

# The role of the board in responding to a crisis

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## EXPECTATIONS FOR MANAGEMENT AND BOARD

MANAGEMENT'S ROLE	NEEDS OF THE BOARD	BOARD'S ROLE
<ul style="list-style-type: none"><li>Implement and adapt its pre-established crisis response plan</li><li>Identify risks and assess responsibility for developing mitigation strategies</li><li>Internal communications strategy – consistent and trust-evoking messaging from top to bottom</li><li>External communications strategy – message development, stakeholder identification</li><li>Tend to public reputation</li><li>Determine corrective actions</li><li>Execute the response plan</li></ul>	<ul style="list-style-type: none"><li>Frequent, timely and frank reporting</li><li>Quantification of impact/exposure</li><li>One point of contact between board and management</li><li>A clear statement of the questions the Board needs to decide or issues it needs to address</li><li>Clear understanding of stakeholder engagement strategy, and the role it, or any member, should be playing</li><li>Clear explanation of how short-term responses address long-term needs</li></ul>	<ul style="list-style-type: none"><li>Understand the situation, implications for the organization and management's focus</li><li>Provide advice and counsel to management as sought</li><li>Be available and willing and able to provide requested support to management</li><li>Understand and respect board and management roles</li><li>Make decisions with a view to long-term sustainability of the organization</li><li>Facilitate post-crisis review assessment and provide feedback to management</li></ul>



## KEY ELEMENTS TO A CRISIS RESPONSE

- Identified team, with allocated responsibilities and accountabilities
- Approved internal communication framework
- Assigned responsibility for external communications and stakeholder engagement
- Contingency plans in case management is unable to assist
- Systems to monitor developments and adjust the plan as needed
- Engagement with regulators
- Anticipation and management of additional fallout
- Unobstructed up-the-ladder reporting

## PREPARE FOR THE NEXT CRISIS



## POST-CRISIS ASSESSMENT

- What did we do right?
- What could we have done better?
- Solicit views:
  - internal stakeholders (directors, officers, managers, employees)
  - external stakeholders (customers, suppliers, regulators, etc.)

## DEVELOP AND PROMULGATE INTERNAL AND EXTERNAL MESSAGING

- How has the crisis affected the organization?
- Where is the organization now?
- Where are we going?

## REASSESS AND IMPROVE CRISIS PLAN

- Reassess enterprise risk management system's ability to identify and mitigate new or evolving risks
- Reassess plan's ability to respond to the next crisis
- Buttress defenses against the next crisis