

Crisis Management

Making decisions in uncertainty

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What is a crisis?

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What is a crisis ?

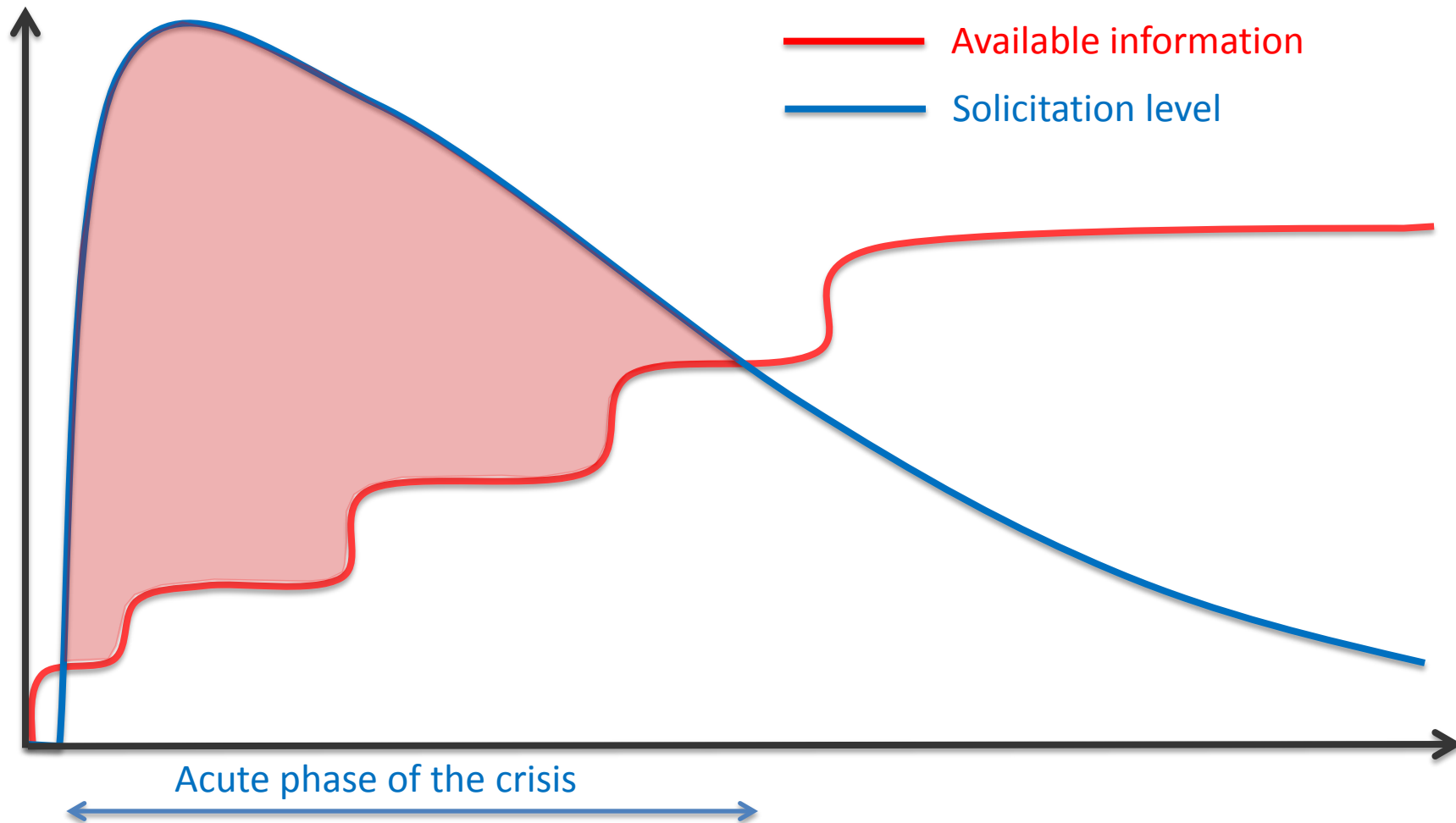
- Low probability
- High potential impact
- Uncertainty regarding causes and consequences



Inability of regular processes to cope with the situation

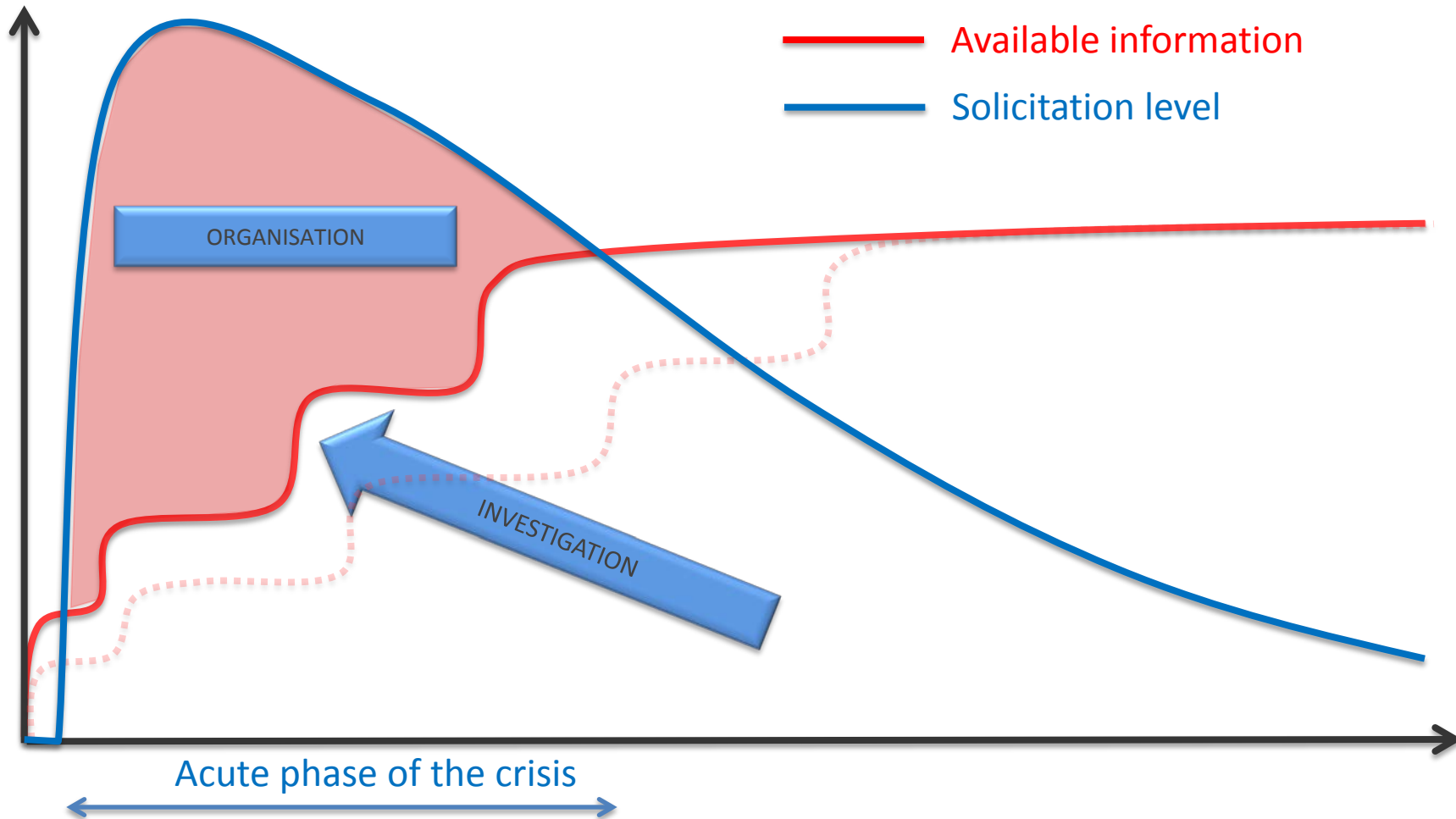
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Characteristics of a crisis



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How to compensate



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Evaluate the event

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Is the organisation dealing with a crisis? – Assess the situation

Rate the following questions on a scale of 1 to 5	0	1	2	3	4	5
Are the media involved or is there a chance they may be involved?						
Is the safety of the employees at risk?						
Is the integrity of the facilities at risk?						
Is there a risk for the environment?						
Is production likely to be stopped?						

If the addition of all ratings is equal or superior to 11, then
summon the crisis team.

?

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Is the organisation dealing with a crisis? – Assess the situation

Does the situation	Yes	No	Comments
cause or create the risk of a severe break in continuity?			
raise uncertainty as to the course of events?			
represent a threat to people and/or to the business and/or to the environment?			
represent a complex or critical or unusual difficulty?			
involve high stakes (impact on the business/reputation)?			
require a rapid response and an ad-hoc action plan?			
involve many stakeholders (consumers, authorities, media, etc.)?			

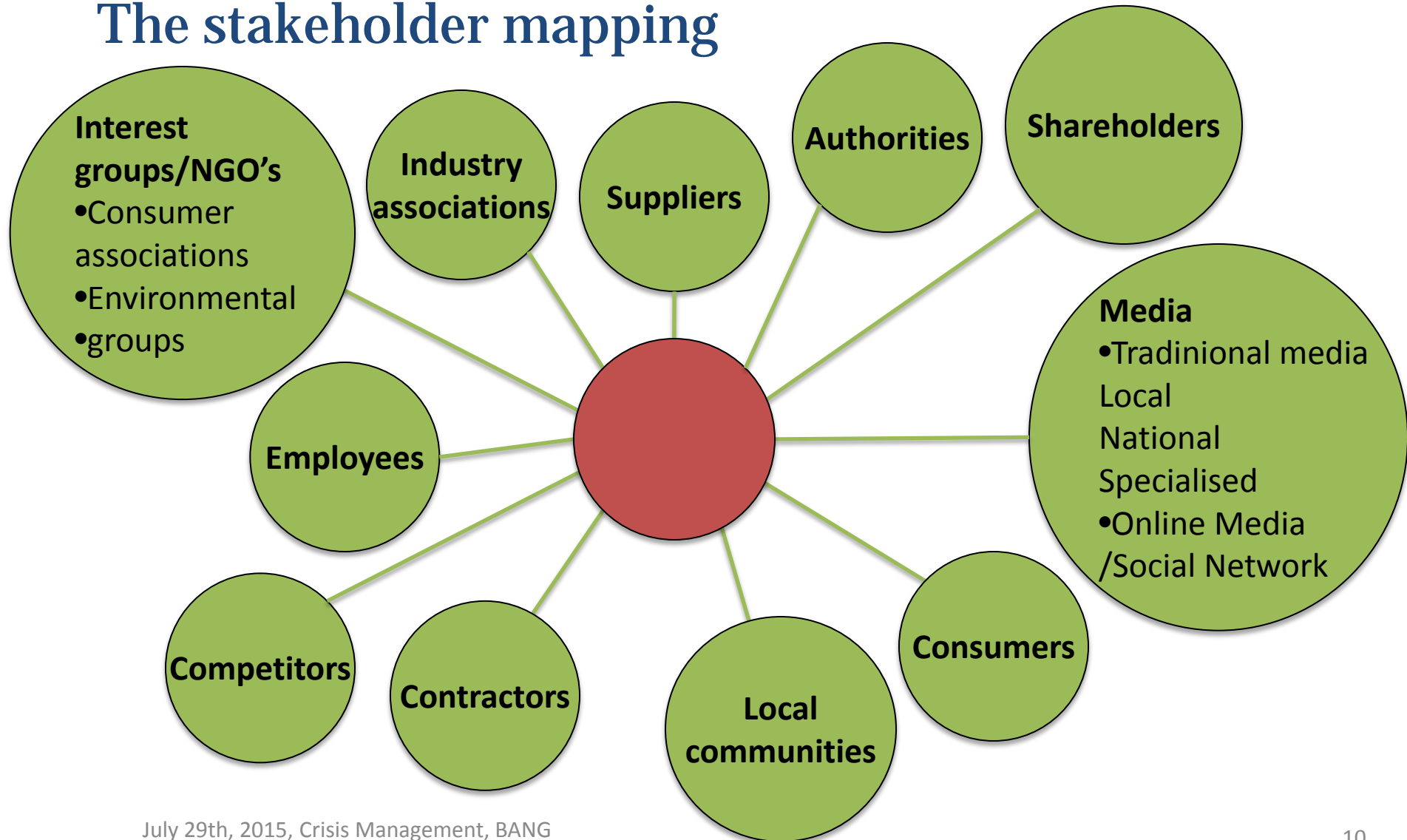
If the answer is YES to one or more of these questions, it is likely that the situation is a crisis. Therefore, the Crisis Team should be gathered.

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Determine the Scope

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The stakeholder mapping



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Assign roles and tasks to the CMT members

- ▶ When it is clear which areas of the business are impacted:
 - ▶ Define objectives
 - ▶ Assign roles
 - ▶ Determine priorities
- ▶ Make sure everyone stick to their roles



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Leading a Crisis management team – a two men's job

Coordinator

- ▶ Assesses the situation and recommends the crisis team setting-up
- ▶ Manages all aspects of the crisis under the Crisis Leader's oversight
 - ▶ Follow-up on ideas and action plan
 - ▶ Manage resources
- ▶ Updates all Crisis Team member when needed
- ▶ He/she should:
 - ▶ Know the organisation and the process very well
 - ▶ Have no expertise required for the management of this crisis
 - ▶ Have leadership

Crisis Leader Decision-maker

- ▶ Confirms the assessment of the situation made by the coordinator
- ▶ Decides who should be part of the crisis team
 - ▶ Smallest possible number of people
 - ▶ Composition varies depending on the nature of the crisis
- ▶ Makes decisions
 - ▶ I line with the organisation's policy

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Define a strategy

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Decision-making under pressure

Mid/long-term

Short-term

Strategy

Exhaustive investigation

Immediate responses

Impacts on business and reputation

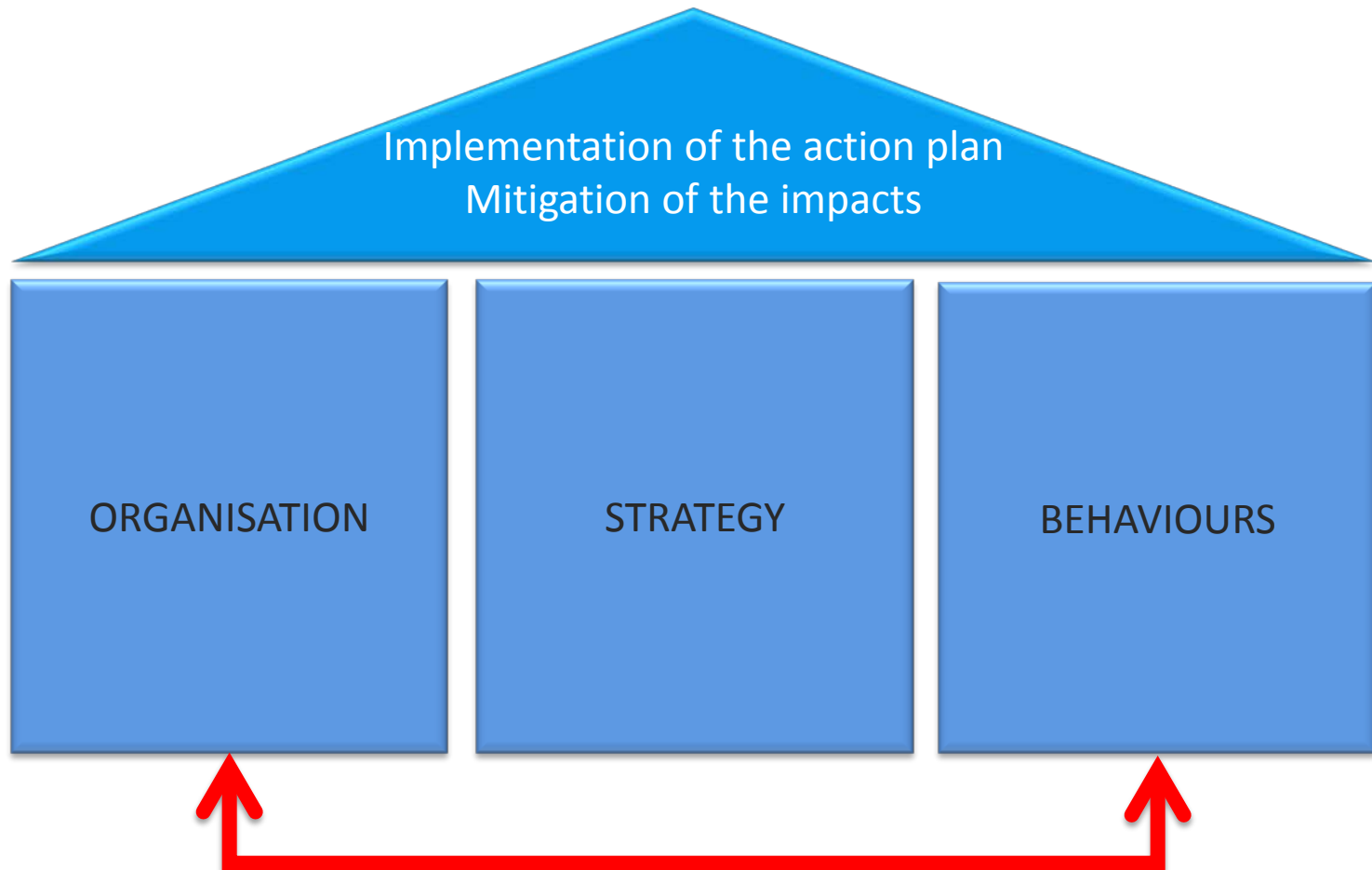
Unnecessary proactive communication



Must resist the temptation to put out the fire!

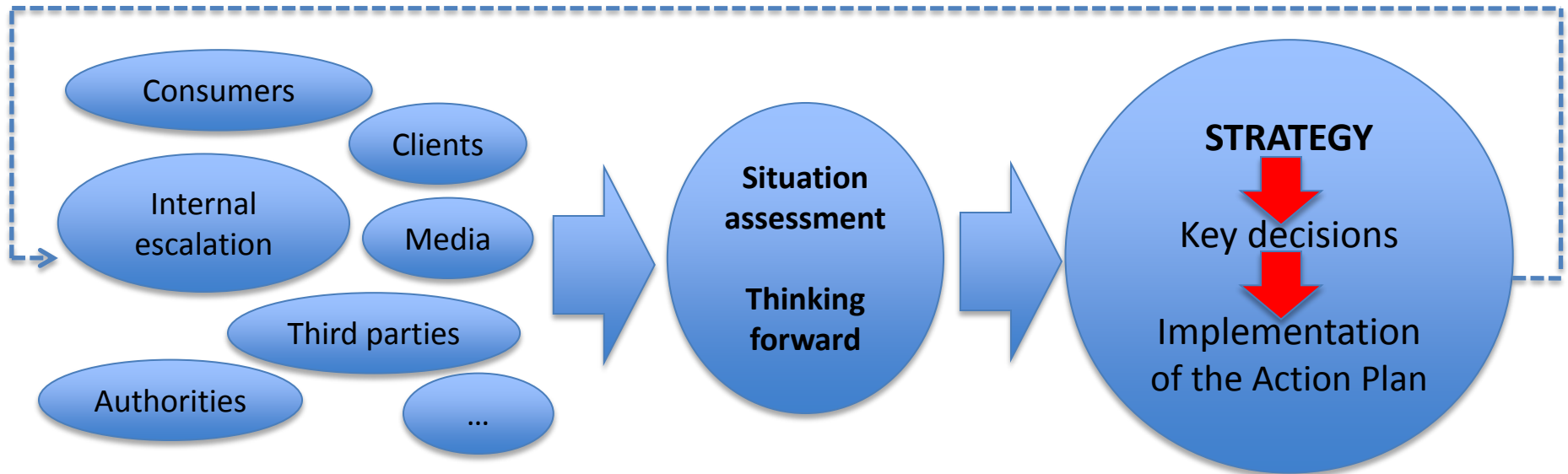
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Crisis Team's mission: to mitigate impacts *whilst trying to maintain 'business as usual'*



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Decision-making cycle – strong organisation



Incoming information

- Call management
- Media monitoring
- Investigation team

Analysis

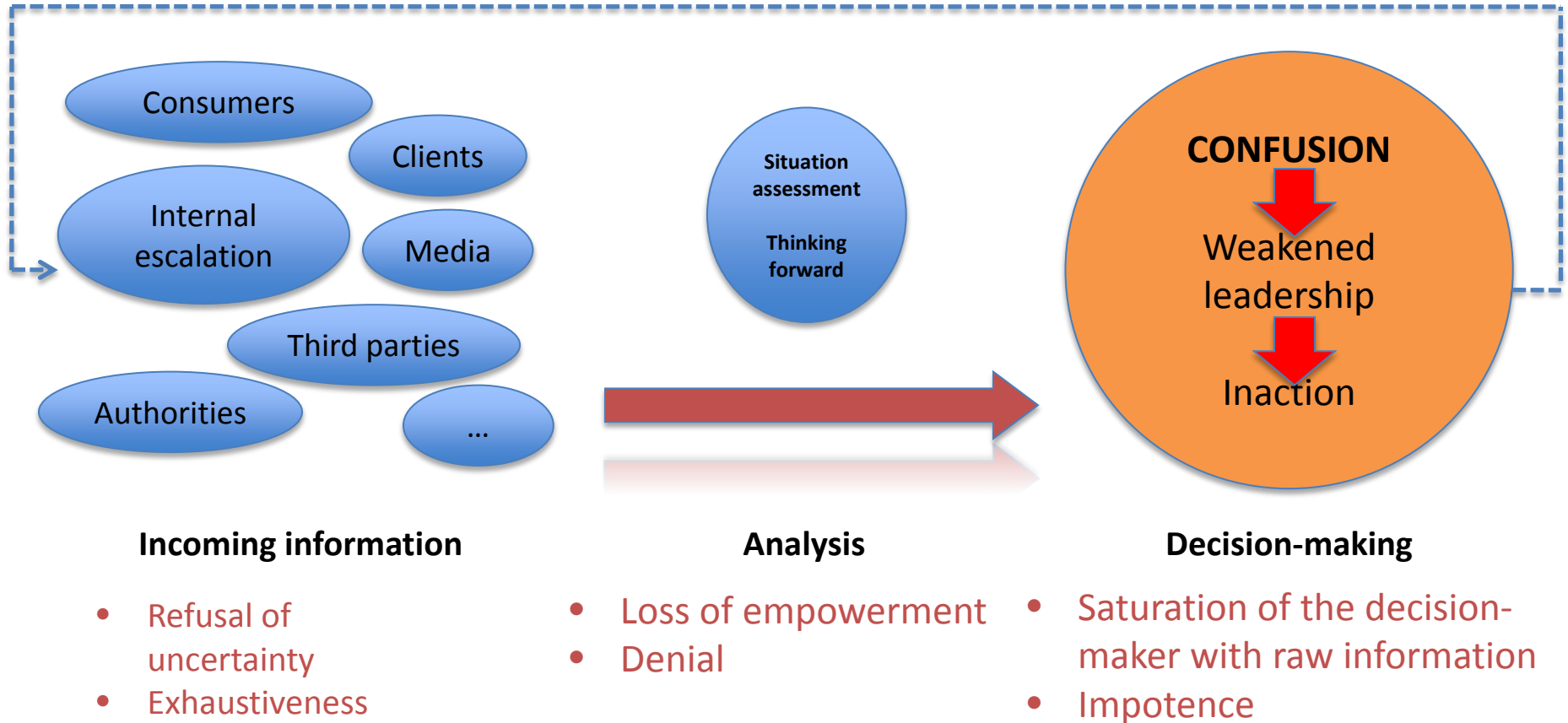
- Coordinator
- CMT members

Decision-making

- Decision-maker
- Coordinator

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Decision-making cycle – weak organisation



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The decision-maker and his challenges

- ▶ Personal stakes
- ▶ Stress and self management: impact on his behaviour/posture
- ▶ Analysis (to understand, to plan) Vs **Synthesis** (to decide)
- ▶ Long-term (strategy) Vs Short-term (emergency responses)

→ THE WHOLE TEAM SHOULD FOCUS ON BUILDING A “SAFE” ENVIRONMENT AROUND THE DECISION MAKER:

▶ **No solicitations without**

- Response options
- Estimation of a timeframe
- Strategy orientation recommendations
- Items already discussed/challenged

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Maintain a good level of information

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Maintain a good level of information

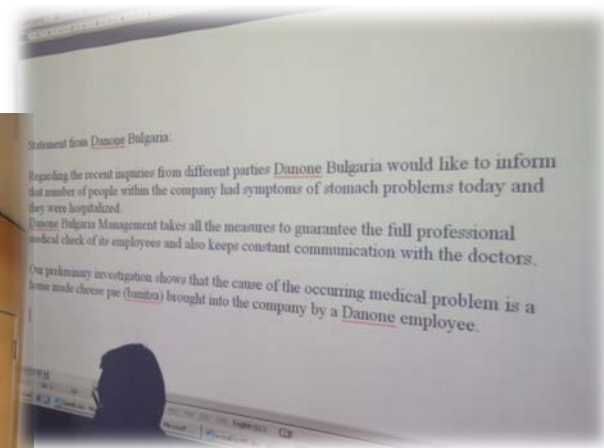
- ▶ **Consistency**
 - ▶ Same message delivered by crisis management team members to ALL stakeholders
- ▶ **Awareness**
 - ▶ Current objectives and instructions known and understood by all crisis management team members
- ▶ **Follow up**
 - ▶ Verify all actions undertaken are being followed-up

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Maintain a good level of information – the tools

Wall communication

- ▶ Communication
 - ▶ Updated holding message visible by all
- ▶ Action plan
 - ▶ Ensure all actions are carried out
- ▶ *Consistency*
- ▶ *Awareness*
- ▶ *Follow up*



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Maintain a good level of information – the tools

Log book/to do list

- ▶ Clean record
 - ▶ Investigation
 - ▶ Insurance
- ▶ *Consistency*
- ▶ *Awareness*
- ▶ *Follow up*

- ▶ Post crisis analysis

Date / Hour	Event/Item	Decision	Person in charge	- Done Yes /No - Time

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Maintain a good level of information – the tools



Call record sheets

- ▶ Keep track of all solicitations
- ▶ Retrace specific requests
- ▶ *Consistency*
- ▶ *Awareness*
- ▶ *Follow up*

Behaviour – working well together

- ▶ Work on the listening skills of the team
- ▶ Double-check incoming information
- ▶ Reformulate to make sure you share a common understanding
- ▶ Monitor the way crisis team members handle pressure
 - ▶ Organise rotation with deputies
 - ▶ Include as many support functions as necessary

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Conclusion

- ▶ Time that was lost is never recovered
- ▶ It's difficult to correct a bad path
- ▶ The 'weapons' of the crisis management team:
 - ▶ Crisis management documentation
 - ▶ Preparation and training
 - ▶ Common sense

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Questions?

