more motivated, engaged, and willing to contribute to the transformation process (Kotter, 1996).

Conclusion

The analysis of the Astro Airlines case highlights the importance of effective leadership in the dynamic and competitive aviation sector. Despite the company's significant potential and innovations, the leadership decisions made during the crisis demonstrate how unpreparedness for change management can lead to serious organizational problems. Leadership plays a crucial role not only in strategic management but also in motivating employees, communication, and creating a culture of trust and responsibility. Through the example of Astro Airlines, it becomes clear that leaders must be flexible, adaptive, and capable of making tough but informed decisions in times of uncertainty. The power of a visionary approach and the ability to inspire teams can be decisive in overcoming challenges and achieving long-term success. The Astro Airlines case is an example of how leaders must not only have a strategic vision but also be able to build trust and manage changes effectively during crisis moments. The lesson from this case is clear – successful leadership is a balance between innovation, sustainability, and the

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ability to lead people through business difficulties. In the context of leadership in crisis situations, as described in the literature, leaders must demonstrate the ability to respond reasonably and knowingly, lead and motivate the team, be flexible and adaptive, and demonstrate ethics and transparency. These qualities are essential for overcoming crisis situations and guiding the organization through difficult times. The Astro Airlines case shows that the lack of these qualities can lead to serious consequences, while their presence can guarantee sustainability and success.

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