

BOOM OR BUST

SURVIVE AND THRIVE
DURING CRISIS



GRANT CHISNALL

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This book is dedicated to crisis leaders.
Those who step forward into the fight
when everyone else runs from it. Those
who take accountability for the situation
when others deflect and those who fight
for their survival when others give in.

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FOREWORD

Trust. Regardless of the size of your organisation, the span of your influence, or the success you have known in the good days, when faced with a crisis that could potentially destroy your reputation and the viability of your business, who you call upon to provide you with advice and guidance is critical.

In making the right decision, trust will be the single biggest determinant of a successful resolution of the situation, coupled with someone who brings the right skills, knowledge, and experience to your board table.

I first became aware of Grant and his company Left of Boom some five years ago. I had been discussing some issues with a private sector colleague that had relevance to the work that Grant does. We compared notes about private sector organisations we were aware of that provided crisis management services and training. Following that discussion, I researched Left of Boom and was instantly impressed with the service offering and approach. I have spoken to others who have engaged Left of Boom as part of their journey and have only ever heard positive commentary.

Importantly, I can attest to the fact that Grant practices what he preaches, his approach to crisis management is underpinned by his genuine and lived experience, and beliefs that we all have a duty to help others in times of

crisis. In the case of Left of Boom, this ethos pervades the organisation and everything that it does.

In 2020 I was approached by Grant to participate as a speaker in one of his Crisis Talks Podcasts. Through the detailed engagement process in the lead up to this event, I was able to validate my initial thinking about the value that Left of Boom provides to private and government sector crisis management and the professionalism of the organisation.

After all, whilst it's humbling to be asked to share your experience, trusting them to present you and your information appropriately places your professional reputation on the line. Having worked in the intelligence, security, and crisis management space for the best part of my life and being the current Inspector-General for Emergency Management in Victoria, risk to my reputation is not something I take lightly.

This book, Boom or Bust, makes a significant contribution to organisational crisis management. It is not based simply on theoretical concepts but underpinned by real life examples and case studies, all of which demonstrate the concepts and 'how to' of successful crisis management. It provides the reader with an emotional link to the technical aspects of guiding your organisation through significant emergencies and recognises that, at the end of the day, it is really all about the people.

In organisations people are everything, and your stakeholders and clients run a very close second. The concepts of trust, empathy and support permeate these

chapters recognising that foregoing these basic principles can assign your organisation to the grave.

The book provides a logical flow through the crisis management process starting with giving the reader an understanding of crisis and the fundamentals of crisis preparedness. With that under your belt it allows you to understand the higher order concepts of Left and Right of Boom, terms of military origin that describe what should already be intuitive to any organisation leader or risk manager.

Preparedness activities, frameworks for decision-making, pre-emptive strategies, governance, adaptive leadership and compliance and assurance, along with many other elements are all discussed throughout the book.

It is an easy read addressing a topic that some might find quite daunting, and for that very reason, it contributes meaningfully to the topic.

I hope that you enjoy reading Boom or Bust as much as I did, and I trust that in doing so you will be better prepared for the 'when not if' moment when it arrives.

Tony Pearce

Inspector-General for Emergency Management

Sundance

Saturday, January 3rd 2013. With a great meal under our belts and red wine flowing, I settled in with friends to watch the Socceroos in their first-ever World Cup match. At 11.30pm my business partner, Anthony Moorhouse phoned. 'Jeff and the Sundance Board are on a chartered plane from Cameroon to Congo, and they are an hour overdue.'

I sobered up real quick. Delays are inevitable in Africa, but this was alarming. I asked him to read the manifest and knew instantly that this would quickly become headline news. On board the plane were some of the world's leading mining magnates. They were on an investment and government relations tour to finalise the heads of agreement with the Cameroonian and Congolese governments to open up the world's most significant iron ore development outside of the Pilbara region in Western Australia.

The board and executive team were flying from Cameroon over a new deposit when they failed to reach the remote exploration camp in Congo-Brazzaville. Jeff Duff – a former US Navy corpsman and French Foreign Legionnaire – was our security and medical team leader. Usually, when a crisis is unfolding, we don't know the people involved, but one of our own was on the plane this time. While that didn't change our response, it certainly brought everything closer to home.

We immediately decided to activate a crisis response team. We were dealing with a missing aircraft, an entire Board and their entourage, missing in the most remote and

challenging environment in the world. We didn't realise it at the time, but we were entering the heart of darkness.

I left my dinner mates and took a cab to my office. My first phone call was to Peter Canterbury – CFO of Sundance Resources – to recommend activating a crisis team. The second call was to Paul Stanton, our lead in Perth, instructing him to head to Sundance's corporate offices, connect with Peter Canterbury and establish a war room. If the worst was confirmed, Peter Canterbury was the only senior executive left in the business.

Within the first hour, teams were activated in Perth and Melbourne, and we were ready to receive an update from the field.

The field team was Jesus Garcia and Robin Longley – Jesus was Jeff's 2IC in-country, and Rob was the GM of Exploration for Sundance. By the time I reached the office, Anthony had hooked them into a teleconference call to update us.

Rob kicked off with what he knew. The flight path had been submitted, and the plane had departed on time, with the manifest consisting of the Board, Jeff, two pilots and several other investors. The local Cameroonian CEO hadn't made the flight because of illness.

A flyover of a potential new deposit had been factored into the flight timing, but they were now over an hour overdue for arrival. The team on the ground had no radio contact, nor had they received any distress, emergency or mayday calls.

We quickly figured the three likely scenarios:

- They were still in flight but had lost communications and would either continue their flight or return to their departure point.
- They had crashed, with all deceased or a mixture of survivors.
- Or, they had been kidnapped or taken hostage.

Our initial scan of the maps of the area showed no roads and thick primary jungle. Rob had their planned flight path, but we couldn't know if weather or other conditions meant it was followed. Either way, our primary objective was to find them. If they were alive, their chances of survival diminished every moment they remained in the elements. We were fighting a battle against time to find them in one of the harshest and remotest environments in the world. There were no transponders or beacons on the aircraft, and from my military experience coordinating search and reconnaissance missions, I knew how hard it was to find people in such remote terrain. This meant a further possible scenario – that we may never find them.

We quickly confirmed the actions required to initiate a search and rescue operation from Cameroon and Congo and clarified who would do what. Then we discussed the hardest part – who should we notify?

We opted to immediately contact the air charter company and all next of kin for the entire passenger list. By 1am, we had spoken with each family about the unfolding situation.

That initial activation is burned into my memory, from the first call, the sequence and initial decisions we made for a crisis response that spanned the globe. It took us four hours from the first call to a global search and rescue response with aircraft coordinated over the flight path.

It was the first of many sleepless nights as we desperately worked to find the missing aircraft. What fascinates me now, ten years on, is that the initial phone call was the first time we'd all met, yet we worked tirelessly together, united by the common goal of finding our friends. Together, this small team of dedicated and committed people worked through one of the most challenging situations anyone could ever face. Our trust in each other grew with every update as we worked through the problem and fought to resolve it.

The first actions and decisions in a crisis are critical to the success or failure of a response. While it was an ultimately futile task, the fact that we found them and brought them home was a miracle made real by a combined effort of planning, persistence and resilience.

You'll hear more about the Sundance story, and its tragic ending, throughout the book.

Crises need trust, decisive action and adaptive leaders. This book shows you how to develop them.

INTRODUCTION

The clock is ticking

When a crisis strikes, boards and executive teams confront some of the most challenging moments of their professional lives. The complexity of our world, the 24-hour news cycle, and the proliferation of social media mean that organisations face outrage and a greater range of stakeholders demand answers. With reputations on the line, crises escalate faster and spread wider with more impact than ever.

Unfortunately, most leaders will make one or more of the following mistakes.

1. They think it won't happen to them
2. They focus on compliance rather than preparedness
3. They forget their values and people
4. They shut down, lawyer up and shut up, reacting too slowly
5. They have tunnel vision, get fixated on the problem and don't manage the wider impact
6. They try to spin their way out of it
7. They make excuses

8. They let hubris or ego drive their decisions and make it all about themselves
9. They blame and make it about everyone else
10. They try to move on too quickly.

Get comfortable being uncomfortable

Business leaders are rarely trained in crisis leadership, managing in complexity and uncertainty or time-critical decision-making, where most decisions involve multiple layers of investigation and analysis while trying to avoid or micro-manage risks. Instead, they are most often judged on their business and financial acumen, along with technical skill and understanding of customers and markets. They learn how to influence and lead on the job.

Some leaders embrace failure, while others see it as personal inadequacy. That can mean a CEO's first experience of failing is when they are in a crisis, leaving them woefully unprepared for the personal and reputational battle ahead. Some prepare themselves and their teams with disciplined programs to practise their response to high risk and catastrophic situations and manage their reputation, response and recovery. Others avoid preparedness and hope for the best.

Since 2020 there have been fourteen major crises across corporate Australia and New Zealand, ranging from cyber attacks to systemic failures and corporate scandals. From these events, seventeen senior executives have lost their jobs due to their poor handling of the crisis response.

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Either way, when a crisis hits – Boom or Bust – it's up to them. Some lean into the problem, finding ways to inspire and empower their people to emerge thriving, while others fail under pressure.

A model for organisational crisis preparedness and response

Left of Boom is a military phrase used to describe the timeline of events before an explosion or incident – the period when you still have a chance to prepare and avert a crisis. When faced with a crisis, staying Left of Boom means making proactive decisions, staying ahead of the evolving situation and leading confidently and with purpose.

Left of Boom starts with understanding and protecting the purpose of the organisation at all costs. This is done through effective assurance, integrated planning, monitoring and preparation activities – all designed to enable leaders to respond to emerging situations and avoid a crisis.

When crisis strikes, Right of Boom is about ensuring the appropriate response is activated, the stakeholders are reassured, and the recovery can commence immediately

When faced with a crisis, staying Left of Boom means making proactive decisions, staying ahead of the evolving situation and leading confidently and with purpose.

in parallel to return the business to normal or a better position than before.

LEFT OF BOOM	RIGHT OF BOOM	STAKEHOLDER IMPACT
Assured	Adaptive	Trusted
Prepared	Proactive	Empowered
Common operating model	Collaborative	Engaged
TRUST		
Structured	Directive	Advised
Planned	Reactive	Notified
Unprepared	Chaotic	Confused

Table 1: Stakeholder impact of Left and Right of Boom

The Left and Right of Boom model provides a blueprint for an organisation’s stakeholder impact when confronted by any situation. Those organisations that have invested in their plans, structure, process and preparation are the most assured and are poised and ready to adapt confidently to emerging situations.

Right of Boom, the level of preparedness and investment determines whether the organisational response is Chaotic

During a crisis, the stakeholders’ response reflects your lead.

at one end of the scale or Adaptive at the other. The impact of your response determines success in the trust battle with your stakeholders. The more adaptive

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your organisation, the more your stakeholders will be assured and trusting.

During a crisis, the stakeholders' response reflects your lead.

Real-life lessons to guide future responses

Whilst the Sundance air crash was the highest-profile crisis response I've been involved in, I've assisted many other organisations in navigating their way through complex situations. These include cyber-attacks, coronavirus, activism, industrial action, IT outages, product recalls, natural disasters and workplace fatalities.

In 2020 alone, I supported nine separate Crisis Management Teams, battling to ensure their companies' survival in the most difficult times. I've trained some of the world's leading organisations to prepare and respond to worst-case scenarios. On my podcast, *Crisis Talks*, I've interviewed leaders who have responded to some of the most challenging crises in recent history. All those practical leadership and crisis management lessons are distilled into this book.

The basis for these lessons came from my career as an officer in the Australian Army, where we were classically trained in leadership and decision-making in complex operating environments. We were taught to lean into problems, apply a standard appreciation process to decisions and find innovative ways to resolve situations – sometimes with direct action and at others through avoidance. We

learned how to adapt and be confident in uncertainty. We trained incessantly and debriefed every action, reaction and decision to improve individual, team and leadership capability, so when a situation arose, we only had to orient ourselves quickly and adapt swiftly, confident that we'd faced similar scenarios in training.

I've always gravitated to the stories of brilliant military leaders who led in battle during generational wars that defined the success or failures of their nation-states. Their stories of resilience and leadership in the face of adversity are well-documented, and we studied their application in military colleges as a part of the profession of arms.

Unlike the battlefield, where decisions determine life and death, business crisis decisions impact lives and livelihoods. Therefore, business leaders' challenges are more complex and multi-dimensional, with potentially catastrophic impacts exceeding the pressure of battle.

Having worked with many different leaders in their worst case situations, I've come to admire their adaptability and innovation in the face of uncertainty. These are the accidental heroes. While not necessarily trained in the military, emergency services or police, they were brilliant in responding to the crises their organisations faced.

People like Matt Gill and his team whose innovation, planning, and life and death decisions resolved the Beaconsfield Mine Crisis.

Or Sundance Resources CFO Peter Canterbury, who led an international search and rescue operation to find his

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missing executive team and board while simultaneously re-forming a company that couldn't legally trade.

And Kelvin Browne, the brilliant directional driller who helped locate thirty-three missing Peruvian miners and enable their safe rescue.

It's a matter of 'when', not 'if' things will go wrong.

This book is dedicated to them.

I want to ensure that business leaders deal confidently with every incident that threatens their people, operations or reputation. I want you to know how to respond and recover. It's a matter of 'when', not 'if' things will go wrong.

The book highlights the practical lessons learned from the military and business worlds that I use to teach organisations to pre-empt, prepare and respond to crises. These leadership lessons and principles ensure leaders are best prepared for when crisis strikes their organisation and serve as a blueprint for preparedness, response and recovery.

Navigating the book

Boom or Bust provides you with a roadmap to resilience built on a foundation of trust in your leaders and the organisation's ability to respond to any emerging situation. The Left and Right of Boom framework I teach will enable you to work collaboratively to resolve any crisis.

BOOM OR BUST: SURVIVE AND THRIVE DURING CRISIS

The book is in three parts.

In **Part One**, you'll learn the context and principles of crisis management. These foundations are common across all businesses and all phases of a crisis.

Part Two is Left of Boom. That's everything you do before the crisis hits. Beginning with organisational Purpose, it shapes everything you do to Pre-empt and Prepare to embrace risk and enhance the adaptive capacity of the organisation to deal with uncertainty.

Part Three covers everything to the Right of Boom. It's what organisations do as the situation unfolds, it's how they Respond, Reassure and Recover.

These six sections, Purpose, Pre-empt and Prepare, and Respond, Reassure and Recover, encompass explanations, stories and a series of tools and templates to build your resilience.

Accompanying the book is a series of online tools to help leaders and practitioners implement the lessons in their organisations.

INTRODUCTION

Boom or Bust – it's up to you.

Everyone's watching.

Everyone's against you.

No-one cares what you've done before now.

No-one cares if you're right.

No-one listens to your excuses.

There are no secrets.

Everyone knows.

It's your fault.

There are no winners.

The company is on the line.

It's all up to you.

You'll lose your job if you fuck it up.

No pressure.

BOOM OR BUST

Recent years have seen more than a dozen corporate crises across Australia and New Zealand, ranging from cyber attacks to natural disasters and corporate scandals.

These crises adversely impact company financials and reputation and, unless managed effectively, often cost the jobs of senior executives and board members.

Are you prepared? Or are you just hoping it won't happen on your watch?

Successful leaders don't simply survive during a crisis – they have the knowledge, resources and tools to emerge resilient and stronger. They thrive.

In Boom or Bust, Grant Chisnall brings together lessons in crisis management from the military and fifteen years of advising executive teams through some of the most significant crisis events in recent corporate history.

Crisis happen. Boom or Bust. The outcome is up to you.

This book will arm you to lead your business through adversity and beyond.



Grant Chisnall is one of Australia's foremost crisis management advisors, supporting leaders and teams to respond proactively and with confidence. His podcast, Crisis Talks, captures and distils leadership lessons from crisis response.

www.leftofboom.com.au

