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Crisis Management Tips

Introduction

The classical steps of risk management are avoidance, containment, transference and administration. That is when a crisis can be avoided, but in the face of coronavirus and all its disruptions, it already happened. So, we must turn to crisis management, the purpose of which can be summarized in one single word: Survival...

We must endure, as a people, as a family and as a business. And to do that, we must draw on the expertise of others.

What do the Experts Say?

A quick look at scientific publications shows the following. Pearson and Clair (1998) warn us about letting external crises become organizational crises, and recommend preparedness and orderly reactions to face them.

Coombs (2007) focuses on the vital role of communications in the management of a crisis; he says that the process must be sequential (as Mitroff, 1988, puts it, “cutting through the confusion”) and recommends singling out one spokesperson, alerting us to the importance of putting safety first in the eyes of the public and the consumer. Surely, any whiff of mercantilism in the face of this crisis will generate severe backlashes.

Elliott et al. (2010) focus the priority on business continuity and recommend naming a Crisis Management Team from the start to confront any situation in a multi-disciplinary fashion.

And Frandsen and Johansen (2020) warn us that most public guidelines on communication during a crisis are not research-based, which implies lots of improvisation, something which Fragniere et al. (2019) found to be most common.

What are others Doing?

Some are improvising, and that is normal, it seems; others are scrambling to put into action alternate methods of delivery that rely heavily on the internet; yet some are forgetting the importance of communication, both internally and externally in the management of the coronavirus crisis; too many voices, perhaps, everybody talks.

The following table summarizes some quick recommendations we put together as soon as we could settle in to work from home. In the next page, we will discuss some of the complications and implications of these tips.



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Discussion

Crises are disruptive, they are disturbing and they can be destructive. These are the consequences we want to avoid or contain. We must turn disruption into adaptation; we must appease its disturbing effects; and we must by all means prevent any destruction and/or work on reconstruction. We cannot let an external crisis become an organizational crisis (Pearson and Clair, 1998). The question is how.

Defining core processes is simple if you view it from the angle of the Client. What is it we do for him or her? Do we sell them food or clothing, or is it education, instruction or physical training, marketing communications, banking or insurance coverage? What consumers come to get from us and how we deliver value *is* our core process as Elliott et al. (2010) would suggest.

Finding alternate methods of work and value delivery will require some thinking outside the box, as it demands we do what’s habitual differently. What is habitual is the *status quo*. The question is how *else* can we deliver that

value in a way that is still unique? How can we deliver education, fitness training and instruction, marketing communications, banking or insurance advice and coverage through a different channel, making sure we do not drop quality in the process, and maintaining our differentiation, considering especially how these products and services are perceived? Wrap your head around this.

The same goes for adding value, not just through these alternate methods, but “above and beyond” the call of duty. What else would be of value to our customers in



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Objective	Approach	Tasks
To contain the impact of the crisis keeping safety first	Social distancing, working from remote locations, in this case, to avoid contagion	Assess the scope of the crisis, considering its psychological effects on
To minimize the effects of the crisis on the Customer	Core process mapping to define what must continue to be done and what can wait to be	Crisis Management Team; evaluate and choose alternate methods of
To add value in the face of the crisis and help others	Go above and beyond the crisis to help customers and suppliers	Newsletters, tips, social media and personal cont@ct
To insure the continuity of the business in the face of	Monetize alternate methods of work and delivery to maintain cash flow	Manage parallel value chains through multidisciplinary teamwork
To resume normal operations immediately once the	Back-office / back-log management to organize the resumption of operations	Think ahead, to “the day after”, and get ready for the next time



the face of the crisis? Soon, you may see mass retailers in health provide coronavirus tests. That would be one way. And insurance companies could very well promote these triage activities.

However, monetizing these alternate methods is the crucial question. How can we make money without seeming mercantilist amidst the crisis? This question brings us back to our core process: whatever our customer was paying for before, he or she will pay for during and after the crisis if we can design a value-adding method of delivery.

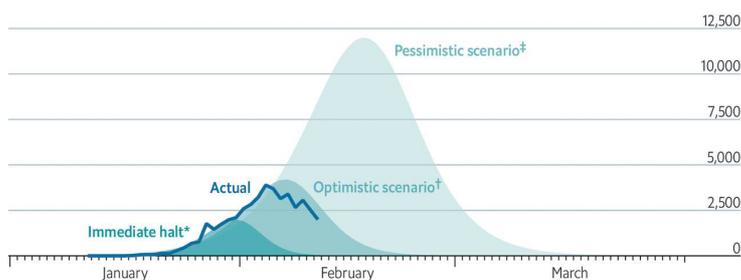
As Coombs (2007) says, communication is crucial, and that means internal communication to provide direction and at least some sense of security, direct marketing communications to address specific needs, personal communication to keep the consumer close, and social (and traditional) media communication to keep the message out there, especially, the relevant message in light of the crisis. Pertinence is important.

Conclusions and Recommendations

In spite of the good news now coming out of China (see chart below), the worst-case scenario is still gloomy for less fortunate countries. Close to 60% of the population could get sick, and with fatality rates peaking close to 7% abroad, that means that 4% of the total could die. You do the numbers. That is the reason for such extreme measures, Governments are trying to protect the herd, in epidemiological terms.

Breathe a bit more easily

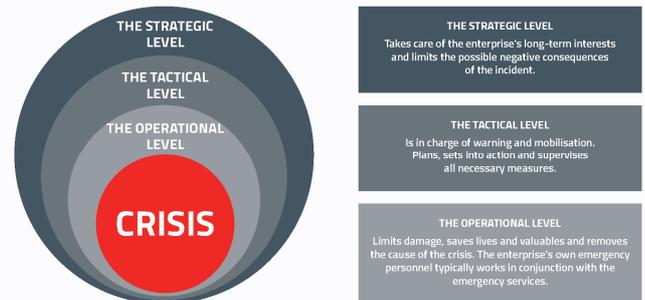
China, new confirmed cases of Wuhan coronavirus, 2020



Sources: Cheng-Chih Hsu, National Taiwan University; National Health Commission of China
 *Hypothetical model of Wuhan quarantine immediately stopping the spread
 †Based on estimates by Zhong Nanshan, Guangzhou Institute of Respiratory Disease
 ‡Based on estimates by Jonathan Read, Lancaster University

The Economist

So, do not improvise. Assess the crisis from the start, and consider its psychological, physical and financial effects, inside and out, and act accordingly. Define what must continue, and what can wait. Stay the course!



Lean on your team, that will increase the reach of your new delivery methods. Don't go it alone! Communicate (two-way) more than inform (one-way) and be considerate, try not to pile a personal crisis on top of this public health crisis.

Avoid social backlash, and be ready to contain it. In times of crisis, sensibilities will run high. Even what you don't say will hurt somebody's ears, and heart.

One thing is certain, it's going to get better, yes, but it's going to get worse before it gets better; and, moreover, if this does not happen again, another crisis will surely come around.

Buckle up!

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Cited references available upon request



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