How to manage your business through a crisis

Resuming
Where do you go from here?
Turn negatives into positives.

Managing
Time is of the essence.
Trust and execute your plan.

Preparing
It’s more when than if.
Don’t wait until it’s too late.

The Insperity® guide to crisis management
Successfully handling any crisis involves three key steps

1. **PREPARING**
   Take the proper steps before a crisis arises. It’s better to be prepared than to be caught in the middle of a crisis guessing which direction to take.

2. **MANAGING**
   Rely on the course of action you previously thought through and planned out. During stressful situations, trusting your plan can help you make critical decisions without hesitation.

3. **RESUMING**
   Once the crisis has passed, take a deep breath then use the experience to introduce improvements and turn negatives into positives. Managing through a crisis can take a toll on a business, but if you’re prepared and execute your plan, you may just find yourself poised to take your business to the next level.

YOU’VE CREATED A BRAND AND CULTURE THAT ATTRACT THE BRIGHTEST TALENT. You’ve vet ed prospective new hires to ensure they enhance your overall business objectives. You’ve even provided the benefits and perks that keep your workforce happy and productive. Everything seems great! But are you prepared for the darker reality of facing potential crises that may impact your business?

Workplace violence, natural disasters and more can have wide-ranging effects on your business and employees. But being unpredictable doesn’t mean you have to be unprepared. Knowing what to do before, during and after a challenging event can save the day.

Consider this guide food for thought in formulating a crisis-management plan for your business.
Workplace violence

According to the Occupational Safety and Health Administration, nearly 2 million Americans annually report being victims of workplace violence. Your approach to this difficult subject may save the life of someone you know.

Before

Having cameras on duty 24/7 at your locations is a great way to deter employees – or unwanted guests – from committing a violent crime at your business.

What you can’t see can hurt you. Poorly lit areas expose employees to potential dangers, especially employees who work after dark. Provide a well-lit path to and from your building.

“No tolerance” is the best policy. If you notice suspicious behavior, address it immediately.

During

If a situation escalates, move to a safe location and call the police. Provide information that authorities can use to assess and remove the risk. Make sure you and your employees know the nearest and alternative exits.

If you’re unable to remove yourself from a heated situation, look for a secure location to hide and block entry into your hiding spot. In most cases, employees should not attempt to intervene. Authorities should be on the way.

As a last resort, you may find yourself face to face with danger. Take action to protect yourself until authorities arrive.

After

Get in front of rumors. Communicate with your employees. Determine if it is appropriate to inform clients and/or vendors of the incident.

Assess what happened and why. Install door locks and cameras in public areas, if possible. Make future crimes more difficult.

Ask employees to voice concerns and/or ask questions. Employee fears may persist. Don’t hesitate to seek professional help in providing employee counseling.

Natural disaster

Mother Nature can knock the wind out of us when natural disasters cause the loss of life and property. Depending on location, your business and employees may be vulnerable to natural disasters.

Before

Have local emergency and government agency phone numbers available. You may also consider establishing a communication system to help ensure your employees and their families are safe.

Practice drills and a predetermined plan of action will help safeguard employees in the event of an on-site evacuation.

Define a process that allows employees to remain productive if a catastrophe causes your business to be inaccessible for an extended period. Can you set up an alternate worksite? Provide laptops or other equipment that enable staff to work from home?

During

Stay calm and follow your predetermined plan of action. Depending on the natural disaster, take the appropriate form of shelter and shield yourself from danger. In certain cases of imminent danger, you may need to evacuate the area.

Take steps to protect yourself, your employees and your business. Pay attention to extreme weather reports and heed warnings from the Federal Communications Commission’s emergency alert system.

After

Check on your employees and their families if they’re not at the office during an event.

Communicate ongoing information and share safety protocols with your employees.

Ease employees back into a productive work environment. This may involve flexible work schedules.
The numbers don’t lie

Failing to properly prepare for any number of crises can wreak havoc on your business. You can stand prepared – anticipate the various crises you may face and create a game plan to beat the odds.

15 percent of CEOs have experienced five or more crises in the past three years. □CEO Pulse on Crisis study by PWC

30 percent expect more than one crisis within the next three years. □CEO Pulse on Crisis study by PWC


25 percent: the estimated number of businesses that don’t reopen after a major natural disaster. □https://www.sba.gov/business-guide/manage-your-business/prepare-emergencies


17 percent of employers have fired an employee because of his or her social media posts. □https://www.shrm.org/resourcesandtools/hr-topics/technology/pages/w2-theft-and-troublesome-social-media-posts-among-2017s-most-read-tech-articles-.aspx

Source: The cost of a bad hire can be astronomical by L. Fry (May 2017), Society for Human Resource Management, used with permission.


Source: The estimated number of businesses that don’t reopen after a major natural disaster.

Source: 2017 CEO Pulse on Crisis study by PWC, used with permission.

Source: Manage your business: Prepare for emergencies, U.S. Small Business Administration.


Compromised data

No company wants to be the one that exposed their customers’ or employees’ information to hackers. Data may include personal information used to steal someone’s identity or intellectual property that may be valuable to attackers or competitors. Regardless, compromised data can lead to lost customers.

**Before**

Make information security a priority. Implement and instruct employees on security policies and best practices. Ensure they know where to find this information.

Understand who has access to hard-copy and digital records. Can you get by with fewer privileges? Reduce the risk of compromise by limiting access.

Use strong passwords for online information and rotate them every 90 days. Keep sensitive forms under lock and key.

Accept responsibility for any data breach. Employees and customers are more likely to trust your business when they are educated on the situation.

Offer a solution and provide support. Consider offering credit monitoring services, even if not legally required, as doing so will go a long way toward expressing sincerity.

Reassure employees and customers that preventive steps are being taken to avoid similar events in the future.

**During**

Provide details of any known security breaches to employees and customers so they can begin taking proper steps such as requesting a security freeze on credit reports.

Notify the fraud department of the major credit reporting agencies (Equifax, TransUnion and Experian).

Change passwords immediately.

**After**

Prevent employees from developing their own narratives. Keep communication lines open and share relevant information. Respect confidentiality.

Address any problems and solutions. This will begin to restore employee confidence.

Rebuild trust with a mutual understanding of your organization’s mission, vision and values.

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**Internal crisis**

Crisis threats can also be personnel-related, such as corrupt and failed leadership or poor hiring decisions, undermining your business strategy and long-term goals. You can help by taking the right steps to mitigate serious unraveling from the inside out.

**Before**

When hiring, look for a cultural and ethical fit as much as skills. Vision and beliefs need to be shared among all parties, not just leadership.

Encourage your leadership team to resolve conflict internally and clearly understand important issues. Tough conversations that end positively can build trust among your leadership team.

Stay impartial. Don’t engage in gossip or immediate judgment. Take your time and vet decisions based on employee and/or customer feedback.

**During**

Provide coaching opportunities for struggling team members. Consider a leadership-mentoring program.

Document complaints from employees and customers concerning leadership behavior to address any subsequent issues.

If troubles persist, you may need to terminate the employee. It’s better to act immediately than to face a scandal.

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Social media

Whether you’re currently using or feel your business is ready to have a social media account, customers and employees alike often make it their business to share their experience with your products and services. You hope they only have nice things to say, but that may not always be the case.

BEFORE

Explore options for social media and how your company might benefit from garnering followers from within your community and beyond.

Consider hiring a dedicated social media person or agency to monitor the various channels for your company’s mentions. Do you need a watchful eye 24 hours a day?

Have a plan and clearly defined expectations about who will respond to statements made about your company.

DURING

Don’t engage in a war of words. Take it offline – suggest a private channel.

Take a moment to absorb the new information or claims that you are receiving. Don’t have a knee-jerk reaction.

Provide a constructive and friendly environment for a positive exchange of thoughts. You’ll be better off than trying to ignore the claim or refute it.

AFTER

Do your research to learn if there is a larger issue at hand. Sometimes you’re the last to know.

Look on the bright side. Did you learn something you can improve upon?

Don’t over-promise as a remedy. Review your response policy and follow protocol. Ensure you can follow through.

8 ways you can support employees after a crisis

1. Remember what the “H” stands for
   There’s a reason it’s called human resources.

2. Communicate frequently through multiple channels
   Be the voice of reason and source of comfort for your employees.

3. Facilitate recovery assistance
   Employees recovering from a natural disaster or other crisis need your support.

4. Be specific about next steps
   Keep your workforce informed about what’s next.

5. Take care of customers
   As a distraction from trauma, fulfilling customer needs may provide employees with a sense of purpose.

6. Coordinate volunteer efforts
   Never underestimate the power of even the simplest act of kindness.

7. It’s a marathon, not a sprint
   It’s important to pace yourself, your employees and your company.

8. Prepare for future disasters
   Once things are back to normal, make sure you review and update your company’s disaster-recovery plan while the event is still fresh on your mind.
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