

## THINKING ABOUT THE FUTURE AND POSTURING FOR DANGEROUS OPPORTUNITY

Paper by  
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*Next week there can't be any crisis. My schedule is already full.* Henry Kissinger.

*When you've spent half your life dealing with humdrum issues like the environment it's exciting to have a real crisis on your hands.* Margaret Thatcher. Kissinger may well have been the penultimate Crisis Manager but Crisis Leaders like Thatcher could actually bring them to an end. Shuttle diplomacy, brinkmanship and campaigning aside, there is scope to use Crisis Management to analyze time-sensitive strategic issues like salinity, refugees, AIDS and martyrs. The methodology delivers strategies based upon transforming from opportunity rather than in just defeating the threat.

In business as in almost all other environments it is no longer a question of whether a crisis will occur, it is only a matter of when, which type, and how. The catastrophic impact of the collapse of corporations such as Enron, Ansett, HIH and OneTel are so severe that other more prudent Chief Executives are poised to deal with these events. As zero risk is the only acceptable risk when engaging multiple stakeholders simultaneously, Crisis Management is based upon senior executives operating as a team to manage business continuity, reputation and liability issues. Furthermore best practice considers crises as opportunities rather than threats, and that this approach makes good business sense as a daily *modus operandi*. Crisis Management and its contingency planning and preparation are now seen as a strategic necessity to manage triple bottom line responsibilities.

Simplistically, Crisis Management Teams employ plenary sessions and timeouts to find the facts, to identify the issues, and then to develop and implement business strategies. By way of comparison international strategic analysis is normally done in routine time frames, often but not necessarily in a group. It relies upon an understanding of the political, economic, social or technological background and an analysis of these environments so that a decision can be made on which options to pursue. There is little difference in methodology other than business must survive within the deadlines imposed by stakeholders or fail.

The transition from reactive back to proactive management requires highly disciplined plenary sessions, interspersed with timeouts to engage stakeholders. Cabinets perpetually operate in this mode. An excellent example is the German Government's decision in 1974 to stage an aircraft hijack to release the Black September terrorist following his capture at the Olympic Games. This action was the opportunity to transform from the crisis.

As strategic analysis recognizes the applicability of futures thinking so does crisis avoidance in business rely upon the mapping of futures to detect possible threats. Modeling tools such as Field Anomaly Relaxation are increasingly being used to develop credible future scenarios from a scan of the business environment. Scenarios are determined by combining possible variables for a series of business drivers. Once the range of future business paths has been mapped, threat assessments are used to give indicators and warnings of particular scenarios eventuating and to inform business and competitor information collection requirements.

Strategic analysts should contemplate the implications of the current spate of resource sector mergers and the failures of other global corporations and advise strategies that posture for dangerous opportunity.

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**Crisis Leaders** unthinkable but, unfortunately, the inevitable.

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Jim Truscott, the founding director of TRUSCOTT, spent 25 years as a strategic group manager and leader of operational teams in high-risk international engagements planning and controlling politically sensitive government operations for the successful resolution of regional and international crises. Drawing on that wide experience, he now consults to industry and government on crisis leadership and on risk and emergency management.

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