

# Are You Ready?

## Contingency Planning, Crisis Management & Scenario Planning

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*There are known knowns. These are things we know that we know.*

*There are known unknowns. That is to say, there are things that we know we don't know.*

*But there are also unknown unknowns—the ones we don't know we don't know.* Donald Rumsfeld

How prepared is your organization for the expected, the possible and the unexpected? Are you ready to face the unknowns that you know? What about Donald Rumsfeld's infamous "unknown unknowns"?

*Pop Quiz.*

1. Multiple Choice: Our organization has developed contingency plans to deal with:

- A. Emergency Succession
- B. Economic Downturn
- C. New Competitor
- D. Social Media Attacks
- E. None of the Above
- F. Some of the Above

2. What does the acronym VUCA stand for? (Circle the correct four words.)

- A. Volatility
  - B. Verbose
  - C. Unusual
  - D. Uncertainty
  - E. Concerned
  - F. Complexity
  - G. Ambiguity
  - H. Anxiety
- Answer: A. D. F. G.

We live in a world defined by volatility, uncertainty, complexity and ambiguity. Schools of Business call it VUCA. It is in this world that nonprofit organizations succeed or falter, thrive or flounder. To succeed and thrive, in good times and bad, organizations must be ready. After the strategic plan is in place, after the annual plan is up and running, take the time, over a three-year period to equip and prepare the organization for the unexpected; engage in Contingency Planning, Crisis Management & Scenario Planning.

*Year One—Contingency Planning*

Mature organizations take the time to draft contingency plans to prepare for the possible and the unexpected. Businesses and the military take the time to prepare for various types of emergencies, why not nonprofits?

Appoint and establish a Contingency Planning Task Force (Staff, Board, Outside Expert, Civic Leader). Identify a List of the Known Unknowns for which you must be prepared.

Add and subtract to this list:

*Cyber Sabotage*                      *Natural Disaster*                      *Disruptive Technology*  
*Lack of Reserves*                      *Government Regulation Change*                      *Staff Behavior Lawsuit*

Determine the most likely known unknowns (select three) and develop a process and protocols, identify personnel and policies to describe who and how the matter will be dealt with if, and when, it arises.

*Year Two—Crisis Management*

The process of Contingency Planning prepares you for the unexpected, but anticipated, arrival of an emergency. Crisis Management preparation equips you to deal with the personnel, operations, resource and communication challenges that an emergency demands.

Appoint a Crisis Management Team and charge them with developing a Crisis Management Plan that outlines who is responsible for what. The plan should entail: Organizational Spokesperson, Media Contacts, Staff to Board Contacts, Emergency Meeting Protocols, Outside Crisis Communication Advisors, Legal and Financial Counsel, and access to Temporary Staff/Volunteers.

When a crisis emerges, it will probably be different than the one for which you developed a contingency plan. But what will be in place are the people, the process and the institutional memory of the "practice drills" that equipped you to develop emergency muscles for a such a time as this.



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#### *Year Three—Scenario Planning*

Related to, but separate from, preparing for various emergencies, is the process known as scenario planning. Scenario Planning gives you an opportunity to break free from your Official Future, and describe your “preferred future”.

Appoint a Scenario Planning Team and identify the focus of your future study, for instance:

*New Program*                      *New Building*                      *Merger of Organizations*

Examine both the internal and external forces that will affect your future and the scenario you are considering. Using the data you have gathered, develop scenario narratives to describe the probabilities inherent in each scenario plot.

Organizations that use scenario planning, can break old stereotypes, engage internal and external stakeholders and envision their future. Using Scenario Planning to explore and examine “big ideas” fosters an organizational culture that looks to the future, anticipates and prepares for change and encourages the pursuit of innovation.

