

## CHAPTER 4

# Managing for resilience

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### Abstract

Today's complex global environment of enhanced communication, new security threats and unforeseen events demands a level of organisational resilience that goes beyond traditional defensive management tools such as business continuity planning and risk minimisation.

Achieving an appropriate level of resilience requires a recognition of the interdependencies of vertical and horizontal operations and a hard look at organisational attributes including leadership and adaptive capability. This holistic approach by management leads an organisation on a path to resilience in the face of both anticipated and unforeseen events.

The level of resilience and the attendant ability to work through and even benefit from crises, is directly related to the extent to which organisations adopt a holistic approach and address aspects such as core capabilities, vulnerabilities and critical assets. When conducted with sufficient commitment and rigour, the organisation can achieve a state of adaptive preparedness or offensive strategic resilience where disruption and risk-taking can have positive outcomes for reputation, effectiveness and morale.

The level of organisational resilience may be assessed through a review of key attributes leading to a ranking of the organisation within a model of organisational resilience maturity.

### Introduction

The 21st century has brought great challenges that have contributed to an uncertain and, at times, turbulent global environment. In this age of increasing globalisation and interconnectedness, threats, risks and challenges are more complex than ever before, with a wider range of unforeseen and indirect consequences (Australian Academy of Science 2006).

Today's challenges have drawn attention to vulnerabilities which were previously less evident. The changing environment means management and organisations are facing often unprecedented challenges and crises. Organisations need new thinking about how they currently operate so they can operate better in the future.

Resilience is important for management and for organisations. Today's business environment requires a robust and resilient enterprise approach to deal with unexpected crises and disruptive events. Corporate brand and reputation, as well as the trust and loyalty of personnel and stakeholders, are critical factors to allow organisations to survive and thrive in a changing environment. Increasingly, organisations are looking for integrated value-creation structures under which the risk profile of their activities is more clearly linked to the values and culture