Crisis Management - Business Survival Kit

SUSAN THOMAS

Insights to help prioritize and optimize business critical operations during a crisis.

SynFiny Advisors has developed a series of Crisis Management Insights to help you strengthen and grow your business after having faced a major business interruption. Our objective is to provide a framework that allows any business *(no matter how big or small)* to maintain focus while dealing with the multitude of distractions that take you away from your core business. Our advisors' share their seasoned experiences and "been there, done that" practical advice to not only survive but thrive in a crisis situation.

During times of crisis, there are two fundamental questions that every company must ask: How do we eliminate discretionary 'nice to have' processes so we can better support essential 'have to have' business operations? Whether you are in manufacturing where maximizing revenue or profit may be the most critical objective or a hospital where patient care is most critical, value is unique for each business during a crisis. Therefore, take the necessary steps to ensure that your organization can continue to maximize value creation during difficult times. Here are a few considerations as you position your organization to thrive during a crisis.

Prioritize Mission Control Business Processes

Your ability to distinguish between 'have to have' and 'nice to have' processes is key for setting your business up for long-term success during a crisis.

'Nice to Have': Discretionary functions and processes that have minimal impact to the business, including all non-core functions that can be outsourced or be put on hold until resources become available.

'Have to Have': Mission critical functions and processes that dramatically curtail or stop business production, including those that are responsible for generating revenue.

In a crisis, 'nice to have' business processes can distract your organization's focus from mission-critical actions. However, rarely do these 'nice to have' processes exist in isolation. Instead, they exist within an interdependent, dynamic system where decisions can have unintended consequences. For example, decisions meant to maximize performance according to local measures may lead to damages in global performance. Therefore, a holistic, systems-level approach must be used for making decisions about which processes are 'nice to have' and which are 'have to have.'

Optimize Mission Critical Business Processes

Once you have determined the mission critical operations for your organization, focus on optimizing these key business processes so the organization can maximize value creation. Here are four key steps that your organization can take to optimize mission critical operations during a crisis.

- **Optimize Flow** - Optimize the flow of your business processes. The primary objective of the system (your business) is to improve flow (also known as throughput). Multitasking is the number one killer of flow within an organization, therefore eliminating multi-tasking, especially in non-critical business processes, enables your employees to focus on processes that deliver the most value to your organization and your clients.

- **Utilize Non-Production** – Do not be afraid of non-production. If a business operation isn't mission critical, then freeze those tasks or place them in non-production mode. Use the residual resources to reinforce and limit downtime for critical operations.

- **Abolish Local Optima** – Focus on holistic health of your organization in lieu of meeting goals for specific business units. Abolish any local goals or efficiencies if they detract from the overall organizational health.

- **Focus on Process** – Use a focusing process to balance flow. Implement ways to 'buffer' (i.e. protect) the mission critical processes so that entire system can withstand unforeseen fluctuations and operations can maintain flow. The purpose of a 'buffer' is to protect against variability. For example, a real-time monitoring system to make potential problems visible.

Resolve Workflow Issues

Inevitably, you will encounter workflow issues as your streamline your mission critical business operations. Follow these three steps to ensure that your transformation has minimal impact on your business by asking these 3 key steps:

- **Identify the Problem** - What is the root problem we are attempting to address?

- **Identify the Solution and Impact** – What solution can enable us to continue our mission critical operation during the crisis? What are the potential impacts of this solution?

- **Minimize Conflict for the Business Operation** - How can we reduce conflict and implement the solution?

Key Takeaways

- It is important to determine and prioritize mission critical operations that create the most value for your organization.

- Streamline mission critical operations by optimizing flow, utilizing non-production, abolishing local optima and focusing all efforts on reinforcing those operations.

- When workflow issues arise, make sure to find solutions that will minimize conflict for your mission critical operations.

Conclusion

SynFiny Advisors exists to bring talented "been there, done that" experience to bear on solving client problems. Each engagement results in measurable, pragmatic and actionable recommendations. We assist in developing Business Process Transformation scenarios to survive changing economic conditions and minimize disruption to your organization and business partners. Our approach is very simple, we Define, Design and Transform. And in doing so, transform your business from 'existing' to 'exceeding'.

For more information, contact Susan Thomas (sethomas@synfiny.com).

Other contributing authors to the "Crisis Management" series include the following:

- *Jose A. Alonso -* jaalonso@synfiny.com
- *Jet Antonio -* jantonio@synfiny.com
- *Natalia Beketova -* nvbeketova@synfiny.com
- *Doug Schupp -* dvschupp@synfiny.com
- *Natalia Vinogradova -* nyvinogradova@synfiny.com