



The Secret to Effective Crisis Management

By Richard Martin

Crisis management often gets a bad rap as in, “that company/manager is always in crisis management mode”. There are no doubt plenty of people who have such poor management skills that they are constantly confronted by crises. However, even the best-run organizations and the best leaders can be confronted with a crisis at any time.

A crisis is any abrupt change that poses a vital threat to the viability or capabilities of an organization. The secret to effective crisis management is intelligent preparation, information gathering, and cool-headed execution. Here are 10 principles or techniques you can use to better prepare and manage crises.

1. Senior executives must be serious about crisis management and must set an example by investing time and resources for realistic planning and organization.
2. Prior to and after a crisis strikes, it is critical to collect and validate information about what is actually happening. Remember that the first information you get is often wrong.
3. Whenever a crisis strikes, DON'T OVERREACT! Stay cool and put the contingency plans and procedures into effect.
4. Consider the 6 P's of crisis management:
 - Prevention
 - Planning
 - Procedures
 - Priorities
 - Practice
 - People
5. Prevention involves minimizing exposure to crises or chaotic situations. Try as much as possible to exercise due diligence and sound management before the fact in order to avoid getting into such situations.
6. Contingency planning involves making plans for situations (contingencies) that are either highly likely, or potentially very damaging to the organization and that will allow you and your organization to spring into action when required.
7. Create procedures to deal with crises and other unforecasted discontinuities in business or the environment. Pre-established procedures will help you navigate the crisis because they are common to the entire organization and they allow you to perform without panicking.
8. Set priorities for contingency planning and crisis action. Consider the following factors when setting priorities:
 - Degree of danger to people
 - Organizational viability/survival
 - Requirement for due diligence
 - Potential legal liability
 - Financial impact
 - Need to maintain business continuity.
9. Practise the plans and procedures before they are actually required. This will allow proper training and familiarization, as well as refinement through after-action review.
10. In the final analysis, sound crisis preparation is about people. You must select and prepare your employees, managers, and senior executives for the contingencies that have been identified. Consider a training program based on technique # 9. Also consider bringing in outside help to conduct the contingency planning and the training, either through temporary or permanent arrangements.

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