

## EFFECTIVE CRISIS MANAGEMENT



THE INSTITUTE OF DIRECTORS AND VICTORIA PROFESSIONAL AND EXECUTIVE DEVELOPMENT



# Effective Crisis Management for Directors and Board members

1pm to 4.30pm Wednesday 10 July 2013

# Crisis Management

The Institute of Directors (IoD), in collaboration with Victoria University of Wellington, offers a workshop on effective crisis management that will improve IoD members' ability to plan for and respond to an unexpected emergency or crisis that threatens their organisation.

Crises are a feature of normal organisational experience. Whether an individual incident escalates into a crisis, or a combination of separate but interdependent factors combine to create the conditions of a crisis, they have the potential to substantially threaten an organisation, its people, its products and customers and consequently its reputation.

As crises emerge and unfold it will become apparent whether an organisation has sufficiently anticipated the crisis and its impact, or has an ability to manage the impact, through both the acute stage and the aftermath, while continuing to function and maintain its goals and objectives.

A combination of **knowledge, design, practice and experience** will help an organisation detect and respond to crises. Attempting to build or strengthen organisational capability once a crisis has emerged is extremely difficult. Some organisations fare better under crisis conditions so understanding and preparation is key to building capability.

## Course Objectives

At the end of this course, it is expected that participants will:

- Understand the nature of a crisis and its potential impact.
- Identify the factors that build 'crisis resilience' in an organisation.
- Understand how governance and leadership act and interact through the life cycle of a crisis.



# Course Outline

This afternoon workshop will feature 3 sessions.

## Session 1

Horsemeat found in packaged food, a hacker attack on a major telecommunications company, and traces of glass found in cereal. These are only a few examples of product harm crises that companies have faced over the past few months both overseas and in New Zealand.

Why is it important for a director to understand whether the company is in the midst of a product harm crisis? What factors need to be considered in assessing whether a company is facing a crisis? What psychological processes influence how customers react to a crisis, including the assessment of blame? How can a company respond in order to protect its reputation?

## Session 2

Organisations - Handling serious adversity, leadership under pressure.

Have you watched a chief executive or the chair of a board respond to crisis facing their organisation? By the time they appear in the public domain the crisis will have been exposed and running for some time. At this point things will be moving rapidly, even if it is just the public, or just a very interested part of the public, appreciating that something is happening and are now starting to take notice.

While we may all consider at some time the question “how did they get into this situation?” or “what went wrong?” – it is likely that we may also ask “how would I, or my organisation, respond if we were under such intense scrutiny?”.

The New Zealand Police is one organisation that has experience in withstanding enormous criticism and scrutiny while at the same time handling other public crises. Over time, the New Zealand Police has evolved in order to operate under really critical circumstances – becoming ‘crisis resilient’. With some 12,000 staff

operating throughout New Zealand, including its off-shore footprint, the New Zealand Police is often assumed to be the lynch-pin of community and citizen security and safety.

In this session, Howard Broad will explain what makes the Police ‘crisis resilient’. How does the New Zealand Police prepare for crises? How does it fit within the “whole of government” approach (NZ Inc.) for emergency planning and response? What form does risk management and assurance take in an organisation like the Police? What is the operating methodology when things happen? How does the organisation update and add to its knowledge base when evaluation of its recent action(s) are scrutinised and criticised? And, more importantly, what lessons are there for other organisations?

## Session 3

Tina Symmans, an experienced company director will describe the role and function of a board as a necessary element in an effective response to a crisis. The role of the board in ensuring that the risks of the organisation are reviewed using a process that actively promotes risk awareness at all levels and promotes active and prompt responses to emerging problems, will be considered. The relationship between the board, the CEO and management team is a crucial factor in the success or failure of an organisation's planning for, and response to, a crisis.



# Contributors



**Daniel  
Laufer,**  
PhD, MBA

Associate Professor  
of Marketing

Dan Laufer is an Associate  
Professor of Marketing at  
Victoria University of

Wellington. He also has experience teaching at leading universities in the USA, Germany, South Korea, Canada, Mexico and Israel. Daniel's area of expertise is crisis management and his articles have appeared in both academic and managerial journals, including the top journals in the fields of public relations and marketing. Daniel's main focus over the past few years has been on topics relating to the psychology of blame, and crisis communications, and his published research involves data collected from consumers around the world. Daniel also teaches executive courses on crisis management at leading universities worldwide, and he is quoted frequently as a crisis management expert in the global media including *The Wall Street Journal*, the Associated Press, CNN, Sina News in China, *Nikkei Business Daily* in Japan, and the *Korea Times* in South Korea.



**Howard  
Broad**

Consultant – Public  
Sector Advisor

A career police officer,  
Howard retired after 36  
years in the New Zealand  
Police in 2011 and the last

five as the Commissioner of New Zealand Police. In his five years as New Zealand's chief law enforcement officer he dealt with an unprecedented level of operational and organisational pressure including natural disasters, contested police operations and investigations, police practice and culture and challenges in the international policing domain, the two Christchurch earthquakes, the Pike River disaster, and the fallout from the operation concerning armed training camps in the Urewera Ranges.

Through these challenges he initiated a programme of organisational change that included reforming the Police Act, the police disciplinary process, a root and branch reorganisation of police intelligence process and structures, and the approach to risk and assurance.

As a member of the Government's advisory group on security and emergency management he participated in whole of government approaches to the various disasters that befell New Zealand in his term and also was involved in providing police advice about overseas operations as diverse as Afghanistan, the Solomon Islands, Tonga and Fiji.

He now serves in a number of not-for-profit organisations and consults on public sector leadership, management and security issues.

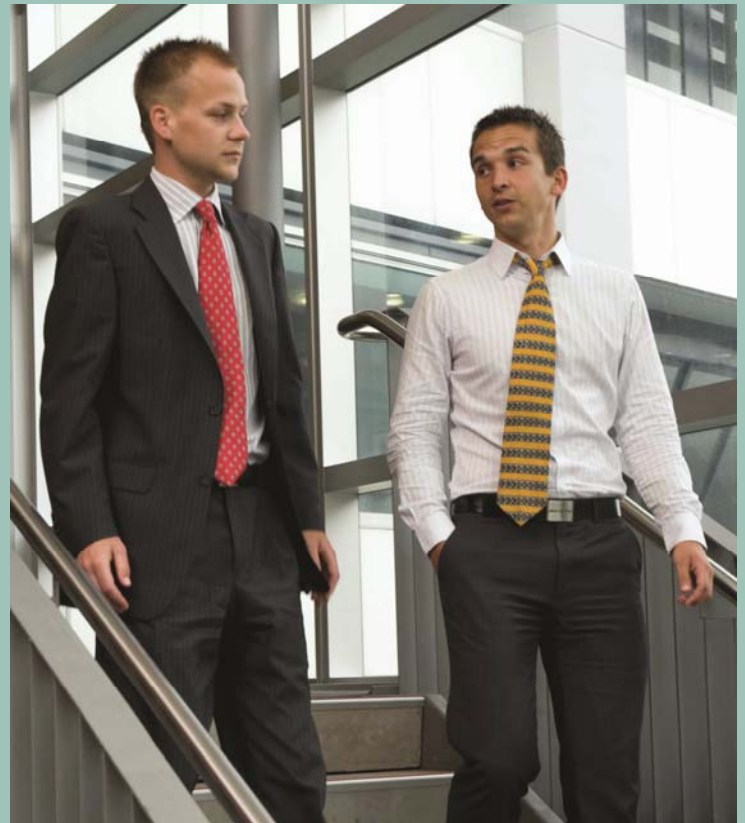


## Tina Symmans

Tina is a consultant and has more than 20 years' experience as an advisor to boards of directors and CEOs in the New Zealand corporate sector. During that time she has successfully managed

several significant commercial projects, many of which encompassed challenging negotiations, exposure to capital markets and major government relations dimensions.

Tina recently retired as Director, Corporate Services for Telecom New Zealand. Her experience includes senior management positions within large corporations, independent consultancy, including several years as founder and Managing Director of a strategic communications company, and more than 15 years governance experience serving on boards of directors.



## Fees:

- \$397 (excl GST) for IOD members
- \$480 (excl GST) for non IOD members

## Venue:

The Institute of Directors  
Mezzanine Floor  
Tower Building  
50 Customhouse Quay  
Wellington

## Enrolment details

For more information and to enrol it [www.victoria.ac.nz/profdev](http://www.victoria.ac.nz/profdev)

## CONTACT US

Email: [profdev@vuw.ac.nz](mailto:profdev@vuw.ac.nz)

Phone: 04 463 6556

Post: Freepost 93822

Professional and Executive Development

Victoria University of Wellington

PO Box 600

Wellington 6140

Or in person: Level 2

Rutherford House

23 Lambton Quay

Wellington City – Pipitea Campus