



Crisis-Proofing Your Business: Strategic Response Tactics



When a business crisis hits, your response isn't just about putting out fires. It's a defining moment for leadership, trust, and long-term viability.

From reputational missteps to financial disruption, crises come in many forms, but they all demand the same thing: clear thinking under pressure.

In this article, we'll explore how to build a proactive crisis response strategy that protects both your brand and your balance sheet.

The modern business crisis: it's not if, but when

No business is immune to disruption. Regardless of industry or scale, every enterprise carries a set of vulnerabilities that can trigger a crisis.

Some are operational, like a critical vendor failure, a data breach, or a workplace incident that halts production.

Others are financial, perhaps a sudden liquidity shortfall, internal fraud, or a regulatory fine that hits harder than expected.

And then there's reputational risk, which is arguably the most volatile and least forgiving of all. A single customer complaint, poorly managed media moment, or misaligned marketing message can spiral into a viral backlash.

Many leaders assume they'll see a crisis coming. In reality, it often arrives through a side door no one was watching. Which means the most pressing question isn't whether your business will face a crisis; it's whether you'll recognize it early enough, and respond well enough, to come out stronger on the other side.



The core pillars of a strategic crisis response

Leadership: own the moment

During a crisis, silence or outsourcing the message to legal teams rarely instills confidence. Stakeholders want to hear from leadership. It may be tempting to wait until all the facts are in, but hesitation itself is a message - and often the wrong one.

Trusted leaders respond early, speak clearly, and show accountability, even when outcomes are still unfolding. This doesn't mean admitting fault prematurely. It means acknowledging impact, showing empathy, and committing to decisive action.

During the Tylenol crisis in 1982, Johnson & Johnson responded swiftly and decisively - pulling 31 million bottles from the shelves nationwide, despite no confirmed fault. Their proactive communication and clear prioritization of public safety helped reassure the public and preserve trust at a time when consumer confidence could have easily collapsed.

That doesn't mean your first statement needs to answer every question; it simply needs to demonstrate awareness, concern, and a commitment to transparency and accountability.

In fact, it's wise to prepare a crisis press statement template in advance. Having a pre-approved structure with room for customization can ensure speed and consistency under pressure.

Internal coordination: establish a command center

In a crisis, speed is essential, but so is structure. Disorganization, overlapping authority, and inconsistent messaging can turn a manageable incident into an operational meltdown. That's why the first move in any crisis response is activating a centralized command structure.



Designate a cross-functional crisis team. These are often department heads from operations, finance, legal, communications, and HR. And they should be trained on decision protocols, authority boundaries, and communication norms during a crisis.

Centralize decision-making with a lead coordinator who is empowered to make decisions quickly and maintain consistent updates across stakeholders. In the initial hours, you need speed and clarity, not committee deliberation.

It's also important to run parallel responses. While the core team manages the immediate threat, another group should be modeling second-order effects to ensure the business is also prepared for financial and operational aftershocks that could result.

And remember: coordination isn't just about meetings - it's about cadence. The crisis command team should set regular internal update intervals, even if there's no new information. This helps maintain control and reduce internal rumor cycles. Use secure channels for communication, especially in cases where IT systems may be compromised.

Prepare for financial disruption

A crisis often leads to operational slowdown, revenue loss, or legal costs. Smart businesses mitigate this with financial foresight. Stress-test your cash flow to ensure your business can withstand 30-90 days of disruption. Review insurance policies to see if you have adequate coverage for business interruption, cyber threats, and liability. And maintain liquidity reserves like lines of credit that can be activated immediately.

It's also wise to periodically conduct a crisis vulnerability audit - mapping various risk scenarios. Each risk can be ranked by likelihood and impact and assigned a designated owner. This ensures no blind spots in planning or accountability.

From reactive to ready: why crisis planning is a strategic imperative



Crises can't always be predicted, but they can be prepared for. The businesses that emerge stronger from disruption aren't lucky. The most resilient companies plan for volatility and train teams to respond, not just react. And they revisit those plans regularly because risk is dynamic, and so is reputation.

Whether the next challenge comes from a cyberattack, a PR flashpoint, or a supply chain failure, your response will speak louder than the incident itself. It will shape how employees, customers, regulators, and investors perceive your organization long after the headlines fade.

If your business hasn't reviewed its crisis strategy in the last 12 months or if the plan lives in a forgotten PDF, it's time to reassess. Build muscle memory. Stress-test your assumptions. And most importantly, lead from the front when it counts.



Next Step

This article is intended to provide an overview of crisis-proofing your business and is not legal advice. For a deeper evaluation or to review your current situation, consult with your legal or advisor.



About Larson Gross

Ted Larson and Dennis Gross founded our firm in 1949. They built the business based on excellence, passion, integrity, trust and pro-action — values still important to us more than seven decades later.

Even well into their retirement years, Ted Larson and Dennis Gross continued to have the best interest of the firm at heart. Mr. Larson would come into the office on a regular basis to meet every new face and make a personal connection with each of our team members. He remembered the name of every employee, as well as the names of their spouses and children, and would greet clients by name as he passed by the reception desk. Sometimes, you'd even find a newspaper clipping on your desk that Mr. Larson dropped off, highlighting that your son made the honor roll. This is the example of a genuine relationship we strive to embody with our people and clients.

Today, we're led by ten partners who are growing our firm with respect for where we've come from and a new vision for future success. Our 120-plus team members and three offices located in Bellingham, Lynden and Burlington make us the 10th largest public accounting firm in the Puget Sound region. While we're determined to expand our impact and help strengthen as many businesses and individuals as we can, we're also committed to remaining a locally-owned organization. We're incredibly proud of where we've come from and look forward to a future of possibility



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