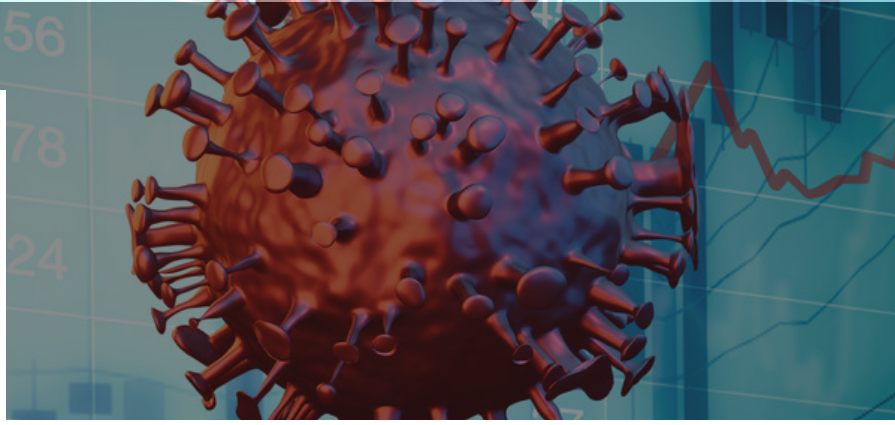
White Paper
Virtual Crisis Organization

Managing Crises more effectively digitally

controllit
Business Continuity Management

Contents



INTRODUCTION

The Corona pandemic outbreak showed that companies and organizations had a challenging 2020 and the issue will continue to be with us. Pretty much every crisis management practice and technology previously used and tested had to work in a changed work environment. Even in an existing crisis management system, procedures, methods and rules had to be applicable in a permanent virtual crisis organization.

The past few months have also shown us crisis management experts the difficulties we face in further developing reactive crisis management processes from a presence-oriented to a virtual crisis organization. However, this further development is based on a solid basic structure in crisis management in terms of organization, response and communication. Organizations with a missing or only partially existing foundation had a harder time adapting to the virtual challenges of crisis management.

The challenge of crisis management is primarily the digitization of a changed virtual context. In the process, the existing setup in crisis management is to be transferred to the transformation process that has begun and, of course, used.

Experience shows that there are different obstacles, but also good implementation possibilities with this particular form of strategic control. In dealing with Corona, companies are making greater use of their virtual systems. Crisis management can benefit from already existing systems and procedures.

This white paper is designed to help you evolve from a presence-based to a virtualized crisis organization to manage upcoming challenges more effectively in the future. Resources already in place should continue to be leveraged and expanded. By means of exercises, training and simulations, this can even continuously increase the maturity of your crisis management.

Basic structure and framework

Crises are rare events. Each crisis differs from another in the way it is manifested. Predicting an event that will lead to a crisis is practically impossible. Crises are characterized by the unstable state in which an abrupt or significant change is imminent, requiring urgent attention and action to preserve the protection goals (life, values, property, reputation and environment). In this context, the crisis management organization acts as a framework for the systematic management of crises, including the strategic body of the crisis unit, but also at the tactical and operational levels.
The basic structure and framework can be used synchronously for both presence-based and virtual crisis management.

Structural basis

In order to ensure that the protection goals remain safeguarded from an event that is difficult to predict and the effects, the triad of the following building blocks is also a prerequisite for a crisis organization that operates virtually:

- **Crisis organization:** Management of special situations by a group of managers specially deployed, supported by personnel, equipped with material and trained for this purpose;
- **Crisis response:** Establishment of basic reactive processes in order to bring about fact-based decisions using selected methods once a crisis has been identified, so that the crisis can be overcome quickly and any potential damage minimized. The company's ability to act quickly and appropriately is the goal;
- **Crisis communication:** Transmission of addressee-appropriate messages in internal and external communication via defined structures in order to convey the need for information quickly and appropriately through verified facts on all channels.

Establishing this triad into a systematic approach as a holistic crisis management system requires regular review of strategic capability through exercises, training and simulations.

Basic structure and framework

Selection of personnel and development of competencies

Competent personnel and the establishment of formal structures are other necessary factors that are essential for the strategic capability of crisis management. In addition, committed leadership supports the development of this capability and promotes it by releasing resources.

Stabilizing the organization in a crisis also depends on the skills that each member of a team brings to the table. The personnel deployed should therefore have the following distinctive competencies:

- **Task Competencies:** leading meetings, identifying key issues and priorities, bringing about decisions;
- **Interpersonal skills:** Negotiation skills, persuasion, emotional intelligence;
- **Personal qualities:** credibility, self-confidence, cognitive abilities;
- **Stakeholder management:** engaging internal and external stakeholders and knowing and meeting their needs;
- **Expert knowledge and experience:** participation in missions, previous crises and exercises.

Basic structure and framework

The selection of personnel for a role on the crisis team or assistance and service team (AST) is usually function-based. However, the composition is often heterogeneous, so that the development of individual competencies described above should be focused on.

At the same time, the functional staffing in the crisis team/AST always entails an established and, above all, functioning deputy arrangement within the department. Not every established person in charge is suitable to fill a role in the crisis team (be it for private, professional or even temporary reasons). A targeted selection of personnel or even an assessment center proves helpful in selecting and ultimately integrating personnel for specific functions in the team.

Basic structure and framework

Use of work tools and methods

Professional use and agreement on methods and means of working in the crisis team and in the other bodies of the crisis organization (i.e. AST, departmental organization, etc.) are further factors determining success:

- **Declaring a crisis:** coordinated start to crisis management;
- **Situation briefings/briefings:** organization and structured execution of central situation briefings;
- **Situation picture:** building and establishing a situation picture (by whom - what - who - when - how - what impact, etc.);
- **Visualization and protocol:** Coordination and synchronization of work tools and templates;
- **Decision making and action control:** use of FORDEC or other decision support tools as well as effective & efficient connection of interfaces, further levels and stakeholders for information and action control;
- **Media use:** coordination and use of media (dashboards, flipcharts, kanban, timelines, presentations, etc.);
- **Ending the crisis:** coordinated and appropriately communicated handover and transition to normal operations;

Your company's crisis team is certainly structured and trained accordingly. Working principles, reaction times and controlling topics such as visualization and cooperation with the AST and other interfaces have been thought through methodically and in terms of personnel. One of the main challenges in the virtual environment was to further develop the ability to act and the capabilities of your crisis team and, of course, of the tactical and operational levels involved, in line with the Corona pandemic.

Virtual management and digital solutions

Maintaining the protection goals must be the focus of the crisis organization in every crisis. It is irrelevant whether the crisis organization meets in a physical or virtual location to manage the complexity of a crisis. Both forms of this crisis organization have the goal of (re)acting in an organized and rapid manner and communicating necessary information as needed.

Aspects for establishing a basic setup

For both forms of a crisis organization, presence-oriented and virtual, it is necessary to establish a basic setup with which the defined goals for the respective crisis can be met regardless of spatial distances. For such a setup, the following aspects in particular must be taken into account during conception and planning:

- Identification and analysis of the situation;
- Make quick and fact-based decisions;
- Overlooking and managing complexity;
- Targeting resources;
- Minimize impact and damage;
- Initiation and follow-up of actions;
- Communication with all relevant stakeholders and
- Conduct post-mortem analysis/after action review as lessons learned.

The integration of a basic setup requires the acceptance of all parties involved and the trust that the establishment of a modified system will support the overcoming of a crisis in the best possible way, help with stabilization in a more targeted manner and strengthen the success of the organization.

In fact, there are already some stumbling blocks in the practical implementation in the virtual framework that require special solutions digitally.

Virtual management and digital solutions

Consider coverage of (psychological and social) needs

When establishing a basic setup and optimizing a system and procedures, it is important to include the coverage of the psychological and social needs of the team members. In the current Corona crisis, which is characterized by virtual communication and the relegation of social relationships, we are seeing very clearly that these needs have been and are being significantly neglected.

The interaction of the teams in the acting bodies must therefore also be adapted to the virtual context and realigned to take account of the relevant needs. The goal should be to ensure that involvement in relevant topics as well as freedom of decision and self-efficacy are also taken into account. The cooperation and motivation of the contributors in a committee should be socially strengthened in the process. The basic physiological needs for the care and recreation of each member should generally be provided.

Equipment with digital solutions

Each organization has its own setup of technical hardware and software solutions in operation based on its own experience with crises, the need for required tools or taking into account available resources. There are comparatively clear differences in the equipment. On the one hand, this can be a very modern crisis staff room including a video conference system and its own situation center or an AST for the supply of verified information, or on the other hand, a meeting room that is equipped with aids (e.g., flipchart) and technology (e.g., projector, notebooks) as needed for specific events.

Virtual management and digital solutions

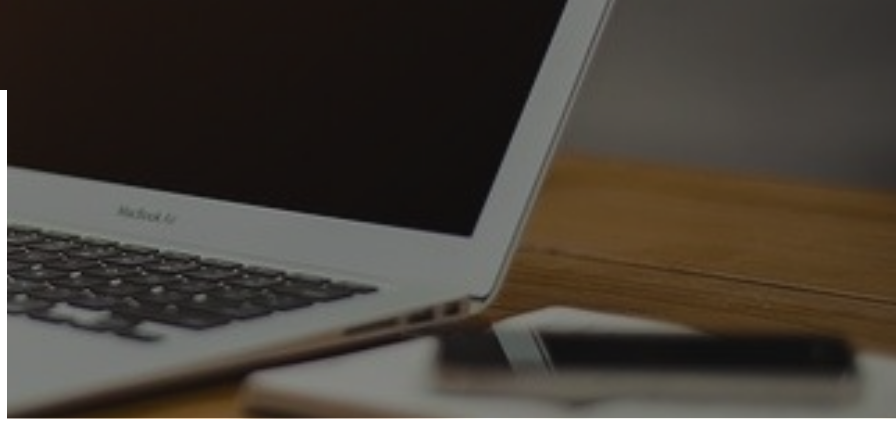
Different approaches are also being taken with the software. There is considerable diversity in these solutions, ranging from platforms for video conferencing with an integrated control tool (e.g., a browser-based Kanban board), a messaging function, and various other tools, to software-as-a-service solutions for proactive crisis management and alerting, some of which have established themselves as state of the art in corporate groups.

Last year, numerous companies initially switched to virtual crisis management via telephone and video conferencing. In most cases, companies were able to establish these systems quite quickly (after a more or less structured initial phase) and put them to good use. However, some companies have also used the situation to expand their virtual capabilities: Digital dashboards and protocol formats have been developed, workflows have been digitized and, of course, the methodological competence of the people acting has been professionalized.

If solutions are already implemented for the respective crisis organization, the additional need for hardware and software solutions must be identified. It is recommended to answer the following questions:

- Which solutions are already available and necessary in the organization?
- How are existing solutions accepted or what are the functionalities?
- Is the crisis organization ready for change, and what needs to be done to convince members of the benefits of change?
- What resources are needed for further development?

The approval of a change and establishment of the setup of a virtual crisis organization requires a motivated and convincing approach by the person responsible for crisis management as well as a mandate from the management to release appropriate resources and to promote this project in order to enforce necessary adjustments.



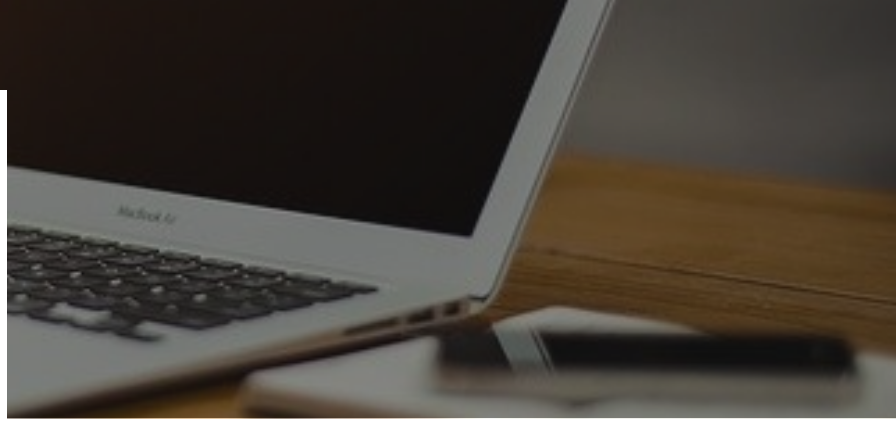
Virtual management and digital solutions

Integration of digital solutions

When optimizing the crisis organization, the opportunity should be taken to adapt all activities to the digital systems to ensure productivity in the virtual context. The following five activities can benefit from virtual adaptation:

Alerting: Effective alerting depends on two factors - the procedure that defines the group of addressees and represents the documented process, and the technology used to alert this group of people. Experience has shown that both factors are not implemented in every organization. Cascade calls with the help of a so-called telephone tree are an analog alternative still in use, which is rather rarely documented as a process. A digital solution has proven to be more efficient, with which the persons and functions necessary for an initial briefing and decision-making are alerted or connected immediately after detection.

Briefings and situation meetings: This type of regular meeting serves as a central tool to put all members in the same position. Here, the status of all departments and current developments are discussed. Attendance for each member is mandatory. In a virtual environment, briefings and situation meetings are challenging with a maximum of eight people. Interaction and restraint are at odds because of the dynamics in a crisis and the timely decisions that must be made. It is especially important that these meetings be facilitated or orchestrated by an appointed member, even in a virtual environment. This function must accurately manage fact-based dialogue during dynamic phases and constructively engage all members of the staff. All members of a crisis team must be encouraged to participate in a decision-making process with their opinions on what is happening and the individual facts. In addition, the so-called task tracking should be actively integrated into the briefing or the situation meeting or, even better, faded in.

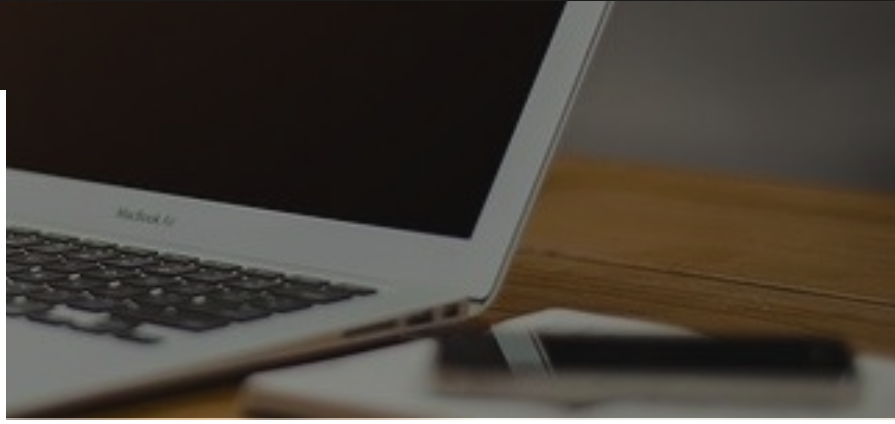


Virtual management and digital solutions

Decision-making: Documented decision rules, e.g., whether decisions are made hierarchically or democratically, a defined framework of competencies, and the application of a methodology are the foundations of any crisis organization. For decisions in virtual environments, it is also important that the appointed members of a crisis team are actively involved in the decision-making process as experts and representatives of the specialist departments through an appointed moderator. Technical tools can be usefully employed here (from hand signals and chat functions to voting options).

Taking minutes and reporting: It goes without saying that decisions must be recorded in minutes. It is up to the respective committee whether and how the minutes are visually integrated into a virtual meeting. It is sometimes the case that visualization or separate task tracking is dispensed with. In this case, the task tracking is displayed in meetings with the help of the minutes. The renunciation of further aids requires that a digital protocol must have a very clear structure, in which the respective status of a task can be recognized quickly. However, dispensing with additional visualization has the disadvantage that task tracking is difficult to display at a glance and more complex issues or contexts cannot be visualized via a simple protocol either. There are many virtual options here, from tool solutions to Excel logs.

Visualization and task tracking: The visual representation of tasks and more complex interrelated issues, as well as the situational integration of geographic maps and dashboards, is an essential tool for any virtual crisis organization. These activities should be implemented by a person who has the skills to easily visualize the complexity of issues in dynamic phases, as well as to extract tasks from conversations and meetings and match them to the minutes. Kanban boards help with visualization during task tracking. Project management tools and software-as-a-service solutions for proactive crisis management and alerting usually have this task tracking feature. Of course, these can also be mapped using simpler means. The important thing is that visualization and task tracking should be thought through before a crisis occurs.



Virtual management and digital solutions

The need for hardware and software solutions is based on the five activities of a crisis team during a crisis. It is imperative to avoid a decline in the crisis team's productivity and, in the best case, to increase it. Holistic hardware and software solutions can be introduced or selectively upgraded, but this is often related to the available resources.

Purchased or developed technologies and practices should be conceptually thought through and tested prior to the crisis. The spontaneous introduction of procedures and systems during a crisis (e.g., procedures for alerting) could develop into a crisis of its own and should be avoided at all costs.

Virtual exercises and tests

In every crisis there is an opportunity for further development - just as there is in every exercise. This applies both to the company and perhaps even the business field as a whole, as well as to individual improvements that strengthen the cooperation of all employees.

Well-organized companies draw their potential for improvement from the Corona crisis with the help of post-mortem analyses, after-action reviews and lessons-learned processes. Key insights are the current level of effectiveness and the efficient use of technical resources of a virtually acting crisis organization.

Once the minimum requirements have been met, this level must be maintained and continuously increased. To ensure that the competence and acceptance of the people and teams involved is maintained in the medium to long term, regular practice and testing must be documented conceptually.

Goals of exercises and tests

Exercises and tests are used to systematically review structures, processes, resources and skills and to develop competencies. The focus is on reviewing the actual state, with the classic objectives: Getting to know the ways of working during a crisis, validating the company-specific crisis management process, practicing systematic methods for decision-making, identifying typical mistakes in staff work and consolidating successful procedures.

Virtual exercises and tests

In the focus of validation of digital components, these three aspects have to be considered additionally:

- **Application of virtual control methods and ways of working :** Visualization, protocol handling, briefings/situational discussions and team interaction, and tactical level connectivity and action control;
- **Validation of methodological competence of virtual process control:** individual skills and knowledge within the team, but also in constructive participation and interaction with interfaces (and also in the direction of decision making authority/corporate management, etc.);
- **Crisis communication training:** Use of addressee- and situation-conform communication on the three levels internal communication, external communication and social media with special consideration of website control under special conditions.

Test classes and types of exercises

As experts in crisis management, we know that regular tests and exercises are not only required by regulation, but also increase the maturity level and promote the operational capability of crisis teams. It therefore makes sense to use the potential for digital change in crisis management to further develop processes, expand the skills of the personnel deployed and adapt to more efficient tools.

Virtual crisis management exercises and tests should therefore definitely be included as a supplement in the exercise and training concept in every company. This is practically less costly than many people think.

Virtual exercises and tests

Verification and validation in crisis management is usually performed using different test classes and exercise types. Based on these common variants for crisis management verification, the integration of virtual exercises and tests has been evaluated here, taking into account different criteria. The focus of the figure is on the **additional effort** involved in the initial execution of a virtual exercise or test.

	Preparation	Deployed personnel	Complexity	Follow-up
Alerting tests				
Desktop exercises				
Team exercises				
Crisis Staff Exercises				
Full exercises				

1 icon = same or low effort/use of resources or complexity
2 icons = moderate effort/use of resources or complexity
3 icons = large effort/use of resources or complexity

Virtual exercises and tests

Framework and methodology

As with all exercises and tests, the **framework conditions** remain close to reality: All established (and perhaps newly introduced) virtual systems are used, are put on the practical test bench, and thus remain available to the team members as a tool box in the long term. In the context of an exercise, skills and competencies can again be built up here, homogeneously integrating all the strengths of the team members. As with all exercises and tests, this naturally requires a clear commitment on the part of the company's management (perhaps especially in the direction of digitization).

Methodologically, a scenario-based exercise is also suitable in the virtual context, ideally as a short exercise (up to three hours). This takes into account the special features of the digital context (the attention span in purely remote events is roughly in this range). In addition to the purely technical aspects, a context is also created that "grabs" the participants in the exercise in order to also achieve the classic exercise objectives regarding communication, teamwork and leadership on a socio-psychological level.

Based on the current approach around Corona, more elaborate formats (in terms of time and personnel deployment) up to full-scale exercises are of course also conceivable. However, the minimum requirement should be at least an alerting and practical test with the corresponding awareness raising in order to put the practicing team virtually on the right track.

Virtual exercises and tests are suitable for **all teams in the crisis organization**: from the crisis team to assistance and service teams as well as communication teams to individual task forces or departmental teams. All benefit from the practical, technical approach of a virtual exercise.

Virtual exercises and tests

Set-up and focus

The **set-up** of the exercise/test remains similar with the aforementioned considerations: A directing team controls the scenario and maps the outside world for the acting team. Observers evaluate the perception from the outside, and the acting team uses the method Learning by Doing both for individual competence development and for insights from the inside. Together, the participants, observers, and the directing team thereby identify the worthwhile positive procedures, instruments, and methods as well as, of course, the potential for improvement on a completely company-specific basis.

The **focus** of a virtual exercise is on effective and efficient protocol management, the virtual method approach, appropriate visualization, goal-oriented situation assessments/briefings and, of course, the appropriate mindset (incl. discipline). Some goals, such as interaction, role development, and especially the medium-term dynamics of scenario development, can be mapped more on the margins. Topic complexes concerning IT failure or personal injury (possibly also in the company's area of responsibility) can often be better solved with a physically assembled team. If conditions permit, it is recommended to combine virtual exercises with exercises at a location.

Virtual exercises should be conceptually integrated with existing documentation to ensure maturity development.

Learning is experience. Everything else is simply information. (Albert Einstein)

Conclusion

Companies and organizations, with the support of their existing or ad-hoc designated crisis management experts, have (further) developed digital strategies and procedures for dealing with the Corona pandemic. In principle, it is possible for any company to work and manage crises using virtual means. The strategies as well as the practical procedures have to be checked for their suitability in the company:

- What was/is successful and what does your company not need?
- Are there useful additions in terms of digital resources, working materials and tools?
- What budget is available for expedient innovations?
- How can you maintain or perhaps even build on the skills and awareness you have acquired in the short, medium and long term?

Integrate digitization into your crisis organization with a sense of proportion and with a view to your company's needs. In doing so, perhaps also use the insights and skills you have gained for a scenario-dependent hybrid model, i.e., the combination of presence-acting and virtual-acting committees. You can use your experience and skills to implement the individual steps in a goal-oriented manner, even with a limited budget.

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emergencies.

The contents of this document are intended to provide information on virtual crisis organization. Subsequent changes are possible.

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