

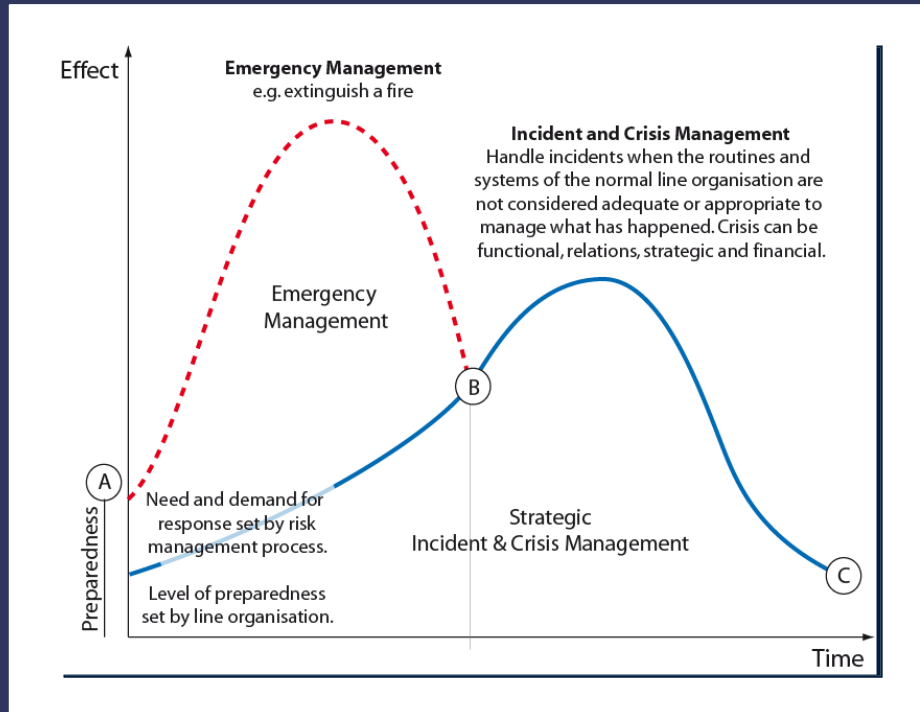
A Strategic Incident and Crisis Management Concept

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Differences from traditional crisis management functions

- ❖ **Proactive** incident and crisis management function at strategic level.
- ❖ **Broader** and more holistic incident and crisis perspective that involves a number of perspectives such as financial, functional, relations and strategic perspectives.
- ❖ **Sustainable** incident and crisis management function that could work over time, not just when an event appears.

Create effect over time

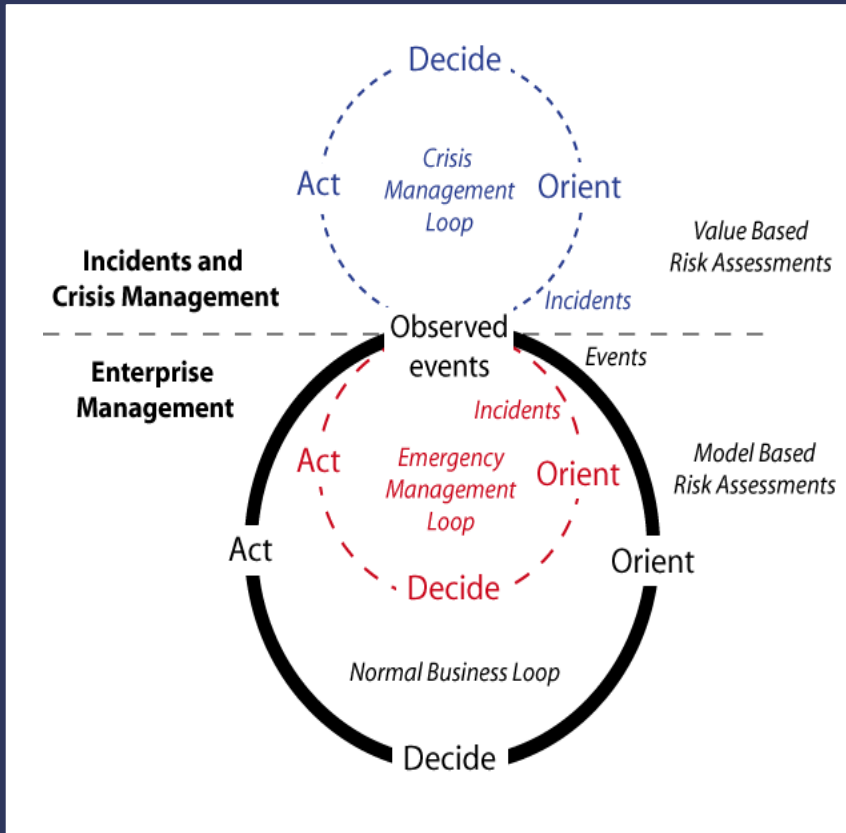


The first phase, the emergency management (dotted red curve) is always handled by the line organization. The second phase, the incident and crisis management (solid blue curve) is usually handled by the line organization, but, depending on the scale of the incident, it may be handled by the incident and crisis management organization on the organisations top level, which could best be described as the strategic incident and crisis management.

Four main categories of a crisis

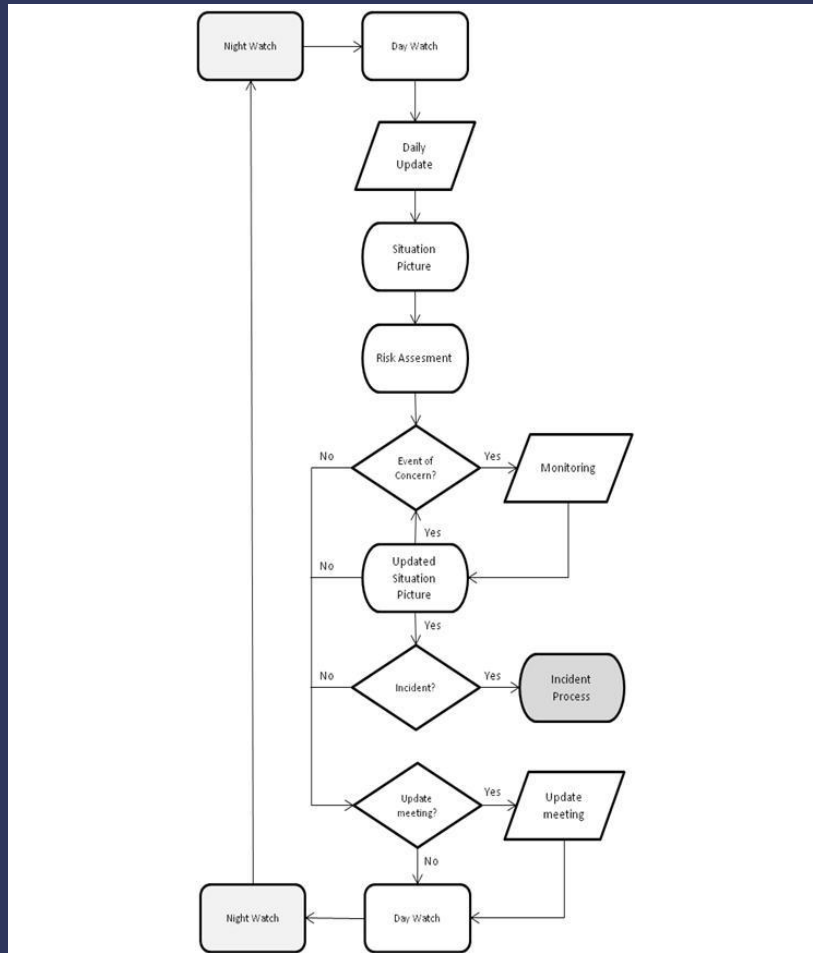
- ❖ Financial crisis. In the short term this could mean lost liquidity and in the long term bankruptcy.
- ❖ Functional crisis. Directly linked to the company's operation and a threat to its production, services, administration or management, for example lack of safety routines or defective staff handling.
- ❖ Relations crisis. Often described as communication crisis, where negative publicity can generate debate and opinion which negatively will affect the company's opportunity to act.
- ❖ Strategic crisis Can occur if for example the market changes or when the general debate forces on extensive changes in the company's business idea.

Activities described as loops



Generally business process could be described as the dynamic of; observing, orienting, deciding and acting (Boyd, 1987). The starting point is the observation of an event. If the event is not considered to be an incident or a potential for an incident or crisis it is ordinary enterprise management of orientation of objectives, decisions of actions and implementation of actions that lead to new observations (black loop). If the event is an incident like an accident the Emergency Management function starts, which is also considered to be an ordinary function well planned and prepared beforehand (red loop). Both processes are based on a model based risk assessment. This means that the Enterprise Risk Management has evaluated risks and proper steps of actions beforehand.

Daily work with monitoring



Four basic questions are asked:

- Is there a risk for a crisis?
- Is there a risk for an incident?
- What needs to be monitored?
- What is not needed to be monitored anymore?

The conceptual framework describes how to;

- ❖ move from being an emergency structure to becoming a proactive incident and crisis management function.
- ❖ broaden the perspective from functional oriented emergency management to a broader approach that includes financial, functional, relations and strategic issues. The broader perspective will also increase holistic approach for incident and crisis management within the organisation.
- ❖ organize a sustainable incident and crisis management function that could work over time, and not just when an event appears.