

# From Crisis to Courage

How courage plays an integral role in the art of crisis leadership.

**CHECK. DOUBLE CHECK. CHECK** again. Because in the face of a crisis, your facts can never be too straight. And you can never be too sure.

But what really constitutes a crisis? When is negative press just a jab at a corporation, and when is it major enough for senior management to sit up and take notice? More importantly, what should a corporate leader do to protect the company's interests and garner stakeholders' support?

Jim Truscott, CEO of Truscott Crisis Leaders in Perth, recommends that all organisations identify their own crisis threshold, benchmarking it as the turning point that falls outside normal business events. A crisis occurs when a major interruption befalls usual business operations.

A crisis is an inevitable part of business. Managing a crisis, however, is what separates the swimmers from the floaters. Knowing how to control a crisis situation ensures a company swims to shore instead of merely keeping its head above water; it turns a crisis into an opportunity for courage.

There is a common misconception that certain industries, like oil and gas, aeronautical or pharmaceutical, are more prone to crises. Truscott contends that all industries are at risk, especially since the majority of crises are a result of inappropriate behaviour by senior management, ethical misconduct or simply plain unwise decisions that come back to haunt people.

Being a crisis leader extends beyond risk management and business continuity planning, although it shares the goal of proactive management. Just as the concept of leadership centres on the future, crisis leadership is about challenges that lie ahead with critical scenarios.

'Crisis leadership is looking for the location and challenges of the next jungle; not just checking the compass for the current one, nor is it about sharpening the machete,' says Truscott. 'Risk management identifies and mitigates important problems; whereas business continuity planning accepts some consequences as inevitable and puts recovery strategies in the aftermath of an outage. Crisis leadership is about getting back to the future.'

As one of the speakers at the forthcoming *International Crisis Management Conference and Workshop 2009*, to be held from Nov 4-5 in Kuala Lumpur, Truscott will be speaking in-depth on the critical steps needed at the first sight and sound of an emergency.

He will also engage delegates in a virtual crisis management environment, where they can determine the amount of effort needed in their respective crisis preparation plans. The simulation will

enable delegates to benchmark their own company's resilience under local and global levels at various times and in various places.

From experience, Truscott has found that a holistic view to risk results in thinner contingency plans. Companies that understand that crisis and risk management is about wetware (thought process), and not software nor hardware are likelier to treat some risks as opportunities.

He says: 'Good corporate behaviour combined with a healthy appetite for reasonable risks is the way to go. This combination creates real wealth for shareholders, employees, customers and top managers.'

'Resilience to withstand business shock is all about putting people first, having diversity within the business and by active engagement with stakeholders.'

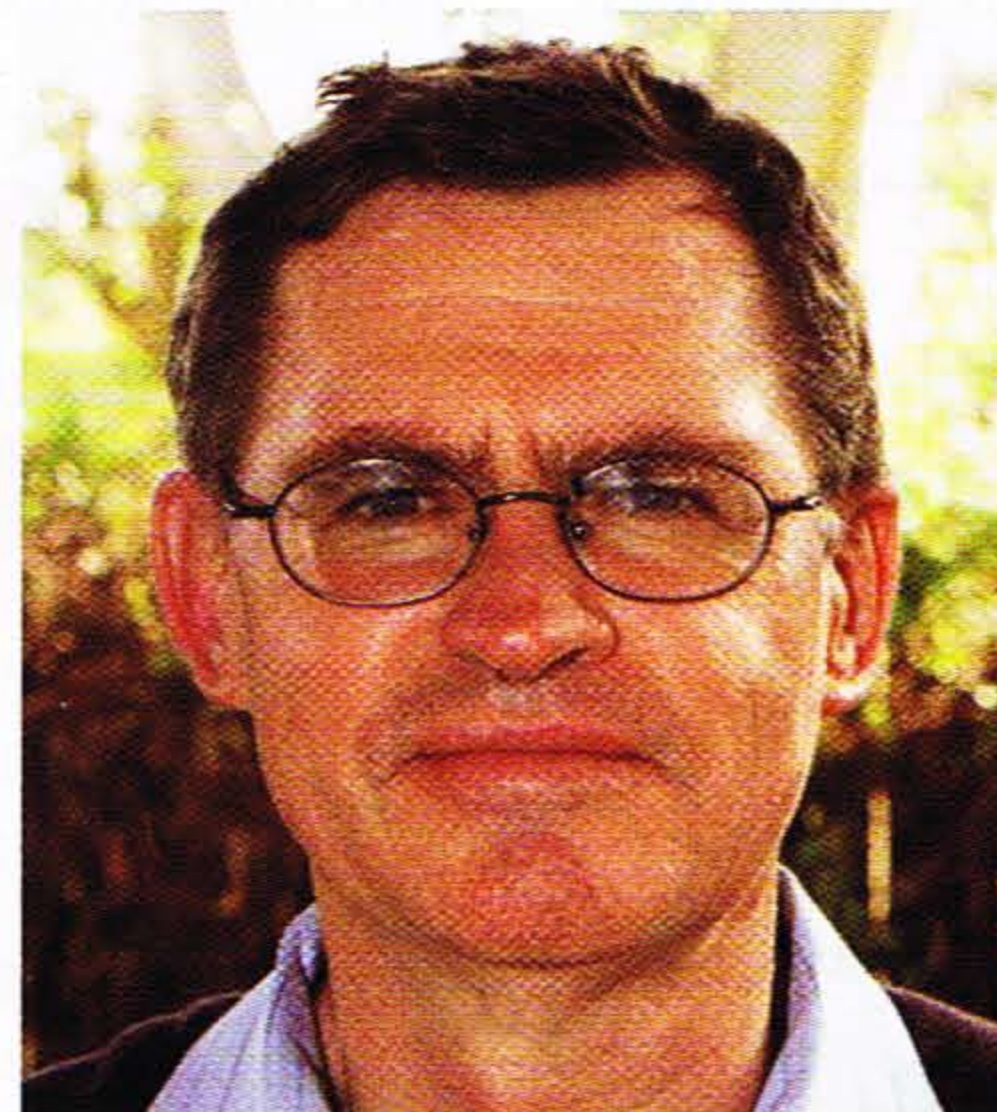
However, more often than not, such 'active engagement with stakeholders' misdiagnoses crisis management as mere fluff created by public relations practitioners.

Truscott warns against having such a narrow view, as media engagements are only one aspect of

many in communicating strategies to stakeholders.

He says: 'The more important issue at hand is the ability to develop and implement such strategies under pressure. Just as every ship needs a captain, the leader of a crisis management team should be selected by the necessary qualities displayed in regaining control of difficult situations.'

And when the next tidal wave comes, these are the companies that will have the strength and skill to swim to shore instead of merely hoping to stay afloat. 



Truscott: To speak at a forthcoming workshop