

Anticipating Rude Surprises: Reflections on “Crisis Management” Without End

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Introduction¹

Global economic, political and technological trends assure the potentials for the “institutional crises” of such magnitudes that international cooperation is likely to be needed to limit their damage and possibly their frequency. The emerging literature about institutional responses to emergencies, disasters and crises signals both an intensifying expectation that political and economic institutions should be able to limit societal damage and speed recovery, and a sense that such capabilities are far more complex and demanding than formerly recognized. Preparing to respond to crises, then, calls for much better understanding of the phenomenon as they are experienced by institutions. Especially wanting are searching evaluations of recent history with cogent applications to training practitioners and to institutional planning processes.

An overview that animated a recent conference on the topic proposed that this sprawling literature could be oriented “around four research traditions in the study of crisis management that (combine) somewhat different analytical emphases: (those that stress) threats originating from ‘people and groups’, or those originating from ‘macro-structural’ characteristics of the institutional/ organizational systems involved, as viewed from ‘operational/technical perspectives’ or ‘political/symbolic perspectives.’ ” Table 1 below arrays a preliminary ordering attempt. Its vectors splay out across much of organization and management literature as one moves from the practices of normal operations, to emergency response, and then to the extraordinary dynamics of crisis containment and recovery. Herein, I take an outsider’s view, puzzling about the question in terms of institutional responses to serious surprises as seen mainly through the prisms of studying highly reliable organizations.²

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² My view is further shaped by a long interest in public institutions that operate demanding technologies characterized by high capacity and intrinsic hazards where failures may be very costly, and where social risks could extend widely across space and over a number of management generations.

Table 1. On Perspectives of Crisis Management

| | Operational-Technical Perspective | Political-Symbolic Perspective |
|---|--|---|
| Threats from People and Groups | <u>Foci:</u> Command and control Consequence management Strategic interaction High stakes decision making | <u>Foci:</u> Threat politics Problem framing Stakeholders' views Institutional cooperation Nature of communication process |
| Threats Due to Structural Problems | <u>Foci:</u> Complex accidents and natural disasters Local and regional levels Relieve human suffering Time pressure | <u>Foci:</u> Public policy analysis Agenda setting Performance accountability Public legitimacy Interaction with media |

For this discussion, I distinguish between considering emergencies and responding to crises: that is, the capacity of organizations/institutions to respond reliably to:

- a) well understood, operational situations that if allowed to evolve could result in serious degradation of capacity and loss of resources and/or life (i.e., emergencies), contrasted with those
- b) unexpected situations that produce demands perceived potentially to overwhelm institutional capacities and possibly to inflict severe, irreversible damage to known and unknown sectors of society (i.e., crises).³

When “crisis management” is highlighted the focus is often tightly on damage limitation, that is, assuring the institutional capacities needed to respond to unexpected, potentially overwhelming circumstances that are likely to deliver punishing blows to human life, to political or economic viability, and/or to environmental integrity, that is, rude surprises. But crisis management could (and in my view should) also entail searching out the potentials/precursors for unexpected, overwhelming circumstances then working to understand them. Effective management would also include developing practices and operational capacities so “crises potentials” are reduced to merely less threatening emergency challenges. If this is successful, the range of circumstances that would produce crises is narrowed, with a reduction in

³ I take a view of “crisis” phenomena that is both narrower and less stringent than often orients such discussions: to wit, “A crisis is a situation in which decision time is short and error disastrous.” And the workshop has expanded the range of what might precipitate a “crises” to include collective behavior that surprises a society’s economic and political elites, e.g., regional financial disruption, crashes of economic markets. This could be stretched to include political surprises as well as in the, popular overthrow of an established regime. I shall argue that these “crises” take on a quite different character compared to development usually assigned to the category crisis.

the perceived potential for the spikes in public anxiety that come from a sense that social institutions may falter in the face of seriously problematic demands.

The requisites of effective management vary considerably as the operational demands shift from normal, more or less understood, routinized activities to those needed to assure confident responses to understood emergencies. Both normal and emergency activities call for practiced processes founded on an array of recognized skills, coordinating arrangements, accounting techniques, and, in the end, structured organizational patterns that can be learned and transferred from one work generation to the next. And these practices can be interpreted to citizens and to institutional leaders, much as fire prevention and fire-fighting requirements can be described to those who must authorize and pay for them. Effectiveness in realizing these capacities depends centrally on clear understanding of normal working environments and potential threats and the organizational actions needed to reduce and/or limit damage were emergency situations occur. When these well-ventilated knowledge bases are present, the result is a reasonable degree of certainty about what to do and the circumstances facing an organization in their doing. If well functioning organizational units are able (with skills and resources) reliably to act on this understanding, public confidence is warranted.

The conditions noted so far are pretty fully met in most of what public organizations do – when they engage in normal operations. We expect these functions to characterize administrative systems and bureaucracies we depend upon - even as commentators voice animus about the resulting highly predictable stasis. Indeed, efforts to provide “emergency services” take on many of these predictable qualities – qualities that soothe organizational members and the public as they (and we) seek reassurance in familiarity. Yet one of the lessons learned from reflecting on crisis experiences is that the more crisis ridden the situation, the more deeply surprising and unpredictable it is - a key condition orienting my contribution here.⁴

Challenges of “other managements.”

In considering the requirements for emergency and crisis modes of management, I assume two background factors to which I shall return:⁵

* Normal, emergency, and crisis response capabilities (when they exist formally) are likely to be bundled together within the same organizations. That is, only a few organizations will see themselves as predominately crisis managers without significant emergency and normal organizational functions as well. Since each of these functions is likely to be associated with different norms and specialized practices, these become the bases for significant imperatives in the development of “multi-cultural” organizations.

⁴ In final draft include cites to disaster response lit.

⁵ These are introduced without justification. If there is wish to do so, I can. I invite conference members to add to this list.

* Emergency and crisis management functions are likely to be seen by most organizational members and certainly by the public with a relatively high degree of dread accompanied by serious legislative and public “attention deficit disorder”. This has important implications (and dysfunctions) for how public discourse is shaped and evolves.

These background factors of bundled functions and dread, color all attempts to develop both confident, well exercised emergency management capacities, and the less familiar institutional processes of “crisis management”. In the first instance, a good deal of emergency management involves working out the processes to identify the on-set of recognized operational deviations, nurturing highly reliable organizational responses to them, and establishing damage control capacities to limit organizational liability for unavoidable disruption. Of particular importance here is the tendency for overseers to press emergency managers to add areas of monitoring and response (often initially prompted by a crisis) where “loss of control” seems to pose serious risks and damage to agency operations, mission accomplishment, and fitness for the future.

When formal demands grow for responding more effectively to crises, the conditions of “bundled functions and dread” also affect the dynamics (within and between organizations) of developing capacities to respond to dangerous, uncertain hazards, and, recently, destructive predatory intent. One of the key lessons learned from experiencing crises is that institutions are confronted with great ambiguity and the “fog of technologies gone opaque.” To remain on this side of chaos requires:

- highly flexible capacity and permission quickly to recombine the organizational capabilities needed to address novel, previously unknowable challenges, and often
- seeking out lessons that allow new domains to be included (later) in emergency management processes.⁶

Another arresting realization is that crises, because they are novel and surprising experiences for the affected institutions, are intrinsically difficult to absorb into the context normal operations, especially for large, complex (technically oriented) organizations. The implications are profound. Learning will be mostly on basis of the inductive experiences of failures in the face of past “surprise response reactions” for there will be little credible deductive basis to design future oriented, proactive preparation. Furthermore, crises vary markedly in their characteristics, and the variety of capacities institutions need to develop to respond confidently.

The situation institutions confront is remarkable: success, so to say, will rest on understanding the conditions that maintain the institution’s capacity to recombine capabilities quickly – with little margins for error - in the face of unpredictable, potentially dire circumstances, i.e., rude surprises. What variations in the properties of crises would vary the conditions needed to maintain the continuities of mature, efficient organizational processes of normal operations, and emergency and crisis response capabilities?

⁶ An example is the realization that a major post-emergency responsibility is the provision of mental health services to the affected communities.

Table 2 nominates properties of crises that have strong implications for organizational design and capacities when institutions consider enhancing their crisis management capacity.⁷ As these conditions gather in different combinations, so does the variation in the challenges that confront the institutions charged with responding to the crises and those charged with their oversight.

Table 2. Character of the Crisis: Institutional Design Factors.

| <u>Factor</u> | Varies | From (scale 1 → 5) To |
|--|--------|---|
| <u>Public Perception.</u> | | 1 5 From weak, equivocal to very strong ** |
| a. Consensus on seriousness of the crisis. | | |
| <u>Variations in the Feared Effect</u> | | |
| b. Overall magnitude. | | From destructive but not debilitating to devastating, potentially irreversible. |
| c. Speed of crisis unfolding | | From evolving over several management generations to abrupt and rapid. |
| d. Propagation of effects | | From spreading over unpredictable terrain to concentrated. |
| e. Perceived duration of effects | | From many management generations to relatively short term.. |
| <u>Information about Causes, Consequences, Responses.</u> | | |
| f. Knowledge of causes and consequences. | | From available, only needs to be assembled to unknowable in the time frame of response. |
| h. Mix of information for diagnosis, remedy. | | From only public information needed to information predominantly from secret sources. |
| i. Consensus on utility/credibility of information. | | From strong consensus to conflicting, competitive disagreement. |
| ** Note: If consensus is very strong, this trumps everything else as an influence on institutional dynamics. | | |

(The reflections below become more cryptic. The analytical vector I've taken to our topic produced an unexpected matrix of puzzles, too many to explore in moderate length. These can be topics of discussion should the workshop's members be interested.)

⁷ I invite workshop members to nominate additional factors. You will notice immediately an absence of conditions that stem from the differences in national institutional patterns and dynamics, and become important when preparing general capacities to respond trans-national crises. For the moment, these sources of variation are bracketed. I return to them below.

Combinations and Analytical Consequences.

Two qualities of crisis situations, a) the wide variety of “crisis properties,” and b) the unusual degree of uncertainty about the specific mix of these conditions a particular crisis may present to the institutions that are galvanized to respond to it, highlight the need for means to embrace potentially dreadful surprises within an overseeing environment which honors false starts as well as systematic learning.

To the degree this assertion is defensible, what analytical vectors result? (Set aside, for the moment, the extreme unlikelihood of such organizational norms.)

Let us propose a thought experiment in which we vary some of the eight (8) factors in Table 2 (along say five (5) point scales). Then imagine (perhaps deduce from whatever institutional theories attract you) the institutional dynamics that might follow if “crisis combination” a, or b, or c occurred within different “operational and political contexts” (x, y and z.) Here is a brief try to illustrate (see Table 3.) To make this manageable, hold four (4) factors constant (a, d, f, and i).

For each “crisis,” assume there is: A strong consensus that it is very serious (factor a/4), with regional effects (d/4). And that knowledge is patchy about its causes and effects (f/3), with information available from credible but competing sources (i/4).

Table 3. Factors Parsed – some held constant, others varied.⁸

| <u>Factors held constant.</u> | <u>Strength (1-5) for cases A, B, C</u> | | |
|--|---|--------------------------------------|-------------------------------------|
| a. <u>Strong Consensus</u> on seriousness of the crisis (4); | | | |
| d. <u>Regional Propagation</u> of effects (4); | | | |
| f. <u>Patchy knowledge</u> of causes and consequences (3); | | | |
| i. <u>Competitive sources</u> of useful information (4) | | | |
| <u>Factors Varied</u> | A | B | C |
| <i>b. Overall magnitude</i> | devastating (5), | destructive (2) not debilitating | destructive (4) but irreversible |
| <i>c. Speed of crisis unfolding</i> | abrupt, rapid (5) | expected w/in 2 (3) mngt generat. | slowly over (2) 4+ pol generat. |
| <i>e. Perceived duration of effects</i> | short term (5) 5-10 yrs | moderate (3) 10-20 yrs | indeterminate (1) mgt generat. |
| <i>h. Mix of information for diagnosis, remedy.</i> | only public (1) information | equal mix (3) public/classified | mainly (5) classified |

⁸ See the appendix for a more formal display of these factors.

Now posit three cases (A, B, C) varied in terms of the other four (4) factors (see Table 3).

Consider the differences in institutional dynamics in the face of surprising crises that vary as indicated in Table 3 (scored on a five point scale, 1-5):

The overall magnitude for these crises ranges from:

Devastating (5), to Destructive but not debilitating (3), to Irreversibly Destructive (2)

The speed they unfolded ranges from:

Abrupt, rapid onset (5), to one that is expected to become apparent within two management generations (say 14 years) (3), and another not expected for four or more political generations, 24+ years) (2).

The duration of effects of these crises is perceived to range from:

Only a short time (5-10 years) (5); to a moderate 10-20 years (3) to stretch indeterminately into the future for many management generations. (1)

The information needed to respond/recover ranges from:

Information fully available from public sources (1), to sources that are mixed equally from public and classified sources (3), to those that are mainly from highly classified sources (5).

Now consider in your analytical (deductive) mind's eye, the dynamics that would unfold if a crisis, say, of mix A or B or C, were to be visited upon an administrative and political culture that interests you and you know well.⁹ If this administrative setting includes a number of agencies, e.g., the combination of air traffic control drawing in the FAA, the NTSB, and a wide swath of US air carriers, so much the better. (In terms of this workshop, some of you will be able to flesh out cases of rude financial surprises that involve a number of institutions and different national environments.) Now, add detail to the analysis by including making explicit first responders whose operating responsibilities cross national borders.

Facing emergencies (challenges that had been experienced before) with these varying characteristics would each prompt different institutional dynamics, perhaps different emphases of skills, decision processes, and very likely relations with stake holding groups. Even if it was limited, prior experience would have very likely resulted in the development of at least some emergency, coping response capabilities. This could lead to a sense of anticipation and perhaps even a practiced capacity to deal with the sorts of hazards associated with the feared events. But crises are, by definition, rude, upsetting surprises, novel circumstances that seem likely to overwhelm existing capacity. Crises present unexpected challenges in the sense that intrinsically there cannot be much forward planning for particulars that could not have been predicted.

⁹ Readers will note that, for simplicity's sake, the factors in these three cases vary mostly ordered from more to less intensity. Patterns that scramble the intensity of these factors are more realistic and analytically more interesting – though much more demanding.

The characteristics of crises note above are general with little adjustment for specific context. Indeed, there is a tacit frame of reference that assumes the other properties of large scale, nationally based institutions associated with advanced industrial society. Until recently this has been justified, I suppose, when examining crises through the period of the Cold War. But within this decade, a type or class of crisis has emerged that presents particularly puzzling qualities, especially when seen in terms of institutional design. These crises are notable for they involve rude surprises of a particularly troubling nature. These are the surprises that attend a novel sort of “fluid terrorism,” especially those associated with suicide terror, or “martyr operations” that have become a means of attack used by some groups oriented toward radical forms of Islam. (We return to this point in Theme Two below.) A mainly post 9/11 phenomena for US citizens, the crises prompted by these threats combine aspects that confound and amplify the intensity of other qualities.¹⁰

- a) We face some adversaries whose motivations no longer include a deep attachment to physical survival as a defining element in their notions of self-interest;
- b) Our adversaries’ organizational bases are not firmly grounded within national systems of legal and police activities. (Nation states are less effective as means of control.)
- c) There are means to deliver very significant economic and social destruction more widely than at any time in history.) (Indeed, in a sense we have gloried in this accomplishment of globalization.)
- d) Partly as a consequence, there is the sense of apprehension, repressed public fear and a kind of free floating dread that is amplified by “terror attacks.”
- e) Finally, in response we see the need to be very broadly prepared, across a much wider range of “first responders”, at a much higher level of operating reliability than has ever been demanded of public institutions or private enterprises.

When challenges threaten very rude surprises, say characterized by the factors noted just above, how do the cases spin out in the settings you know best? From what theoretical/conceptual basis can one derive expectations for the institutional challenges associated with them?

Ruminate - deductively - about the dynamics implied. The exercises I have proposed are likely to show that our insights about managing to prepare for surprises are weakly founded. If this is to improve we need to find ways of framing the matter that provide grounds for research and experiment.

¹⁰ T. R. LaPorte, “Considerations of ‘Suicide Terrorism’: Social Predation with a Sacrificial Twist”, Presented to Countering Suicide Terrorism: Risks, Responsibilities and Realities, Annual Conference of Critical Incident Analysis Group, School of Medicine, University of Virginia, 4-6 April 2004.

Toward Discussion Themes.

This paper took me off unexpectedly at an angle from the vectors of highly reliable organizations, and public trust and confidence I had imagined I would follow.¹¹ The results are more speculative and more worrisome. Below I nominate several derivative themes (in nearly outline form) that raise questions of concept, research and practice. Might they inform a bit of our discussion agenda? How could they be expressed in terms of the substantive domains of interest around our workshop table?

Theme One. Managing to be rudely surprised (for a hundred years?).

In a sense, “crises management” is a contradiction in terms. Rude surprises are not managed, responses to them can be. From an institutional view, the challenges are not to be prepared, in advance, to do things one knows you will have to do, but to have capacities at-the-ready, so to say, that can be combined in unforeseen ways with other capabilities, perhaps from other domains of civil society, as the parameters of the new crisis unfolds.¹²

A central question (of the workshop) could be: What institutional conditions need to be assured so that rapid re-combinations of organizational capacity (and sometime added functions) can be realized? What patterns of incentives would assure self-organized, flexible adaptation to rude surprises for an unforeseeably long future?¹³ Secondarily, to what degree does a culture of effective emergency response impede the development of a culture embracing uncertainty and surprise?

Much of what has passed as best practice for normal public organizational operations leads in the direction of close internal control, limiting slack resources, and transparent, usually punitive external accountability. It is difficult to see how these properties of public institutions result in the capacities quickly to crystallize novel relations between formerly separate functions as the parameters of a “rude surprise” becomes evident. Effecting novel combinations usually must go on while normal operations continue. Ad hoc authority patterns should be allowed, resources will be required beyond those needed for everyday activities, and there should be little fear of post hoc criticism and institutional retribution for trial and error learning that necessarily accompanies rude surprises.

And the sustained effectiveness of U.S. institutions to develop emergency response capabilities perhaps anticipating small surprises, and incipient crises may be instructive on two counts. How have they attempted to develop a culture of emergency response (that includes preparation for surprise)? Can this be done in ways that do not inhibit preparing for surprise?

¹¹ The original draft title was [0]“Reliable Behavior and Institutional Constancy in the Face of Future, (Transnational) Crises: (Requisites of Public Confidence?)”

¹² When the matter is framed this way, the search for best practices takes on an odd cast. Best practices usually refer to processes, etc., we have confidence in for they have been tried out repeatedly in similar situations, then distilled and used again. Rarely if ever would this situation characterize crisis learning. (cite disaster response lit)

¹³ long term pressures from environment, along with Radical Islam I note without elaboration the relevance here of our work on Institutional Constancy.

We see attempts to do both in some U.S. State emergency response operations, wild fire fighting experience, and the US Federal Emergency Management Agency's (FEMA) insistence that nuclear power plant operators conduct bi-annual, full scale simulations of disaster response decision-making with ALL the decision-makers likely to be involved were to be enough loss of containment of nuclear radiation to warrant the evacuation of adjacent communities. There are similar experiences in the ways the US Center Disease Control (CDC) goes about assembling the relevant agencies and non-governmental organizations to respond to the discovery of new communicable pathogens (e.g., SARS epidemic). Less admirable experience is found in the US response initially to HIV aids.

There are two derived propositions that are of interest here; examples of what would be generated from the variations in the conditions of crises exercise above. I state these in a bald form with a promise to explicate them if anyone is interested.

* The more productively efficient the organization called to respond to a crisis, the less capable it will be in dealing with untoward surprise.

* The higher the consensus about the seriousness of the crisis and the need for rapid response, the more likely serious errors will be made. (*Vector: Compression of attention due to perceived time constraints --*)

Another aspect of “crisis management” also confounds: there is a very low likelihood that any particular network of institutions will actually experience a crisis. When they do, they are likely subsequently to incorporate what lessons they have learned into the suite of emergency processes they practice. The result would be that, for these institutions, the potential for recombination in the face of unlikely next crises will continue to be fairly low.

It follows that the institutional energy and resources needed for ready responsiveness to untoward surprises will be difficult to assure from one generation to the next. Why, it will be argued, prepare for surprises that are unlikely to confront you? This is especially difficult when ones overseers suspect that if such surprises are unlikely. (Another version of “life is short,” heed the probable.)

Finally, a comment about the relationships of overseers to responders in the interest of effectively preparing for rude surprises. Much of what public institutions do is strongly affected by the behavior of political overseers and legislatures. What roles do agency or ministry leaders and legislatures play in assuring the institutional conditions needed continually to respond effectively to serious surprises?

We know a good deal about the dynamics of political overseers that work to constrain, sometimes paralyze agency behavior. These dynamics are precisely the reverse of what would be needed in the face of rude surprise. Considerable work is needed on the potential for overseers’ norms that would increase the likelihood of institutional flexibility and novel cooperation. Two aspects come to mind, noted here without much elaboration.

* What changes in accounting practices are needed to reward, under defined conditions, flexible institutional responses? These would allow for a better understanding of how unauthorized expenses, without formal review could be incurred rapidly without fear that in the aftermath of the crisis those who

provided “unauthorized ” assistance would discover they could not be reimbursed. To the degree this is expected – and is believed to have occurred - it is the basis for what one might call the “bean counting lament”, reluctant cooperation and residual institutional bitterness.

* Understanding the affects of media behavior (themselves performing an overseeing function) on inhibiting institutional cooperation, and ad hoc response to rude surprises.

Theme Two. When the surprise is predatory – with a sacrificial twist!

In the past, “crisis management” has tacitly assumed that crises would be the result of natural forces and/or unintended human action. For our discussion this includes surprises that originate from collective behavior of society’s economic and political elites, e.g., regional financial disruption, crashes of economic markets, and the popular over throw of an established regime. As we peer into our future, we might also consider the recent substantial increase in the propensity for humans to prey upon their own kind. Short of organized military action, this predatory activity can wreck sufficiently unexpected destruction to become a new source of crisis. To what degree does social predation add confounding complications when public institutions attempt to prepare gracefully for rude surprises – surprises now that can originate from within their own or other civil societies?

Within the past three years, the U.S. has for the first time experienced such a predatory situation, one that interjects security concerns into the mix.¹⁴ The west’s confrontation with radical Islam is producing serious and complicating concerns about how public institutions should establish confident emergency responses, and particularly how they might incorporate processes that prepare the public for predatory crises. Two of the factors in Table 2 above speak to this situation: the mix of publicly available versus classified information needed to prepare for and/or respond to rude, nasty surprises; and the credibility of the information sources that are available.

Without dwelling here on importance of these two factors (and readers may wish to add others that stem from predatory sources of crises), it seems clear that increasing proportions of classified information needed for understanding and responding to novel threatening surprises set in motion reactions and operating dynamics that are themselves quite difficult to predict. What effects do variations in these factors have on the capacity of institutions to elaborate the norms and develop the facility to recombine them in the face of novel, nasty surprises? One important factor here is to account for the effects on “crisis management” as a society’s technical and institutional infrastructure becomes increasingly interdependence and becomes the province of homeland security and defense agencies. This is particularly interesting as one considers differences among various political cultures.

And I return to the newly emergent conditions of social predation the US especially seems to confront, and that were noted above (p. 8). Taken together they represent major hurdles for American

¹⁴ I should note that these complications have been encountered in Europe for decades. There is much for Americans to learn from this history.

institutional preparedness whether emergency or crisis. One characteristic is particularly confounding and, when joined by the others, mounts a major challenge. Some adversary's motivations no longer share with us a deep attachment to physical survival as a defining element in their notions of self-interest. Nearly all western concepts of cooperation, deterrence and conflict are rooted at least tacitly in this premise. All our organizational strategies have been based implicitly accepted this notion. We apply them to all the situations we now confront. Errors in predicting adversarial behavior result. Some of these produce what amounts to tactical crises for those who are the objects of predatorial attack. Providing the institutional capacity to recombine capacities in the field, so to say, becomes a major challenge.

Theme Three: When rude surprises are trans-border.

This and other workshops offer an “existence proof” that, when the effects of crises spill across national boundaries, analysts and operators have only modest confidence in how to proceed.¹⁵ Pose this situation in the form of a null hypothesis, to wit: Institutional responses to threatening surprises in one nation will be very similar to those in other nations. The only response has to be, “NOT - - - LIKELY!” And then the challenge begins to sort out the national level conditions that account for what differences we already see and should expect (at least tacitly) to color our reactions to each other in a workshop like this.

Another way of putting this is to wonder: In each of the countries affected by a crisis, what conditions enables highly discretionary institutional behavior – in service to self-organizing recombination of public capacity as the lineaments a rude surprise unfolds? What institutional patterns in each country, evolved rightly to nurture cooperative behavior within it, also acts to inhibit a) highly discretionary behavior among national agencies, and b) among agencies of other countries?

In this vein, what conceptual frames would give us a confidence basis for nominating the several most telling national institutional properties from which to predict different patterns of “crisis response?” dynamics? Would, for example, these include systematic differences between countries with traditions of common law compared to those following code law? And the list surely would quickly expands to consider the variations in internal incentives, work rules, accounting practices, etc.; but which aspects of each category? How could the choice be justified conceptually?

All of these can be scrutinized in terms of the inhibiting or enabling effect on self-organized recombination. As far as I know, this way of understanding the effects of consistency and control maintaining processes upon responding to surprises (unknowns, sometime unknown unknowns) has not been of interest. When considering “crisis management” in the future, they should be.

¹⁵ When confidence seems to cloak public pronouncements, it is almost always rooted in one analytical ideology or another which, of themselves, generates sufficient disagreement to erode general confidence.

As national differences become better understood, one suspects that both the opportunities and difficulties of analysis, and then operational adjustment and training will be much more apparent. What then, for analysis, training and operations -- the point of this conference?

Theme Four: “Crisis Speak” and Design Frames?

In writing and revising this paper, I found repeatedly that the regular language of organizational analysis does not serve us very well neither in terms of concepts nor in effective means of describing the dynamics one can imagine when managing to embrace rude surprises. And there is clearly a need to think carefully about the analytical terms of reference, as well as the views the public, and especially overseers, have concerning what is possible and what could be expected in the evolution of “managing in the midst of crisis.” I suggest there is a need for a dialect of crisis response evaluation – in parallel to the current language of productive efficiency.

We now think warmly about increasing productive efficiency and performance management in the public service. What would this mean if criteria for efficiency were also to include, say, crisis recovery efficiency, that is, assuring situations that result in intrinsically less damage from crises over many generations of operations. When efficiency advances reduce slack resources, these resources are not available to facilitate taking up new functions, covering unfamiliar coordination cost, or invest in distilling lessons learned from the new rude surprise. Could there be a way of framing “crisis preparation/embracing costs” so that they can be included in strategic planning? (These are in a sense the costs associated with having uncommitted financial reserves and, as importantly, the costs of not planning in advance to encumber 100+ per cent of executive time for each year. In some situations, executives calculate the up to 20 per cent of their annual actual decision time was spent on problems that were novel and unexpected.)

A related aspect of this would be straight forwardly designing technical and operational systems to fail gracefully. In terms of rude surprises, this would be institutions that if they confront a really rude surprise and lose control of their dynamics, the maximum damages would be limited by design. This tactic is sometimes featured in military hardware systems and other operations depending on intrinsically very hazardous technologies. Fail safe or safe failing systems intrigue engineers, though this is rarely proposed for the design of large-scale institutions, or put forward as what should be done for public policies, say in genetically modified food, national pollution control, or ecological protection programs.

When the roots of fearful failure implicate social or political predators, then institutional design takes on an additional objective: thinking through the development of “predatory confounding systems”. This, of course, is an important element in considering emergency systems – getting ready to do what one needs to anticipate damage from known processes. Engaging in preparing to embrace unpredictable,

predator prompter surprises is likely to be quite different – and difficult to explain to most overseers currently “on watch.”

Finally, and I think most puzzling, is the need to examine the design implications of preparing confidently to embrace rude surprises for a number of management and political generations. Crises that unexpectedly arise from natural and unintentional human sources will occur without end – the institutional demands stretching far into the future. It is likely that their magnitude will grow and recovering from them will be increasingly costly in both economic and social terms. At the same time, it is imaginable that crises of predatory origin will also continue for many political generations and grow in potentially anxiety arousing consequences. From an administrative and policy view, this means enhancing short- term response effectiveness while, at the same time, re-enforcing the development of long term, highly reliable capacity that exhibit institutional constancy. This involves signaling to the public that the institutions the public depends upon will be able repeatedly to show they can respond to rude surprises, adapt to novel situations, limit damage, and effectively draw lessons from the fearfully unexpected in ways that improve the emergency response capabilities of the next generation. This is perhaps the most difficult of the many, nearly insurmountable challenges embedded in the intention to improve “crisis management” for it calls persistently to maintain appropriate levels of social watchfulness, and purposefully engender enough social anxiety to guard continually – generation after generation - against extreme events.¹⁶

An After Word with Skepticism

There is a hopeful cast to dialogues of this kind. An obvious need is framed, energized discussions go forward - members of the choir engage each other. This is a good thing, we charge our batteries for the long pull ahead. At the same time, some attention could be fruitfully devoted to a counter view – explicating the present institutional conditions that load the dice against much more than rhetorical gain in deepening our understanding of the institutional elements that facilitate optimal responses of rude surprises even within one generation.

Can any of this come to pass without substantial changes in the way social and political leadership instructs the public and economic sectors? *To what degree is another crucial and dangerous duty of crisis managers to take up the tasks of legitimating the institutions that would be called on to engage in crisis response?*

¹⁶ Pointed out by Todd M. La Porte, private communication.

Appendix.

Table 3. Imaginary Mix of Crisis Properties
(Variable factors in *Italics*)

| <u>Factor</u> | <u>Strength (1-5) in case</u> | | |
|---|--|--|---|
| | A | B | C |
| a. Consensus on seriousness of the crisis. | strong (4) | strong (4) | strong (4) |
| b. <i>Overall magnitude.</i> | <i>devastating (5),</i> <i>not debilitating</i> | <i>destructive (3)</i> | <i>destructive (4)</i> <i>but irreversible</i> |
| c. <i>Speed of crisis unfolding :</i> | <i>abrupt, rapid (5)</i> | <i>expected w/in 2 (3)</i> <i>mngt generat.</i> | <i>slowly over (2)</i> <i>4+ pol generat.</i> |
| d. Propagation of effects | regional (4) effects | regional (4) effects | regional (4) effects |
| e. <i>Perceived duration of effects</i> | <i>short term (5)</i> <i>5-10 yrs</i> | <i>moderate (3)</i> <i>10-20 yrs</i> | <i>indeterminate(1)</i> <i>mgt generat.</i> |
| f. Knowledge of causes and consequences. | patchy, (3) some available | patchy, (3) some available | patchy, (3) some available |
| h. <i>Mix of information for diagnosis, remedy.</i> | <i>only public (1)</i> <i>information</i> | <i>equal mix (3)</i> <i>public/classified</i> | <i>mainly (5)</i> <i>classified</i> |
| i. Consensus on utility/credibility of information. | competitive (3) credibility | competitive (3) credibility | competitive (3) credibility |