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**T**HIS EDITION OF THE BRUNSWICK REVIEW COVERS AN AREA VITAL for all leadership teams – crisis. Crises are great tests of leadership that can appear from nowhere and consume huge amounts of time, money and reputation. How can we avoid them, prepare for them, deal with them and recover from them?

With crises now coming from every direction, we at Brunswick have built specialist capabilities so that highly experienced experts in key areas can join our core teams whenever our clients need them. Crisis, like bullfighting and surgery, has never been a great amateur activity. Expertise is critical in handling the most testing moments of one’s career. Our cyber and data, litigation, workplace conduct and other specialist teams bring our clients around the world the latest research and experience of what works and what doesn’t.

“Crisis management” is an expression that rings alarm bells in Brunswick. To deal well with crises, you must understand that, by their very nature, they are not manageable. They are, however, survivable and usable. What an organization needs is the resilience to pull through and the flexibility not to waste the opportunity a crisis presents to make important changes. A long list of companies have not just survived an existential crisis but used it to make changes that enhanced success. Starbucks, Nike and BP stand out.

There are serious problems to be dealt with every day but, thankfully, not all turn into crises. Usually the triggering event surfaces underlying doubts about an organization’s values: “I never did trust them to ... protect my data, protect my health, protect my safety, etc.” This can reinforce a belief or prejudice that the company is putting profits, share price and executive benefits before stakeholder interests. If this is the perception, then the organization has a reputational weakness that is the opposite of the resilience needed to survive. Most crises are ones of values. They test leadership motives as much as competence.

In our experience, there are three essential elements of resilience. The first is trusted relationships with key stakeholders. These must be built beforehand. Trust, like friendships, is not something you want to put off building until a crisis begins. In Brunswick, we describe this as investing in reputational capital. This capital is tangible and can be measured in a number of ways. In a crisis, it will be drawn on heavily and challenged.

The second is an issue of perspective: Can you see the problem the way others do? How does the customer see this issue or your organization? How does a member of staff, the regulator, or a shareholder see it? These conversations actually frame the narrative as to what the problem really is, which is often different from how it looks from inside. This ability to see it as others do is crucial or you will be accused of not “getting it” and of being out of touch with others’ values.

You must be aware of your part in the bigger conversation. A manageable problem can accelerate into a crisis if others use it to drive their wider agendas. The media can hype stories to create sales or clicks. On social media, anyone can seek to make use of your problem. Corporates can be drawn into ongoing debates about issues like plastics, pay, food safety. An organization prepared to join these conversations, and able to embrace diverse perspectives, will prove more resilient.

The third key element is the mindset of the leadership team. It is painful, frightening, even maddening to see others’ versions of the truth, or outright untruth, drive coverage of an issue. Yet feelings of unfairness should not dominate the response of leadership. Now is when you have to stand tall, say what you believe and act in the most honorable way.

Crises are an opportunity for management to show its motives and priorities. You can, as the bumper sticker puts it, “be the person your dog thinks you are.” With the right team, your natural resilience can come through. ♦



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