

STRIVING THROUGH



Resilient 
ORGANISATIONS

**IN THE MIDST
OF A CRISIS?**

This booklet will help you
respond, recover and thrive.

Getting your business through a crisis involves the following three phases

RESPONSE
Immediate
Actions

RECOVERY
Getting
Operational

THRIVING
Learning and
Adapting

No matter what your level of preparation, this booklet will provide quick, practical advice to help navigate these stages of the recovery journey.



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✓ **RESPONSE** – Immediate Actions

The response phase involves immediate actions to ensure the wellbeing of yourself, your staff and your wider community. As the response phase progresses, the focus shifts towards initial assessment of the situation and communication with business partners.

Staff

Step 1: Ensure Staff Wellbeing – The first priority after the crisis is to consider the physical and emotional wellbeing of both yourself and your staff.

Reach out – Contact your staff. Ask about their situation, how their family are doing and, if possible, provide them with additional support as needed.

Keep staff informed – Tell them about the current situation of the business – even if you know very little yourself. The critical information at this stage could include:

- Any physical damage to the building/facility
- The wellbeing of their colleagues
- When and where everyone should meet.

Be transparent – Depending on the nature and severity of the crisis, staff may be concerned about potentially losing their jobs. Be honest and realistic while updating your staff.

Your staff are at the heart of your business – look after them!

Step 2: Involve Staff – Involve your staff in helping you to recover your business.

Early assessment – Work together with your staff to assess the situation and figure out ways of moving forward. At this stage, the key points to consider are:

- Damage to buildings, critical equipment and machinery
- Resource availability and accessibility
- Possible changes in supply and demand
- The need to reschedule production or service delivery

Appreciate new ideas – Encourage staff to bring and discuss ideas. Often in these situations, intuition and group discussion can lead to novel ideas for getting your business up and running again.

Encourage team work – When possible, arrange informal sessions with staff to listen and support each other. This will create unity and reduce stress.



Motivate staff to maintain their connection with your organisation. Remember, your staff have a vested interest in getting your business operating again.

Business Partners

Think about your suppliers and customers. They share a mutual interest with you in wanting to resume operations.

Communicate – Provide updated information to your core business partners – suppliers, buyers and/or service providers. If they don't hear from you, they **will** assume the worst.

- **Work together** – Collaborate with your core business partners to build a more accurate assessment of the situation.
- **Contact your customers** – It is critical for your buyers to know when you will resume operations. Be open and realistic. They may be feeling nervous about your ability to deliver – update them regularly about the progress you are making so they feel well informed.
- **Explore every avenue** – In addition to your core business partners, also explore other avenues for additional support and networking. Consider contacting:
 - City Council or other local authorities
 - Chamber of Commerce
 - Accountants
 - Lawyers
 - Competitors

Remember, sometimes the weakest connection can bring an extraordinary opportunity.

Community

Your business needs a thriving community.

Connect – If possible, collaborate with your neighbours and local community.

- **Provide Assistance** – If you and your business are in better shape, then provide early support to your neighbouring businesses and local community.
- **Encourage wellbeing** – Encourage your staff to look after themselves and others. Remember the five ways to wellbeing:
 - **Connect** – Connect with the people around you.
 - **Be active** – Do what you can, enjoy what you do and move your mood.
 - **Give** – Do something nice. Give your time and presence to people around you.
 - **Take notice** – Try savouring the moment.
 - **Learn** – Seek out new experiences and dare yourself.

PAUSE AND BREATHE!

It can feel like you need to do everything, all at once, during this phase of a crisis. But take a moment to reflect. What does this crisis mean for the bigger picture?

- Were you looking to retire and now might be the right time?
- Does your business model need to change?
- Are there opportunities that might emerge from this crisis if you just look for them?

Do not automatically restore your business back to what it was before – use this crisis as an opportunity for positive change.

Crises, particularly catastrophic events, often put everyone in the same boat. This can create a sense of connectedness among businesses and local communities.

Handle the crisis well and it will BUILD your business' reputation.



RECOVERY – Getting Operational

The immediate aim of the recovery phase is to take stock of the changed business environment and to effectively utilise available resources to get the business on-track.

Assess the Situation – Situations evolve and change rapidly during a crisis. Following your initial assessment, it's now time to re-evaluate internal factors and external factors affecting your business.

- **Internal resources** – Re-examine the availability and accessibility of your critical resources such as:
 - Operational resources (machinery/buildings)
 - Financial resources (cash flow)
 - Human resources (technical/managerial)
 - Technological resources (IT systems/data)
- **External factors** – In a crisis, it is essential to continually monitor and evaluate the changes in customer demand and the ability of suppliers to meet your needs.
- **Display a positive attitude** – While assessing the situation, try to focus on what you have rather than what's gone.
- **Leverage your network** – List all your business and non-business partners. Assess how these networks can help you to resume your operations.

A POSITIVE ATTITUDE IS CONTAGIOUS

To make effective decisions you need a clear idea about all of your internal and external resources.



Activate your Insurance – Contact your insurance company or broker as early as you can.

- **Involve a claims preparer** –Your insurer will often pay the costs of a professional to prepare your insurance claim. They can deal with the insurance company on your behalf, allowing you to retain your full attention on core aspects of your business.
- **Don't rely completely on your insurance** – Insurance claims often take time to resolve and will only cover a subset of your losses. Keep this in mind while evaluating your business situation.
- **Search for other avenues** – If settlement is delayed try to find other sources for cash-flow assistance. Speak with your bank manager. Contact local authorities, Chamber of Commerce or other government department for any potential grants or relief packages.

Start the insurance claim process early. But remember to focus on recovering your business, not on just maximising your insurance claim.

DAMAGE TO IT SYSTEM OR DATA – Consider the following options:

- Get help from an IT professional.
- If you need to reconstruct data, consider where the data may be stored on other systems held by employees, buyers, suppliers and government authorities.
- Ensure reconstructed data is backed up.

DAMAGE TO YOUR PREMISES – Consider the following options:

- Ask your suppliers or customers to share work space.
- Consider sharing temporary workspace with other businesses, or even competitors.
- Approach local authorities to see if they can assist with temporary workspaces.
- Consider remote working arrangements (e.g. working from home).

Keep your Employees Motivated – Employees are your most valuable assets; involve them in the recovery stage.

- **Demonstrate strong leadership** – Be a role model and be optimistic. Your employees often imitate your leadership style.
- **Two-way communication** – Actively listen to your staff's feedback and suggestions. Share relevant and critical information regularly.
- **Keep track of employees' changing needs** – Some employees may need extra financial and/or psychological help. Try to do your best to understand the changing needs of your staff and assist them throughout the crisis. Use counsellors if needed.
- **Show flexibility** – Be flexible in assigning tasks. Some staff will be able to invest extra time and effort while others will find this difficult. Make sure you and your staff get some time-out to manage stress and burnout.

Motivated staff are crucial to recovery.

LOOK AFTER YOURSELF

Look for signs of stress within yourself as a leader - they may not be obvious to you but will be to close family, friends and colleagues.

Keep updating your Suppliers and Customers – Based on the situation assessment, keep your suppliers and customers up to date.

- **Be transparent** – Provide regular updates about the progress of your business.
- **Encourage joint problem solving** – Involve your business partners in joint problem solving.
- **New systems** – If you have to implement any new systems or processes, update others on how it might affect them. Also keep them posted if you change your workspace.

Being transparent with your buyers and suppliers often enhances collaboration and builds long-term relationships.

SOCIAL MEDIA

Social media (e.g. Twitter, Facebook, your organisation's website, and emails) is a fast way to communicate with your business partners.

WATCH YOUR CASH FLOWS

Cash-flow is critical for your business – monitor it closely. In addition to your insurance claim, you can also:

- Ask tax agencies for tax relief
- Ask your buyers and/or suppliers for support
- Contact your bank for loan repayment holidays or possible extra loans.



THRIVING – Learning & Adapting

The thriving phase involves reviewing and adjusting the long-term direction of your business.

Reflect and Acknowledge – When your business starts to stabilise, then it's time to reflect back and recognise your staff and people involved in the recovery journey.

- **It's time to celebrate** – Take some time-out with your staff to acknowledge their efforts. Arrange social events like a day off with your staff on a recreational activity. Encourage your staff to invite their families to events as well.
- **Continuous feedback** – Take feedback and continue making improvements.
- **Acknowledge your business partners** – Remember to acknowledge people, especially your business partners, who have supported you in restoring your business.
- **Institutionalise change** – Make sure to document and record your entire survival journey. It is important to continue the good practices learnt from the crisis.

Celebrate the progress you and your staff have made so far.



Adapt to the New Situation – Your business might not be able to return to its pre-disaster state. Be open to new opportunities. A crisis may bring some good business prospects.

- **Find new opportunities** – A crisis may affect and change the needs of customers. Find ways to address the changing demands of your customers. Look out for new market opportunities.
- **Change is ongoing** – In the business environment every day brings new challenges. It's time to be better prepared for what comes next. Encourage your staff to develop a culture of handling unforeseen situations and make it an on-going process of innovation.
- **Focus on the bigger picture** – Focusing too much on one crisis or situation often limits our thinking. At this stage, it is important to review and modify, if required, the broader vision of your business.



Prepare for Future Events – It's now time to review your progress. Make the most of your learning experience. Ask yourself;

- How did we manage this crisis?
- Which aspects needed more attention?
- Are we prepared for future events?
- Are your staff ready for unforeseen events?

Get feedback – Ask your stakeholders (employees, customers, suppliers and other business partners) about your progress during the crisis and what else needs to be done to effectively manage future events. Acknowledge their feedback and adjust accordingly.

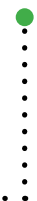


“The only thing that is constant is change”

- Heraclitus



A resilient business is one able to survive and thrive in uncertain environments.





ESSENTIAL IN ALL STAGES

Communicate, Communicate and Communicate – Throughout your survival journey, it's important to maintain a continual flow of information within the organisation as well as outside the organisation.

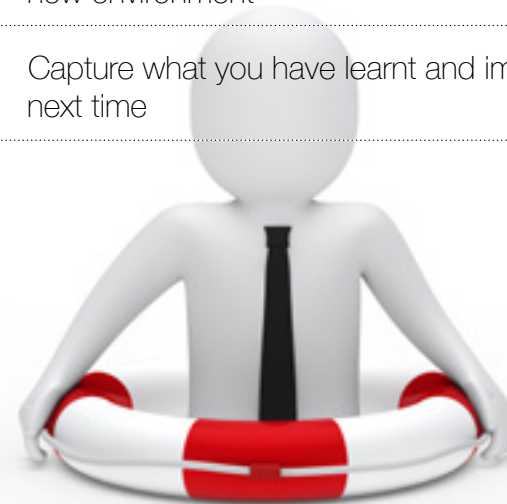
- **Provide a realistic picture** – Be positive and realistic while assessing and communicating the post-crisis situation. Always make achievable and realistic deadlines with your business partners. This can help you and your partners to better manage the operations.
- **Keep track of your core business partners** – Loyal customers and suppliers play an important role during crisis situations and often provide extra help. Keep in touch with them regularly.
- **Participate in business events and gatherings** – Your local council or Chamber of Commerce often run events for the business community. This is a good way to meet new people and expand your networks.



Check List



• Contact your staff and check they are ok	<input type="checkbox"/>
• Contact your insurer	<input type="checkbox"/>
• Update your business partners (suppliers, buyers and/or service providers) on your status	<input type="checkbox"/>
• Get together with other businesses and help each other	<input type="checkbox"/>
• Make a list of what you do and don't have available	<input type="checkbox"/>
• Watch staff for stress and keep them motivated	<input type="checkbox"/>
• Pause, reflect, breathe and celebrate small achievements	<input type="checkbox"/>
• Explore new opportunities and adapt to your new environment	<input type="checkbox"/>
• Capture what you have learnt and improve for next time	<input type="checkbox"/>



Further reading



Shut Happens:
A Resilience guide
for small business



Staffed or Stuffed:
Creating resilience
through your people



Cover your Assets:
Selecting and getting
the best from your
Commercial
Insurance Policy

WEBSITES

Resilient Organisations: www.resorgs.org.nz

Five ways to wellbeing: www.mentalhealth.org.nz

This guide was developed by Resilient Organisations Ltd, a research and consulting organisation based in New Zealand. We have been researching what makes organisations resilient to crises since 2004.

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