

## CRAFT OF CONSULTING PODCAST

### SPECIAL EPISODE 3: Helping Clients Prevent and Manage Crises—with Michael Devers

Deb Zahn: Hi, I want to welcome you to another special episode of the Craft of Consulting podcast. This is a special one where I asked Michael Devers to come on because he is a consultant who is an expert at helping businesses navigate crises. I thought it was particularly important, obviously, because we're all in the middle of a crisis, including our clients, in terms of how they're responding to the coronavirus and what it means for them today and what it could potentially mean for them in the future. He is an expert at how to either prevent, if you can, mitigate crises; and then respond to them heading into the future. He's going to talk to us today about how he does that and, in particular, how he's been helping clients in the face of this current crisis. Just tremendously helpful information that I think is relevant to anyone that I work with and I imagine you work with as well. So let's get started.

Hi, I want to welcome my guest today, Michael Devers. Michael, welcome to the show.

Michael Devers: Thank you very much for having me.

Deb Zahn: Let's start off. Tell my listeners what type of consulting you do.

Michael Devers: My focus is in crisis management and crisis leadership. I help business owners and business leaders prepare to expertly navigate any crisis.

Deb Zahn: That is a magical and wonderful thing to do generally, but, obviously, since we're in the midst of the coronavirus pandemic right now, I imagine that's even more sought after. We are going to get into some of the details of how you help folks with crises. Let's start off...because I know when I talked to you, you said you started consulting at age 14. So I got to ask, because that's a wee bit earlier than most folks, how did you get started in consulting?

Michael Devers: Yeah, in looking back at things, yeah, I got started when I was 14 at my junior high. They had a student store and they would ask a couple of students to help out with it here and there. They asked me and my best friend and two other guys to help out our ninth grade year there. I just noticed that while we were selling things like school supplies and candy bars, basically things during lunch, that everything that we... all the candy bars were priced 35 cents, I hope I'm not dating myself with that price, by the way...

Deb Zahn: A little bit.

Michael Devers: ...while the Coke machine was 40 cents. So I went to the teacher in charge of everything and said, "Look, everyone's already used to paying 40 cents. We need to charge another nickel. They're already used to it. And by the way, while we're at it, they have 12 choices in the Coke machine. We only have eight. Can

we order some more stuff?" And it just, from there, it took off and they started asking my advice on different areas of the store, and by the end of the year they had, far and away, the most profitable year in the history of the student store.

Deb Zahn: OK. I love that. I feel like we need to get you a T-shirt that says, "Born to Consult." That sounds about right. Let's dive into some of the details. We're going to talk about some of the business aspect later, but what type of crises do you typically help your clients with?

Michael Devers: Well, they're very business related, and really I like to concentrate on crisis prevention most of all. I'll go into a company, and I've got a checklist of things I look for. Just as an example, I've never gone into a business yet where I haven't found at least one significant single point of failure. And that's one crisis prevention thing I look for, is maybe they only have one person who knows how to execute payroll.

Deb Zahn: Yeah.

Michael Devers: Numerous things. Maybe only one source of capital. In case that dries up, they really don't have a Plan B. So I look for things like that. I look at good policies and procedures for updating different aspects of their business. A lot of the companies I work with, I'll see a lot of "set it and forget it" approaches to things. For example, an employee manual that hasn't really had a comprehensive update in 5 years and instead they just kind of tack things on as subjects come up. And when you look at it, you'll have maybe one specific area where there are 4 different and conflicting policies, which creates an incredible risk environment for a business.

Deb Zahn: That's right. It's interesting because some of the things that you're talking about sounds like risks and potential crises that they have that maybe they don't know about. When folks bring you in, do they know what it is and say, "Hey, come help us fix it," or do they just want to make sure that they're not heading to a bad place and, "Come in and tell us what we need to do." What usually do they bring you in to actually do?

Michael Devers: Well, it would be ideal if they called me as you suggested, "Hey, let's take a look at things." Unfortunately, most people don't think about crisis prevention and hardening their systems, so to speak, until they're actually in the middle of a crisis. So normally when I will get a call and will start working with a company, it will be during a crisis. As part of the crisis management work that I do, I will also notice, as we're addressing it, some of the root causes will point out other areas where there is a vulnerability that also exists that's very similar. Once we start addressing those, really 98 point something percent of the time, once we have the crisis point handled, addressed, mitigated, and reduced going forward, they then want to take that same approach to a comprehensive look at their business.

Deb Zahn: That's great. I know that you offer coaching, advisory services, and consulting projects. Can you describe sort of the difference of those in terms of how you work with that, either crisis prevention or mitigation?

Michael Devers: Generally, it's just basic executive coaching. I'll have a client who, while I'm doing that, I will be working with a particular executive in an area of focus they have. As a result of that, they ask me to, once we've completed the crisis work, continue working with that executive to accomplish some specific goal for them.

Deb Zahn: That's great. I'm curious how, specifically, you got into crises because that's a particular niche. It's an interesting niche because I don't know a single client who is not at some risk or hasn't already experienced a crisis, but how did you focus in on that?

Michael Devers: It happened very organically. Started really with my family. Anytime there was a crisis in the family, I was the one they called to help fix it for whatever reason.

Deb Zahn: Yeah.

Michael Devers: And word of mouth and referrals started from there. I think that if I look back at things, it tends to be because I am willing and able to make a decision with imperfect data and then put action behind that decision. A lot of times in a crisis, you have imperfect data, but you need to move forward anyway.

Deb Zahn: Right.

Michael Devers: Where I see a lot of organizations, businesses, individuals get stuck is either one of two places. The blank sheet of paper. Have no idea what to do. They get stuck and are afraid. They don't really know how to get started. Like with anything, it's a lot easier to edit something that's already created than to start with a blank piece of paper. So that's point number one where I see them get stuck.

Another place where I see them get stuck is overwhelmed. There are 40 different aspects to consider and they don't know which one to tackle first. Again, they ended up getting stuck and not making a decision. So I think it's been my ability to, again, make a decision with imperfect data, commit to it, and then put action behind that decision.

Deb Zahn: That's great. I love that. It actually reminds me, because I know there's some personality differences, cultural differences, and I've certainly experienced in the US that there's regional differences. So I started my career in California, and there it was let's process, process, process because there's never enough data, there's never enough information, and we need to spend a lot of time talking to everybody before we do anything. My job was to say, "OK, no, no, no, we know enough. Let's do something." Then moved to the east coast and the east coast was ready, fire, aim, let's just do something. It's like, "No, no, no. Have a strategy. Think about it." It was really different. Have you noticed sort of

different flavors of it either depending on where you go or the types of cultures that you find within organizations? What are you seeing?

Michael Devers: I notice more so the analysis and getting stuck in an analysis. When I do tend to run across the ready, fire, aim that you're talking about, those individuals tend to be reluctant to take outside advice. I don't know if that's been your experience as well.

Deb Zahn: It has.

Michael Devers: So it's more of a nudge in that area, whereas with the people who tend to have analysis paralysis, it's more of a shove.

Deb Zahn: Yeah. Yeah. Well, and even in the other version of the folks who don't like process, and outside advice is part of process, typically with those, my experience is I come in afterwards, when it didn't work out, and now suddenly process is acceptable.

Michael Devers: Just out of curiosity, how did you approach that with that east coast style of ready, fire, aim?

Deb Zahn: Well, typically I will go to what I call sort of a good-enough strategy, which is...I like to just surface things. So I'll say, "Look, I get it. Not a huge fan of process. I want us to have one or two strategies that we have voiced, that we've said we know what our next North star is, and then we can hit the ground running. So let's do those." And to try and do it with enough thoughtfulness, but with enough speed so they don't feel bogged down and get impatient because of inaction. So usually I just try and do like lightning-round strategy.

Michael Devers: That's really great and very similar to what I do. I call my approach a Trojan horse.

Deb Zahn: I like that.

Michael Devers: I'll try, "OK, I know you want to move, but let's just put in this one pause, or this one technique, or this one flow chart, and let's just do that and then we'll proceed." And generally, if you put a small enough box around it and really find it ahead of time, those people will, "OK, we can do that one and then we'll proceed." Then, once they see value from that, it becomes a little easier to edge in another one.

Deb Zahn: That's right. That's right. And you have to point out value to them because they might just want to keep moving. But I have found that I've had to say, "So you see that pause? That was really helpful because then this happened and so let's pause again and now let's do that before the next step." Usually, they...it's basically like client training. You teaching them a new way of doing it.

Michael Devers: Always helpful to point out where the roots of success were at.

Deb Zahn: Yeah. Yeah. Because they might not be paying attention.

Michael Devers: No, and they're usually buried.

Deb Zahn: That's right. That's right. Perceived value is everything. So now you're in the midst of helping a lot of clients respond to what's happening with the coronavirus right now. Describe the types of things that you're now helping folks with.

Michael Devers: There's a lot of just basic triage going on right now, as well as advising them on proper communication with employees. But I think where I like to start with is on the mindset. Because I think if they get the mindset right, a lot of the other good practices follow. So I try to remind them that when you have such a major business disruption as this, and every business around the world is affected in some form or fashion with COVID-19 right now, but such a major business disruption, you need to keep in mind three things. Number one: it's going to last much longer than you initially think. Number two: its effects are going to be much more widespread than you initially think. And number three: it's going to cost more than you think upfront. So keep those things in mind and don't try to shortcut your way to the solution. Think long term.

I follow that up with, when you have such a major business disruption, a lot of people think about "When can we return to normal?" "What do we need to do to return to normal?" With a major disruption to this level, there is no return to normal. You have to start thinking about what is the new normal. Let's move towards what the new normal is going to look like. When you have that mindset, it really helps get rid of a lot of the shortcuts that ended up derailing you and causing more harm than good.

Deb Zahn: That's right.

Michael Devers: From a recent example that's not COVID-19 related, I think that if you go back and look at Boeing's response to the 737 Max, they thought they were going to be back in the air in midsummer of last year. It really informed a lot of their strategy and, as everyone knows, not only is that plane still grounded, but they're now asking for a bailout that's pretty equivalent to their losses directly related to that crisis.

Deb Zahn: Right, and they had a brand crash in the meantime.

Michael Devers: Very significant.

Deb Zahn: Yeah. I know so many people, and definitely the clients that I work with, they're doing the best they can. They're focused on doing good proactive things, particularly related to safety. But they're thinking about their long term sustainability, and they're feeling panic and overwhelmed. When you get that sort of initial mindset of let's just be realistic, what comes next? How do you

help them untangle all of the things that they're thinking and feeling so that they can make decisions?

Michael Devers: Try to remember them to preserve the core. Focus on the core of what they do. Think about how that will look in the new normal. Eliminate any of the distractions that sometimes come about during the normal, ordinary course of business. Some of the things that you might have been pursuing, say, last fall, and again, really pull back, focus on that core. Think about it in terms of the new normal and just start working towards that.

Deb Zahn: Yeah, that makes a lot of sense. In my industry, in healthcare, they've had...everybody's been talking about mergers and acquisitions. That's sort of been the big thing, or consolidations of some type. And now, that may not be the conversation that you should be having because that's not necessarily your core, but you have to think about it in a new way. So when they've been already down a path, and now the world has changed and that might not be the right path, how do you help them figure out what is your core, if they've sort of lost track of that, or what are the things that you should let go of?

Michael Devers: I'd try to pull it back to number one, if they have core values. Let's look at that. Look at how it relates. This example is incredibly...a big, big corporation, but a lot of people understand the McDonald's analogy. So I'd say, if I were the one advising McDonald's and they were concerned about the future, I would tell them McDonald's is burgers, fries, shakes, and sodas. Get rid of McCafe and the coffees and all of that right now. Just eliminate that as a distraction as we're having to worry about an additional supply line, additional employees. Focus on the core of burgers, fries, shakes and sodas. When I present that analogy, it helps people think about their business in the same way.

Deb Zahn: Wow, that's great. I love that. It's so clear and recognizable. When you're helping folks, are you typically, obviously not now, but are you typically going on site and sitting down with people? Do you do most of it remotely? What does it actually look like? The type of work you do.

Michael Devers: Well, right now I'm doing it all remotely.

Deb Zahn: Yeah, yeah you are.

Michael Devers: But typically, yeah, I like to go in and visit with the client, meet the people, and meet people beyond the top tier. Go around and talk to the folks on the front lines as well. I've worked with very few businesses where you didn't have very different perspective. Not polarly opposed, but just a very different perspective from the top of the pyramid down to the front line. Gaining that additional perspective really helps when looking at how to address the crisis.

Deb Zahn: That's right because the crisis on the front line may be different than the crisis at the leadership level or what is perceived as the drivers of it. Does that sound right?

Michael Devers: It feels much different for sure.

Deb Zahn: Interesting. You mentioned that you'll go in and you sort of help people initially. So right now, you're helping people figure out like let's get to reality, let's focus on the core. What do you imagine that you're going to be doing with people as this crisis, which is ongoing, unfolds? What type of things will you be doing to help them?

Michael Devers: Well, right now, as I mentioned earlier, I'm trying to really get them to focus on how do you operate now if you know you're still going to be faced with the situation we have today 12 months from now. I know that that's kind of a scary thought, but if we can put practices into place that would enable that, then as things start to get better, we can expand back towards ordinary business function. It's a lot easier to add on later from a space of really, again, pulling back to the core than it is to continually try to cut things out.

Deb Zahn: Yeah, that's great.

Michael Devers: And then, secondly, what business disruption do you anticipate specific to your industry, your geography, your employee base that might be similar? Again, not a different kind of virus, but let's say all of a sudden you count on this one supplier, they no longer exist. What do you do? It's a lot of scenario planning like that.

Deb Zahn: I love that you brought that up because that's the one thing I don't think a lot of places have thought through, is it's not just your lifeline and your trajectory, but we are all interdependent in so many different ways. So to be able to sort of inventory those interdependencies and then work through the scenarios. How are you finding that leaders...are they able to do that right now with your guidance, or is everybody just too frightened?

Michael Devers: It's part of it, but it's a smaller part of the conversation. Right now, it's still so fresh. Everyone is a little bit, well, more than a little bit, everyone is still mostly in triage mode.

Deb Zahn: Yeah.

Michael Devers: So I'm trying to help with the triage mode, but also frame the conversation that, as we get the systems and policies a little more robust, we need to have this additional conversation, and we also need to be thinking about it in terms of the triage.

Deb Zahn: Yeah, and both at the same time, which is why having a consultant in there helping you is so critical as you can actually hold that space. How do you...Oh, go ahead.

Michael Devers: When you're deep in the forest and battling the fire on this particular tree, you need someone bringing you that different perspective of you also have forest management to think about.

Deb Zahn: That's right. That's right. How are they managing sort of the rapid decisions and changes they have to make? How are you able to help them with that sort of change management aspect of it, given that everybody's still in triage mode?

Michael Devers: It's matching the velocity of the crisis right now. It's really rapid communication. Anyone who's been paying attention to what's going on knows that this thing, this particular crisis we're dealing with right now, is very, very dynamic and changing rapidly, and the communication cadence has to match that to keep up with things.

Deb Zahn: Great.

Michael Devers: There was a little more resistance to that 3 weeks ago, but over the last couple of weeks, as we've moved into wider recognition of really the math at work with this particular crisis, there's been more acceptance of yes, we have to move a little faster.

Deb Zahn: Yeah, I saw things changed when the NBA canceled the season, to tell you the truth. The healthcare providers I knew took it seriously and they understood generally what was coming. But other folks that I've seen, somehow that flipped the switch and wait a minute, now there's no basketball now. And then the college is gone. There's no brackets. And somehow some people just started paying more attention to the long horizon and the seriousness of what was going on. I'm sorry it took that to do it, but that seemed to be when I saw the change.

Michael Devers: There's always one moment like that, right? The NBA canceling and right around that same time, if I'm remembering correctly, Italy shut down the country, and it wasn't China anymore. This was a country in Europe and it wasn't one city or one province. It was basically the entire country along with, as you said, the NBA shutting down and March Madness going away. That really did help drive the message home.

Deb Zahn: Yeah, I saw a lot of folks, particularly with Italy, just essentially say, "So that's an entire country. I've been to it. It's now shut down." Even if they couldn't fully wrap their heads around it, that did raise their level of awareness about it. This is tremendously helpful. Let me ask you some of sort of business questions. How do you get your clients in the first place? I'm sure a lot has changed since you were a teenager. How do people typically find you and become your clients?

Michael Devers: It's really the same in a lot of ways. It's a lot of referrals, a lot of word of mouth. A lot of what I do is very behind the scenes, so there has been a lot of word of mouth. And a lot of, as we talked about earlier, once I'm working with one client

and working through an active crisis, a lot of other work comes about. Again, hardening the systems. Moving from crisis management to crisis restoration to crisis prevention. Then sometimes there'll be some executive coaching that goes along with it. So it's add on projects from additional clients, as well as word of mouth.

Deb Zahn: That's great. How do you typically price what you're doing for clients?

Michael Devers: I try to do value pricing.

Deb Zahn: Great.

Michael Devers: Think about really the magnitude of the crisis as it applies to the business, what we hope we can save from an asset standpoint for that business, and then base my fee off of that.

Deb Zahn: That's wonderful. Yeah, I've been hearing quite a bit about value-based pricing and I've actually seen it in action a few times in terms of how you get at what that value is. I think it makes a lot of sense for consultants to just get out of the mindset that everything has to be hourly because that can limit not just you and what your life looks like, but it limits the value that you can provide to clients. So I love to hear that.

Michael Devers: When I come in to, again, to help guide a company or business or organization through a crisis, it's very, very hard to put an hourly price on it. It becomes all encompassing. There are a lot of moving pieces and a lot of very, sometimes very, very intense moments in going through a crisis.

Deb Zahn: Oh yeah. Yeah, and what you don't want to have to do in the middle of that crisis, as I imagine, is say, "Oh yeah, we reached our cap. I know we're just in the middle of this." That's an awkward conversation.

Michael Devers: Right. And you become invested in the solution. So it's very difficult to, like you see in a lot of sitcoms with a psychiatrist, "OK. Our time is up."

Deb Zahn: Yeah, exactly. "I'm glad you just brought up that huge trauma but gotta go. Bye-bye."

Michael Devers: Right. Just generally speaking, again, a lot of times the calls I get, being an active crisis, the value conversation is very easy to have.

Deb Zahn: Yeah, I imagine. Is it because they know something's amiss and the fear of failure, or the fear of revenue loss, or the fear of whatever it is, they have a huge emotional response to that?

Michael Devers: They do. They do. And they're reaching out to me because they want someone with experience having gone through this. They want someone to really wear the...What am I trying to say here? I don't want to say that they're surrendering

control, but they want someone who's been through this before, who knows where a lot of the pitfalls occur, can help guide them through the process. It's painful for a lot of organizations.

Deb Zahn: Yeah, because they have to look carefully at failures. They have to look carefully at how decisions got made. And it's scary what the consequences are, particularly with the current pandemic with COVID-19. The consequences of the choices they're making have more weight than maybe other times in their existence.

Michael Devers: Right. And this one is very, very unique too. A lot of times when I'm working with organizations, you can sort of point back to the root cause of where the crisis really started. And it's generally much further back in the past than they thought. But this is a crisis no one opted into. This is a crisis that is not a result of an action taken at a company or an action forgone at a company. This is something that just happened. Borrow a phrase from *Of Mice and Men*.

Deb Zahn: Yeah. It's an existentialist crisis for a lot of organizations and companies. Truly.

Michael Devers: Absolutely.

Deb Zahn: Let me ask you this. Obviously, there's a lot of consultants out there that may not do crisis prevention or mitigation or restoration, or all of the wonderful things you do. But here they are, and they're working with clients that are facing crises. Anything that you would advise them, beyond what you've said, to help them be able to help their clients better?

Michael Devers: That's a great question and one I've been thinking of a lot about lately. I've actually had a couple of people ask me about it. I'd like to kind of expand upon what I said earlier. That's, again, same thing for a consultant. Focus on your core. Don't try to add on crisis management or anything that you're not familiar with. Focus on the core of what you provide to your clients. Then, with that in mind, think about where your client is right now. Kind of get inside their mindset and see what you have to offer them that meets them where they're at.

Let's say you're a consultant whose specialty is sales. Well, it's very difficult to go in and help a client right now with a whole new sales package. But you also need to let them know this is not going to be over within a week or two. This is a long-term thing we're looking at. And as such, you've got to figure out a way to keep the sales pipeline going in a way that doesn't come off as tone-deaf in the current environment. We need to look at how we manage that message, but still keep the pipeline going. So think about where your client is mentally right now and try to meet them there with the thing that you do better than anyone else in the world, and that's why you're a consultant in that specific area.

Deb Zahn: That's right. It's tremendously helpful. It's your magic within your area of expertise. I've told other consultants, "You don't need to be the source of all

wisdom for the coronavirus. You don't need to suddenly become a public health expert. What you need to do is to think about your particular value and magic that you bring that is going to make their lives different today and as they move forward with this." I think that's right. If somebody isn't a crisis manager, then don't... you're not going to watch a video or listen to this podcast and suddenly be able to do it. But you can do what you can do and that nobody can do better than you, which I love how you said that.

Michael Devers: Thank you.

Deb Zahn: That's wonderful. Obviously you're very busy, which is wonderful. I've heard from a lot of consultants who've lost business and that's their current worry. You're very busy, but obviously you have a family and concerns for your own life and the need to have balance. How are you, in this time, trying to bring some balance or sanity to your life?

Michael Devers: That's another great question.

Deb Zahn: It's a hard one.

Michael Devers: Yeah, well, years ago, my wife and I decided that we wanted to make our home like a resort. And I don't mean anything insane. I'm not talking Tony Robbins, Donald Trump style here. Just simple things that were important to us so that it would feel like vacation when we were at home.

Deb Zahn: Yeah.

Michael Devers: That's been very helpful because, for example, I have a pinball machine in one room. When things get really stressful, and it's been four or five hours in a row of conference calls, even just going downstairs and playing pinball and saying hi to the family for 20 minutes can provide an immense recharge.

Deb Zahn: Oh, I love that. I love that. And I love pinball. So that's very cool that you have that.

Michael Devers: Well, come on over.

Deb Zahn: That's a great idea. I do keep reminding people the same thing, which is it doesn't have to be, "Oh my God, I need a day off." It can be 15 minutes, 20 minutes, go make yourself some healthy food. I walk outside because we live on beautiful land and I sometimes just stand outside for 15 minutes looking at some frigging trees because that's helpful to me.

Michael Devers: Oh, yeah. I've got a friend who has a business that is being negatively impacted by COVID-19, just as many, many businesses are. He's dealing with this all during the day. But he let me know the other day, he called me and told me about a bike ride he'd taken with his family.

Deb Zahn: Nice.

Michael Devers: It was amazing cause the weather was beautiful. Of course, they practiced good social distancing while they're out, but also there was really no one outside, even though it was beautiful. He said it reminded him of the way our town felt 10 years ago. It recharged him for a good week. Just that 30 minute bike ride he took with his family. Making the time for those moments, especially when you're going through such a overwhelming crisis, as we're all going through right now, is so important and vital.

Deb Zahn: I love that. Well, thank you so much, Michael. This has been tremendously helpful. I can see why your clients rely on you so heavily, so thanks for sharing all this with us.

Michael Devers: Well, thank you very much. I appreciate you asking me on here and I love listening to your podcast too.

Deb Zahn: Oh, thanks.

Michael Devers: So it's a real win for me.

Deb Zahn: Thank you.

Deb Zahn: Thanks so much for listening to this episode of the Craft of Consulting Podcast. I want to ask you to do three things. If you enjoyed this episode or any of my other podcasts, hit subscribe. I've got a lot of other great guests and content coming up, and I don't want you to miss anything.

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