

The Crash Plan

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This Morning at 11am, I got a call from my contact at L'Echo. The conversation was pleasant. He expressed his gratitude to be invited at the 25 years anniversary event of EVS¹. He told me that to come, he had to turn down other invitations and make a long journey to Liège. Then, he suddenly added: *"By the way I have not received your chronicle for tomorrow, when can you send it?"*.

It is amazing to see how quickly things can turn very bad. Ashamed, I could only tell the truth, which is that I had totally forgotten it and that I have many meetings scheduled (And do not tell l'Echo that my wife constantly reminds me to put the dates in my calendar). Not knowing how to manage the situation, I took the commitment to reorganize and do my best to provide the chronicle by the end of the day.

So, here I'm! I have no excuse and no real option but to finish this article on time, so, I have decided to talk about...the "Crash Plan".

This is an interesting topic for entrepreneurs. I'm not saying that they are all as disorganized as me. I want to say that in the real business life, the unexpected will often happen: A big customer that did not want to order this year, but places a last-minute order just before Christmas, to be delivered immediately; your superb redundant IT system that is supposed to be always up

¹ EVS (www.evs.com) is a Belgian hi-tech company, worldwide leader in the field of Live Broadcast Production. Since 2018, I'm Chairman of the board and CEO ad interim

and miserably crashes for extraordinary reasons; your competitor that was always fair that suddenly files a lawsuit just before the biggest show of the year to block the launch of your new product.

What do we learn from real-life experience? Certainly, that the Murphy's law² does apply: *"Everything that can go wrong will go wrong!"*

It does not apply to my phone call, since this was a predictable event that I could have handled proactively. Many risks and issues with significant probability can be pro-actively mitigated by companies and this is the purpose of the risk committees in large organizations.

However, we can never predict the future. For instance, the banking crisis of 2008 took almost everybody by surprise, even the banks who had sophisticated risk committees. IRIS was no exception. We even installed a big solution at the Kaupthing Bank, only two weeks before their collapse. A great project, well-engineered, but credit collecting was another story.

What is my key message here? Risk Management is important, but in real life, it is even more important to handle unexpected crises efficiently.

² Edward Murphy was an aerospace engineer. The message he wanted to pass is that we always should prepare for the worst-case scenario and apply "defensive design".

Crises can be positive (our sales are booming, and we do not have enough stock, so let's work 24/7 to grab the opportunity) or negative (our new product does not work at the customer place and we have to ask three different teams to work on fixes for next week. It is a death or life matter).

My recommendation? Define who will be in charge in crisis times and foster a fighting and agile spirit in your company. Crises will happen. What count most is the reaction of the team to the unexpected!

Chronicle finished! My crash plan of the day!



Risk Management is important, but in the day to day life, it is even more important to be able to handle unexpected crises efficiently.