



Crisis Management for Challenging Times

American Conference of Engineering Companies
MA Safety Forum

December 18, 2023



Legal Disclaimer

The information, examples and suggestions presented in this material have been developed from sources believed to be reliable, but they should not be construed as legal or other professional advice. CNA accepts no responsibility for the accuracy or completeness of this material and recommends the consultation with competent legal counsel and/or other professional advisors before applying this material in any particular factual situations. This material is for illustrative purposes and is not intended to constitute a contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice.

The examples provided in this material are for illustrative purposes only and any similarity to actual individuals, entities, places or situations is unintentional and purely coincidental. In addition, the examples are not intended to establish any standards of care, to serve as legal advice appropriate for any particular factual situations, or to provide an acknowledgement that any given factual situation is covered under any CNA insurance policy.

“CNA” is a registered trademark of CNA Financial Corporation. Certain CNA Financial Corporation subsidiaries use the “CNA” trademark in connection with insurance underwriting and claims activities.

Copyright © 2023 CNA. All rights reserved.

Designed by PresentationGO



What is a crisis to
you?

What is crisis management?

Crisis Management: The overall **coordination of an organization's response to a crisis**, in an effective, timely manner, with the goal of avoiding or minimizing damage to an organization's **people, profitability, reputation, and ability to operate.**



Incident

An event that has the potential to cause an interruption, disruption, loss, emergency, disaster, or catastrophe and can escalate into a **crisis**.

Incident

An event that has the potential to cause an interruption, disruption, loss, emergency, disaster, or catastrophe and can escalate into a **crisis**.

The diagram illustrates the progression of an event through three stages, represented by a large blue arrow pointing from left to right. The stages are:

- Incident**: An event that has the potential to cause an interruption, disruption, loss, emergency, disaster, or catastrophe and can escalate into a **crisis**.
- Crisis**: A situation that has the potential to cause a disruption, loss, emergency, disaster, or catastrophe and can escalate into a **disaster**.
- Disaster**: A situation that has caused a disruption, loss, emergency, disaster, or catastrophe.

Each stage is defined by a set of terms in italics, with some terms underlined. The terms for Incident are: interruption, disruption, loss, emergency, disaster, catastrophe, and crisis. The terms for Crisis are: disruption, loss, emergency, disaster, catastrophe, and disaster. The terms for Disaster are: disruption, loss, emergency, disaster, catastrophe, and disaster.

How crisis management enables business resilience

Business Resilience

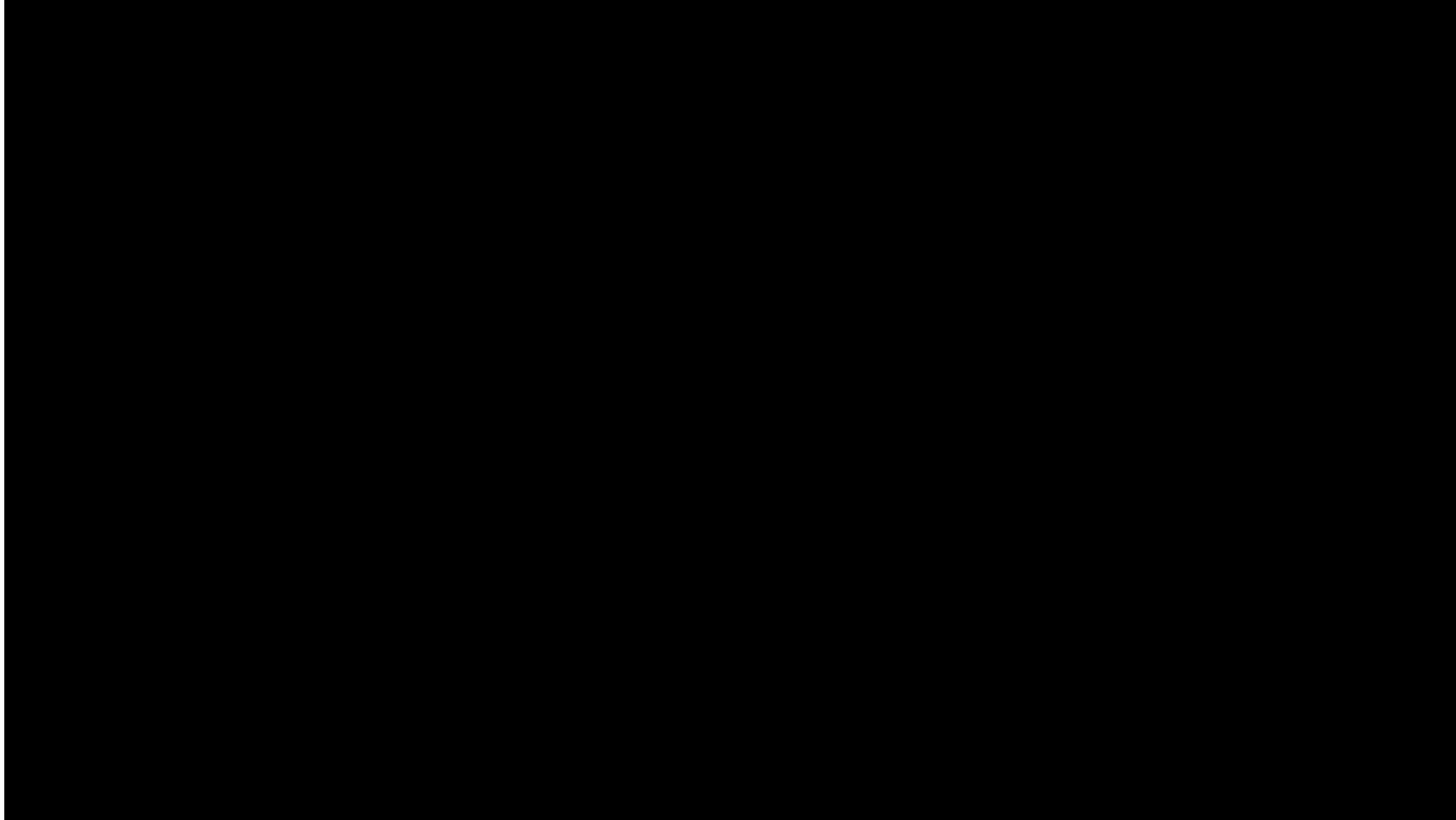
The ability to prepare for and adapt to changing conditions in order to withstand and recover rapidly from disruptive incidents.

Management Disciplines



How crisis management enables business resilience

Minute Micro-learning module



Source: CNA's [2023 Strategic Business Resilience Report](#)

Plan

Crisis management planning considerations

The goal is to minimize the loss and impact to people, property and processes



KEEP IT
SIMPLE

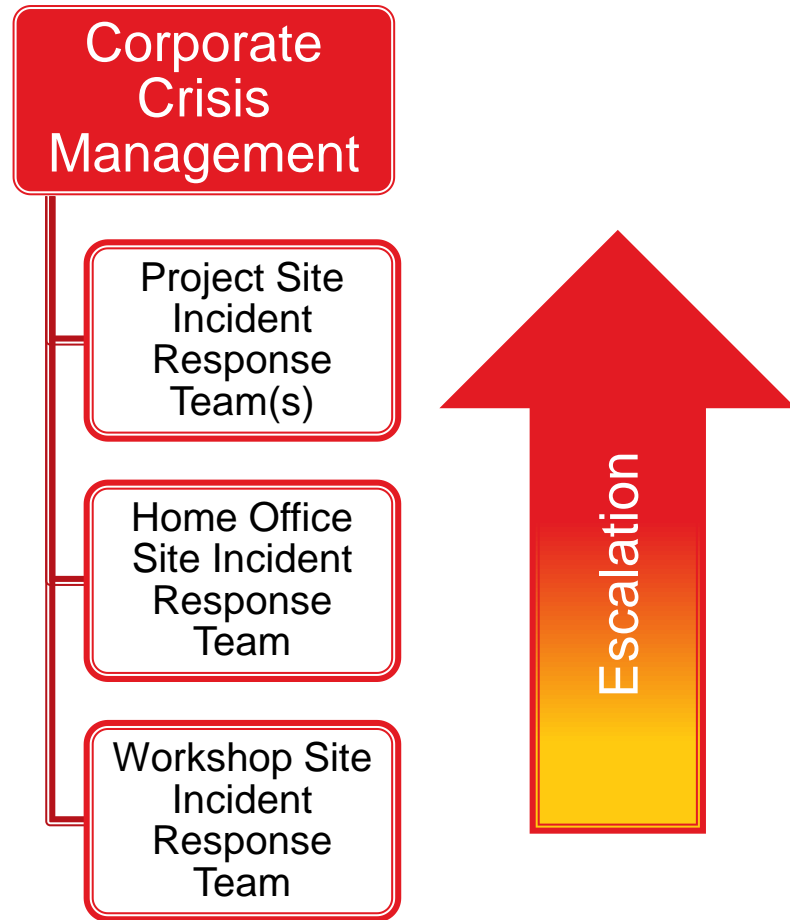
**EVERY
SECOND
MATTERS**



PRACTICE
YOUR
RESPONSE

Example response structure

Considerations for your response structure



Overview

- Resilience Policy establishes roles and responsibilities
- Resilience Steering Committee oversees and supports all activities
- Corporate Crisis Management Team is led by the CEO or designate
- Site Incident Response Team led by designated “Site Head”
- Project Site Incident Response Team led by “Project Lead”
- Incidents with the potential for a broader impact are escalated to Corporate Crisis Management Team

| Level | Incident Impact/Threat | SIRT Leader Action |
|-------|--|--|
| Red | High probability for companywide impact | <ul style="list-style-type: none">• Contact CCMT Leader or Designate• Manage local response and support CCMT decisions/communications |
| Amber | Localized with potential for wider impact | <ul style="list-style-type: none">• Notify CCMT of potential impact• Manage local response and keep CCMT updated |
| Green | Isolated impact with no potential for wider impact | <ul style="list-style-type: none">• Manage local response• Update local leadership as appropriate |

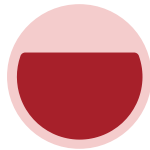
How the response and recovery structures work

Responding to disruptive incidents



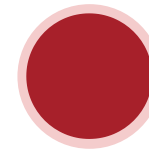
Emergency Response

- Engage local responders
- Address life safety
- Fix the problem
- Assess the impact
- Engage insurance provider
- Direct company response
- Manage employee and stakeholder needs



Business Recovery

- Understand impact
- Plan/design recovery steps
- Implement recovery plan
- Direct company response
- Manage employee and stakeholder needs



Return to normal

- Plan/design resources to restart operations
- Implement restart plan
- Direct company response
- Manage employee and stakeholder needs

Plan Type: **Incident Management**
Business Continuity Management
Crisis Management

Practice

Sample Crisis Tabletop Exercise Meeting

Meeting Goal: Perform a tabletop exercise to train the organization’s crisis response team

Documents needed for this meeting:

- *Corporate Crisis Management Plan*
- *After Action Review (AAR) template to capture attendees, scenarios reviewed, what worked well and action plan for improving the crisis response capability*

| Topic | Time |
|---|------------|
| Exercise Introduction | 10 Minutes |
| Response Team tabletop exercise | 30 minutes |
| Exercise debrief – Complete the After-Action Review (AAR) | 20 minutes |



Key Outcomes

- Attendees understand and identify improvements for their crisis management plan
- Attendees more prepared to direct the organization’s response for a crisis incident



The exercise should simulate a realistic disruption so your crisis team can practice their response.
(like a flight simulator)

EXERCISE EXAMPLE

Building Fire



Source: CNA Business Resilience Consulting Services

Exercise Scenario (Senior Leader Notified @ 6:45 AM)

- Fire department arrived at 6:01 AM Sunday morning to your site which was fully engulfed in flames
- Responders need to understand building content before entering
- Media are on site and asking for a statement from your company

Discussion Points (10 minutes)

1. Review the Corporate Crisis Management Team plan:
 - a) Agree what actions need to be taken and who on the team would be responsible for completing.
 - b) Is there any information you should have in your plan to help with crisis response?
2. Make notes of any improvements for the exercise debrief and AAR report.

Exercise scenarios to consider

Place each situation number in the area that represents the team and plans **that would need to be immediately activated.**

1 Company vehicle accident; serious injuries to employees and family in minivan

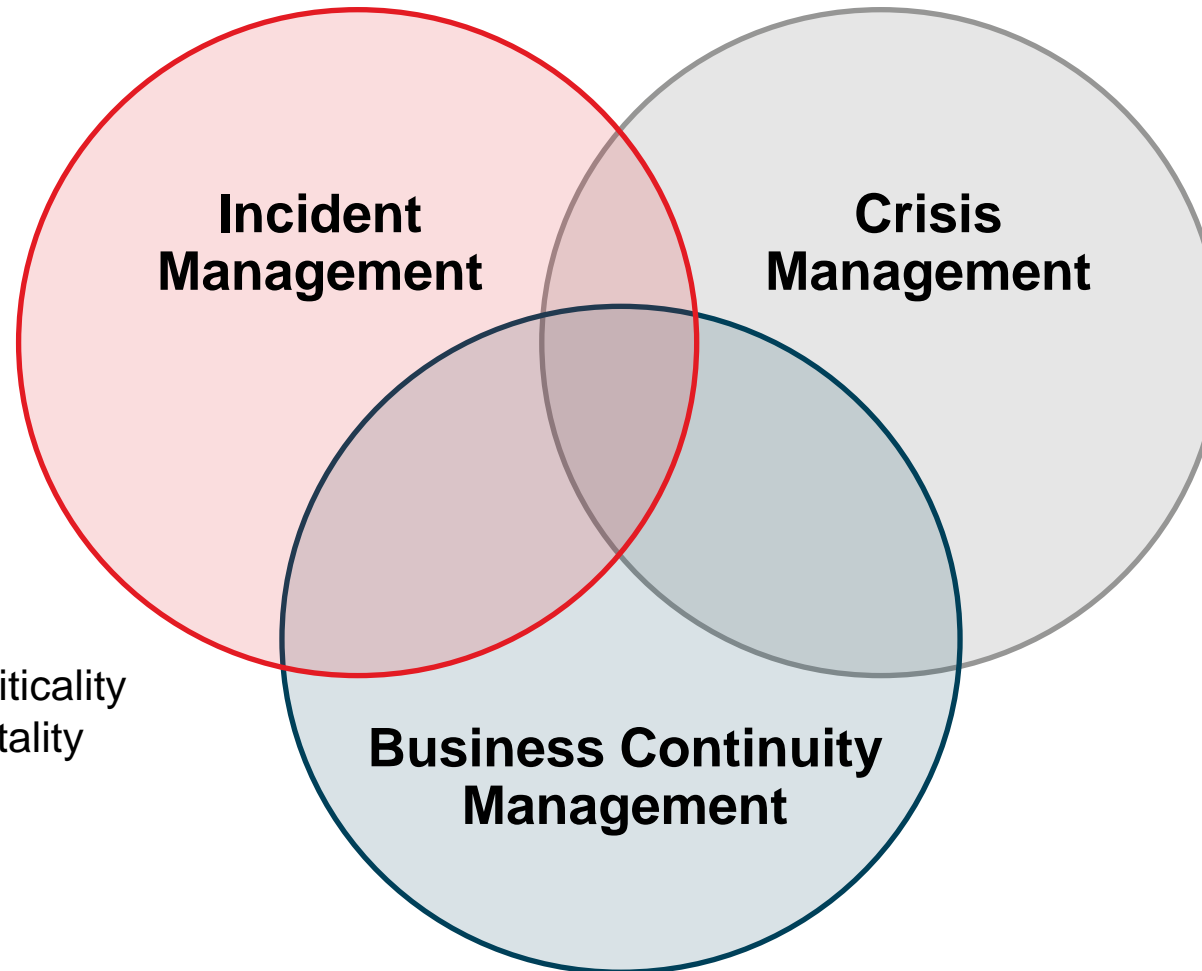
2 Home office fire destroys building and content

3 Two employees critically injured and one fatality on job site

4 Technology failure due to cyber attack

5 Informed of a water pipe bursts which damages 12 of 20 stories near completion

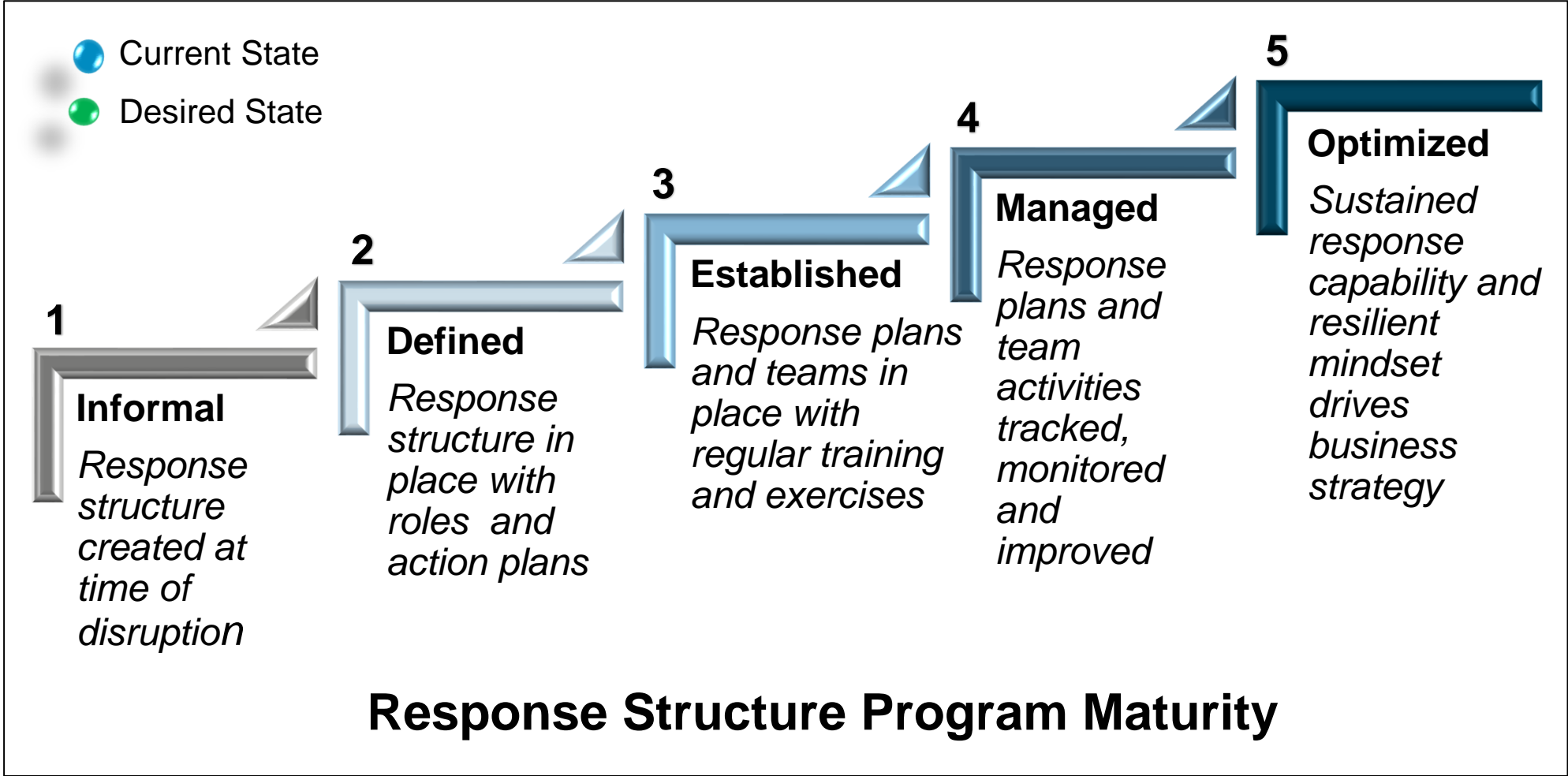
6 Former employee returns to office with a weapon



Progress

What is your current/desired state?

Time to ask your questions



Source: CNA Business Resilience Consulting Services





Thank you!

Handout available



To learn more about
strategic business resilience
visit [Business Resilience \(cna.com\)](https://www.cna.com)

| CNA | |
|---|--|
| Crisis Management | |
| Consider the following actions to improve your ability to respond effectively to incidents that escalate into a crisis for your organization. | |
| Capability | Consider the following actions |
| Ability to receive early notification for potential crisis events | <ul style="list-style-type: none">• Ensure escalation criteria and procedures are clearly defined in company policies and procedures.• Communicate and confirm understanding of the escalation process across all levels of the organization.• Test escalation procedures regularly as part of business resilience exercise programs. |
| Crisis management structure defined and plan in place | <ul style="list-style-type: none">• Develop a crisis management structure and plan for your organization.• Organize a plan review session with crisis team members to update the plan as needed.• Perform a tabletop exercise using a realistic simulated crisis scenario.• Ensure a "Plan Owner" has been assigned to manage the crisis plan content.• The Plan Owner should:<ul style="list-style-type: none">◦ Monitor staff changes and update the plan as needed.◦ Schedule plan reviews and updates annually at a minimum.◦ Ensure an "After Action Review" is performed after each plan activation or exercise.◦ Update plans and schedule the next plan review no later than 12 months. |
| Ability of crisis management team to engage or activate quickly | <ul style="list-style-type: none">• Develop resources and procedures to enable urgent virtual/physical crisis team meetings to occur within minutes of a crisis escalation.• Ensure expectations for crisis team member participation are clearly understood and accepted.• Facilitate drills or exercises in a variety of formats to train and improve the crisis response capability.• Monitor and report crisis response plan update and exercise status to senior leadership to ensure compliance. |
| Regular crisis management training and exercises performed | <ul style="list-style-type: none">• Designate a Business Resilience Program Lead/Coordinator and a Senior Leader/Committee with responsibility for overseeing the health of plans and response capability.• Designate Plan Owners and Plan Sponsor roles for each team (typically at each location of operation).• The Program Lead role will collaborate with Plan Owners to ensure plan exercises and maintenance activities have occurred.• The Business Resilience Program Lead role will report the status of exercises and plans to the Senior Leader/Committee. |
| Involvement from all levels of the organization | <ul style="list-style-type: none">• Ensure Executive Leadership support for the program and designate a Senior Leader to champion the business resilience program for the organization.• Develop internal training and ensure all staff has taken the appropriate training based on their role in responding to crisis incidents.• Develop a communication plan to ensure all levels of the organization understand how to respond to disruptive incidents. |

