

" From Mr. Crisis to dear Human Beings...

From the very first days since Triceratops and Parasaurolophus were running on earth, from the very first days of Human life I have been existing. Every stage of world history was set by my active participation. The following lines of the Earth life-story written after I left until my next arrival. My name is Crisis. Nice to meet you and don't be excited. I am writing this message in order to make clear some points about myself, and in our quite complicated relationships, you - humans with me - Crisis (so you named me), and all what connected with my appearance in your destiny. So, here we go.

As mentioned above, I was born long before your ancestors were running with their feet and hands on the grounds of different parts of globe, particularly in Africa some more seven million years ago¹. Though when kind of civilization, of course after some my *activae actio*, stage-setting and refreshing, was built by you, you tried to explore my actions and arrival timeline. Started of course from the name. Crisis? Alright that's OK. Under Term you, Humans, hidden such kind of definition:

*"a crucial stage or turning point in the course of something, esp in a sequence of events or a disease"*²

That's about me, right. Though, the created definition came from history of my *activae action* and have been realizing long after, till nowadays. Let's consider the loudest one's of Mr.Crisis arrivals.

The first one, an interesting political after-action crisis: September 11th and the Afghanistan invasion. After the terrorist attacks ignited a catastrophic humanitarian fallout that continues to reverberate nearly two decades later.

¹When the human become human by John Noble Wilford, New York Times / Access: <https://www.nytimes.com/2002/02/26/science/when-humans-became-human.html#:~:text=On%20the%20biggest%20steps%20in,walk%20habitually%20on%20two%20legs.>

² Definition of "Crisis" / Access: <https://www.collinsdictionary.com/dictionary/english/crisis>

The forces of the US and NATO invaded Afghanistan and after Iraq, Pakistan, and elsewhere during the conflicts more than 800 000 people killed and cost governments more than 6.4 trillion dollars³. Good bill to my pocket, ha!

The second one, I like it most because of connection with economics: The Great Depression of 1929-1939. For you, Humans, this was one of the worst financial and economic disaster in 20th century of your history. The main drivers of this economic accident are crush of your stock markets in this period, banking panics and monetary contraction, the gold standard games and decreased international lending tariffs. As a result, the so called United States lost third of all banks, unemployment rose to 25%, housing prices plummeted 67%, international trade collapsed by 65% and deflation soared to 10%⁴. All factors played important role in the market theatre and called upon my appearance. So, I came. And made *activae action*.

The third case which should be considered is from the business level: Wells Fargo unconsent business. So, for 14 years Wells Fargo employees opened customer accounts without consent to meet sales targets and generate fees to the bank. What a trick! Until...the practice was exposed in 2016. The day-after, I'm - Mr. Crisis, came to Wells Fargo and make them: first, to pay more than 7 billion dollars to settle government investigation and private lawsuits; second, bank lost 220 billion in stock market value in the two and a half years after enforcement action; third, Well Fargo lost business from the state governments of California & Illinois⁵. All the employees did the necessary things to improve my appearance...

³ 25 Crises that shaped the history / Access: <https://www.thenewhumanitarian.org/Rethinking-humanitarianism-25-crises-shaped-history>

⁴ 5 of the World's Most Devastating Financial Crises / Access: <https://www.britannica.com/list/5-of-the-worlds-most-devastating-financial-crises>

⁵ The Most Useful Crisis Management Examples: The Good, Bad, and Ugly <https://www.smartsheet.com/content/crisis-management-examples>

I described three different cases. There are no connections, unless you go deep on analyzing them. What are the main creators of disasters and who fastened my arrival? Think for a minute... Yes, that's a Humans. In the first two cases government and financiers, in third - the managers and employees. Every main actor in this stories made my arrival faster in two ways, you may name it mistakes: under- and overestimation. Information flows, facts, key factors, risks and so on were under- or overvalued by "star" characters.

Therefore, the "day-after" I came to this world, country, company or even certain home, I starting changing all around. Crushing dozens of plans, wasting dreams, ending lives... The "day-after" I came, the mindsets are changing, the way you, Humans, think shifting and you trying to control the process and manage Crisis... That's the results of your miscalculations and mistakes.

Crisis management was created and has been developing by you day-by-day, year-by-year. A lot of fellows of science were in the way of discovering the key of avoiding the mistakes and calling me. You, Humans, gathered a great amount of knowledge and educated the army of managers, but still out of target. The last World Covid disaster, which came out from, again, your mistake, made Me arrive on the Earth and destroy a great amount of lives and resources of yours. So now I want to give you the key of, first, avoiding mistakes in order not to see my presence on Earth, second, correcting and living in my, Crisis, presence in your life. If you want to success, educate yourself, especially top managers and leader, on this direction:

- 1) Flexibility & Humility. Teach them to feel and understand personal capabilities, capacity and the skills and knowledge limitations. The new generation managers understand that they can't know everything, there may be better answers and decision ways to a situation, which could outcome even from person less experienced and far younger;

- 2) Empathy and understanding feelings of mass. It is about feeling the true reasons of another person and groups of people action;
- 3) Accurate risk calculation and avoiding overestimation of any kind. Bubbles are always bursting. If some of you are closing eyes on blowing it up remember that burst bubble splash will reach you also.
- 4) Internal unshapeness of social, governmental and business structures. That means cultivation of change-culture and readiness for any changes on the way to your, Humans, sustainable prosperity.

Here are the recommendations from me, Crisis, to all of you - Humans. I don't like coming to you. Unfortunately, your actions make me. Use this key advices for avoiding my presence, and living with me for a while if it happens...

In addition..."

Author's personal experience

The word *crisis* means a crucial stage or turning point in the course of something. It is quite close with stress, disaster, obscurity covered on with fears. This happened with me four years ago, when I first come to my university. Expectation, just imagine, were in 100 points, but reality fixed on 30. How that connected with crisis management? I prepared all my life goals and so plans based on 100 points reality. Thirty pints not bad, but I was in turning point, dive deep in stress, felt obscurity and fear for my future. It is personal, psychological crisis of overestimated unknown and unseen reality. I had two ways at this point: fly back home and choose another city, or continue my study through adaptation and grow in this environment.

"... want to know what the decision is all about and what the underlying realities are which it has to satisfy" – Peter F. Drucker

The problem was in my fears of obscurity. Fast decision, 100%, would kill my dreams by depression. And after arriving in my homeland I would be in a greater crisis. I used all my knowledge, lungs, heart and willpower and put myself on track. It took time, but nevertheless... So *Flexibility and Humility, Empathy, Avoiding overestimation*, from scratch created *Internal unshapeness* and readiness for changes saved my education and diploma.

Formula of personal crisis management (FPCM):

*(Gathered Together Experience and Knowledge + Flexibility, Listening & Hearing + List of all advantages of the current reality + Corrected goals/plans) * Believe * Never Stop = Solved Personal Crisis*

Crisis management experience (Big 4 company case)

Covid-19 opened new ways where problems can come from and questioned whole globalization. By the way, the number of companies find pluses in quarantine and distance work of their employees. Covid-19 pandemic came to Russia in the first months of 2020. In October I started my internship in an auditing company from the Big 4 list. I was amazed with the organized workflow, processes and high level of processes in the company, from the assessment system till the online first day in work. What are the key factors that enable them to set online processes so fast and in high quality. I interviewed some managers and analyzed the answers. Here the key points:

- 1) Company business model was ready for online workflow;
- 2) Hybrid part online and offline work were practiced;
- 3) Corporate culture cultivated readiness for changes and stress (those who aren't ready just leave the company or not even offered a job at the beginning);
- 4) Positive thinking and finding straight sites cultivated in company long before pandemic;
- 5) Mentoring and tips for effective online distance work were developed.

That's all about crisis management. We can observe that most of points are precautionary ones, which developed long before the actual crisis came. That's the basics of crisis management. Does anyone in the company knew about the future Covid-19 pandemic? No. Was management ready for a quick switch to online workflow? Management, mentally no because there were no forecasts, but the system, business model & corporate culture YES...

Formula of corporate readiness to Covid-like crises (part of crisis management):

Business model which is ready to be transferred online + Proactive corporate culture + Employees internal unshapeness + Hand to Hand guiding during transformation, mentoring and tips = Successful Transformation

Several notes from crisis management books & refreshing the Ideas

There are a great amount of books and papers about crisis management and how to deal with it. Generally I searched for top books on this subject and got this three best⁶. It is *Out of the Crisis* of W. Edwards Deming, *The Power of Resilience: How the Best Companies Manage the Unexpected* by Yossi Sheffi and *A Guide to Crisis Intervention* of Kristi Kanel. From all of them and another big list of books I assumed that crisis management definition looks like:

“Crisis management is about readiness of plans during unexpected changes as well as working before these changes surprise us...”

Prediction – ready plan – fast reaction. But...what if there is something out of our experience. Nassim Nicholas Taleb calls them Black Swans...

“The problem with experts is that they do not know what they do not know”— Nassim Nicholas Taleb, The Black Swan: The Impact of the Highly Improbable

The Covid-19 is one of the Black Swans and no one was ready for it. Why? Because we, humans, learn from experience, negative or positive. Some of us are able, or just trying to be able to forecast with foresighting methods and kinds of models etc.

“The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday's logic.”- Peter F. Drucker⁷

According to the wisdom above, the point of effort has to be on skills that are above the time and the right one before, during and after crises. Here they are:

- 1) Flexibility & Humility;
- 2) Empathy and understanding feelings of mass;
- 3) Accurate risk calculation and avoiding overestimation of any kind;
- 4) Internal unshapeness of social, governmental and business structures.

The triple “C” rule notes: crisis creates changes – changes create choice⁸. The points above could give an ability to predict, work on and come out alive from crises and mr.Crisis *activae actio...*

⁶ Top 100 books about crisis management / Access: <https://bookauthority.org/books/best-crisis-management-books>

⁷ Peter F. Drucker and the COVID-19 Crisis / Access : <https://www.corporatelearningnetwork.com/leadership-management/columns/peter-f-drucker-and-the-covid-19-crisis>

⁸ The upside of crisis, Joseph Logan TedxBoulder / Access: <https://www.youtube.com/watch?v=rVtMYpOSNmA>

"...Humans, remember that I'm not just about disasters, breakdowns and crushes. My presence in your lifetime is about 機 - "opportunity" and stimulus for the prosperity and I making you stronger... Do all your best, even after misevaluations and my, Crisis, arrival. Work on managing my, Crisis, presence till making me going back before next meet of us...

With regard to all Human Beings

Best friend of yours, Mr.Crisis"

Afterword

As Viktor Frankl remarked: between stimulus & response there are space. In that space is our power to choose our response. The theme of Peter Drucker Challenge has been my stimulus, the idea of reflecting crisis as mr.Crisis as some kind of organism which wrote the letter to Human Beings, especially to leaders and managers gave me an energy to end it and send it. I was the main role manager in my own crisis and crisis management plan, was an observer of the Big 4 corporate crisis management process, and this essay is a reflection of that experience, with a pinch of research and two formulas for readiness to crises. As Peret Drucker noted: *doing the right thing... is more important than doing the thing right*. The ilea, I guess, is my right thing, am I realise it right the time will show... Thank you for this opportunity.

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