

CONNECTED CRISIS

2021 Study
Executive Summary

We are in a world of crisis. Crisis is all around us, with nearly all executives surveyed saying they have faced at least one large crisis, with business impact, in the last three years. On average, executives have faced four different types of crises in the last three years.

Frequent and disruptive is the new norm. The Connected Crisis research has showed that not only are crises frequent, they are also incredibly diverse – and that new types of crises are emerging. Digitally-driven issues, activism, product and supply chain issues and diversity & inclusion matters are among the most anticipated issues in the coming years. 3 in 4 executives believe they will face a digitally-rooted crisis in the next three years.

Activism is on the rise across consumers, employees and shareholders alike, with 3 in 4 executives saying their company is likely to face activism-related issues in the next few years.

Less than
1 in 2 executives say their company is well prepared to handle crises on a timely basis

Organizations are not well prepared to manage the dynamics of modern crises. The results of the study are clear in showing that the digital-first landscape has introduced new complexities to how we manage crises. The pervasive impact of digital has led to new types of crises and new dynamics, all amidst a landscape in which digital channels sit at the centre of how people find their information.

HIGHLIGHTS

- **The New Crisis Landscape:** New threats are disrupting businesses. Disinformation, stakeholder activism and cybersecurity issues are among the most anticipated future threats by executives.
- **A Gap in Preparedness:** There are significant gaps between the importance placed by executives on many evolving aspects of crises, and the preparedness of companies to adapt.
- **Activism On the Rise:** Activism is increasing across consumers, shareholders and employees, and executives recognize the impact that activism can have on both reputations and operations, but few are prepared to respond.
- **Worried About Digital and Data:** Executives expect to increasingly face challenges rooted in digital, but few believe that their company can navigate them.

Only **31%** of executives, when thinking about digital crisis management, say their company's ability to anticipate and identify risks today is very good

3 in 4 executives say that the digital-first landscape is making crises more difficult to manage, with speed being a particularly acute pain point. Meanwhile, there is clear recognition of the need to integrate digital channels and data into crisis response. However, few organizations are prepared to consistently do so.

There is a recognition of the need to improve crisis management capabilities and to build resilience. However, our study has showed that few have consistently accomplished it. Notably, only 1 in 2 executives feel their company is prepared for the challenge of working across the full ecosystem of communications channels in its crisis responses.

Companies must take a new approach to crisis communications. One that is rooted in trust, connected to culture, data-driven and digitally integrated.