

Insperty

HR that Makes a Difference™

HOW TO MANAGE
YOUR BUSINESS

THROUGH A CRISIS



The Insperty® guide to crisis management

PREPARING

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

MANAGING

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

RESUMING

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

THINK AHEAD

Failure

to prepare is

PREPARING
TO FAIL

**YOU'VE CREATED A BRAND
AND CULTURE THAT ATTRACT
THE BRIGHTEST TALENT.**

You've vetted 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.

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

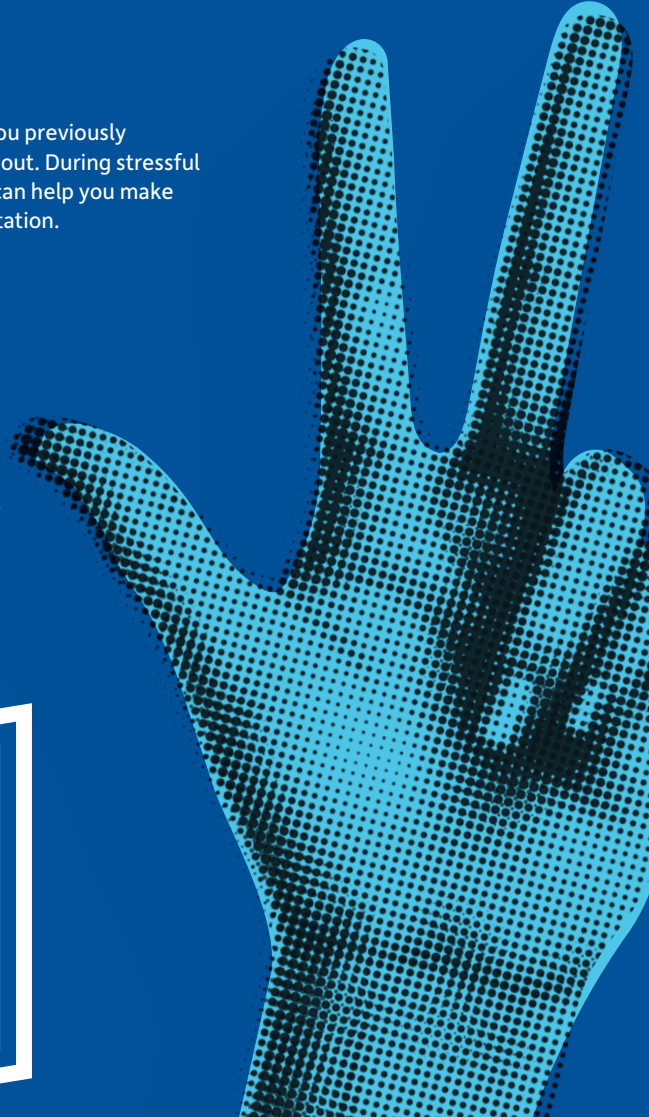
Rely on the course of action you previously thought through and planned out. During stressful situations, trusting your plan can help you make critical decisions without hesitation.

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.

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.

\$240,000

The potential cost of a bad hire from recruiting to onboarding.

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

\$109 BILLION

The estimated cost of malicious cyber activity to the U.S. economy in 2016.

Source: *The Cost of Malicious Cyber Activity to the U.S. Economy* (2018), The Council of Economic Advisers, whitehouse.gov.

15%

CEOs that have experienced five or more crises in the past three years.

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

500

The number of workplace homicides in 2016.

Source: National census of fatal occupational injuries in 2016, Bureau of Labor Statistics.

25%

The estimated number of businesses that don't reopen after a major natural disaster.

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

30%

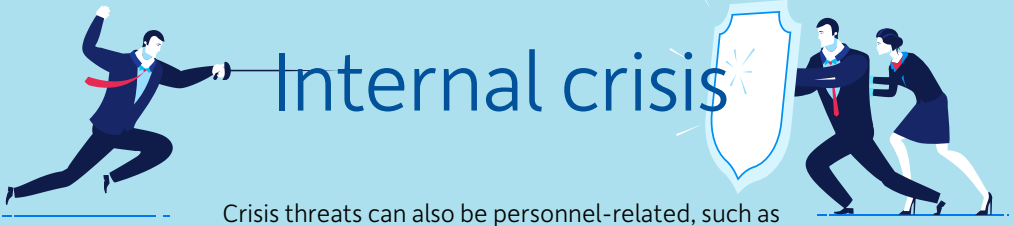
CEOs that expect more than one crisis within the next three years.

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

17%

Employers that have fired an employee because of his or her social media posts.

Source: [W-2 Theft and Troublesome Social Media Posts Among 2017's Most-Read Tech Articles](#) by A. Wright (Dec. 2017), Society for Human Resource Management, used with permission.



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.



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.

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.

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

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.



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.



5

Take care of customers

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

4

Be specific about next steps

Keep your workforce informed about what’s next.



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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