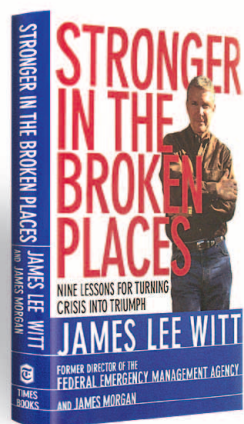


SOUNDVIEW Executive Book Summaries®

FILE: LEADERSHIP



By James Lee Witt
and James Morgan

Nine Lessons for Turning Crisis into Triumph

STRONGER IN THE BROKEN PLACES

THE SUMMARY IN BRIEF

As the director of the Federal Emergency Management Agency from 1993 until 2001, James Lee Witt witnessed some of the worst crises Mother Nature, chance and certain humans had to offer — earthquakes, floods, airline crashes, the Oklahoma City bombing, and more. Through it all, he not only drastically improved the reputation FEMA had among lawmakers and crisis victims alike (his leadership rescued the flagging agency), he also developed a strategy for managing crises — a customer-centric model that served him and his staff well, and can serve your business in the same manner. In Stronger in the Broken Places, Witt lays out the plan, peppering his instruction with observations gleaned from both his years at FEMA and from research into how companies handle emergencies great and small. If you're facing a crisis, Witt's ideas are a vital resource.

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What You'll Learn In This Summary

- ✓ Strategies for getting to know your organization's values and preparing a triage plan based on them.
- ✓ Ways to set up effective communication and early-warning systems.
- ✓ How to identify a recurring crisis and assess the repercussions of walking away.
- ✓ Ways to change your priorities and projects without triggering crises.
- ✓ How to identify synergies with suppliers, clients and stakeholders.
- ✓ The best ways to keep your team confident and productive when things are going wrong.
- ✓ Strategies to build emergency teams with customized reporting lines and goals.
- ✓ How to find people who can share leadership duties with you.
- ✓ Tips for collecting knowledge about failures and successes so you can refine your crisis plan for the future.

STRONGER IN THE BROKEN PLACES

by James Lee Witt and James Morgan

— THE COMPLETE SUMMARY

PREPARING FOR A CRISIS

Find Your Roots

Knowing your values — both literally and figuratively — is the crucial first step in preparing for a crisis. The first mistake people often make in crisis response is trying to fix and respond to every situation and exigency, all at once. Managing a crisis effectively requires a series of decisions that must be made quickly, under intense pressure, and with little chance to reflect or research. In such situations, some things invariably get lost. Knowing your values is the only way to ensure that you're the one who is making the decision about what exactly gets lost, and what is too important to sacrifice.

The managers of Johnson & Johnson called on their values when someone began putting cyanide in bottles of Extra Strength Tylenol in the 1980s, and their resulting actions probably saved their business. Management did not dilly-dally, backpedal, stonewall or spin. Instead, it immediately pulled all the product off the shelves and even from some assembly lines (no one knew who was tampering with the pills).

Testing the Credo

They were able to act quickly and decisively, and with such unity, because of something called the Johnson & Johnson credo — their written statement of the values that guide the way the company does business. That credo was and is strengthened by “challenge sessions” conducted a couple of times each year by Johnson & Johnson management, in which managers question the credo, in order to make sure it accurately reflects the company's actions, as well as to ensure those actions reflect the company's values. Few if any changes are made, but in the process of testing the credo, remarkable buy-in occurs. Core beliefs, like muscle, respond to exercise.

As seen by Johnson & Johnson's actions, techniques of introspection and self-examination can be incorporated into the life of an organization. When James Lee Witt took over as director of FEMA, the organization agreed on its first-ever mission statement, committing itself to an emergency management program of mitigation, preparedness, response and recovery. The mission

marked a new FEMA in three crucial ways:

1. Simply by spelling it out, Witt and his people had set a concrete path for an agency known for its vagueness, thick bureaucracy, and lack of true viability.
2. Witt and his team committed their resources to handling all hazards, eliminating confusion over the agency's Cold War-era incarnation as coordinator of the U.S. response to nuclear war.
3. The mission statement emphasized reducing loss of life and property, and stressed preparation — not simply response and recovery — as an overriding theme.

Building the Plan

Finding your roots, the values that are too important to rip out from under your organization, comes first, long before a crisis hits, if you are going to be successful. Know-how comes from know-why. To build the plan your company needs to make decisions and exercise its “core value muscles,” you should:

- **Identify, communicate and practice your values.** Know what you value and why and how you value it. Communicate your values in terms that don't require crunching numbers.
- **Reassess your mission statement and what it means to projects, clients, products and individuals.** It should clearly point to your values, acting as a primary indicator of the decisions your company will make.
- **Practice triage.** Incorporate “what if” scenarios into your meetings on product development, client rela-

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The authors: James Lee Witt served as the director of the Federal Emergency Management Agency from 1993 until 2001. He is an international consultant and speaker.

James Morgan is the author of *The Distance to the Moon* and coauthor of *Leading with My Heart*.

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For Additional Information on the authors, go to:
<http://mj.summary.com>

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Published monthly. Subscriptions: \$195 per year in U.S., Canada & Mexico, and \$275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2003 by Soundview Executive Book Summaries.

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Find Your Roots

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tions and other areas. Assess and prioritize the way values are communicated.

● **Give yourself regular “know-why” performance reviews.** Let your people know you’re paying attention to how your core values are exercised on a daily basis. Conduct reviews that deal exclusively with your employees’ decision-making to determine how well your organization’s core values are put into practice. ■

For Additional Information on introspection in one’s personal life, go to: <http://my.summary.com>

Market the Storm

James Lee Witt finds something perversely reassuring about satellite photos of hurricanes. What is menacing, amorphous and deadly when you’re in the middle of it is recognizable and predictable when viewed from miles above. This occurred to Witt when he visited Carolina Beach, N.C., many years after witnessing the aftermath of the 1996 Hurricane Fran, which did hundreds of millions of dollars’ worth of damage, killed 24 people, and left 7,000 families with damaged or destroyed homes.

The View From Above

When he considered the devastation such storms had wrecked on the area, Witt thought it odd to see so many aerial hurricane photos everywhere he went. Then it hit him — FEMA had to introduce the idea of disaster preparedness and mitigation through a sustained marketing campaign, the same way one might sell Nike shoes: The agency had to market the storm. By engaging in specific, targeted communication strategies, FEMA could raise the public’s level of awareness and elevate the public dialogue about disaster and the crisis management goals of preparedness and mitigation.

Marketing the storm means getting people accustomed to a state of crisis preparedness, so they’re not taken off guard. When a business draws up a crisis prevention plan, those managing the plan must delve into their deepest fears, imagining every conceivable worst-case scenario. It must set limits for what it can do in a crisis, let others know those limits, and get them to set their own. Honest communication is the lifeblood of crisis management—if you can’t honestly address what a problem is, you diminish your chances of solving it.

Trial by Tire

Communication, when it is working, can help you know when a crisis is coming — sometimes early enough to prevent it. General Motors watched as its competitor Ford Motor Co. and the tire maker

Sybase Makes Media Its Ally

In 1997, the database software company Sybase was riding high, showing a \$15 million profit — a drastic improvement over the previous year’s \$70 million loss. CEO Michael Kertzman was just about to go public with the news when word came in that a handful of employees in Japan had wildly overstated earnings; once earnings were restated, the company was actually showing a \$55 million loss for the year. Although company lawyers were advising him otherwise, Kertzman went public with the news, making himself available to analysts, shareholders, and the media (the *San Francisco Chronicle* even followed him around for a day as he worked on the crisis).

Kertzman wanted to show all interested parties, as well as the financial community at large, that Sybase was tackling the problem head-on, with absolute integrity, and that the overstatement of earnings was an isolated, though costly, incident that occurred half a world away. This commitment to telling the truth was reflected in media profiles of the company (particularly the *Chronicle* piece, which depicted Sybase as a company going through a rough time, but determined to do right).

Bridgestone/Firestone were caught up in a massive product recall of 21 million tires, and an all-around public relations disaster. GM could look on from a distance because it already had in place stringent monitoring programs for real-world tests of the tires it put on its cars, one that had a system of early-warning flags that identified defects and sub par performance. That system, quite a while before the Ford fiasco, discovered a small number of its cars suffering similar defects. GM investigated, and issued a recall for the tires — a recall that affected fewer than 5,000 car owners.

Updates Minus the Niceties

GM’s case reveals a solid communication infrastructure. In such an infrastructure, updates during a crisis must be due at regular intervals, regardless of progress, and minus the niceties of business memoranda. Employees should have a series of questions to answer, including the chance to offer pointed suggestions about whether a response plan needs to be changed.

GM made use of its early warning system which prepared its people for the tire problem quickly and efficiently. Since about three-quarters of business crises start off small, early warnings can make a big difference. Keep people on continuous watch. Reward them for early reports of how their work is going off course, rather than chastising them for getting behind. ■

PREVENTING CRISIS

A River's Gonna Go Where a River's Gonna Go

For 160 years, Pattonsburg, Miss., fought Mother Nature and her most devastating creations: the floods that visited, revisited and repeatedly devastated the town. In 1844, the flood waters came, and in 1909, again in 1947, 1951 and 1973 — each time the water rose, destroyed everything in its path, and fell back again. By the great Midwestern floods of 1993, the people of Pattonsburg had had enough. Rather than simply abandon their town, however, the 500 citizens decided to move the town several miles up Interstate 35, to higher ground. They secured permission from the governor and they received assistance from FEMA (whose director, James Lee Witt, had never before heard of the town or its tribulations). They held a lottery to select who got which lots in the new location. And they *moved the entire town*.

The people never focused on the limitations of what they were allowed to do; instead, they focused on the possibilities available to them, responding to a problem that had haunted them and their forbears for generations.

The hardest part of taking responsibility is just doing it. Inertia can cause natural disasters to be more deadly and costly than they would otherwise be, if people would prepare for them. If you live in a hurricane area, you have to decide to give up a little ocean view for more protection; if you live in a flood plain, you have to decide to take flood insurance. If you lived in Pattonsburg in 1993, you had to decide to take responsibility for your own life.

Take Responsibility for Your Crisis

Not all crises strike with the sudden drama of a tornado or hurricane. Some, like the floods in Pattonsburg, build slowly, insidiously, over time. In any case, you need to take responsibility for handling whatever problem lies before you, and for short-circuiting whatever crisis may be close at hand. Consider doing the following:

- **Launch a probe.** If the same crisis keeps hitting you again and again, find the patterns in the crisis and its causes and use them to your advantage. Create a list of attributes and study them, with the goal of using them to create a prevention plan.

- **Measure the gap and make the leap.** Even though you can see a crisis pattern doesn't mean you or others aren't going to be resistant to change. (It took the people of Pattonsburg 160 years to pull up and resettle.) That's why measuring is so important — at some point, the cumulative losses (sales lost, crises recovered from, etc.)

will reach a breaking point. Quantify your problems as negatives and find positives to counterbalance them.

- **Map out the ripple effects.** Once you've decided to change direction, you need to identify the potential crises that will pop up in the repercussions of your decision. Will your people require new training? Will you have to lay off staff? How will morale be affected? Ask for input from the affected people, when possible, to minimize the negative responses to your decision.

- **Map out the new terrain.** Put your prevention plan into place, making sure everyone knows it, and knows their role in preventing a crisis. Plans are essential, but it's your employees that make your plan a reality.

- **Prevent now, prevent later.** Some portion of responding to a crisis is preventing it from spreading. Long-term prevention plans help you look at the big picture; short-term prevention plans fall back on your values and plans of action — don't confuse the two. Preventing now doesn't automatically help you prevent the same crisis from happening again. ■

For Additional Information on a company that failed to prevent a crisis, go to: <http://my.summary.com>

Reconsider the Three Pigs

As a former builder, James Lee Witt feels we often get our priorities wrong in this country. When construction is begun on a major building project, there's a "groundbreaking" ceremony, where politicians and potentates pose with gold-plated shovels. Once the steelwork is completed, there's a "topping-out" ceremony, where those same politicians and potentates scribble their names on the uppermost beams. All the focus is on reaching for the heavens.

Witt, on the other hand, feels that the big celebration should be for the "foundation pouring." For those who live in California, the politicians and potentates would be invited to return for the "wall bolting" ceremony. Unfortunately, foundations and wall boltings simply don't have the same attraction as topping-outs. Anyone who's ever built anything lasting, however, knows the infinite value of a proper foundation and the right support.

AOL Outgrows Its Foundation

The same is true in business. America Online had humble beginnings. Started in 1985 under the name Quantum Computer Services, Inc., the company was built from a solid blueprint — management identified its market, spelled it out for all to see, delivered the system it promised, promoted its product relentlessly, and built on

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Reconsider the Three Pigs

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that base to add increasing value to its core product.

And it worked — the company built AOL's customer base from less than 500,000 users to nearly 33 million today. Not that it didn't have growing pains. In late 1996, when AOL changed its pricing system, customers responded in numbers that no one in the company expected, causing extreme stress to its infrastructure and resulting in millions of customers put "on hold." The experience sobered the company, which rushed to upgrade its infrastructure, and which has used the experience to inform virtually every new partnership it strikes up. All the while, AOL focuses on its mission, even as it has grown far beyond even the wildest dreams of its founders.

It's the Employees, Stupid!

Another aspect of proper foundations is the interaction and relationship between management and employees. Employees, through their attitudes and aptitudes, determine the level of success a foundation will support. Constant communication between management and employees is key to strengthening that foundation.

The UPS strike of 1996 shows what can happen when that strengthening factor is missing. That 185,000 employees of that well-known and well-respected corporate giant would strike against management was unthinkable, both to outsiders and to UPS managers alike. When an insulated management misjudges its employees' will to enact change, it can very easily find itself without a strategy, outmaneuvered at every turn.

Building on a Strong Foundation

You must lay a groundwork for your *strategies*, not your tasks and tactics — only then will you be able to plan for and prevent less predictable disasters that can happen to a business. When you're starting a new prod-

The Pig With the Bricks Was Wrong

On Jan. 17, 1994, the community of Northridge, Calif., was awakened at 4:30 a.m. by a massive earthquake, registering 6.7 on the Richter scale. The quake and its aftershocks would do unthinkable amounts of damage to the area — over \$40 billion worth (the country's costliest natural disaster), touching some 670,000 lives.

Much of the damage to homes and businesses was done to buildings that were not retrofitted to meet stricter building codes enacted in recent decades. The only mitigation law in California is for unreinforced masonry, or URMs — essentially solid brick structures with no steel or wood reinforcements. Such buildings have been illegal since 1935.

According to geologist Lucy Jones, the self-satisfied pig in Disney's *Three Little Pigs* cartoon had it all wrong when he built his house with bricks. "The right answer was twigs," she says. "Flexible, wood-frame construction. You have to tie them together, though."

uct or service strategy (i.e., AOL's pricing change), you may require attributes you do not currently have in order to head off a crisis (for example, an infrastructure that enables all of your customers to access accounts simultaneously). Looking for patterns helps you see the real-world commonalities in your strategies, just in case they don't match the ones you're supposed to be pursuing.

You should aim high, but never take your eye off your foundation. When you start to overreach your foundation, you risk toppling yourself. Every time you expand, acquire or merge, make sure your crisis-prevention infrastructure extends to your new employees, offices, and projects immediately, before a crisis hits. ■

RESPONDING TO A CRISIS

Twine Is Stronger Than String

No job in any disaster is more difficult — both physically and emotionally — than that of search and rescue. The teams involved are in the job, up close and personal. They don't deal in abstracts: They deal in concrete and steel, wood and glass, water and mud, and (all too often) flesh and blood. Their emotional reserve is absolute; one way they cope is not to think about coping, but focusing on the task at hand.

Yet, in the aftermath of the greatest of disasters — the Oklahoma City bombing, perhaps, or certainly the horrors of September 11 — James Lee Witt feels you can-

not go into a crisis without some coping strategy, some connection to something bigger than you are. You have to believe in your absolute ability to get the job done, and to maintain control of everything, or at least as much as possible.

Sometimes, you don't manage your management of a crisis very well. If too much time goes by with too little good news, discouragement can easily flare into something angrier. Even the Oklahoma City rescuers, exhausted in every way possible, sometimes snapped at the very people who were there to help them.

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Twine Is Stronger Than String

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Competition between federal agencies for control of the mission didn't help, and a good deal of time was spent between colleagues, trying to smooth over hurt feelings.

Going home after the Oklahoma City cleanup was difficult for all involved. James Lee Witt tried to carry the burden of the disaster and its aftermath all by himself. He recognizes now there was no need for that after the bombing, and that there is no need for that, in any disaster situation. You owe it to yourself, your family, your neighbors, your employees, and all the other people whose lives you touch, to manage your own management of a crisis. Do not think you're in it alone — that is arrogance, and totally unproductive.

Mutual Respect, Mutual Assistance And Mutual Need

There is no place for arrogance or territorialism in the wake of a crisis. Focus must be placed on your customers, both internal and external. Probably one of the best examples of business leadership in the all-the-world's-a-customer sense is the story of Malden Mills, maker of Polartec and Polarfleece, following a devastating fire that destroyed the company's offices and plant in 1995. Nearly 3,000 workers relied on Malden Mills for their livelihood, and most thought the fire would bring about the end of the company.

Instead, CEO Aaron Feuerstein announced he was keeping all his employees on the payroll, with full benefits, while the company's plant was rebuilt on a minimal level. He even gave them Christmas bonuses. The downtime lasted three months; it cost him \$25 million. When asked why he was taking this tact, Feuerstein noted that he considered employees to be an asset, not an expense.

That support came back to Feuerstein in spades when he was forced to seek Chapter 11 bankruptcy protection in 2001, after the garment industry suffered a precipitous decline. The communities around the company began a "Buy Fleece" campaign. The company's union workers took a pay freeze and cut their paid days off, in order to help the organization's bottom line. Because Feuerstein made a commitment to his workers and community in a time of crisis, those parties were willing and able to give back to him when he and his company were in the time of greatest need.

The Oklahoma City rescuers and Malden Mills are examples of the benefits of personal and professional support systems in a time of crisis. You can harness the power of such support systems by doing the following:

- **Building some twine.** Twine is stronger than string; anyone who has tied up a package can testify to the difference. In your organization, the "twine" can be an

incident support team that draws on experts from different areas of your company who can coordinate responses in a time of crisis.

- **Reaching out to people.** Take an immediate and literal inventory of how a crisis is affecting your company as well as the people and businesses around you.

Identify where their needs and your needs can serve one another, or where serving their needs is crucial to your handling of the crisis at hand.

- **Viewing everyone as your customer.** Evaluate the short-term costs and effectiveness of a response, in the light of long-term benefits.

- **Remembering the weeding and feeding.** Require open communication with employees, clients and partners, and maintain contact with those you might not work with on a regular basis. Draw a map of this support network, and share contacts generously. ■

For Additional Information on territorialism after the Oklahoma City bombing, go to: <http://my.summary.com>

Treat the Heart Without Losing Your Head

Ernest Hemingway's phrase "grace under pressure" often comes to mind when dealing with a crisis situation. Hemingway meant it as a definition of guts, but in effect it defines the essence of humanity. Crises tend to reveal much about who we really are. Even disaster professionals are caught off guard on occasion by their emotions. One fire chief at the site of the Oklahoma City bombing described one of his men who had broken down crying: "He became that building." The sliver of distance between head and heart had closed in on him.

The people who best handle crises are the ones who tend to think of others before they think of themselves. Focusing on the welfare of those around you is a key to negotiating the emotional undercurrents of a crisis situation. Good managers interact with other people, and so do good crisis managers. You cannot control a crisis: The best you can do is manage it, which, in addition to the nuts and bolts of recovery, means offering a sense of comfort and hope to those most hurt by the event.

Swissair Empathizes, Helps and Succeeds

One of the best examples of corporate crisis management was Swissair's handling of the crash of one of its jumbo jets off the coast of Nova Scotia in 1998. The company had a crisis plan in place; it recognized that the first 24 hours after a crash are crucial if an airline wants to build trust and communication with the crash families. Hours after the crash, the airline announced

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Treat the Heart Without Losing Your Head

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payments of some \$20,000 to help families of victims with immediate financial needs. It also established a team of grief counselors and arranged for families to visit the crash site. Its public communications seemed open and genuine, calming the victims' families, the media, and those who invested in Swissair.

This case shows that if you tell the truth, which often means admitting you don't know or can't do something, you never have to "spin" a story. If you have a crisis plan in place, you can respond with truth and compassion, enabling you to effectively manage the situation.

Find the Balance

It is difficult to find the right balance of head and heart when managing a crisis. You need to determine what you can control, control it, and roll with the rest. This helps you manage stress, which can derail even the best-laid plans. You need to know your limits, and never promise what you cannot deliver, regardless of how much hope you might have that you can deliver something out of your reach.

Don't play the blame game or scapegoat someone or something else — respond to the crisis openly and honestly, building trust and dealing openly with the fear and uncertainty that typically accompanies these difficult situations. ■

For Additional Information on a governor's heart in a time of crisis, go to: <http://my.summary.com>

Tear Down the Stovepipes

In today's media culture, the aura of the almighty spotlight has fried more than a few brains, particularly where the subject of teamwork is concerned. Parents who come to their kids' Little League games and embarrass themselves by getting into fights have probably just been blinded by the possibility that their kid might be a Major Leaguer one day. Self-aggrandizement, however, is not the real point of teamwork. Teamwork is about the satisfaction of helping to build something larger than yourself, to play a part in that greater entity's accomplishing a higher purpose.

Rip Out Vertical Structure

It is important to tear down the stovepipes when building a team. Vertical imaging sparks someone to play for himself and not the team. A bunch of stovepipes in a room never touch one another.

Teamwork issues are, first of all, about attitude. When James Lee Witt reorganized FEMA, one of the first things he did was switch around department managers,

thereby ripping out the vertical structure that tends to grow in organizations where managers stay in the same place year after year. When Michael Bloomberg took over as mayor of New York City, he almost literally tore down the stovepipes at City Hall, replacing rows of fancy private offices with a maze of cubicles. The twist is that he occupies one of the cubicles himself. It is said of Bloomberg that he has lots of will, but no ego. That's a good way to begin to build a climate of teamwork.

You must also achieve buy-in to a unified goal. You can't just mandate it; you're just asking for resistance if you try. At FEMA, Witt had employees work together to create their new mission. He gave them general goals, parameters and directions, then left them to fashion the specifics. Because they did that themselves, they felt they owned the mission.

On the Same Page

Getting teamwork jump-started is useful when a crisis arises, because everyone on the team will tend to be familiar with one another, in addition to being focused on a single goal. If things get prickly between teams that appear to be competing, pull teams into a single unit, if only for a short time. The best way to get people on the same page is to give them only one book. ■

Marriott's Management Turnaround

In business, as in baseball, if you have a team that's firing on all cylinders, yet still not getting the job done, it's not the team's fault: It's the manager's. If something is broken, the manager must step in to fix it.

A good example is the Marriott Corp., whose legendary work ethic put a premium on "face time" — the more hours employees were on the job, the better. This was the philosophy for years, until the day Marriott International's Vice President and Marketing Manager Bill Munck spoke with one of the best entry-level managers. Munck asked the manager where he saw himself in five years; the man responded that he didn't think he'd still be with Marriott, due to the fact that he was regularly putting in 12-hour days and didn't see how he could keep up such a pace.

Rather than writing the young man off as a dead-beat, Munck and his fellow managers saw the writing on the wall and, after getting similar responses from other employees, instituted a new program shortening the hours of managers. Such a shift in attitude was done to foster teamwork, and to retain the company's best and brightest over the long haul.

RECOVERING FROM CRISIS

A Lightning Rod Works Both Ways

Crises are made for heroes; one can't help but wonder sometimes if crises weren't made to make heroes. Think of the brave travelers who boarded United Flight 93 on Sept. 11, 2001. Before they boarded that plane, they were ordinary people, occupied with the mundane hopes and activities of daily life. Then they buckled their seat belts and that big jet lifted off, carrying a handful of extraordinary passengers into the history books.

As a crisis manager, you should seek out the extraordinary people in your organization — the heroes willing to step up when the chips are down, those who bring out the best in others. How do you know who and where they are? Look for the lightning rod. Personalities capable of sparking others tend to attract their share of sparks. They're passionate people, and passion doesn't sit quietly by while everything falls to pieces around it. You want someone who instinctively will pick up the flag and inspire others to follow.

Crisis Plans and Strong Individuals

Crisis plans revolve around these strong individuals. When New York City was on the verge of bankruptcy in the 1970s, financier Felix Rohatyn masterminded the bailout strategy. When Chrysler was on the ropes, Lee Iacocca stepped in and re-created the car company. When Jerry Jones bought the flagging Dallas Cowboys franchise, he and coach Jimmy Johnson rebuilt the team

into a powerhouse around quarterback Troy Aikman.

Lightning rods inspire people to carry on throughout a crisis, to gather information about what has happened so you're better prepared the next time. They stay alert for fall-out, and muster the enthusiasm for rebuilding regular life, which can be a long, slow, hard process. Knowing who and what can be a lightning rod for you will save you many headaches, and possibly a few crises, as well. ■

Stronger in the Broken Places

The Chinese, befitting a culture marked by age and wisdom, apparently choose to take the long view of the calamities that beset mankind. Their character for crisis, *wei ji*, is comprised of the characters for two other words: danger and opportunity.

This is a wonderful fact: Change, even unasked-for change, often turns out to be good. No one would ever say they're glad terrorists attacked the World Trade Center and the Pentagon, but it did happen. Now we have to try to find the positive and the hopeful in that. Perhaps there is a kinship and unity among Americans since Sept. 11, 2001, that was not present before. Such a thing will not bring back the people who lost their lives, but it may make us a better, stronger nation.

Another Kind of Time

A crisis stops time for a while. When life is going along normally, it's like we're on a moving sidewalk in an airport corridor; the sudden loss of velocity at the end of the sidewalk can be jarring. In a crisis, another kind of time and motion take over, but you know it's temporary. Meanwhile, ordinary concerns become irrelevant. Who you are and what you want to be become more visceral, less intellectual questions. If you manage it right, a crisis becomes an opportunity for reinvention.

To manage a crisis to your advantage, remember:

- **A crisis is equal parts danger and opportunity.** A crisis gives people a chance to demonstrate leadership that can be valuable not just in a crisis.

- **Learn to view down times as a chance to stop, listen and look.** Take advantage of these times to ramp up neglected projects.

- **Don't let your mistakes and successes go into a vacuum.** Collect every bit of knowledge you can about your crisis response, how your crisis preparations held up, and what you can improve for the future.

- **Crisis is the mother of invention.** Recovery is a chance to lay new foundations and support beams.

A crisis usually isn't the end. More often than not it's the beginning. ■

Martha Stewart as Lightning Rod — It's a Good Thing

When the Kmart chain filed for Chapter 11 protection in January of 2002, it brought in one of its long-time board members, James B. Adamson, to lead the company through its difficulties. Adamson's galvanizing personality and leadership experience at both the Target and Revco chains made him the perfect choice for the job.

Oddly enough, though, the big question in the press wasn't so much about who was to lead Kmart, but whether the company would be able to hold onto Martha Stewart and her premier brand of housewares. The message inherent in the punditry was unmistakable — a huge retailer was in trouble, and one of its high-profile vendors was a key factor in determining the company's future. Martha Stewart was a lightning rod around which to build a recovery. Fortunately for Kmart, she stuck by them.