



'SIMPLE' Model for Crisis Management in Organizations

By Jibran Bashir

**SIMPLE is an applied model - developed after
COVID-19 - to combat crisis in organizations**



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Crisis is a critical event which, if not handled in an appropriate and timely manner (or if not handled at all), may turn into a disaster or catastrophe. Crises have no borders or boundaries. They can happen anytime anywhere, and to any organization—profit, not-for-profit, public, or private.

The word crisis itself originates from the Greek 'krisis', which means "to sift or separate." A crisis has the potential to divide an organization's past from its future, to replace security with insecurity, and to separate effective leaders from ineffective ones. A crisis also has the potential to swap routine for creativity and to shift an organization from "business as usual" into "significant change".

In year 2020, whole world is facing the 2019–20 coronavirus pandemic also known as coronavirus disease 2019 (COVID-19), caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The outbreak was first identified in Wuhan, Hubei Province, China, in December 2019. The World Health Organization (WHO) declared the outbreak to be a Public Health Emergency of International Concern on 30 January 2020 and recognized it as a pandemic on 11 March 2020. As of 1st April 2020, more than 921,000 cases of COVID-19 have been reported in over 200 countries and territories, resulting in approximately 46,200 deaths.

This coronavirus pandemic is a mass crisis which has directly affected businesses and organizations all over the world. Regular Customers flow, Supply Chain, Service Operations, Human Resources inclusive their productivity are in a big trouble due to maintaining social distancing and lockdown in various countries during corona age resulted in negative impacts on bottom-line. Therefore, it is a serious requirement for the organizations to manage this crisis in a systematic manner so that economy should not suffer for the longer period of time and organizations must survive during crisis and have to revive and thrive after 'corona era'.

As a management consultant, I am observing that the dire most need of organizations during and after COVID-19 is 'crisis management' (Crisis management is the process by which an organization deals with a disruptive and unexpected event that threatens to harm the organization

or its stakeholders). Thus, I am suggesting a new Crisis Management Model with the title of 'SIMPLE' for organizations all over the world. This title is an abbreviation of Strategy, Innovation, Method, People, Leadership and Effectiveness.



Fig. 01: SIMPLE Model for Crisis Management in Organizations

Let us have a brief of what this model is all about.

Strategy

In context of crisis the meaning of strategy is to define the exact crisis and its impact on business health, develop the scope of crisis management i.e. which areas of business must be addressed under crisis management initiatives. Further, define the stakeholders of crisis management processes; as well as define the quantitative outcome e.g. financial and non-financial results which the organization wants to achieve from the crisis management exercise.

Innovation

Usually there are no typical rules for running a business during unforeseen crisis. For any organization whether it is small, medium or large, this is important that after defining a strategy to manage the crisis, we must think and find innovative solutions to execute the strategy. Given the pressure of a crisis environment, it's often best to focus on innovation, as a way to provide an immediate response and this can happen through individual and group brainstorming sessions by actively engaging the employees and other stakeholders to develop creative solutions.

Method

Once innovation is done and solutions have been defined, and the 'what to do' part is completed, next step is to move towards defining the methods or processes of executing the solution in a most practical manner i.e. the 'how to do' part. It is imperative to write the process of every solution because the written document becomes an intellectual property of the organization and helpful in current crisis and for any similar crisis in the future. Here it is important to understand that written document is more dependable and effective than those of other forms of communication.

People

Here people refers to the idea that staff of the organization must be aware of the strategy as well as innovative solutions and get trained on the defined methods. If staff will not be awared with strategy and solutions or if they are not trained on defined methods to face crisis, then it is next to impossible for the organization to survive and revive against challenging times. Well informed and trained staff can behave as skilled fighters in times of crisis.

Leadership

'Crisis Leadership' is a bigger subject and has vast spreading scope. But in context of SIMPLE model for Crisis Management, leadership means 'Execution Leadership'. It entails, having a strategic mindset and the leadership skills to perform a function, implement a process or execute a project. In SIMPLE model for crisis management, the role and job duties of Execution Leadership is associated with CEO and line managers of the organization.

Effectiveness

According to Richard Tyler (Author, top trainer, business consultant and professional speaker) "Effectiveness is best measured by results over time." In SIMPLE model, the first step 'strategy' covers the target setting of financial and non-financial results which the organization wants to achieve from the crisis management exercise and the last step 'effectiveness' refers to the evaluation of targets achieved. This gauging activity will help the organization to exactly know about the success or failure regarding crisis management initiatives from strategy to execution. It will also help the organization to further improve strategy, innovation, method, people and leadership to get required results, if the crisis or post crisis negative impacts still continue to exist.

Conclusion

This SIMPLE model is a mindtool for the top management or any individual who is responsible for crisis management in organization so that crisis can be handled through step by step approach without any chaos. Here it is also a need to understand that this model is a sequential way to handle the crisis situations, but at the same time it important to understand that crisis needs prompt response, so the timeframe of using the process of this model must be fast and also consistently monitored for any changes in Strategy, Innovative Solutions, Methods to execute the solutions, people training, leadership for execution and effectiveness measurement where required because in times of crisis, the situations usually change rapidly.

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