



Responding to the impact of COVID-19

Crisis response

Managing a complex and fast-moving crisis like COVID-19 can be extremely challenging. The greatest damage to an organization often lies in unsuccessful management of the situation, rather than in the effect of the crisis itself. A swift, effective response will significantly alter the outcome of the crisis and minimize its impact; a random, uncoordinated response will almost certainly exacerbate it. For a crisis like COVID-19, routine approaches and single-issue responses or action plans may not be effective. Most of the plans are designed for predictable emergencies and scenarios in individual business units. They often lack integration across the organization, and it is difficult to involve senior executives. In addition, they often lack specifics for strategic crisis decision-making.

If organizations need to respond to a COVID-19 related crisis situation, it is important they set up an integrated and cross-functional taskforce or crisis management function that is supported by sub-teams to manage specific work streams such as communications, legal, finance, or operations. A clear framework, defining roles and responsibilities, mandate and escalation and notification processes is crucial. The crisis team should also have high levels of decision-making authority to allow for swift and effective decision-making. An organization's crisis response must also recognize that there will be a need to maintain "business as usual" activities, alongside dealing with the crisis itself.

Critical component of any effective crisis response

Now that many organizations are mobilizing their crisis response teams to initiate, coordinate, and control COVID-19 remediation actions, many organizations are looking for ways to improve their crisis response capabilities. The answer is that a multitude of factors play a role in a response to COVID-19. An effective response requires robust structures and procedures which can be mobilized rapidly by well-trained people, mandated by executive leadership and committed to mitigating the impact. However, if there are two factors evident in the response to the challenges created by COVID-19, it is effective leadership and decision-making. At the heart of effective crisis response leadership lies the crisis leadership's ability to execute four tasks:

- Understand, as far as is pragmatically possible, what is occurring in the operating environment, externally and internally
- Agree and communicate a set of attainable objectives or outcomes in a way that inspires others to want to work together to achieve them

- Assign actions or workstreams to the most appropriately qualified person and hold them to account in their delivery of those actions or workstreams
- Understand how the situation may escalate through scenario planning, and create triggers and timescales for decision milestones

Crisis management operating principles

- **Lead decisively:** Act decisively; taking no action is making a decision. Always keep in mind your goals and objectives. Focus on what you can control; accept what you cannot. Avoid “analysis paralysis”; you will never have all the information. Establish a clear, ongoing decision-making process. Prioritize decisions based on their impact. Record best practices and lessons learned; implement in business as usual.
- **Drive towards actionable intelligence:** Deliver actionable insights; do not confuse data and intelligence. Focus on who needs to know what and by when. Cast a wide net; important information can come from anywhere. Qualify your sources; misinformation is as prevalent as information.. Ramp up your ability to process data; do not let it bury you. Record what you knew at the time of the decision; hindsight is 20/20.
- **Continually frame the crisis:** Quickly diagnose the crisis with the available information. Think ahead; anticipate how the crisis might progress. Reassess every day; crises continue to evolve. Do not let the incidents distract you from the crisis.
- **Actively communicate:** Own the story; don't let anyone else tell it for you. Be candid; communicate with honesty and personal commitment. Convey consistent messages internally and externally. Back your words with actions. Control the narrative; communicate on a regular cadence. Choose wisely who speaks; they will be the face of the company.
- **Expect the unexpected:** Know that individuals may act differently under extreme pressure. Realize that normal organizational roles may not apply to a crisis. Avoid relying on a single person for the success of the crisis. Anticipate when and how external parties may steer the crisis. Recognize your limitations; a crisis can test everyone's breaking point. Prepare to work with limited (or no) technology.

For more information on how to respond, recover and thrive:

- Connect to Deloitte leaders www.deloitte.com/COVID-19-leaders
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