

# Journal

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## *Value Creation in Government*

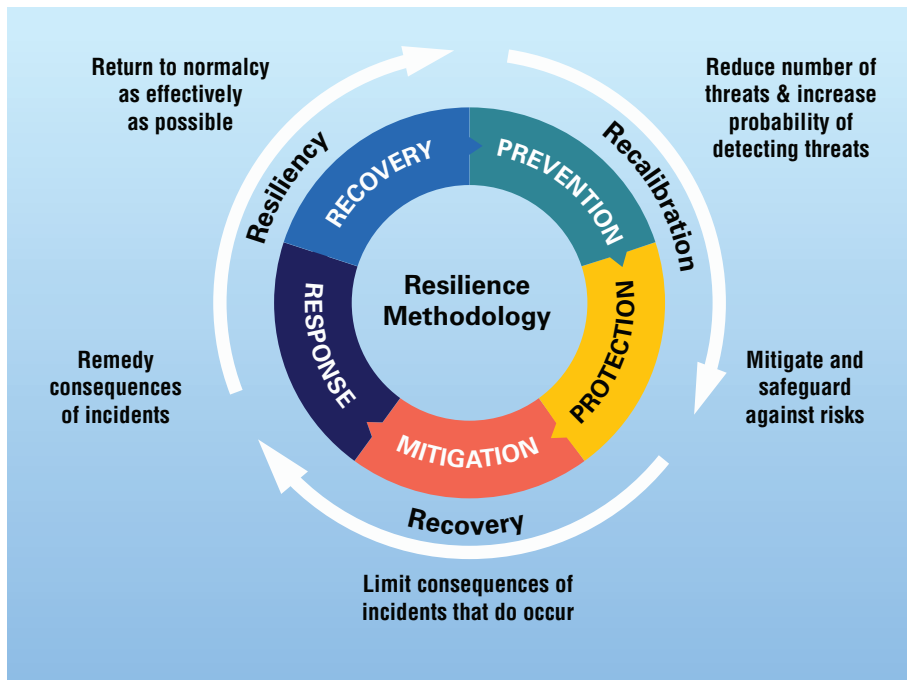




# Three Crisis Management Imperatives Recalibration, Recovery & Resiliency

By Wendy Morton-Huddleston and Craig Maxwell

**T**he COVID-19 pandemic continues to demonstrate that proactive positioning is critical to an agile organizational response to crises. Lessons learned in 2020–2021 allowed leaders to recalibrate processes, recover from consequences and instill resiliency for the long term. These three imperatives of crisis management form part of a framework that encourages a stronger future state after an emergency. Frontline preparedness and sound crisis management strategies lend confidence and stability in crises. By building and sustaining the capabilities of the “Crisis Management Framework,” communities can monitor their greatest risks and respond rapidly and appropriately when problems arise.

**Figure 1. Crisis Management Framework**

## RECALIBRATION

Throughout the pandemic, as variants emerged, crisis management as shown in the framework in **Figure 1**, demonstrated accountability and built on lessons learned. While recalibration depends on the situation facing each organization, COVID-19 response yielded commonalities for many entities in financial, reputational, strategic, operational, hazard and compliance risks and their consequences. For instance, the COVID-19 pandemic was the first time a nationwide disaster was declared, because it affected all U.S. states and territories. But with every state and federal entity reaching for every possible resource, crisis management based on mutual aid proved ineffective. A good example is the struggle in communities across the country to acquire personal protective equipment and other medical apparatus at the beginning of the pandemic.

Nationwide, government entities found similar ways to adjust their budgets to manage the pandemic. In a survey by the International City/County Management Association (ICMA), more than 30% of respondents said they postponed capital improvement projects to free up monies.<sup>1</sup> Many

facilities or programs that hosted large gatherings were forced to close, such as park programs, summer camps and aquatic facilities. Locations such as San Diego, California, and Scottsdale, Arizona, amended their vehicle replacement schedules, while Seattle, Washington, reduced library services. The positive outcome of sharing these problems openly will be leaders working toward shared solutions and reviewing lessons learned. Government entities can then work together to determine dynamic, cross-cutting ways to recalibrate.

Analysis of problems held in common can lead to solutions that not only reduce costs, but also boost the kind of collaboration that leads to better outcomes. The governments in the ICMA study, plus countless others across the nation, quickly adapted to the pandemic's financial squeeze and recalibrated to protect life and preserve essential services. As waves and variants of COVID-19 come and go, leaders can recalibrate frequently — but with newfound understanding of any revealed weaknesses. The time is now

to review risk assessments, evaluate vulnerabilities, determine dependencies, highlight supply chain channels critical to mission and mission support operations, as well as consider workforce risks. The data will allow leaders to develop holistic risk profiles that encompass the impacts of the past year.

## The Path Forward

For government entities at all levels, COVID-19 continues to reveal shortfalls in existing crisis management plans and failure to invest appropriately in planning. Going forward, they must consider ways to modify their health and safety workplace models and policies, issue guidance for post-reentry personnel policies, and create a work environment that openly addresses topics such as telework and evacuation pay.<sup>2</sup> To recalibrate effectively, it is important to understand the supporting elements of a sound crisis management strategy, detailed in **Figure 2**:

- ▲ Trust the data.
- ▲ Establish a forward-looking strategy.
- ▲ Reduce damaging effects of the crisis.
- ▲ Promote a culture of planning and preparedness.
- ▲ Set the tone at the top.

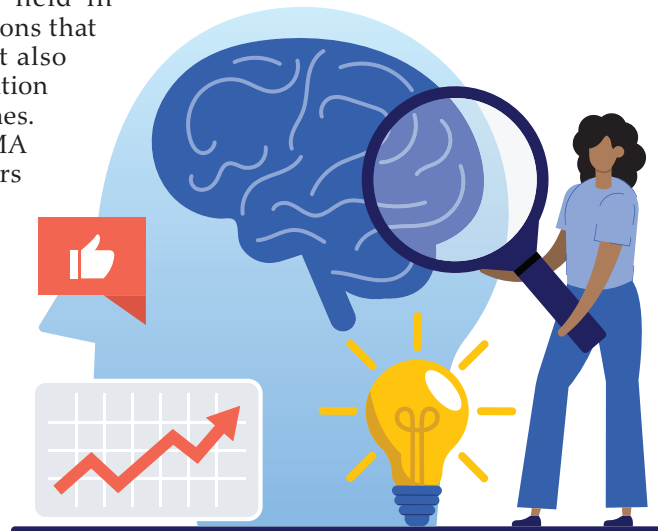
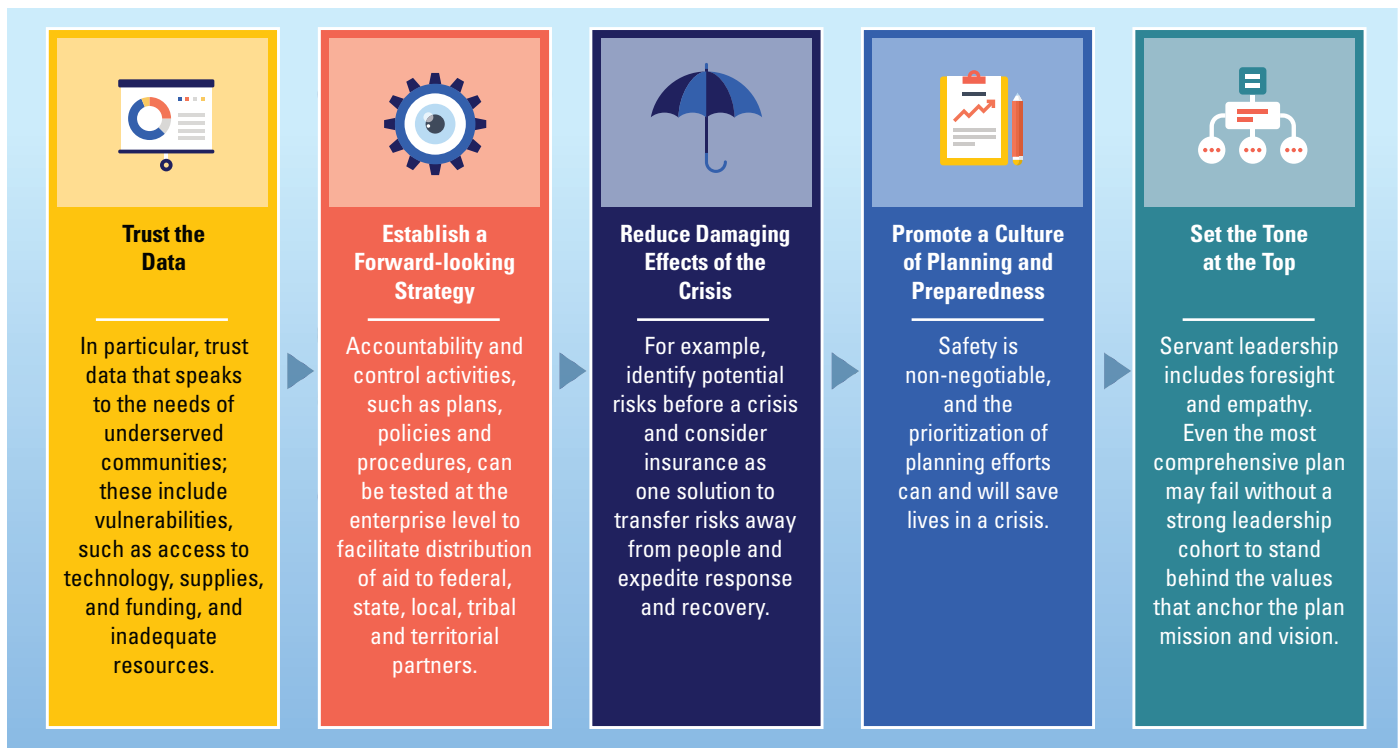


Figure 2. Supporting Elements of Sound Crisis Management



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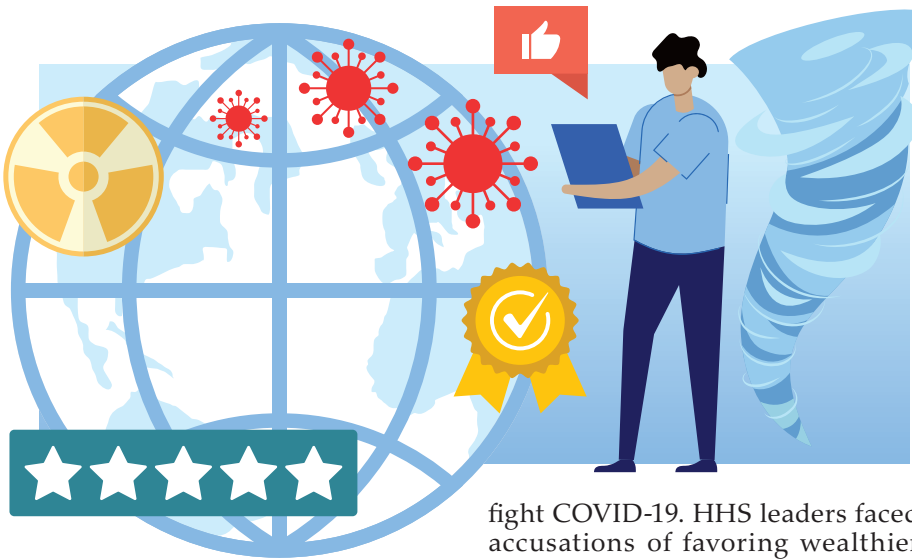
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Understanding the value of a sound crisis management strategy can help organizations enhance their existing frameworks. In the case of the American Rescue Plan (ARP), an effective framework will help entities manage their funding, mitigate the crisis, maximize relief to citizens and hone resiliency for the future. Sound crisis management practices reinforce existing plans, reduce the impact of risks, allow for better disbursement and slash inefficiencies. In the future, leaders must be agile to maintain the intergovernmental collaborations forged in recalibration. As the country shifts toward pandemic recovery, they can substantiate their commitment to improvement.

## RECOVERY

Recovery demands that leaders reinforce best practices in incident management. While recalibration focuses on the internal aspects of an organization, holistic recovery includes the community at large. One result of the pandemic, for instance, is greater focus on underserved communities to better prepare for future calamities, including public health emergencies. Several federal programs initially did not take into account the need to reinforce all populations; as a result, recalibration was needed for an appropriate recovery for everyone.

A good example is the Department of Health and Human Services' (HHS) Provider Relief Fund, a \$178 billion fund designated for hospitals to

fight COVID-19. HHS leaders faced accusations of favoring wealthier hospital systems. Since the fund was designed to move money out the door quickly, the allocation scheme was based on hospitals' historic revenues, which potentially favored institutions that served patients who paid more.<sup>3</sup> Subsequent legislation adjusted policies for this fund, and HHS made a concerted effort to transfer funds to more vulnerable communities for a broader public health recovery. This effort was most pronounced in ARP funding, where HHS allocated more than \$2 billion to rural communities and health centers for underserved populations<sup>4</sup> through the Health Resources and Services Administration.<sup>5</sup>

Executive Order (EO) 14002 demonstrates the ethos of shifting federal focus to underserved communities in its instruction to government agencies to coordinate distribution of relief funding to communities in crisis.<sup>6</sup> The Office of Management and Budget followed suit with memorandum M-21-20, *Promoting Public Trust in the Federal Government through Effective Implementation of the American Rescue Plan Act and Stewardship of the Taxpayer Resources*, which calls for equitable fund distribution. Both federal directives urge agencies to weave resiliency into their operational plans.

## RESILIENCY

Sound crisis management includes the concept of resiliency for sustainable recovery. Key factors in assessing recovery plans include monitoring economic rescue measures, safeguarding prosperity, promoting

equity, and committing to programs that contribute to a fulfilling citizen experience.<sup>7</sup> Many organizations could help monitor and coordinate actions at the state and local levels, such as the U.S. Conference of Mayors, the National Association of Counties and the National Conference of State Legislatures. The Conference of Mayors already works closely with local public health agencies to disseminate information to citizens, schools, businesses and travelers. City guidance in San Francisco, Boston, Dayton, Dallas and Los Angeles, for example, reimagines services, crisis responses and technology applications. Leveraging the connections found in these cross-cutting bodies and their associated guidance can reduce the guesswork in procedures and protocols and build resilience. As one part of agile monitoring in a crisis management plan, such organizations can deliver the latest information on resources, policy and coordination among governments.

At the national level, the Federal Emergency Management Agency (FEMA) aims to build preparedness through insurance, mitigation, continuity, programs and grants.<sup>8</sup> Through its Office of Resilience Integration and Coordination, FEMA can coordinate activities between the agency, its regional offices and its industry partners. This synchronization will be essential as FEMA disburses \$3.5 billion in new state grants to assist in resilience efforts, in addition to the significant hazard mitigation grants already provided for pandemic relief.<sup>9</sup>

The value of factoring resiliency into a crisis management plan surfaces in evolving situations. For state and local agencies to collaborate with federal stakeholders and effectively respond to citizens' needs, an existing crisis management plan must be understood, linked to strategy, and prioritized through data-driven methodologies. Crises provide opportunities to identify gaps and remediate actions, policies, practices and protocols. Moving forward, leaders must take advantage of the elements of sound crisis management to navigate the next disruption with resiliency. ■

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### Endnotes

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