



LEADING IN A CRISIS

How to think outside the box when there is no box

By Dave Winston & Jay Millen

We've all heard the expression "think outside the box." But what do you do when there's no box, no frame of reference, or no paradigm to shift? It's not easy, but you must rely on your training and trust your gut. Why trust your gut you ask? It's because your heart and your head will lie to you.

If you and your gut have no formal crisis response training to rely on, you might learn from tried and true planning strategies formed in the crucible of military leadership. You may have heard the term "the fog of war," which is often used to describe the uncertainty of the battlefield and rapid changes that are not always easy to anticipate or communicate even in today's high-tech environment.

For this reason, most modern militaries train their professional officer corps in both conventional long-term strategy and how to plan and react in real time environments. These two planning disciplines used by the military branches may be described in different terms but can essentially be distilled into deliberate and rapid categories.

Deliberate planning is remarkably similar to the normal strategic planning processes we all employ in business. These plans are developed through study and usually a five-year look that flows naturally to an annual operating plan. The annual operating plan is typically cascaded throughout an organization in a way that everyone understands how their role contributes to goal achievement and creates a sense of purpose. This sense of purpose shapes our decision making and forms the guiderails between which we drive through our work life. Our work life is further shaped by the internal and external forces we encounter on a daily basis.

“NEVER LET A GOOD CRISIS GO TO WASTE.”

— WINSTON CHURCHILL

Rapid planning is required when the disruption to the annual operating plan is so severe that status quo business is no longer possible; that's where we are now.

I was awakened one morning at 0200 by a knock at the door. The door was on a boat. The boat was in the Adriatic. My boss “Slim” was standing there in his underwear and a t-shirt with a towel over his shoulder. He took his toothbrush out of his mouth and said, “Weasel (my call sign) – make me a plan; we're going to Somalia.” “What's up skipper,” I asked. “Some Rangers were just shot up in a firefight.” With that he turned and walked away.

The training kicked in and I began to gather the questions we would all be discussing. How much time do we have? What do we know? What don't we know? What do we need to know? What is our mission and what are the assumptions? What resources are available? What defines success? It was a long three days to the start of my seventh time through the Suez.

There are hundreds, if not thousands, of other military examples throughout the ages that we can draw on. There are business examples, too. Let's break down the components and work through them logically.

As a leader, even though you know the questions you want to address, the first thing to do is to bring your team together and get everyone to the same baseline understanding of the situation to begin analyzing the business situation ahead of you and the company. You want to do this because your team will be leading other teams. These teams may be aligned by work streams, and certainly made up of cross-functional team members from finance, operations, sales, marketing, information technology, legal, risk and others, depending on the organization. Each team may tackle a value stream of the business cycle – procure to pay, order to cash, record to report as an example.

With the team up to speed, it is time to answer the first question, “How much time do we have?” This is important because it frames the end point; where we need to be at a certain time. This can be driven by a variety of things for business, all of which can be distilled to the constraints in the system; the challenges to overcome in the time available.

“AMATEURS TALK ABOUT STRATEGY AND TACTICS. PROFESSIONALS TALK ABOUT LOGISTICS AND SUSTAINABILITY.”

-GENERAL ROBERT BARROW

Beginning with the end in mind is followed closely by defining success in overcoming each of the identified constraints. Each value stream team can then go through the rapid planning process for developing a few (usually three) courses of action by stepping through the applicable steps of the rapid planning process in the sidebar below.

While these value stream meetings are ongoing, it's also important to keep a central point for information consolidation, or an “operations center” where teams can go to learn and/or provide new information of value to other of the planning teams.

Most important during this time is frequent, transparent communication with all stakeholder groups, as they may be making decisions that impact your planning. This could be everything from regional movement restrictions to increases/decreases in demand for your products or services due to the effect of those same movements on the part of their customers.

THE RAPID PLANNING PROCESS

- Determine what you know, along with your planning assumptions
- Determine and analyze your operational limitations
- Determine resource availability
- Develop a risk assessment
- Develop success criteria
- Complete your estimate and prepare the talking points
- Review with peer group prior to formal presentation
- Present your courses of action

Source: Joint Pub 5-0, The Joint Planning Process

The previously-mentioned Rangers who were under fire in Somalia were disciplined and tough. Their communication back to the Operations Center followed an analysis framework you can instill in your business teams known as METT-T², which the military has further customized to include a “C” for civilian considerations.

As the leader navigating a crisis, your primary role is to be visible and calm. Remaining visible may take on a different connotation as we all begin to work remotely, or we adjust our operating hours to 24/7 across different shifts. Ask questions and try to resist making inputs beyond, “I’d like to accomplish this by this time.” You should also be taking notes in a journal and relying on your staff to do the same. You should be thinking about the “lessons learned” as they are happening.

| MILITARY TERM | BUSINESS TERM |
|-------------------------|--|
| Mission | Task, Customer Order, or Business Need |
| Enemy | Obstacles to Completion |
| Troops Available | Team and Equipment On Hand |
| Terrain | Transportation Routes and Availability |
| Time | Time |
| Civilian Considerations | Impact on the Customer and Community |

Source: *The Ranger Handbook*

“EXPERIENCE IS A HARD TEACHER BECAUSE SHE GIVES THE TEST FIRST, THE LESSON AFTERWARD.”

-VERNON LAW

While you are capturing the business lessons learned about products, supply chains, customers, and connectivity, perhaps give thought to the organization. Do we have the right chairs and are the right people in them? Do we have too many layers and are they impacting our ability to react to customer needs? Is succession planning something that I now see as being more urgent?

We are all now “fighting” a war with the uncertain timelines and unknown outcomes of COVID-19. The examples we listed hopefully demonstrate that regardless of circumstance there are no silver bullets, instead it’s about common sense, composure, and communication. Having these conversations with your leader team and their teams will help you overcome the anxiety and nervousness that accompanies uncertainty. It won’t eliminate it, but the business is looking to you for guidance and a plan to steer through the “fog of war” with COVID-19.

You might even agree that there is a box after all...now go outside and think, plan, and execute!

ABOUT THE AUTHORS



DAVE WINSTON is the leader of Caldwell's Industrial Practice and the leader of the Dallas office. With over 20 years of executive search experience, he has successfully completed searches for board directors, CEOs, presidents, COOs, CFOs, and a broad range of functional vice presidents, and has placed these executives in start-up firms, small and medium-sized public and private firms, and major corporations.



JAY MILLEN is the managing partner of Caldwell's CEO & Board Practice and leads our Charleston office team. Working with publicly-traded and privately-held companies, Jay assists clients in senior-level recruitment and in the development of board and CEO succession plans as well as industry specific leaders at all levels in the natural resources and manufacturing sectors.



WE BELIEVE TALENT TRANSFORMS

At Caldwell we believe Talent Transforms. As a leading provider of executive talent, we enable our clients to thrive and succeed by helping them identify, recruit and retain their best people. Our reputation—50 years in the making—has been built on transformative searches across functions and geographies at the very highest levels of management and operations. With offices and partners across North America, Europe and Asia Pacific, we take pride in delivering an unmatched level of service and expertise to our clients.

Understanding that transformative talent is not limited to executive levels, our Caldwell Advance solution focuses on emerging leaders and advancing professionals who can also have a profound impact on a company's ability to turn potential into success. We also leverage our skills and networks to provide agile talent solutions in the form of flexible and on-demand advisory solutions for companies looking for support in strategy and operations. Our Caldwell Analytics division leverages an award-winning talent optimization platform with a suite of talent strategy and assessment tools that – when integrated with our search process – helps clients hire the right people, then manage and inspire them to achieve maximum business results as fast as possible.

caldwellpartners.com