After the Storm
Leading in the Wake of a Crisis

In response to the course of recent events, a lot has been said and written about what leaders need to do during a crisis and to prepare for a crisis. But leadership in the period after a crisis has drawn less attention, even though it may be just as important for an organization’s viability. Here’s a primer to help leaders enable their organizations to emerge from a crisis not only intact but stronger and more purposeful.

The past year and a half has provided many unwelcome opportunities to learn how to be an effective leader during a crisis. The attacks on the World Trade Center and the Pentagon on September 11, 2001, left the leaders of the companies and military departments that occupied those buildings in a state of shock. They struggled to cope with the devastating loss of life suffered by their organizations and somehow regroup and carry on. Soon after, a series of exposures to anthrax spores delivered through the mail resulted in the deaths of four workers and tested the resilience of the leadership of the U.S. Postal Service as well as the media organizations and governmental offices that had been targeted. Then, last year, a nonlethal but still chaos-inducing crisis emerged as a procession of companies was linked to accounting and fraud scandals of mammoth proportions, sending the offending organizations into free fall and America’s trust in corporate leadership into the tank. And in October a sniper spree cast a pall of terror and anxiety over the Washington, D.C., region for three weeks as law enforcement, governmental, and school officials tried to infuse perseverance, hope, and calm through their leadership.

In each case the effectiveness of the leaders embroiled in the crisis...
was sometimes crystal clear, sometimes painfully lacking or even nonexistent. But much was learned about providing leadership during a crisis, and a consensus emerged that good leaders naturally and rightfully turn their attention to the human side of the crisis—to the emotional and physical needs and concerns of their followers. A crisis can strike any company at any time, and there are many eventualities aside from the types of crises seen in the recent past that can land organizations in trouble—financial catastrophes; problems that threaten the public image of a company or product; and disasters that pose a danger to consumers, employees, the community, or the environment.

In any such event the three key approaches for leaders are to communicate fully and honestly, to set an example of consistency, and to be present, visible, and totally involved in the situation and attempts to mitigate it. In these ways leaders can offer those they lead constructive means for dealing with fear, stress, grief, and anxiety; for maintaining focus and productivity; and for picking themselves up and moving forward with renewed strength.

**BUILDING TO LAST**

But what happens after a crisis is over? Are there steps leaders can take to ensure that the organization and its employees establish a daily routine that does not passively fall back on practices that during the crisis were found to feed uncertainty, fear, panic, and a lack of trust but instead builds on new insights, strengths, responsibilities, and cooperation to enhance cohesion, balance, focus, productivity, and readiness to meet challenges? The goal of leadership after a crisis is to rebuild and strengthen relationships and to learn from the experience to be better prepared for any future crisis. Leaders who view the period of recovery after a crisis as an opportunity and an impetus to develop a better routine can help their organizations emerge stronger and more purposeful.

The first challenge for leaders is more difficult than it may sound: recognizing when the crisis has passed. A crisis may end, but it doesn’t just fade away; the ensuing period of repair, recovery, and healing is likely to be long term, difficult, and painful—physically, emotionally, and financially. However, a number of signs can help leaders recognize when the immediate crisis is over:

- The news media have dropped coverage of the story or are no longer giving it high visibility.
- The number of inquiries about the crisis from outside the organization—from customers, suppliers, shareholders, the community, and employees’ families, for instance—has dropped considerably.
- Internal rumors and employees’ anxiety levels have returned to normal.

One of the most important things for leaders to do after a crisis is to assure employees that the likelihood of an identical crisis occurring is very low. This reduces employees’ anxiety and increases their morale and productivity. Leaders can accomplish this in a number of ways. First, they should talk with the employees personally and be open to questions; this behavior can have a therapeutic and calming effect. Second, leaders should oversee a comprehensive update of company operations, rules, and regulations, with the aim of preventing a similar crisis, and should share these measures with the employees. The update can address improved crisis assessment procedures, including those designed for early warning and detection, and better methods of communication among leaders and employees. The latter deserve special attention. Just as clear and continuing communication is essential to preparing for a crisis and leading during a crisis, keeping the lines of communication open and reviewing and rebuilding the organization’s communication strategies after a crisis helps the organization and everyone in it learn from the experience and be better able to deal effectively with any future crisis.

**CAUSES AND EFFECTS**

One of the biggest challenges for leaders after a crisis is determining all the causes of the crisis. If this is not done well or at all, the likeli-
hood of the crisis reoccurring increases.

Determining all the causes and effects of a crisis and informing employees of the findings are key to bolstering the employees’ emotions and behavior and the organization’s recovery overall. When a crisis is over, people naturally want to know what happened, why it happened, what it means for them and for the organization, and what is being done to make sure it won’t happen again.

A crisis seldom has a single cause, and finding out all the causes requires good and complete information, diligent research, and intuitive thinking. It also requires consulting every source of information, no matter how seemingly insignificant or unrelated. Sources may include customer feedback, production reports, safety data, and employee complaints and suggestions. The information-gathering process should begin as soon as possible after the crisis is contained.

Similarly, leaders should closely scrutinize the effects of the crisis. Some effects will be plainly evident in the immediate aftermath of the crisis, but it’s highly likely that other effects will emerge as time passes and the dust settles—and the effects that are at first hidden may have even more severe consequences than the primary effects. Secondary effects may include financial costs, emotional consequences, and fallout from the community.

Leaders should review how they, their employees, and the organization overall reacted during the crisis and any lingering effects. The best way to begin this review is to assess the emotional state of the workforce. Some employees will still be emotionally distressed, and leaders need to address these employees’ needs and find ways to help them cope with their fear, pain, and stress.

One way for leaders to do this is simply to walk around, listen to employees, and be available to offer encouragement and support. This personal approach not only strengthens communication lines but also builds the relationships that are essential to dealing effectively with any future crisis. Leaders should also consider making counseling available and endorsing and underwriting support and discussion groups that could meet during working hours.

Next, leaders should review how the organization overall reacted during the crisis. One way to do this is through a process similar to the U.S. Army’s After Action Review. Previous attempts by corporations to assimilate this process have met with mixed success. The key is to treat the crisis review process not as a one-time postmortem but as an ongoing organizational learning practice and a disciplined approach to improving performance over time.

During the crisis review process the people who were most closely involved in the crisis record their impressions and recollections of the organization’s response to the crisis—what went well and what didn’t go well or could have gone better. Looking at the bigger picture, the review participants should determine not only what was learned but also when and how the organization will apply what was learned. The crisis review can be carried out by a large group or by several smaller groups; in the Army’s experience, smaller groups work best because reviewers are more likely to share sensitive information in small groups than in large groups.

The information and conclusions gathered during a crisis review can be grouped into two categories: validations and lessons learned. The former are reinforcements of the things that worked well; the latter are reflections on the things that didn’t work well or that the organization did not do but should have done.

A crisis review should not be intended to cast blame or to find and penalize anyone who may have had a hand in creating the crisis or in failing to react to it appropriately. The main focus of a crisis review should be to learn from the crisis—not to determine responsibility, accountability, or guilt. If an organization is inclined to determine who, if anyone, was responsible for the crisis, it should undertake additional procedures separate from the crisis review, such as a formal internal inquiry or an outside legal action. For some crises, determining who was responsible and bringing the guilty party or parties to justice is not only appropriate but mandatory because it may be the only way for employees and others who feel they have been victimized by the culpable individual or individuals to heal.

**CALL TO ACTION**

The next step for leaders after a crisis is to incorporate the findings of the crisis review into an organizational crisis action plan. Again, special emphasis should be placed on communication before, during, and
after the crisis. The lessons drawn from the crisis review can be used to update and improve the organization’s crisis communication tactics, such as responding quickly when a disaster occurs, managing the organization’s messages during a crisis, establishing a policy for dealing with the media, monitoring news coverage, and defining how and to whom employees should report a potential crisis situation.

The information and lessons unearthed during the crisis review process can also be used to draw up the what-if scenarios that are part of an effective crisis action plan and to write the final organizational report on the crisis. Employees should be briefed on the report and trained on how the crisis action plan works and their role in it; these steps not only fulfill the requisite of communication but also boost employees’ confidence in their leadership as they see that crisis prevention and planning are priorities.

Aside from the crisis action plan, leaders should eliminate or change organizational procedures, policies, and regulations that were found to be inadequate during the crisis.

VALUES ADDED

Additional elements that leaders should review and revise after a crisis are the organization’s vision and values. How did they fare during the crisis? Did they help or hinder the organization in weathering the storm? Did the organization and its leaders live up to their values during the crisis or jettison them in the struggle to survive?

Leaders may find it necessary to realign or redefine the organization’s values and vision to make them more potent or relevant not only during times of crisis but also when everything is operating normally. Values may have to be reworded to make them stronger (an obvious example is an increased emphasis on employee safety), new values may need to be added, and obsolete values may need to be eliminated. If values that were found to be irrelevant or were ignored during the crisis are not altered or cut, they pose the risk of becoming a joke among the employees and threatening the leadership’s credibility.

Because effective postcrisis leadership involves focusing on the human side of the situation, attention must also be paid to personal values. The high-pressure environment of a crisis can stress or damage relationships, and these need to be rebuilt and strengthened. Again, communication is the foundation on which the relationship restoration process is built, and establishing an atmosphere in which people feel safe talking about their feelings and in which a premium is placed on forgiveness is key.

WORKING PLANS

The final piece of the postcrisis puzzle for leaders is attending to the organization’s operational needs. In many cases a significant cleanup effort is required—recovery, repair and rebuilding, and reorganizing.

Human resource issues also need to be addressed; personnel voids may need to be filled by promoting current employees or hiring replacement workers.

Operational concerns after a crisis inevitably involve the financial repercussions, such as the costs of cleaning up, salvaging, rebuilding, managing public relations, and working overtime. Sometimes the potential for litigation poses the most far-reaching implications for an organization’s finances—a follow-up lawsuit can place the organization in a crisis situation far worse than the one it has just endured—and leaders need to stay thoroughly apprised and attuned on the legal front.