



**BLOOMBERG  
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# COVID-19 as a *Novel* Risk Management Challenge

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# Covid-19 is a medical phenomenon. The **COVID-19 CRISIS** goes far beyond that.

- 1) Leaders have to manage the Covid-19 event as a whole event
- 2) Issues include:
  - Medical
  - Financial
  - Supply Chain
  - Economic
  - Psychological
  - Political
  - ...
- 3) Need an ***integrated, comprehensive process***



# Today's Session

**Develop an understanding of the nature of  
this event ...**

**...and what that implies about your  
leadership tasks**



**How is this different from other significant emergencies / events?**

**What characteristics of this event make it different from what you have seen in past events?**

**(chat in a quick response)**



# So ... what do we do?

What do we do ...

... when ***no one knows*** what to do?

There are no pre-existing, off the shelf answers.

And there is a myriad of problems never seen before.



# Major Emergencies are a **VOLCANO**

- 1) Issues
- 2) Competing priorities
- 3) Questions / Decisions
- 4) Tasks

In **routine emergencies**, these are **familiar** and easy to identify, and there are **known solutions**.

In an **unprecedented** situation like **Covid-19**, **VIRTUALLY NOTHING IS KNOWN** about how this applies in **your** specific circumstances.



So ...

what do we do ...

when **no one knows** what to do?

**WE HAVE TO FIGURE IT OUT,  
IN REAL TIME, UNDER STRESS**

*That is what Crisis Leadership is.*

**AND THE WAY YOU HAVE BEEN FEELING  
IS HOW IT FEELS.**

This is our new (COVID-19) normal ...

... for a **TEMPORARY**, but **INDEFINITE** period.



In an unprecedented crisis,  
there are no pre-cooked **answers**.  
All we can offer is the best **process**.

- 1) Resist the pressure to provide quick answers (most of them will turn out to be wrong)
- 2) Remind yourself and others that
  - We don't yet fully understand the situation
  - The situation is continuing to change
  - It will take time to learn / develop the best approaches
- 3) Activate the best **process** you can with the best people you can recruit



# The answer to *every Covid-19 question* ... is a **PROCESS**

What are the key elements of the approach we need?

- 1) Structure
- 2) People
- 3) Problem-solving method



# I. Establish a Critical Incident Management Team and Process

- 1) Oversees all aspects of the event (medical, financial, logistical, economic ...)
- 2) Seeks to identify and understand evolving and emerging issues and competing priorities
- 3) Reframes issues as questions / decisions
- 4) Deliberates about key questions and decisions
- 5) Formulates and delegates problem-solving for specific issues to other groups
- 6) Communicates to inside and outside constituencies



# A quick word about communications...

Clear, Concise, Coherent, Consistent, Credible

The “Stockdale Principles”

In dire circumstances, leaders must do three things:

- (1) Be **brutally honest**;
- (2) Provide a **rational basis for hope**; and
- (3) Show **empathy**.



## II. Assemble the Right People: Find and Recruit Three Groups

- 1) People who know the **city**, its communities and people, its operations, its suppliers ...
- 2) Experts in **public health**, **economics**, and **public policy**
- 3) People who understand **your values**, key priorities, and constituencies

(Note: these groups may overlap!)



# Change the team as the event continues to unfold



Rosters:



# III. Engage in Iterative, Agile Problem-Solving

(0) Establish goals, priorities, and values

Moral reasoning

(1) Understand the situation

Descriptive

(2) Develop options

Creative

(3) Predict outcomes for each option

Analytical

(4) Choose the best course of action

Executive

(5) Execute

Administrative



# Does that look familiar? IT SHOULD!

The problem-solving method by a thousand names: agile process, design thinking, OODA Loop, rational action...

**IN TWO WORDS: COMMON SENSE**



# Crisis Management is a **TEAM** sport!

- 1) Don't assign it all to yourself – don't feel that you have to (or are supposed) to carry it all
- 2) Share the burden
  - Invite and enlist help
  - Build an **inclusive** process – broader than you have before
  - Don't assume you know what the problems are – let people participate and explain the problems themselves
  - As you repeatedly work through the process (understand / develop options / choose one / try it / repeat) with them, you are developing a broadly shared understanding and approach



## IV. Execute Chosen Actions, But Treat Them as *Tentative* and *Experimental*

- 1) In routine situations, reliable, correct, efficient, effective answers are a reasonable expectation
- 2) In unprecedented situations, **everything** we are doing is an **experiment in real time**



# V. Set Reasonable Expectations

What you can reasonably expect:

Best efforts

Rapid learning

Not everything we try will work

We'll keep working until it does



# Questions?



**Covid-19 is a \*terrible\* challenge ...  
... but there are reasons for optimism**

***Public Sector Leadership***: intelligent,  
creative, adaptive, decentralized ...

## ***RESILIENCE***

is adaptability, personified ...

... and we (that is ... ***YOU*** ...)

are ***just getting started!***



# ***Local public leadership*** is the essential resource for dealing with COVID-19

A reservoir of creativity, ingenuity, imagination, invention, problem-solving ...

**This is what you do every day** – only now it is:

More ***valuable*** than ever

More ***urgent*** than ever



# Resilience is the **essence** of our economic and political systems

We *always* **underpredict** the our adaptive capacity ...  
... because we can't immediately see how to do it

But we don't have to see it right away ...  
... we just have to figure it out **as we go**  
... and each city will be different

**Your** city, in **your** situation, with **your** communities and  
resources, working around **your** constraints



# Going forward

- New issues will continue to arise
  - Important priorities will be in conflict
  - Place confidence in your **process**
  - Re-work the problem, continuously
- WE** place **our** faith ...  
... in **your** leadership



# Taking Care

- Be safe – keep your distance
- Help keep others safe
- Take care of yourself -- **you** are an important resource for all of us
  - Anxiety and constant surprise and problem solving are **weary-ing** ...
    - Seek (episodic) sanctuary
    - “Give yourself permission” when needed
- This is going to be a marathon



# My Message To You ...

This ***MUST*** be done.

This may be one of the ***HARDEST***  
things that we have ever done.

***YOU*** can do it.

***ONLY*** you can do it.





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