# SIX Keys to Effective Global Risk and Reputation Management

Developing holistic strategies brings order to the complex risk and reputation management issues facing leaders today.

Business executives are increasingly tasked with managing highly complex issues of risk and reputation not just domestically, but also on the global stage. Everything from "simple" supply chain disruptions to corruption, cybercrime, or even outright culture failure can come your way.

To handle these challenges effectively, it helps to have a pro-active, strategically minded, and holistic approach in place. Here are the six keys to creating this system within your organization so you can more efficiently handle the next challenge that comes your way.

### Develop a strategic approach to risk and crisis management

In far too many organizations, the normal response to a crisis is panicked "fire-fighting" that delivers sub-par solutions while also stressing out employees. Reactive and expensive, this response is allowed because "there just isn't time" to do anything better.

Yet a key factor in the time crunch is the organizational players not knowing what to do when something happens and losing precious hours figuring out the same basic answers "fresh" for each event. Instead, you should invest time now in making a standard operating procedure (SOP) for risk and crisis situations.

An SOP will eliminate most stressed out "What do we do about ..." email chains and phone calls. Plus, even a simple strategic SOP (In the event of XYZ situations, notify legal, media relations, and finance) can give team members around the world a place to focus their energies and ensure a uniform baseline response that protects the organization while a deeper solution is developed.

### Learn interdisciplinary problem-solving

Often, your default "fix it" solution is based on a single frame of reference. Just as everything looks like a nail to the person holding a hammer, so, too, can everything look like an HR issue to the HR Chair, or a Supply Chain problem to the Logistics Head. But you can overcome a certain narrowness in your responses and have more holistic solutions by learning interdisciplinary problem-solving.

Interdisciplinary problem solving breaks you out of your patterns and enables you to think about issues from the context of different divisional or regional needs. Plus, as psychologist Howard Gardner proved in his research, an interdisciplinary problem-solving approach allows you to better harness the diverse intelligences and skill sets team members have to offer. This will help you bring more creative and innovative solutions forward as they are needed.

## Solve issues through interactive workshops

Building on the interdisciplinary approach, consider solving more issues through interactive workshops. While these may seem like a time-consuming investment upfront, they can offer lasting benefits for crisis mitigation and reputation management.

First, interactive workshops allow organizational groups to feel as though everyone is participating in addressing issues. This can end both the perception and reality of top-down

Second, interactive workshops offer the chance to actively brainstorm on issues. This can bring out creative and unexpectedly efficient solutions to issues that might seem complex/impossible when viewed by only one department or group.

Finally, interactive workshops can boost the level of buy-in and compliance with new solutions. Not only does this help with crisis situations and reputational issues in the moment, but it can also help ensure that certain events are not repeated because multiple levels of the organization will be seen as being behind the agreed upon approach, further lowering risk levels and nipping many reputational challenges in the bud.

Develop a holistic approach to governance issues</p><p>In many situations, only the immediate problem area is addressed in governance. But by singling out a specific business segment, you run the risk of creating solutions that don't serve the organization as a whole.

A better methodology is to develop a holistic approach to governance issues. Insist that all areas of the business be considered when solutions are proposed. Push back on those championing one "special" area over the rest of the firm, as an increasing number of exceptions and special cases tend to magnify risk rather than reduce it.

## Learn about cutting edge global risks

Taking the time to educate yourself about cutting-edge global risks in a sound strategy for exchanging a perpetually reactive mode for a more strategic and pro-active approach. After all, the risk you see coming is much easier to plan for and handle ... and there's the added benefit of being able to study how other firms are creating solutions in the moment to identify best practices.

In many cases, bringing in an outside expert or attending a focused conference can speed your education. All risks and reputational challenges are not equal across industries, regions, or business models. Understanding cutting edge risks as they apply specifically to your firm, your geographic areas of operation, and your unique internal culture helps you focus on the most appropriate areas of concern and design the best response systems for your organization.

## Align governance to business strategy

The final step in creating an efficient response to global risk and reputation management challenges is to align governance to business strategy. Ground your policies in the true realities of your firm's strategies in each division and each region, and use them to reinforce the key forward-looking goals of the organization.

In addition to increasing compliance ("it's not just what we should do; it will help us meet our performance goals"), this step magnifies the power of governance structures. No longer are they at odds with the business ... they're a part of the fabric and soul of the business. While taking this step can mean some very frank discussions about what truly works and what strategic goals really mean, the end result will be a governance system that helps to not only respond to challenges, but also reduce their disruptive power over the business.