

Measures and Principles for Instant Capability to Act in the Crisis

We are experiencing one of the biggest shut-downs in recent history. The most important task for the coming months is to remain **capable of acting** as a company. Time is the critical success factor. It has to happen **now**, and with **full force**. The right **networking**, **intelligent** evaluation procedures, the right **alignment** and **costs** play a decisive role.

This paper describes instant **measures** and **principles** for remaining **capable of acting** in the crisis, reducing the **costs** of **managing** this crisis and ultimately **emerging** from it **stronger**.

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Written by:

Gotthard Tischner
Ronald Herse

EVOLUTIONIZER GmbH
Cecilienallee 7
40474 Düsseldorf
evolutionizer.com
solyp.com



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The most important task for the coming months is to remain capable of acting as a company. Capability to act means, among other things, identifying external and internal risks quickly and reducing them as far as possible in the short term. The cost side plays a decisive role. Managing a crisis costs money, and far more than one might think. In order to be able to make decisions quickly in times of crisis, disproportionately high efforts are required to collect, bundle and further process the complexity and the large amount of information from the markets and in-house. Our best people work 30 to 40 % more to remain capable of acting as a company. But sitting out the crisis is not the solution, the resulting losses would be far greater and the company will be weaker after the crisis than before. Time is the critical success factor. Something must be done now, and with full force. At the same time, no actionism is called for. We must ensure that we do the right things right without risking the long-term viability of the organisation.

"For several months we will all be forced to switch to a new and previously unfamiliar mode."

In Essence There Are 3 Things to Be Done:

1. Establish a **structured process** and a crystal-clear, simple **methodology** to quickly collect, condense and evaluate the challenges and **ideas** or **countermeasures** on a broad basis
2. Quickly ensure **networking** and **alignment** within the company along **changing priorities**
3. Enable necessary **changes in direction** and adaptability through **transparency**, **communication** and tight **implementation feedback**.

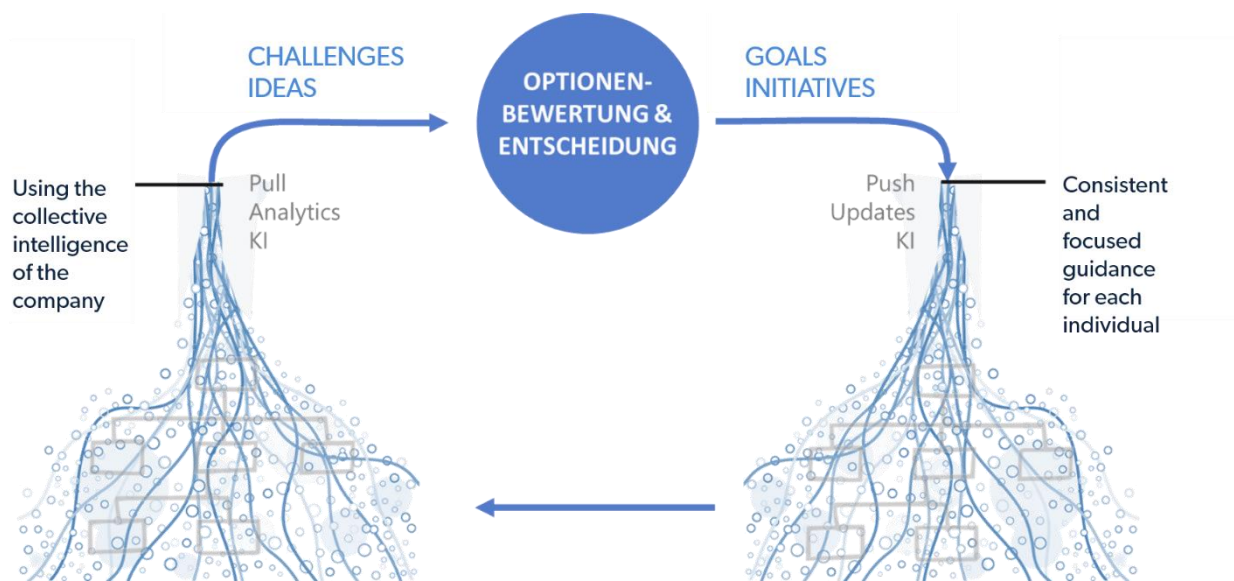


Illustration: Collect, condense and evaluate knowledge from the organisation and ensure alignment within the organisation.

To do this, we need the knowledge and contributions of those working on the "crisis front" who are directly affected by the effects of the crisis. It is important to ensure that knowledge from within the organisation is quickly collected, condensed and evaluated. On this basis, the right decisions must be made and the resulting actions must be sorted back into the right places.

Instant Measures That Ensure Capability to Act and Agility in Times of Crisis:

1. **Collect, Condense and Intelligently Evaluate Challenges and Ideas to Be Mastered Company-Wide via a Structured Process**

The first step is to be as close as possible to the place of change - on the "crisis front" so to speak. The place where employees and managers feel the force of the crisis. In times of crisis, we have to mobilize the knowledge of many people and their self-organizing forces in the short term. A quick assessment of the potential risks and the key challenges to be solved is essential in order to be able to initiate the right countermeasures immediately. To do this, we must rely on the collective intelligence of the company.

The process and methodology for collecting, aggregating and assessing perceived risks must be robust and easy to use. This refers to personal challenges from the point of view of those affected, to external (e. g. customers and market), and internal risks (e. g. supply chain, operations, etc.). Intelligent analysis methods should be used to condense the large amount of information from the organization. For example, machine learning methods are ideal for interpreting a large quantity of qualitative texts (e. g. on challenges or risks) faster and better using text clustering methods.

The challenges to be mastered are confronted with ideas and countermeasures. Here too, use the collective intelligence and creativity of your company by collecting and condensing ideas and measures on a broad scale in order to address the identified challenges as quickly as possible.

2. Review and Reprioritise Existing Initiatives

First, review your current initiative environment and confront your initiatives with the defined challenges. Evaluate your initiatives according to their contribution to risk avoidance or mitigation. Stop all initiatives that do not make a direct or indirect contribution to mastering the crisis and at the same time have nothing to do with a successful "ramp-up" after the crisis.

The following questions should be asked:

1. Which initiatives make a direct or indirect contribution to mastering the crisis in the short term?
2. Which initiatives are critical for success in quickly "rebooting" after the crisis?
3. Which initiatives must be pushed forward more intensively during the crisis because they are operationally and/or strategically important for our competitive positioning in the post-crisis period?

In the coming months, it is the crisis and opportunity activities that will determine the work and actions of the brain workers, not the day-to-day business or the defined projects to optimize the existing business. At the same time, we must not allow ourselves to be completely paralysed by the necessary short-term activities. In a crisis, we need not only the "firemen", but equally the "gardeners". They ensure that we also continue to advance those issues that are of high strategic importance for the company during the crisis.

3. Simulate Options and Reaching Coordinated Decisions for Implementation Initiative

Based on the condensed challenges and ideas, different options have to be developed, compared with each other and finally bundled into programs that can be implemented. In order to quickly arrive at coordinated decisions for implementation initiatives, it must be possible to simulate different options in real time with their expected impact on revenue and cost structures. The key issue is to make the assumptions behind the individual initiatives transparent. Simulation makes the discussion of if-then scenarios more objective and shortens the decision-making process massively. The task now is to implement the right bundles of initiatives as quickly as possible.

4. Relate Objectives to Initiatives and Contributions by Each Individual and Make Them Transparent

Linking implementation initiatives with objectives and individual contributions is essential to create orientation and stability for our employees. What we do must have something to do with what we want to see solved. And this must be comprehensible and transparent. In addition, it must be ensured that the individual contributions are visible to the big picture. Every initiative must contribute to at least one explicitly formulated aim with regard to risk avoidance or the use of opportunities. It must be ensured that our actions contribute in some way to the priority objectives. It is seldom a problem to change our activities and change direction as long as the goal remains

valid. In times of crisis, we must also learn to allow short-term goals, for example weekly or even daily goals, in order to remain flexible.

5. **Structured Crisis Program Management and Active Support of Employees in the Implementation Process**

A fast understanding and identification of the right starting points is one side of the coin. The other side is quick and agile implementation. In addition to the risk recognition and -evaluation process, standards in implementation are necessary. For crisis programme management, few but essential standards must be strictly adhered to. The recommendation is to use methods of agile software development. Short-term, hard goals, working through closely timed sprints, conscious phases of grooming, a few tasks that have to be completed at short notice and sometimes daily, tightly managed coordination rounds take getting used to at the beginning.

With a bit of practice, the effect will quickly unfold beyond organizational boundaries. Mutual trust and the willingness to get actively involved form the foundation.

Principles That You Should Consider in Times of Crisis to Ensure Capability to Act and Agility:

1. **We Must Separate Decision-Making Processes From the Organizational Chart and Align Them With Risk Avoidance Activities**

Decision-making processes must be separated from the familiar structure and aligned with crisis activities. Agile work requires quick decisions on the current issue, which is supposed to make a contribution to the big picture. This is implemented in short cycles and short deadlines. Trust in the expertise of the team, the common overriding goal and the task at hand are paramount. The best people must work together on crisis-relevant tasks - regardless of rank, status, role and organizational affiliation.

2. **We Must Discard Familiar Working Methods in Times of Crisis – They Are a Hindrance!**

Now more than ever, agile work is needed. Familiar forms of collaboration are thus being turned upside down. This changes for example meeting preparations, documentation and follow-ups, our planning depth, task and time tracking and also reporting. In order to be fast, we have to get away from familiar ways of working. Agility cannot arise if we solve today's challenges with methods from the past. This is one of the biggest challenges in a crisis, as long-established and deep-rooted patterns of behaviour break up.

3. **We Must Be Able to Take Immediate Action, Spread Tasks Over Many Shoulders and Quickly Demonstrate Measurable Results**

There is no time for extensive planning. First and foremost, instant measures must be initiated to contain the most urgent risks. At the same time, risk-critical tasks must be quickly spread over several shoulders. The aim is to achieve significant results in the shortest possible time. Quick wins are important for one simple reason: significant and visible successes promote team dynamics. We notice that we can make a difference in a short time. People need this confirmation - especially in times of crisis. This is where meaning and implementation power come from. The effect of cooperation must be measurable in the form of results, or at least assessable.

4. **We Must Ensure Transparency, Constant Communication and Short-Term Feedback**

Transparency regarding relevant activities, constant and high-frequency communication and direct feedback are decisive factors for the success of agile forms of cooperation in times of crisis. Short-term feedback events are needed to check whether or not our activities are bringing us closer to the set goals. This is not a matter of monitoring the achievement of objectives, but rather of whether our activities are working in the right direction or not.

5. **We Have to Accept That From Now On, Crisis and Risk Management Will Dominate the Fate of the Company. Put the Best People on It**

The highest attention must now be paid to crisis and risk management. Quickly establish a crisis team that is composed of your best people across all departments. This team has the primary

management and control responsibility for the period of the crisis. The most important task here is to clearly identify the risks identified for your business and to manage them along

- a. a. the expected impact on your business,
- b. b. the probability of occurrence,
- c. c. the relative resource requirements for counteraction,
- d. d. the likelihood of success in containment.

The risk cockpit is the most important tool for management in times of crisis. The assessment of risks must remain dynamic and must be repeated whenever assumptions change. Apart from the likelihood of their occurrence, you should also ask the following question here: In what situation are we in if the risk takes a sudden turn? And: Can we then live with this situation or not?

Perfection Is the Enemy of Good When It Comes to Managing Phases of Crisis

The biggest mistake is to do nothing and be paralyzed by the fear of doing the wrong thing. Make sure that the flow of information from the "front" is simple and fast, that information is bundled and that decisions can be made quickly. This is important in order to quickly distribute concrete actions after the decision has been made and diffuse them throughout the organization. We have to trust in the self-organizing forces of the company. This requires transparency and networking. This cannot be achieved without appropriate software support.

Software support has no alternatives

Software support for mastering such a crisis is not an option, but a necessary element for creating agility and the ability to act. Software is also the only key to getting the costs of managing the crisis under control.

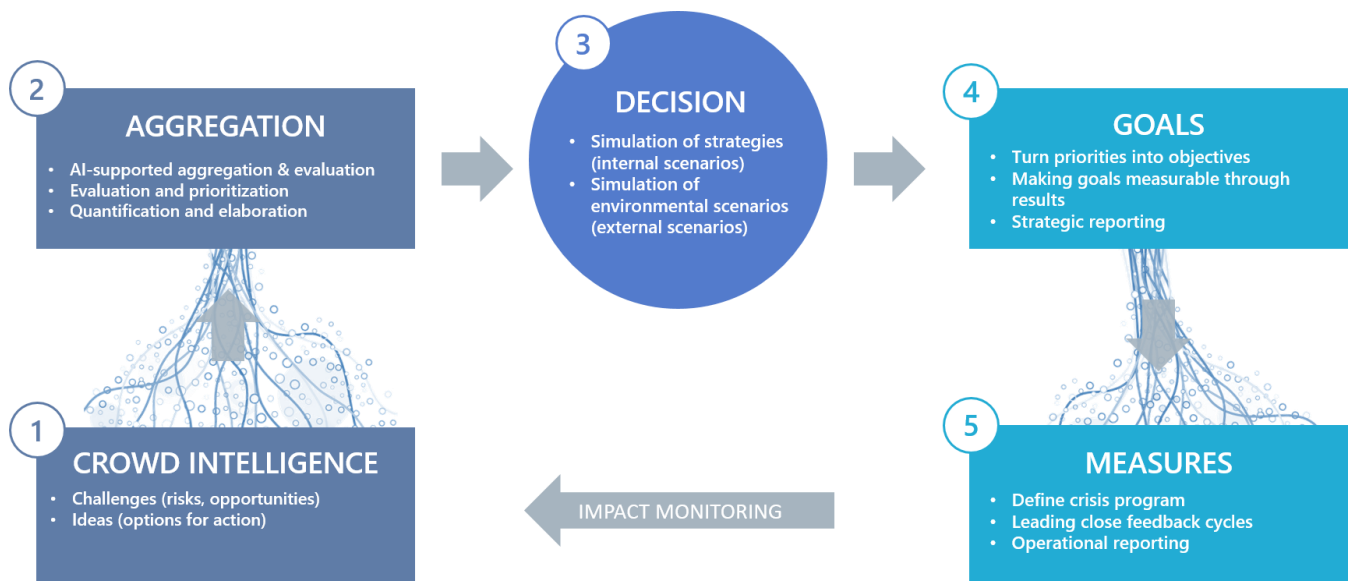


Illustration: Solyp 4.0 supports these 5 instant measures.

We need tools that ensure the right networking of people and the relevant tasks, support ongoing dialogue and promote cross-divisional cooperation - especially when we do not actually have time. With the right technology and a few but essential tools, the foundation is laid for constant ability to act, permanent readiness and the successful mastering of crisis situations. With the goal of emerging from it stronger in the end. Without the right simple and effective tools, costs get out of hand and chaos and frustration are inevitable.

This crisis mode will be painful for many of those involved at the beginning. But the transition will be manageable once we know why we are doing it, the higher goal, the tasks and individual contributions are clear to our employees. Using this crisis in the right way gives hope for a positive side effect: The company will be stronger after the crisis than before!