HOW GOOD PREPARATION CAN SAVE YOUR ORGANIZATION IN A CRISIS

LESSONS FROM IMD AND THE SWISS ARMED FORCES ABOUT HOW TO BE READY FOR THE WORST

By IMD Professor Stefan Michel, with Brigadier General Thomas Suessli
The Swiss Armed Forces recently completed a 48-hour intensive crisis simulation exercise. For a change, it didn’t train military staff, but a group of international Executive MBA graduates from IMD. As part of the curriculum, the EMBAs receive training in crisis management. The course is their last big challenge before graduation. The exercise took place in a Swiss military fortress 300 meters underground, where, as you can imagine, there is no phone service, Wi-Fi or five star rooms.

The definition of a crisis, in this non-military context, is an emergency that can trigger an organization to spiral out of control. Crises are characterized by immense time pressure, media scrutiny, and partial or false information circulating in real time that can create an incomplete picture of an unravelling situation.

The training was intense and inspiring for all parties involved. The 45 executives were organized into groups of 11 with each team being assigned a Chief-of-Staff and an Assistant-Chief-of-Staff. The other team members made up the functional cells, overseeing communications, operations and commercial activity.

The teams were responsible for the smooth running of an international airport. The severity and complexity of the exercise increased over the 48-hour period. Weather conditions worsened, fuel was contaminated and diplomatic flights had to be prioritized, among other challenges.

The teams were given a crash course in a comprehensive set of processes, techniques and tools that the Swiss Armed Forces uses to handle crisis situations.

First and foremost, leaders have to monitor the situation and hold recurring briefings to inform everyone concerned about the latest developments. Besides updating staff, a situation briefing is held in order to decide whether new measures should be implemented, contingency plans triggered, or if a new planning process needs to be started.

The Swiss Armed Forces’ problem solving process follows five plus two (5+2) consecutive steps.

1) Understanding the problem
2) Assessing the situation and identifying possible courses of action
3) Choosing the desired outcome and one particular course of action
4) Developing a detailed and executable plan
5) Giving orders to those who have to carry out the various tasks

In short, the process can be summarized as understand – decide – communicate.

+1] In addition to the above five steps, the problem solving process is handled in parallel by the overall leader and the staff. Specific briefings are held to synchronize the staff, share information and allow the overall leader to make decisions.

+2] All information relevant to the management of the crisis is displayed on an operations board. Progress is tracked by displaying tasks to be carried out, obstacles, timelines, available resources and a risk matrix, indicating possible threats. Visualization is key as is keeping the situation board up-to-date at all times.

In a high profile crisis, there is also a strong chance that the media will know something is going on and will be curious. Therefore all key players have to be briefed on how to respond to media inquiries: always have a positive key message prepared before going into an interview, stick to your defined time table, and keep your promises!

In a crisis situation, time will always be your enemy. Hence preparation is crucial and can be life-saving for your organization.

To optimize your chances of successfully coming out of a crisis situation on top, start by setting up a crisis management team and procedure before you need it. Assign key roles such as Chief-of-Staff, Assistant-Chief-of-Staff, as well as an intelligence team, operations and media cells. Make sure that the resources needed to handle a crisis are available 24/7.
Next, prepare contingency plans for your organization’s worst case scenarios. They should be geared toward bringing about your desired outcome and include a realistic timeline and set of actions. Also don’t forget to think about what support might be needed. Figure out which KPIs will help best evaluate performance in a crisis based on how your organization operates in non-crisis mode.

Finally, practice, practice, practice. Make sure to test your crisis teams on a regular basis using realistic but challenging scenarios.

IMD’s EMBAs showed a lot of endurance and quick thinking during their 48 hours in the fortress. They used their strong leadership and were crisp and clear communicators despite lack of sleep and mounting stress levels. Willpower is your best friend when you’re facing a tough situation and it’s what you need to perform and deliver.

We hope none of you ever get into a serious crisis situation. But if you’re prepared in advance, you’ll be better positioned to weather the storm.

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