

## Weathering the storm: Katrina's lessons on crisis management for employers

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*We know many of you and your employees were directly or indirectly affected by Hurricane Katrina. We also know that the magnitude of the disaster, which is being called the worst in the nation's history, was likely greater than anticipated by many disaster recovery plans implemented by even the most wellprepared employers. Your Louisiana editors are grateful to have the opportunity to address you once again, particularly since we operate out of our law firm's headquarters in downtown New Orleans. This article was written far from New Orleans but close on the heels of the disaster that has forever changed much of the Gulf Coast and the employees who work and live there. This issue contains a series of articles designed to help you and your employees cope with the crisis and plan for the future.*

### ***What you can do***

A crisis in the workplace, whether the result of a natural disaster, terrorism, worker violence, or other conflicts, can bring your business to a screeching halt. A natural disaster like Hurricane Katrina can devastate not only your business but also the lives of the employees who are essential to your business' existence. It's only natural for business owners and managers to think immediately of the economic loss such a disaster can cause, particularly because the loss of a business usually translates into the loss of a livelihood for owners, managers, and employees.

Absent a total loss, however, most owners and managers focus on getting back to business as usual. Your plan for responding to and recovering from a crisis must take into account the effect it will have on your workers and the ways you can help them become productive again, even in the face of personal loss. Whether you have a carefully thought-out disaster recovery plan or are caught offguard, you can use the following guidelines to help your employees cope with a catastrophe and resume their positions in your workforce.

**Communicate with employees as soon as possible after a disaster.** We often emphasize the importance of regularly talking to your employees to let them know what's going on in the company, advise them of major upcoming agendas or changes, give them instructions and feedback, and solicit their suggestions and ideas. When disaster strikes, your employees may suffer the loss of their personal possessions, homes, friends, and family. Even a temporary inability to return to work can compound any sense of loss or emotional trauma your employees may experience. Locate and contact your employees immediately after a disaster, and tell them the company's status and plans. If employees know what's expected of them and what they can expect from the company, they can take the company's plans for them into consideration when rebuilding their personal lives. For example, if a leave of absence, relocation, or layoff is inevitable, employees should be told as soon as possible so they can plan accordingly. Don't leave them in the dark about their employment.

**Keep the company's leadership visible, and stay firmly in charge.** Let employees know who's in charge of each aspect of your response or recovery efforts — and what those efforts are. You might lose loyal and valuable employees if they sense the company is disorganized or lacks leadership and a plan for the future. Don't react rashly or without thinking through all your options — for example, calling for a facility closure or mass layoff may not be the most economical or practical response to a disaster (see our article titled “Dealing with layoffs, other issues after Katrina” on page 5 of this issue). That isn't to say that the company's leaders and management can't show emotion or compassion or make mistakes. Your employees know you aren't superhuman, and they'll respect you for acknowledging and correcting your mistakes. But restoring order and direction will give them the confidence to stick with the company and work together while it responds to and recovers from the disaster.

**Give managers and supervisors the tools they need to help employees cope with the effects of a workplace crisis.** Don't forget that your managers and supervisors are the people who deal directly with your employees. Educate them about the possible effects of a crisis or disaster on employees and how to spot indicators of emotional or behavioral conditions that need attention. You may need to hire a consultant to meet with your managers and supervisors, or you might take advantage of free booklets and services provided by the government or private relief organizations. At a minimum, your managers and supervisors should know to refer affected employees to an employee assistance program (EAP) or HR for the identification of other sources of professional assistance.

**Cut employees some slack.** That doesn't mean you should replace order with chaos, but you should treat employees fairly and with compassion when it comes to getting things back on track. Your employees will likely need some time to get their personal lives in order, whether they need time to grieve for loved ones, make housing or financial arrangements, or seek medical attention. Revisit your leave policies and benefits to determine whether the nature of the crisis warrants a revision or extended leave or benefits. Make sure you apply your policies uniformly, and avoid jumping to conclusions if an employee misses work, makes a mistake, or just doesn't seem herself. Events like Hurricane Katrina can adversely affect even your most unflappable superstar, so consider EAP referrals or other benefits if an employee appears to be slipping in her performance or behavior. You don't have to lower your standards, but you should understand that it might take some time and assistance for employees to fully recover.

**Help employees tend to their personal affairs so they can regain their productivity.** Employees often have to spend a great deal of time during business hours to get their personal lives back in order after a disaster. For example, they may need to meet with or talk to benefits providers, claims representatives, bank officials, medical professionals, attorneys, and so on. Consider setting aside time during the day for employees to use the telephones for personal business matters, or consider inviting representatives and/or consultants from insurers, EAPs, legal aid organizations, and crisis management services to meet with employees at scheduled times. You might even set aside an office with a telephone and Internet access to allow employees to take care of private personal matters during breaks. The sooner your employees get their personal lives in order after a crisis, the sooner they can get back to business as usual.

**Get involved in community relief efforts, and allow employees to participate.** If the disaster or crisis is one that affected others outside your workplace, consider becoming involved in relief efforts and allowing employees to participate. Becoming productive again and helping others can be rewarding and therapeutic for employees and the economy. You might organize a blood drive, volunteer services after hours, or contribute to relief funds. Becoming part of a larger response and recovery effort will help put personal losses into perspective.

**Develop or update your disaster response and recovery plans.** Finally, take the time to develop a disaster response and recovery plan if you don't already have one, or update your plan with any lessons learned from Hurricane Katrina. You can use the guidelines in the next article, or you might consider hiring a consultant to develop or update your plan. Use what you've learned from your experiences to create a better plan for the future.

We hope this issue finds you well and wish you and your companies the best in your efforts to recover from this disaster.