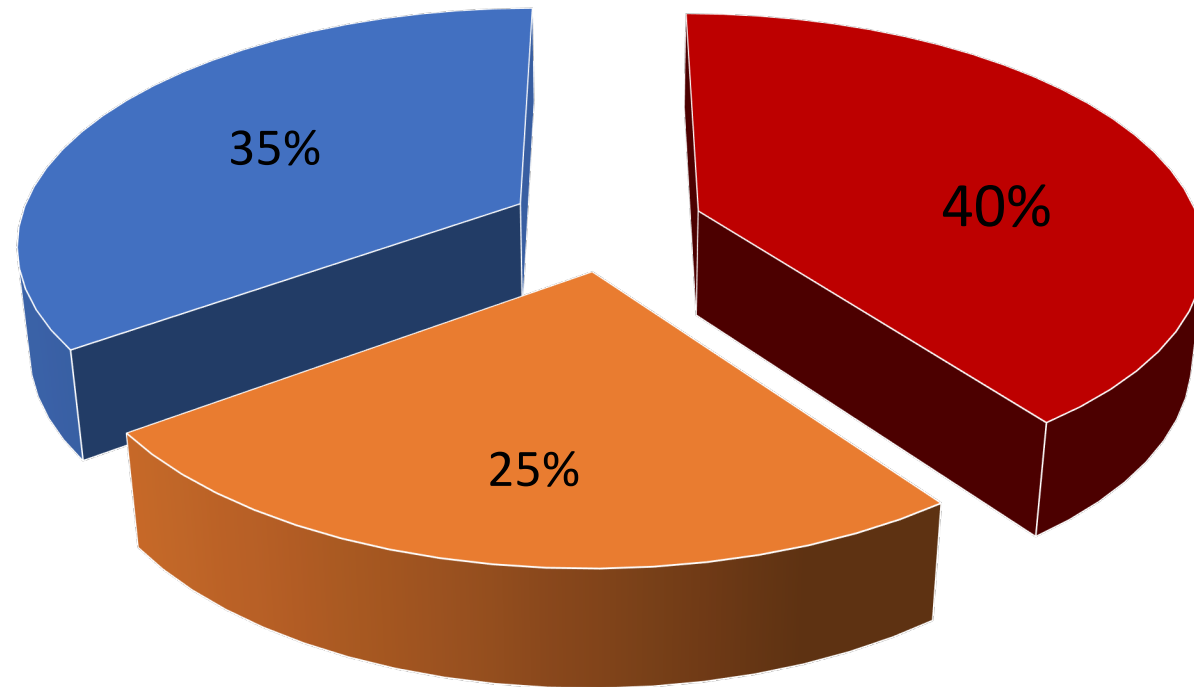


Did You Know...?





Have you ever wondered how organizations effectively navigate through the chaos of a crisis and emerge stronger on the other side?

Resilience



Crisis Ready?

Building a Proactive Blueprint for Organizational Resilience

Eslam Eldakrory

MBA, CIA, CRMA, CBCP, CRISC, ISO 22301 Senior
Lead Implementer and Trainer



Agenda





2: Prepare: (Pre-Crisis activities)



2: Prepare:

(Pre-Crisis activities)

3: Respond:

(During-Crisis activities)



2: Prepare:

(Pre-Crisis activities)

3: Respond:

(During-Crisis activities)

4: Recover:

(Post-Crisis activities)



1: Understanding Crisis Management

2: Prepare:

(Pre-Crisis activities)

3: Respond:

(During-Crisis activities)

4: Recover:

(Post-Crisis activities)



1: Understanding Crisis Management

2: Prepare:

(Pre-Crisis activities)

3: Respond:

(During-Crisis activities)

4: Recover:

(Post-Crisis activities)

5: Case studies

Why Effective Crisis Management Matters?



1. Natural Disasters

Examples:

- Earthquake
- Tornados
- Floods
- Severe Weather
- Wildfires
- Hurricanes



2. Technological:

Examples:

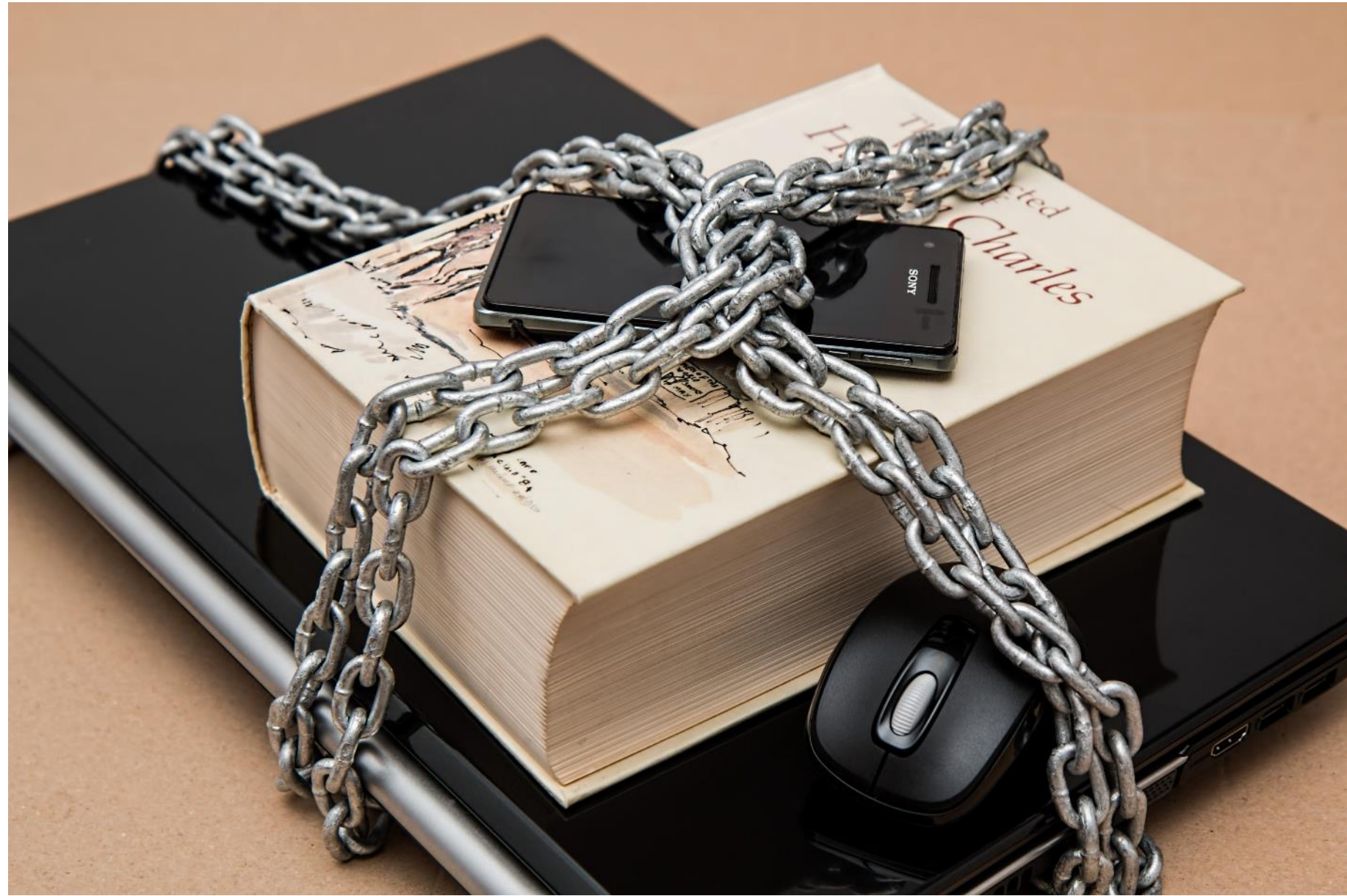
- Software Failure
- Hardware Failure
- Power outage
- Data corruption
- Communications failure
- infrastructure breakdowns




3. Security:

Examples:

- Privacy
- Viruses
- Hackers
- Data Theft
- Cyberattack
- Ransomware





How much data Privacy breach
may cost?

YAHOO!

\$85
million-
2013



\$200
Million-
2014

Uber

\$150 Million-
2018



\$80 Million-
2019

EQUIFAX®

\$575 Million-
2019



4. Financial Crisis:

- Economic downturns,
- market crashes,
- bankruptcy,
- significant financial losses,
- currency fluctuations

5. Reputational Crisis:

- public scandals,
- misconduct,
- product recalls,
- negative media coverage, or
- social media backlash.





6. Environmental

- Ecological disasters
- Pollution
- Climate change impacts
- Water Damage / Contamination



DEEPWATER HORIZON

Mastery in Crisis: Strategies for Effective Response

Case study..

- The Deepwater Horizon oil spill was one of the largest environmental disasters in American history that began on 20 April 2010, in the Gulf of Mexico on the BP-operated oil rig.
- 4.9 million barrels spilled in the Mexican gulf.
- Implications:
 - Loss of **11 lives** + injury of 17 others
 - Long lasting destructive effects on the marine life
 - Cost: more than **\$65 billion** in fines, compensations and cleanup costs





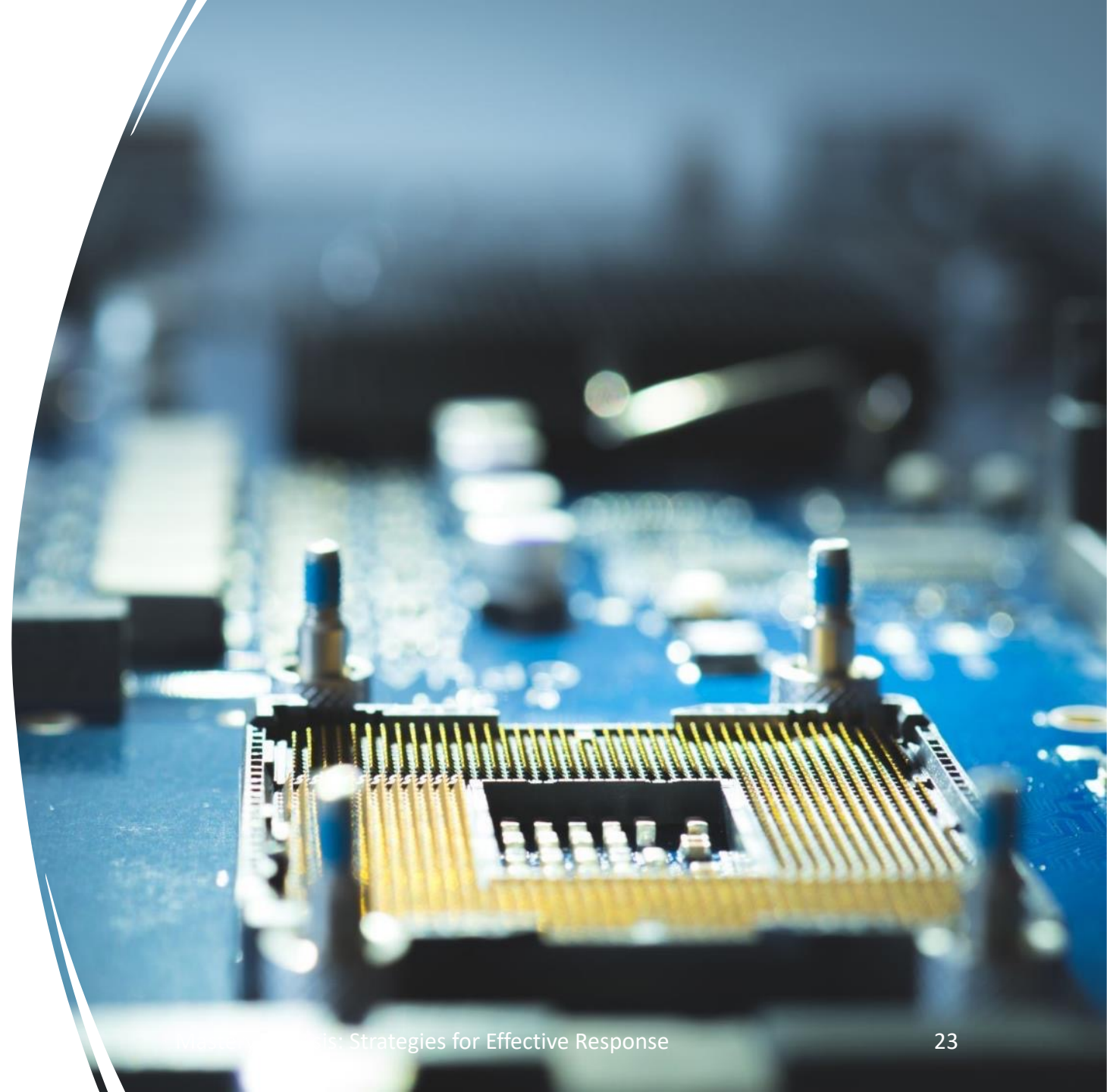
7. Legal and compliance crises:

- Legal violations,
- regulatory non-compliance,
- lawsuits,
- investigations,

8. Supply chain crises:

Disruptions or failures in the supply chain due to factors such as:

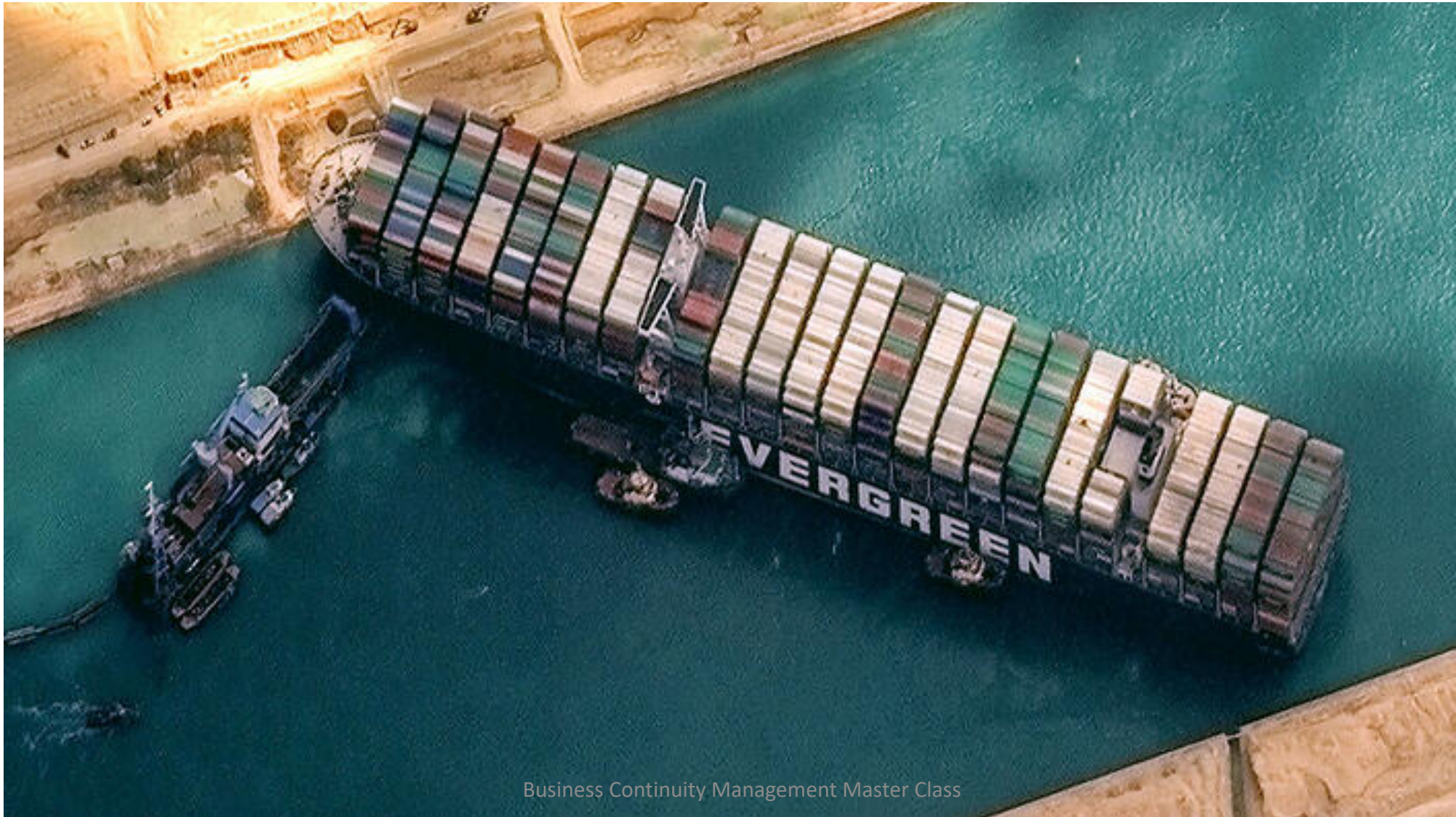
- natural disasters,
- supplier bankruptcy,
- quality control issues.
- transportation disruptions,



Case study



Evergreen ship wedged at The Egyptian Suez Canal

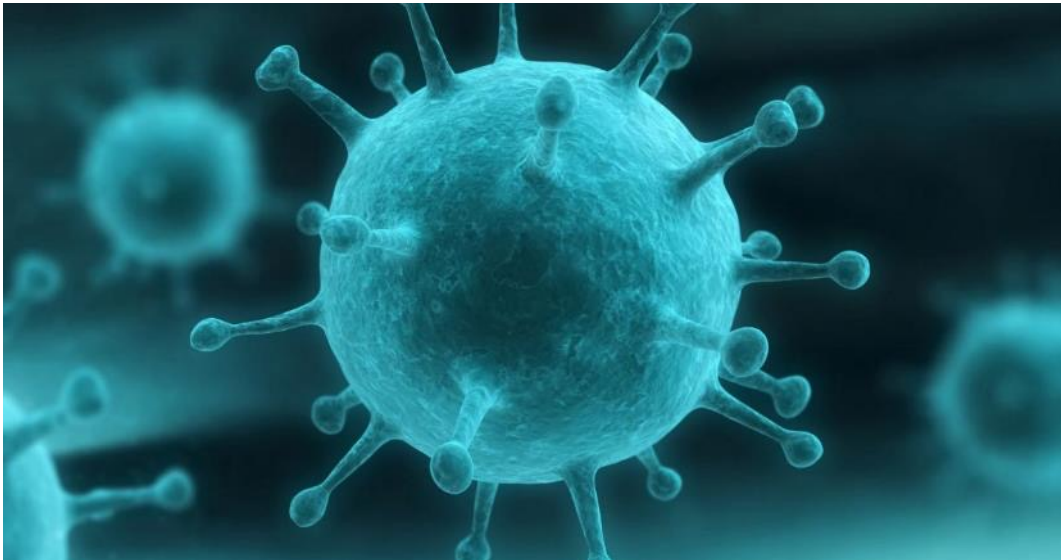


- ✓ About **12%** of global trade.
- ✓ Holding up trade valued at over **\$9 billion** per day
- ✓ Over 93 vessels pass through the canal daily
- ✓ Nearly 600 vessels have been blocked during the 6 days the canal was blocked.
- ✓ The giant ship stuck in the Suez Canal costing the global economy an estimated **\$400 million** per hour



9. Other

- Pandemics



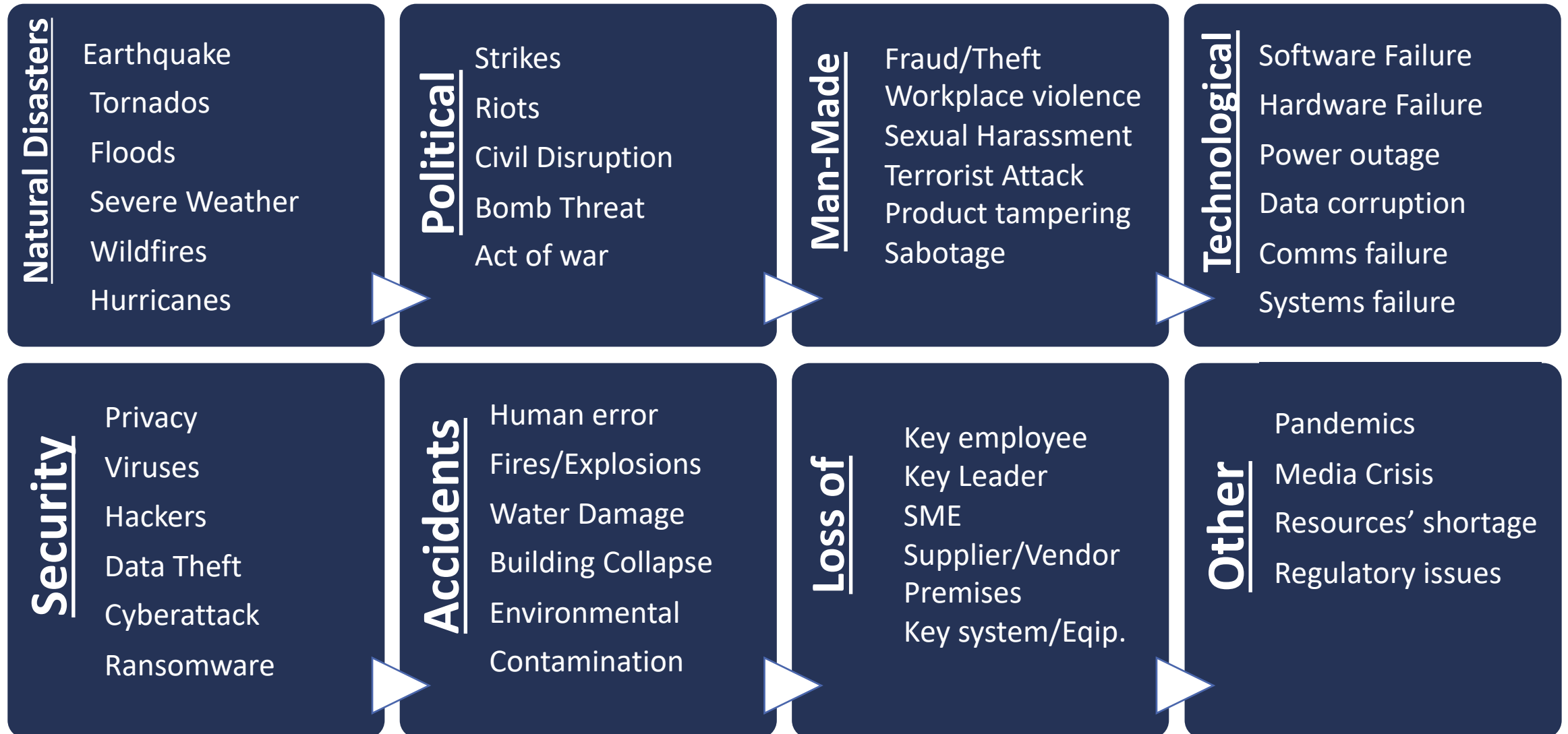
- Wars



- Political/Economic conflicts



Risk Universe:



Question:

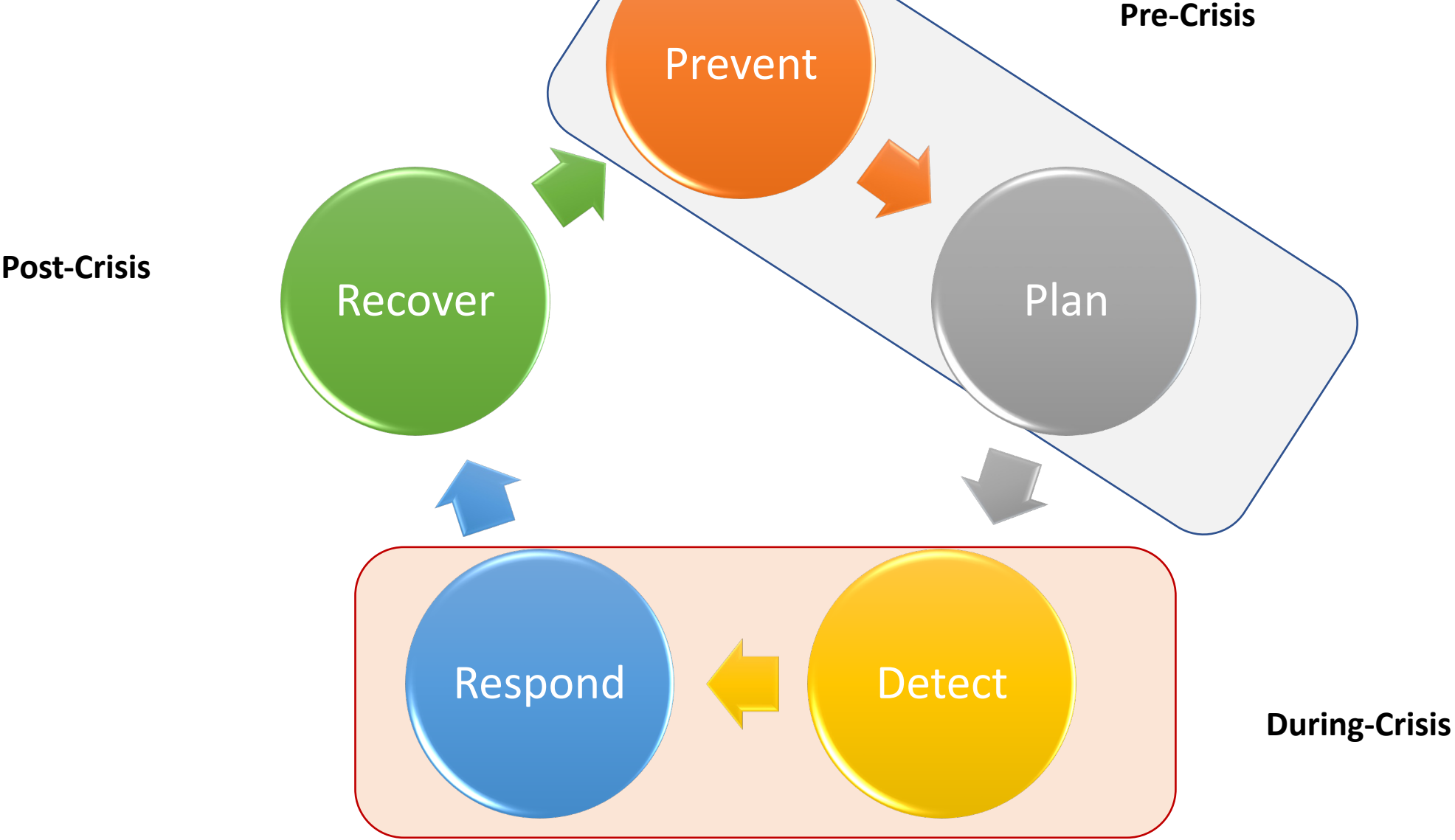
After learning about the threats of a Crisis, why do you think having a Crisis Management framework is important?



The importance of a robust Crisis Management Framework

- Respond **swiftly** and **efficiently**
- **Minimize** the **impact** of a crisis on operations, reputation, and stakeholder trust.
- Demonstrate **resilience**, **adaptability**, and leadership
- Enhance their **reputation** and maintain stakeholder **confidence**.

Crisis Management lifecycle





Module 1: Understanding Crisis Management

Module 2: Pre-Crisis activities

Module 3: During-Crisis activities

Module 4: Post-Crisis activities

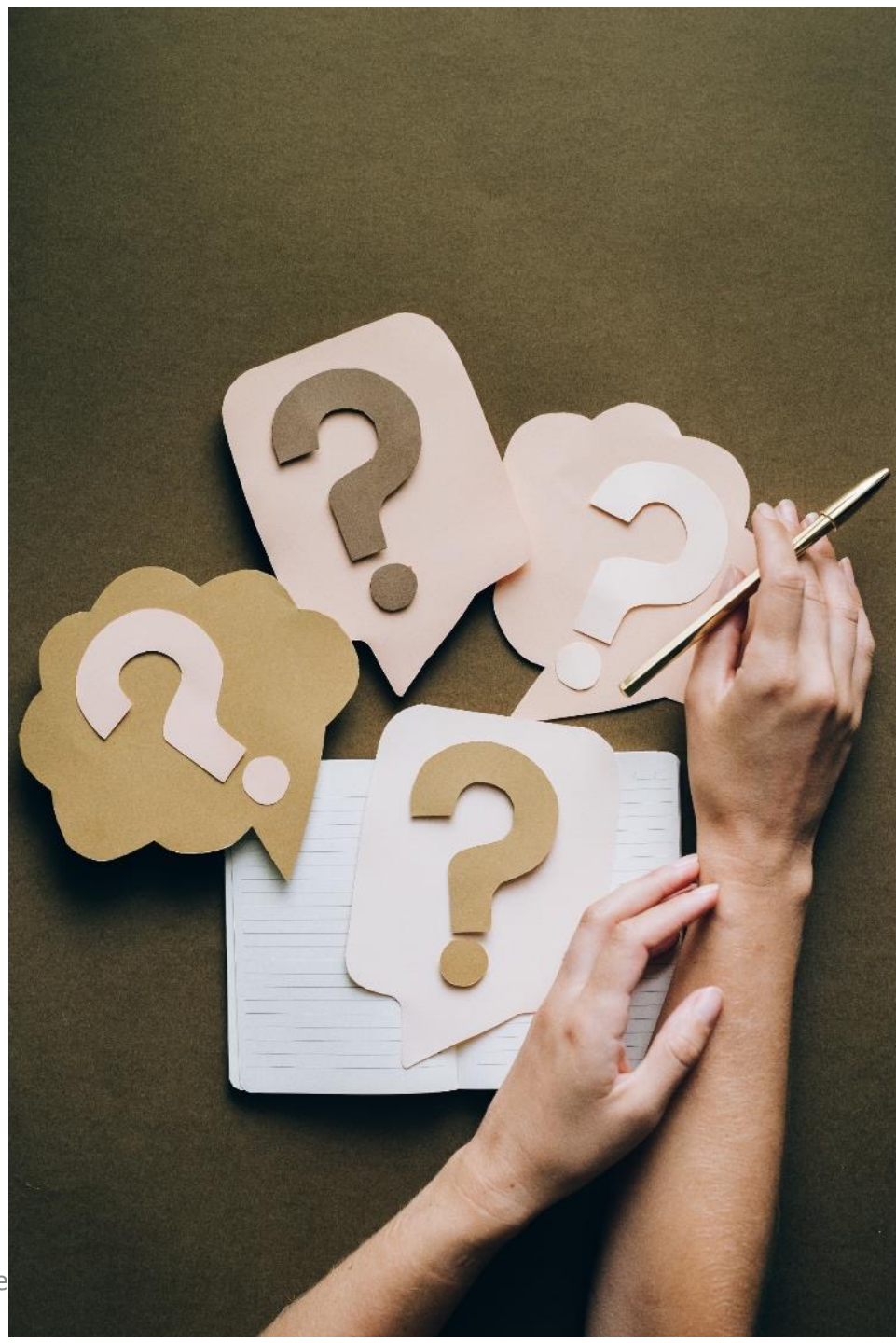
Module 5: Case studies

Module 6: Extra materials for your success

If you're planning
the crisis
response during
the crisis, it's
already too late...



What are the Key pre-crisis activities that'll set your organization up for a successful Crisis Management Strategy?



1. Assess risks and identify potential crisis scenarios

- Consider:
 1. Relevance
 2. Prioritize - Severity
 3. Internal vs External threats

Probability

	Low 1	Medium 2	High 3	
Impact	Low 1	1	2	3
	Medium 2	2	4	6
	High 3	3	6	9

2. Develop a Comprehensive Crisis Management Plan

- **Consider:**
 1. Outline roles, responsibilities, and protocols
 2. define the chain of command
 3. communication plans
 4. resource allocation strategies
 5. recovery procedures



3. Establish a Crisis Management Team (CMT)

- **Consider:**

1. A rep. from Key functions
2. Train on roles and responsibilities.
3. Conduct drills to keep them prepared

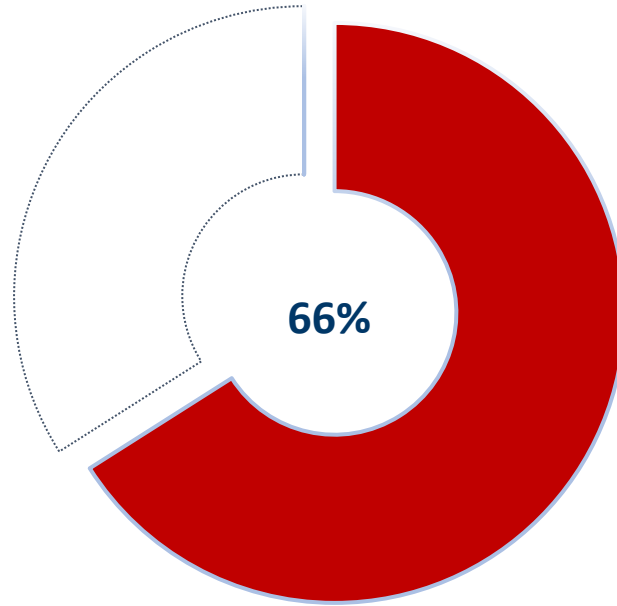




4. Establish Communication Protocols

Consider:

- clear and effective communication protocols
- Accurate /timely information
- Designate trained spokespersons



Organizations felt their biggest challenge was communicating with internal and external stakeholders during a crisis

BCI Emergency Communications Report 2017

A photograph of two firefighters. In the foreground, a woman with blonde hair, wearing a yellow helmet with a headlamp and a red jacket, is smiling and holding a black radio. In the background, a man in a similar yellow helmet and jacket is looking towards her. The scene is set outdoors, possibly at night or in low light, with a dark, smoky or misty background.

5. Training and Awareness Programs

- Consider:
 1. Regular training sessions
 2. Roles and responsibilities
 3. Awareness programs

6. Regularly Update and Test the Crisis Management Plan

- **Consider:**
 1. Keep it up-to-date
 2. Reflect changes (Org, Market, Environment, etc
 3. Conduct regular drills
 4. Use simulations to create realistic scenarios



A woman with dark hair, wearing a dark blue blazer over a light blue collared shirt, stands on a balcony with her arms crossed. She is looking directly at the camera with a slight smile. The background shows a modern building with large windows and a balcony railing.

Consider:

1. Identify strategic external partners.
2. Collaborate with experts
3. Retainer services

7. Establish Relationships with External Partners:

Consider:

1. Evaluate Org. vulnerabilities (IT, infrastructure, etc)
2. Invest in Org. resilience
3. Maintain your emergency and recovery plans

8. Assess and Strengthen Infrastructure:



9. Create Contingency Plans for Critical Functions:

- **Consider:**
 1. Identify critical functions.
 2. Develop realistic and effective BCPs
 3. Ensure redundancy for key systems and operations.



10. Monitor and Anticipate Emerging Threats:

Consider:

1. Stay informed (events, industry trends, and potential threats).
2. Regularly reassess risks on changing circumstances.
3. Implement strategies to proactively identify and address emerging risks.



Module 1: Understanding Crisis Management

Module 2: Pre-Crisis activities

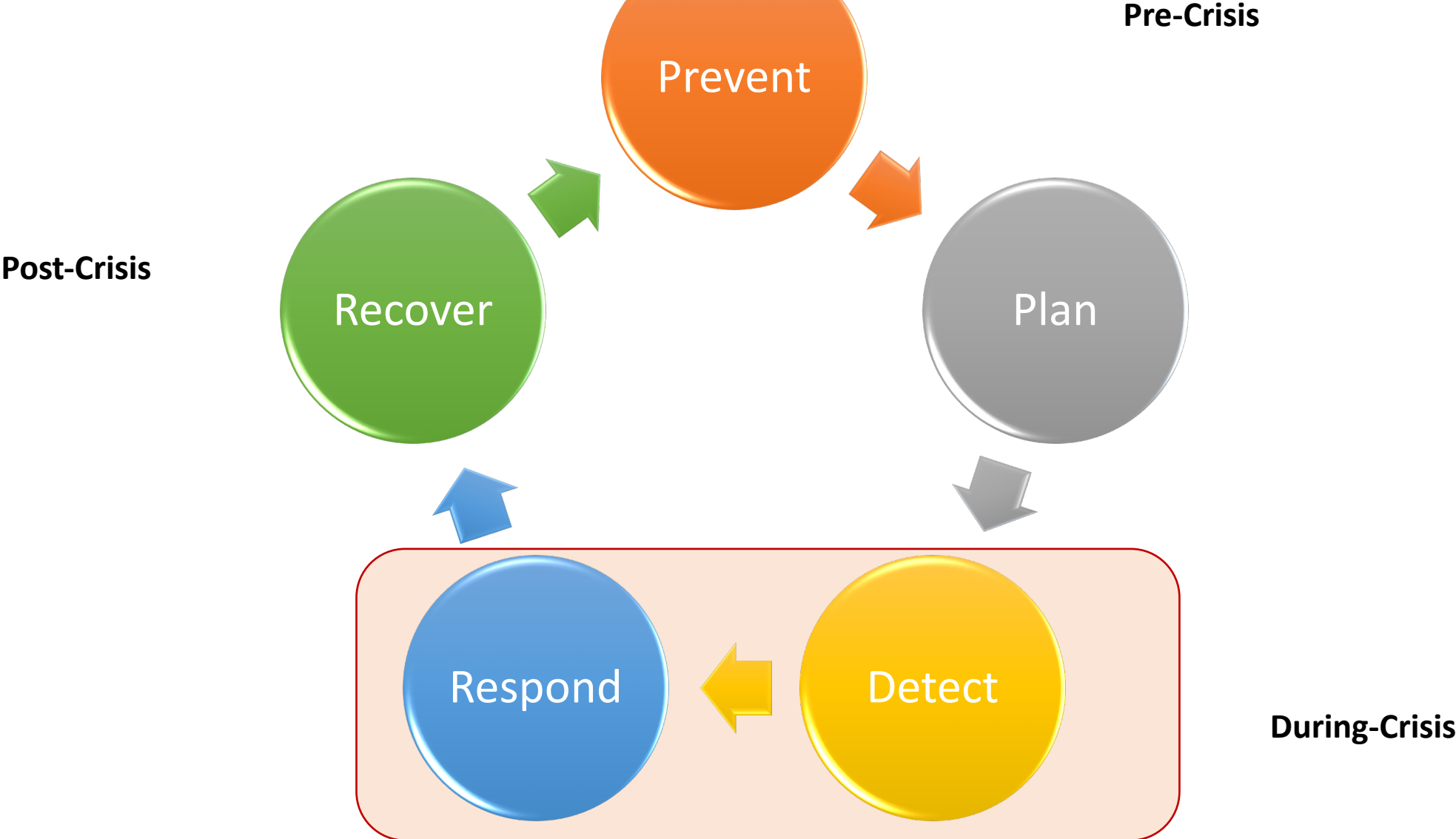
Module 3: During-Crisis activities

Module 4: Post-Crisis activities

Module 5: Case studies

Module 6: Extra materials for your success

Crisis Management lifecycle





What is your immediate actions upon noticing a Crisis?





1. Activate the Crisis Management Team (CMT)



2. Gather Information

Quickly gather as much information as possible

Strategies for Effective Response

3. Assess the situation



Conduct a thorough assessment of the crisis, considering both the internal and external factors.

4. Communicate Internally

Consider:

- Notify relevant stakeholders within the organization about the crisis.
- Establish Comm. channel
- Keep everyone informed
- Provide guidance and actions to be taken



5. Establish a Command Center

- Where key decision-makers can collaborate.
- This helps streamline communication.



Activate Communication Protocols

- Ensure that accurate and consistent information is shared both internally and externally
- Designate a qualified spokesperson
- Be proactive:
 - Pay attention to media inquiries
 - Keep the public informed



7. Initiate Crisis Response Plan

- Activate the pre-established crisis response plan.
- Outline specific actions to be taken.
- Follow established protocols for decision-making, resource allocation, and coordination of response efforts.





8. Engage External Partners

If the crisis extends beyond the organization's capabilities, engage with external partners



9. Monitor and Adjust:

Monitor the situation as it evolves. Be prepared to adjust the crisis response strategy based on new information or changes in the crisis dynamics



Module 1: Understanding Crisis Management

Module 2: Pre-Crisis activities

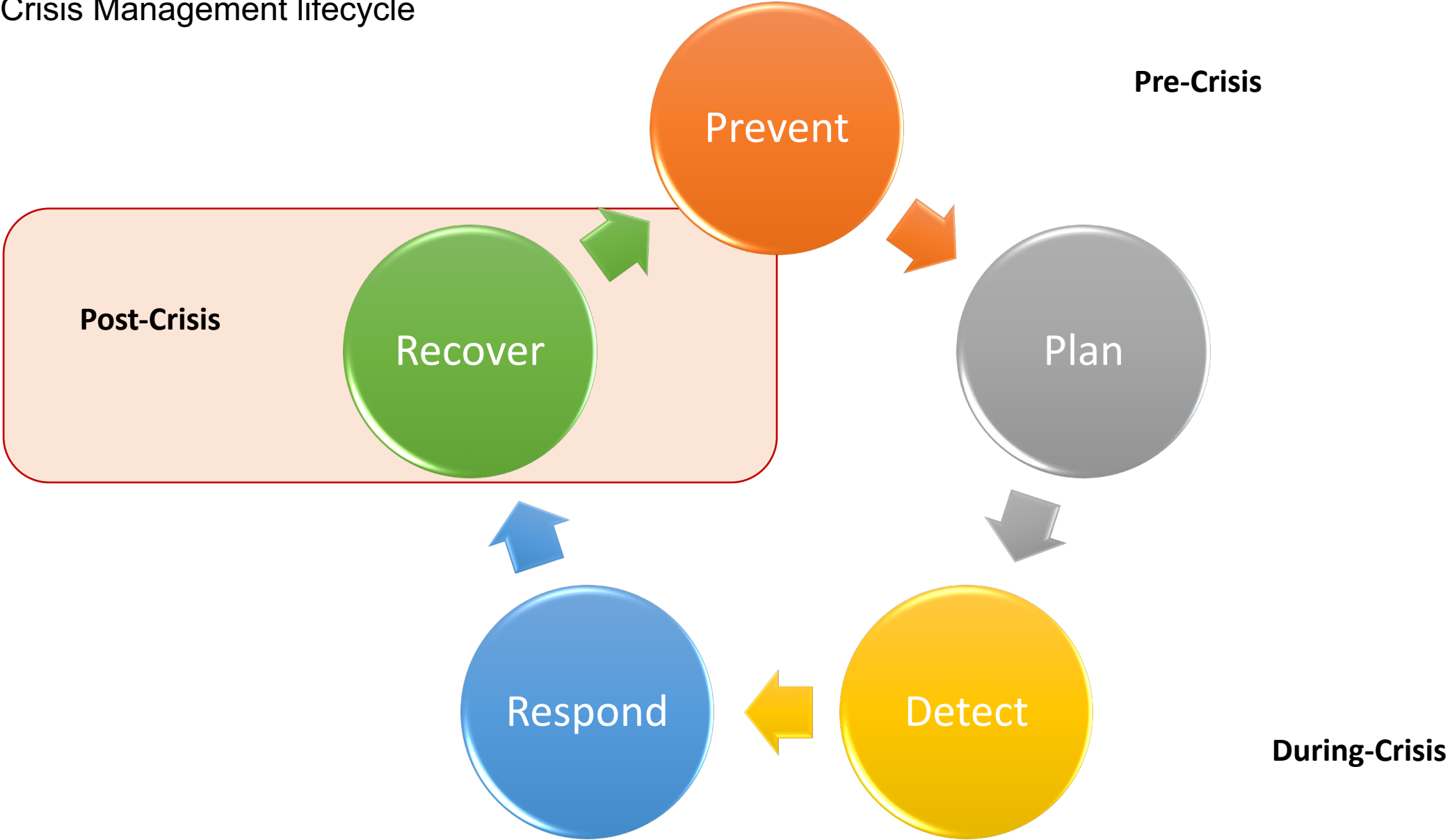
Module 3: During-Crisis activities

Module 4: Post-Crisis activities

Module 5: Case studies

Module 6: Extra materials for your success

Crisis Management lifecycle



1. Conduct a Post-Crisis Evaluation:

Consider:

- Review the organization's response.
- Identify what worked well and improvement.
- Assess the effectiveness of your crisis management plan and protocols.

- Document key insights and lessons learned.
- Identify strengths and weaknesses in the response.
- Use this information to update and enhance the crisis management plan.



2. Document Lessons Learned:

3. Communicate Internally and Externally:

Consider:

- Keep stakeholders informed about the resolution of the crisis.
- Provide updates on recovery efforts and any ongoing impacts.
- Acknowledge the crisis, express gratitude for the response, and convey plans for improvement.
- Gain trust of internal and external stakeholders



Consider:

- Enhance training programs based on lessons learned.
- Conduct additional training sessions for employees to improve their crisis response skills.
- Regularly review and update training materials to reflect current best practices.



4. Update Training and Preparedness Programs:

5. Rebuild and Restore:

Consider:

- Implement recovery plans to rebuild and restore
- Consider ways to strengthen the organization's resilience.
- Work on restoring public trust and confidence in the organization.

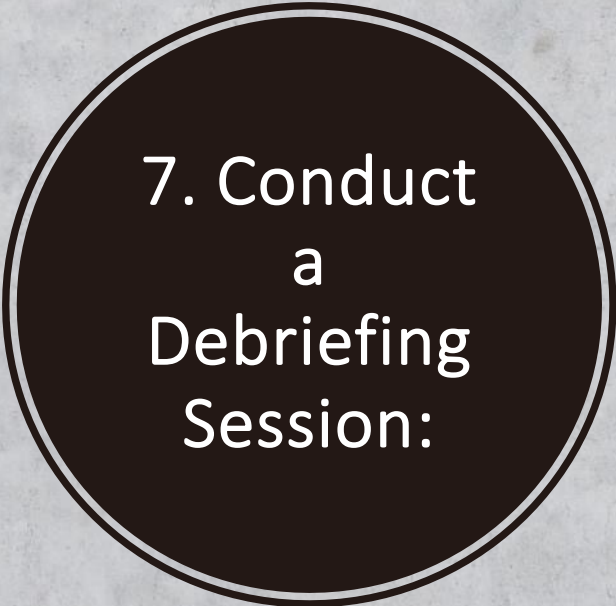


6. Provide Support for Employees:

Consider:

- Offer support services for impacted employees.
- Communicate available resources for mental health and well-being.
- Address any concerns or questions employees may have about the aftermath.



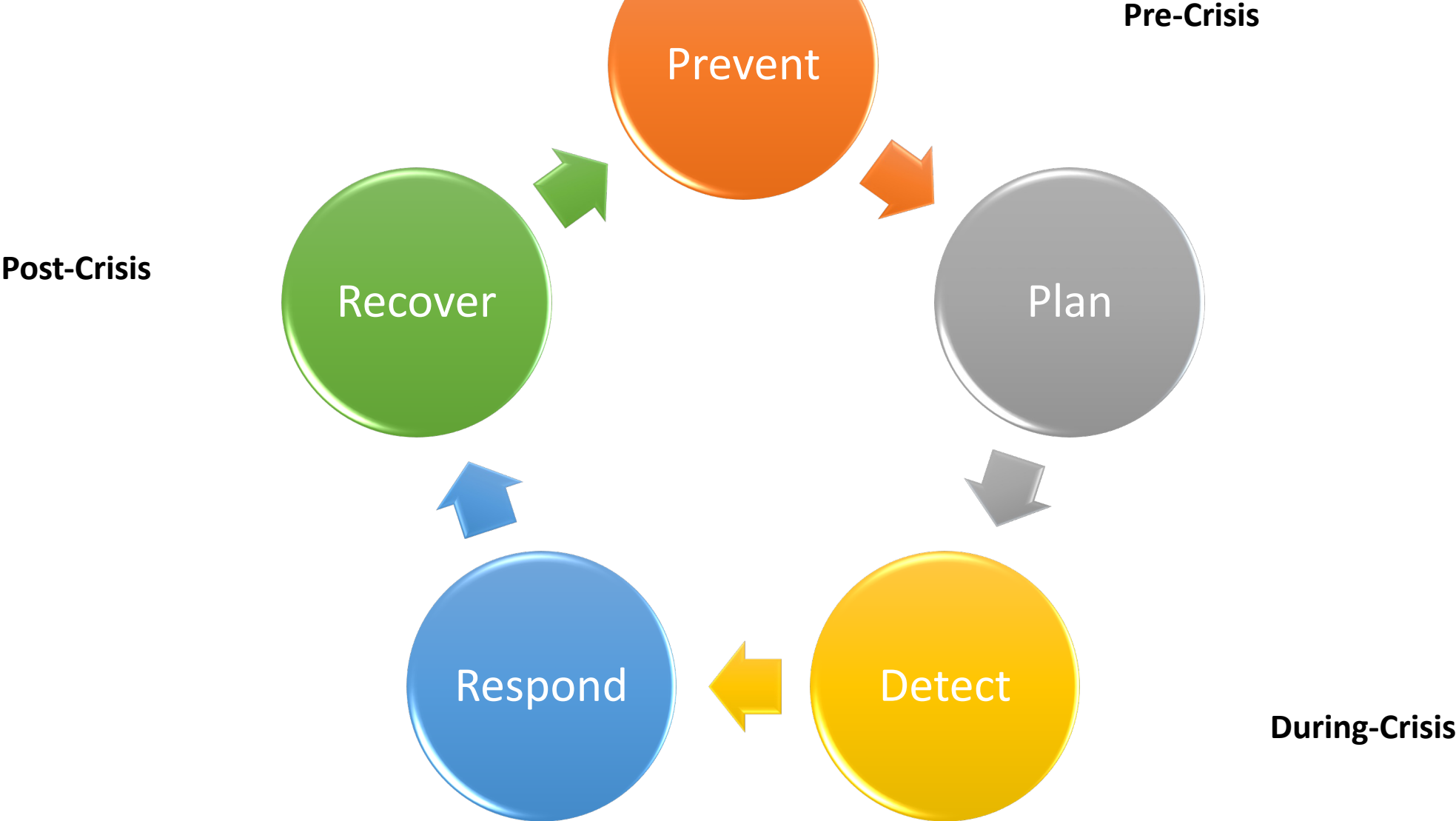


7. Conduct a Debriefing Session:

Consider:

- Hold a debriefing session with the crisis management team.
- Discuss the overall response, challenges, and opportunities.
- Identify and communicate next steps.

Crisis Management lifecycle





Module 1: Understanding Crisis Management

Module 2: Pre-Crisis activities

Module 3: During-Crisis activities

Module 4: Post-Crisis activities

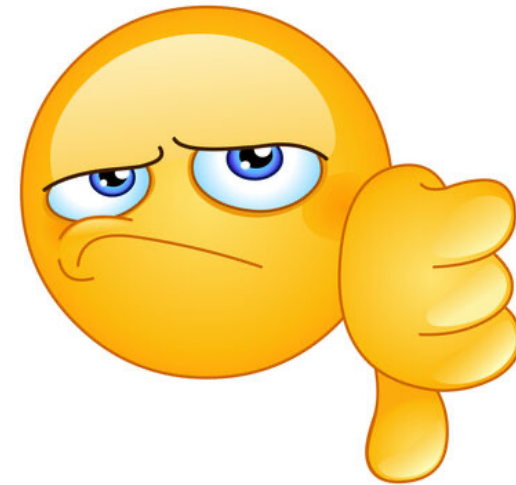
Module 5: Case studies

Module 6: Extra materials for your success

Examples of companies that have handled crises well



Examples of companies that were criticized for their handling of the crisis situation



Examples of companies that have handled crises well



examples of companies that were criticized for their handling of the crisis situation



Johnson & Johnson's Tylenol Crisis (1982)



- In 1982, Johnson & Johnson faced a crisis when someone tampered with Tylenol capsules, resulting in the deaths of seven people.
- Johnson & Johnson immediately recalled all Tylenol capsules from store shelves and offered free replacement capsules in tamper-resistant packaging.
- The company also worked with law enforcement to investigate the tampering and introduced new, tamper-resistant packaging for all of its products.
- Johnson & Johnson's **swift** and **transparent** response to the crisis is often cited as an example of effective crisis management.



—

Airbnb's Racial Discrimination Controversy (2016)



airbnb



- In 2016, Airbnb faced accusations of racial discrimination after several hosts were found to have discriminated against guests based on their race.
- Airbnb's response to the crisis was to introduce a new nondiscrimination policy and to require all hosts and guests to agree to the policy before using the platform.
- The company also launched a program to encourage hosts to take bias training and implemented a team to investigate discrimination claims.
- Airbnb's **proactive** response to the crisis helped to address the issue and rebuild trust with its users.



Coca-Cola's Belgium Contamination Scandal (1999)

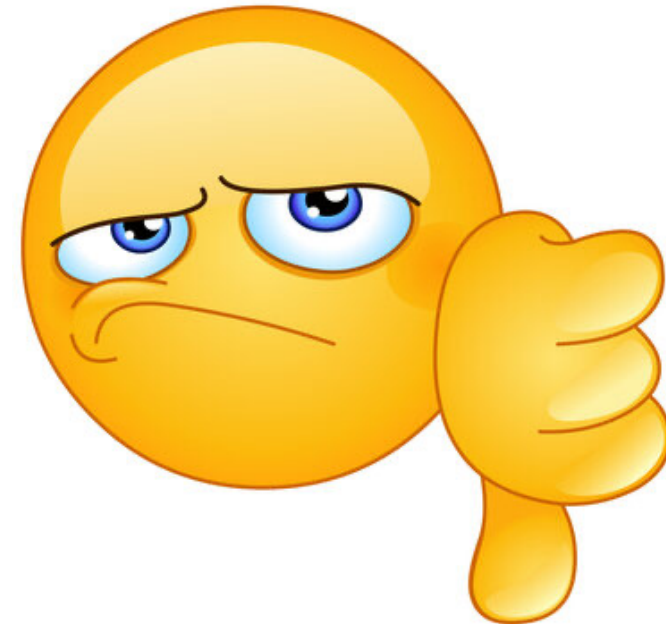
- In 1999, Coca-Cola faced a crisis when several people in Belgium became sick after drinking contaminated Coke products. Coca-Cola's response was to immediately recall all affected products and to launch an investigation into the contamination.
- The company also worked with public health officials to identify the cause of the contamination and implemented new safety measures to prevent a similar incident from occurring in the future.
- Coca-Cola's **quick** and **transparent** response to the crisis helped to minimize the impact of the contamination and maintain its reputation.



examples of companies that have handled crises well



examples of companies that were criticized for their handling of the Crisis situation



BP's Deepwater Horizon Oil Spill (2010)





- In 2010, the Deepwater Horizon oil rig, owned by BP, exploded, causing the largest marine oil spill in history.
- BP was widely criticized for its **slow response** to the crisis and for downplaying the severity of the spill.
- The company also faced accusations of **negligence and safety violations**, which led to a public outcry and calls for accountability.
- BP eventually paid **billions of dollars** in fines and settlements, but the company's reputation was severely damaged, and it took years to recover.

United Airlines Passenger Removal Incident (2017)





- In 2017, United Airlines faced a crisis when a passenger was forcibly removed from a flight, causing public outrage and boycotts of the airline.
- United's initial response was widely criticized for being defensive and dismissive, and the CEO's first statement was seen as insensitive to the passenger involved.
- United eventually apologized and settled with the passenger, but the incident damaged the airline's reputation and led to calls for changes in airline policies.

Equifax Data Breach (2017)



- In 2017, Equifax, a credit reporting agency, announced a data breach that exposed the personal information of millions of consumers.
- Equifax's response to the crisis was widely criticized for being **slow and inadequate**, and the company faced accusations of **negligence** and **poor** security practices.
- The CEO's initial response was seen as defensive, and the company was criticized for its handling of the aftermath, including its offer of free credit monitoring services, which were found to be inadequate.
- The breach had long-term consequences for the company's reputation and financial stability.



CONNECT WITH ME:



[Eslam-Eldakrory](#)

WANT TO KNOW MORE?



www.business-resiliency-academy.com/