

## Lessons from Corporate Crisis Management: Preparing for the Worst

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The threats to which we are subject are as onerous as any time in history. The list below is just a sampling of the many that endanger us.

The Unexpected Loss/Experience of One's:

- Loved ones/close personal friends
- General physical and mental health
- Income/bankruptcy/financial ruin
- House and hearth
- Good reputation
- Personal safety
- Felt sense of security
- Self-esteem and respect
- Community standing
- Confidential/personal information
- Culture/way of life
- Country.

In a series of books, I've explored the general Types of Crises to which all organizations, Big and Small, Public as well as Private, are subject. The parallels between the personal Threats listed above and the Types of Corporate Crises is uncanny. Indeed, with just slight changes of wording, the two are virtually identical. Unfortunately, that's where the similarities end. What the best organizations do Before, During and After major Crises are strikingly different from what individuals generally do, indeed are able to do.

Long before they actually occur, the best Proactive Crisis Prepared Organizations consider via multiple Worst-Case Scenarios how each of the various Types can and will happen to them. In other words, they do not discount any of the Types because they don't abide by the rationalization "Certain Types of Crises only happen to others in industries totally different from ours." Instead, they ask, "Even though,

for example, we may not be directly in the Consumer Products Business, what's the form of Product Tampering that could happen to us?" In this way, they not only consider the possibilities of any and all of the Types, but they actively prepare for them. Indeed, they ask, "What are the various Early Warning Signals that indicate that a particular Type is imminent and that therefore we need to do everything that we can to mitigate, if not prevent it from happening altogether?" Furthermore, since no Crisis ever happens in isolation, what are the other Crises that it will set off?" Indeed, what are the other Crises that can cause it? In other words, we need to think and act Systemically, or we are not prepared at all.

Right away, this stands in sharp contrast to individuals who at best can handle only one crisis at a time, if that.

A critical part of the preparations of the best Proactive Organizations consists in forming multiple Crisis Management Teams (CMTs). Representatives from all the major corporate functions play a vital role. In one way or another, all of them are involved in responding to all of the aspects of a Crisis: Financial, IT, Legal, PR, Security, etc. In addition to the top officers, representatives from the middle and bottom layers of the organization also need to be included as critical members. Indeed, those at the "bottom" often see impending signs of Crises and inherent weaknesses that those at the top are reluctant to admit.

All of the preceding and more constitute the Before Phase of Crisis Management. The During Phase consists primarily of activating one's prior Crisis Preparations. The CMTs bear major responsibility for responding in the best possible ways. The first priority is of course attending to those who've been injured and thus taking responsibility. The critical point is that without advance preparations, merely Reacting generally makes things worse. A Crisis is the worst possible time to do all of the things that should have been done Before.

The After Phase consists of a brutal, no holds barred examination of what one did Right versus Wrong. What are the critical lessons that need to be learned and what ensures that they will? As in the case of Policing, does it call for drastic changes in the Culture of the organization so that it does significantly better next time? Indeed, what were the barriers that prevented it from acting as well as it should?

From the discussion thus far, it should be clear that few individuals have all of the relevant expertise and experience that the best Proactive Crisis Prepared organizations possess. Certainly, one's personal Advisors don't necessarily communicate with one another. Thus, one's Financial Counselors, if one has them, rarely, if ever, speak to one's Medical Doctors, and even less to one's Therapists, both individual and family, once again if one has them.

The closest that individuals come to matching the best Crisis Prepared organizations is by means of memberships in progressive Community Associations. If they are fortunate enough, then their families have also learned the value of helping one another in preparing for the Unthinkable. Indeed, Crisis Management is fundamentally the Art and Science of Thinking the Unthinkable, and then doing everything in one's power to prevent it from happening.

One thing is clear. No one can do it alone. New forms of Family and Community Assistance are needed as never before in preparing for the multitude of Crises that bombard us daily.

If there be any doubts, Covid 19 is enough to dispel them. Indeed, it's the classic case of a "Crisis with a Thousand Faces". What started primarily as a major Medical Threat-Pandemic-soon impacted the Economy, Schooling, Nursing Homes, Airline Industry, etc. Indeed, it's led to mass resignations of School Principals and Medical Workers of all kinds who can't take the Undue Stress of working with students, parents, and people in general.

Unless we learn to think and act Systemically, I see no hope of our doing better next time. And, there surely will be a "next time!"

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