Turbulent Times
Strategies for dealing with catastrophes, Black Swan events & Crisis Management
Agenda

• Welcome & Introductions
• Overview of Black Swan – 15 minutes
• Moderated Discussion – 20 minutes
• Open Audience Q&A – 5-10 minutes
A Black Swan

• Strategic, not Tactical
• Black Swan = highly improbable event with 3 characteristics:
  – It is unpredictable
  – It carries a massive impact
  – Organizations can be blindsided because they concentrate on what they know and fail to consider there are things they don’t know
• Frequency may be statistically insignificant, these events DO occur

What is Crisis Management during a Black Swan?
Characteristics of an Incident

- Linear
- Assessable
- Predictable
- Containable

Approach:
- STRUCTURED
- SCALED
- PRE-DEFINED
- PRE-PLANNED
- RESPONSIVE
Characteristics of a Crisis

Complex

Extraordinary

Asymmetric

Unstable

Approach:
FLEXIBLE
EMPOWERED
INTUITIVE
CREATIVE
PROACTIVE
Causes

- A Lack of Preparedness
- Inappropriate Responses
- Systemic Failure
- Inertia, “Paralysis of Analysis”
- Poor messaging
- Ignorance & Arrogance
Why Should We Manage Them?

• To support our People - demonstrate Duty of Care
• Operational resilience (to sustain business)
• Regulatory requirements
  – OSHA, FCPA, Workers Compensation, Cyber breach
• To continue generating revenue
• Reputation
Why Should We Manage Them?

- “A well-managed crisis can demonstrate the positive qualities of an organization and enhance its general reputation”

- Denial, fear and or complacency on the part of senior management will increase the organization’s vulnerability, hamper its response and degrade its capacity to recover from a crisis”. 
Who: Crisis Management Team

- Define roles & responsibilities (& ownership)
- Provide plan/structure; objectives & aims
- “Add Value”
- Training (familiarization)
- Improvement
Roles on the Crisis Management Team

- **Crisis Team Lead**: Lead, coordinate, documented, Board & Site Liaison, Site Oversight, final decision maker
- **Legal**: Advisor (obligations & liabilities), work with risk management on insurance, advise on statutory obligations
- **HR**: Advisor on employees, family support, work with risk management on insurance, advise on obligations
- **Facilities/Security**: Provide art-of-the-possible guidance for site/portfolio planning
- **Finance**: Assess impact, advise on access to funding, record financial decisions
- **Comms/Marketing roles**: crafting internal & external comms, media strategy, advice on comms response, media engagement
- **Site Representative**: individual from location of crisis
- **Scribe**
Decision Making

- *Tempo* is Important
- “So What”
- Inevitability of:
  - Trade-Offs
  - Conflicts of Interest
  - Stress, Pressure, Fatigue
  - Clashes of Personality & Style
- Possibility of:
  - Distress, Anger,
- Consequences measured in years - Must be Recordable

Right Decision Preferable
Wrong Decision Regrettable
No Decision Unforgiveable
Recording Actions & Decisions

• Provides Structure for decision-making
• Presents your Strongest Mitigations
• Management of Information – The Common Recognized Information Picture (CRIP)
• Shows Who, What, When, Where, Why, How
• Demonstrates Competence
• Supports Defense against Prosecution

“If it’s not Written, it Never Happened” !!
Recording Actions & Decisions

- Bronze – 1 day
- Mass decon
- Air cond
- Surrey IRU DIM x 8
- Suitcase? Suitable?
- 2 (7?) DIM
- Wait? Nail?
Communications – What it Should Say

• Inform
  – Current, accurate, timely

• Reassure
  – Situation is being managed

• Effective
  – Care for those involved / affected;
  – Analysis and identification of causes;
  – That leadership is in control
  – The organization is prepared
  – The organization is resilient

• Establish
  – Expectations
  – A way forward
Spokespersons

- Someone who is Trained
- Someone who has the Facts
- Someone who has been Briefed
- Someone who can Speak Well
- Someone who can follow the Script
- Someone who Knows the Company Well
- Someone who understands the media
- Someone who is Presentationally “Right”
Key Points

• Know your priorities
• Understand triggers and escalations and to use them
• Empower crisis management team
• Promote “decision cycling”
• Record events and decisions
• Communicate effectively
• CMT must *add value* to the situation
• Identify, learn and implement lessons

Remember:
*Right Decision Preferable*
*Wrong Decision Regrettable*
*No Decision Unforgiveable*