

ISB CTO

Week 20: Leading through Crisis

Video 1: Leading Through Crisis: Introduction

- Crisis management requires a proactive approach, including planning for both technical and non-technical failures.
- Cyber resilience is essential, with business continuity planning (BCP) and regular crisis simulations being key components.
- Data privacy safeguards must be established to prevent breaches and misuse of sensitive information.
- The responsible use of AI is crucial, as it can lead to significant job disruptions and requires thoughtful workforce retraining.
- The evolving role of technology leaders involves not only managing technical crises but also addressing broader organisational challenges.

Video 2: Case Study: Johnson & Johnson Tylenol

- The essence of crisis management lies in acknowledging a crisis promptly.
- Acknowledge the existence of a crisis promptly.
- Avoid adopting an ostrich-like approach, face the crisis head-on.
- Respond swiftly and decisively.
- Consider overreacting to eliminate even the slightest risk.
- Embrace continuous improvement.
- Rebuild trust through transparent communication and robust actions.
- The Tylenol crisis exemplifies the significance of rapid and decisive responses.
- Overreaction, when safety is at stake, can be a prudent strategy.

Video 3: Case Study: Johnson & Johnson Baby Powder

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Video 4: Purpose, Strategy and Values

- The response to crises is a fundamental aspect, and the first rule is to recognise the crisis and act promptly.
- The impact of a crisis varies across industries; some face severe challenges while others find opportunities for growth, as demonstrated by the contrasting experiences of industries during the COVID-19 pandemic.
- Adaptability is crucial during a crisis; businesses that pivoted their operations, like the high-end restaurant turned grocery store, showcased resilience and creativity.
- Industries related to home consumption, medical supplies, entertainment and personal care experienced a surge in demand, presenting a different set of challenges related to meeting heightened demand.
- Preparedness is essential before a crisis occurs to ensure that a business emerges stronger than before, surpassing competitors and industry benchmarks.
- The mindset for crisis management should focus on not just weathering the storm but on emerging stronger when the crisis is overcome.
- The anticipation that crises will happen is crucial, and the objective should be to position the business for increased strength post-crisis.

Video 5: Managing Crisis

- During a crisis, understanding the extent of control is crucial; focus on actions within one's control based on factual information.
- The importance of not getting paralysed by external factors and instead concentrating on what can be managed and influenced.
- A dual approach is necessary for crisis management—responding to the threat promptly to mitigate harm and then shifting focus to capitalise on the opportunities presented by the crisis.
- Swift and effective actions are crucial to remove the crisis from the spotlight, ensuring minimal harm and damage control.
- Crisis management involves a continuous journey, addressing the immediate threat and then strategising on how to emerge stronger post-crisis.
- Leaders are encouraged to reflect on past crisis management experiences, assessing whether they have balanced threat-based and opportunity-based responses effectively.

Video 6: Response to Crisis: Rules One to Five

- Recognition of a crisis is the first rule; avoidance or ignorance can lead to severe consequences.
- Building a diverse crisis management team with relevant skill sets, including legal, communications, corporate affairs and product quality experts is the second rule.
- Rule three involves appointing a devil's advocate to challenge groupthink and encourage diverse perspectives in decision-making.
- Rule number four is separating facts from opinions. Decisions should be based on factual information, and efforts should be made to gather more facts if necessary.
- Rule five emphasises the importance of recalling core values and principles during a crisis, not compromising on them and maintaining a commitment to the organisation's purpose.
- The importance of responding decisively and swiftly in an age of social media is emphasised, considering the potential impact and reach of misinformation.

Video 7: Response to Crisis: Rules Six to Ten

- Rule six states that view crises both as threats and opportunities, aiming to minimize damage while emerging stronger.
- Rule seven is all about communication. Prioritise communication during a crisis, addressing all stakeholders—employees, suppliers, governments, customers, and consumers.
- Tailor communications to be relevant, empathetic, and acknowledging the issue, providing frequent updates to prevent misinformation.
- Rule eight involves taking decisive action aligned with policies and values, and adjusting decisions as more facts become available.
- Analyse the aftermath of a crisis, identifying successes and failures, and focusing on lessons learned to improve future responses. This is rule number nine.
- Rule ten emphasises preparation before a crisis, establishing training programs, communication protocols, and simulations to scenario-play potential crises.

Video 8: Dealing with Individual Crisis

- Individuals, like corporations, face crises and need effective strategies.
- Acceptance of the crisis is crucial; blaming external factors is common.
- Success depends on actions taken during and after a crisis.
- It is acceptable to grieve and seek emotional release initially.
- Build a support network and financial resources before a crisis.
- Acquire new skill sets, preparing for the evolving landscape (e.g., leadership, AI, blockchain).
- Problems help develop the skill sets necessary for success.
- The mindset and preparedness with which an individual approaches a crisis contribute to personal growth.