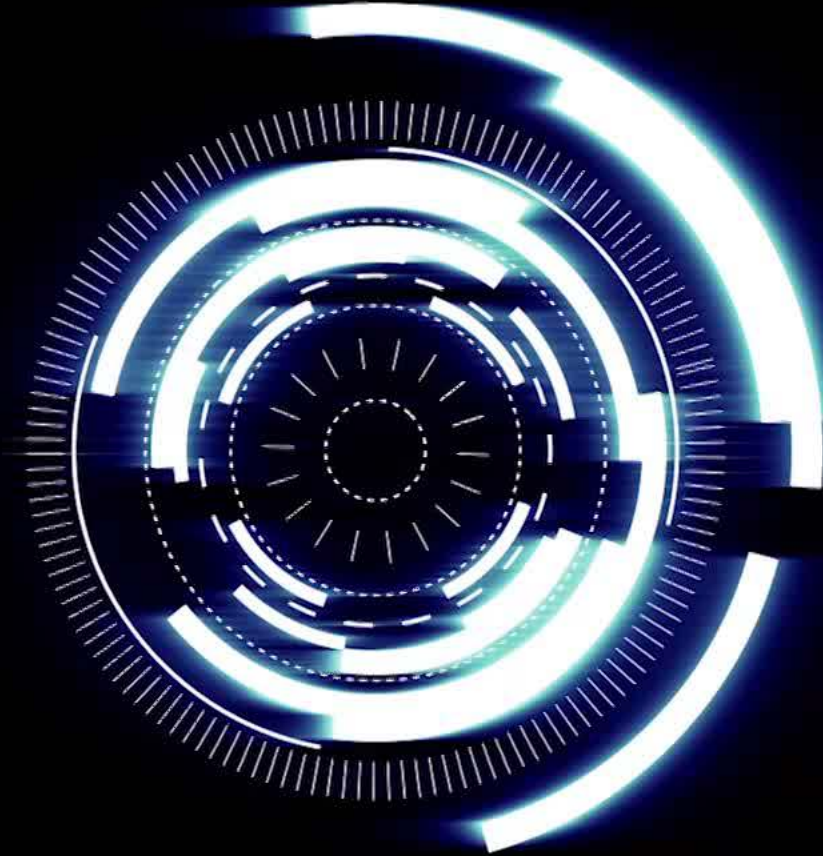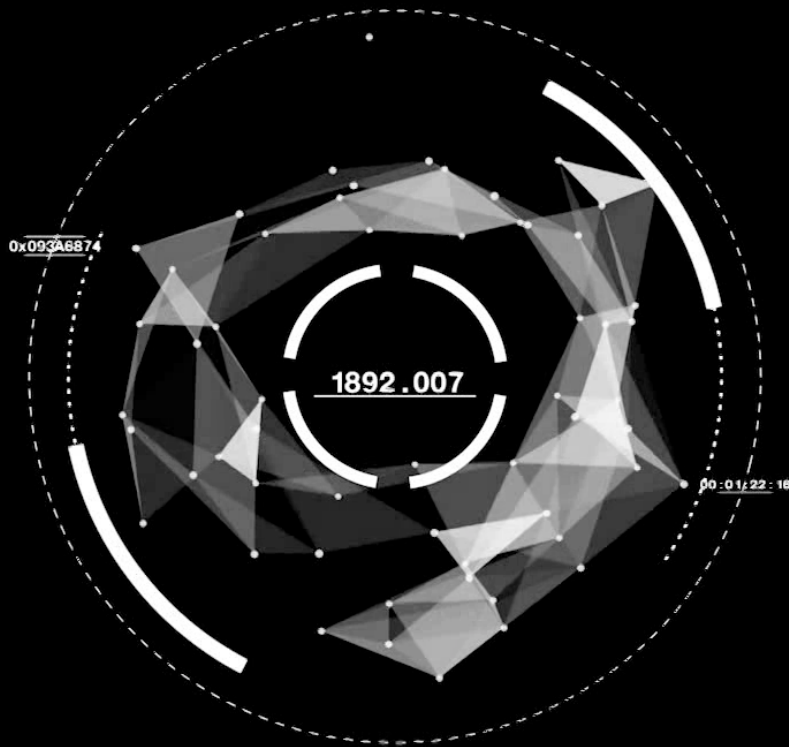# Deloitte.

Crisis Simulation - Pressure is on
Kuwait 5th ERM Conference – KPC Group

January 24th, 2019

In the Middle East
since 1926

Workshop Agenda

1. **Introduction & Definition**

2. **Crisis Simulation Benefit**

3. **Differences between Simulation & Other Trainings**

4. **Crisis Simulation Teams Structure**

5. **Develop Crisis Simulation Scenarios**

6. **Deliver Crisis Simulations**

7. **Obtain Feedback and Continually Improve**

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Crisis Simulation

- ❖ A Crisis Management Simulation exercise simulates crisis conditions and provides for the opportunity for people to practice their roles and gain proficiency in the roles of a Crisis Management plan.

- ❖ A crisis simulation is an opportunity to develop capabilities, stress-test plans, evaluate coordination and communication, and preview real-time response capabilities.

- ❖ A simulation uses a scripted crisis setting which allows a team of leaders to immerse themselves in their roles in 'real time.'

- ❖ Simulations can reveal lapses in your organization's response capability at multiple levels - strategic, behavioral, tactical - in a way that no amount of discussions or analysis can.

- ❖ Periodic simulations create a culture of preparedness that help senior leaders feel confident that incidents of any nature can be managed in a controlled way.
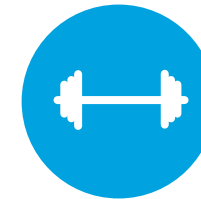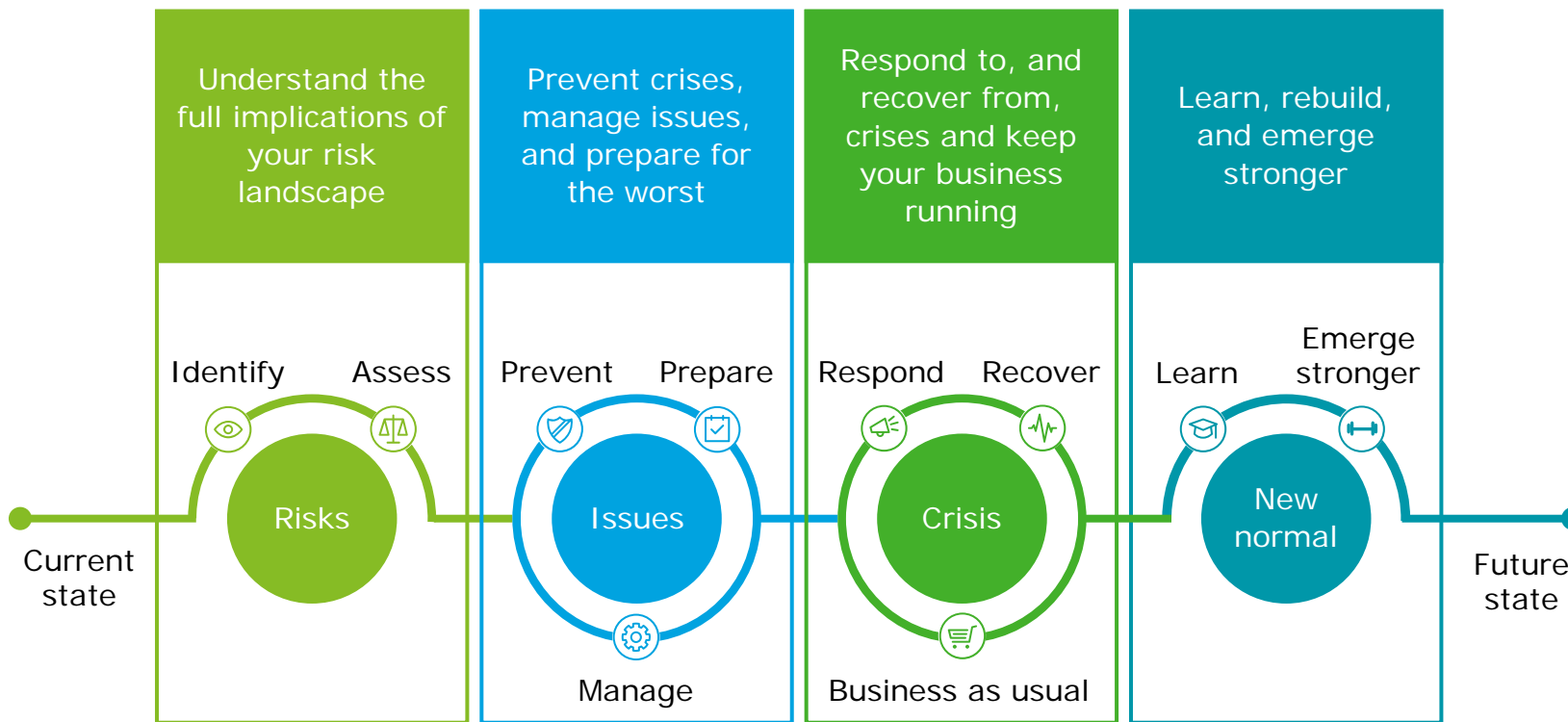
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Introduction

Crises can present opportunities for organizations to emerge stronger, enabling them to build more effective capabilities at **all stages** of the crisis and resilience lifecycle.

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Crisis Simulation Benefit

Control and coordination

Simulation enables an organization to practice responding in a controlled and coordinated manner—and to be seen as disciplined and competent by external parties

Confidence

The most important benefit of crisis simulation is the personal and organizational confidence it creates among your people and your leadership team, as well as your Board of Directors, investors, and regulators

Improved communications

Simulations are the best training approach to evaluate certain strategic objectives as it allows you to get all the Top Management together and evaluate effective communications

Clarity of roles and responsibilities

Crisis Simulation is a type of training that allows Crisis Management Teams to practice their roles and responsibilities through simulating real life scenarios

Area of Improvement

Simulations typically unveil areas of improvement that can not be uncovered unless you put plans into practice

Speed and efficiency

Crisis simulation gives people a clear sense of what's needed, when to escalate, how to scale up, and how they fit into the overall crisis management plan
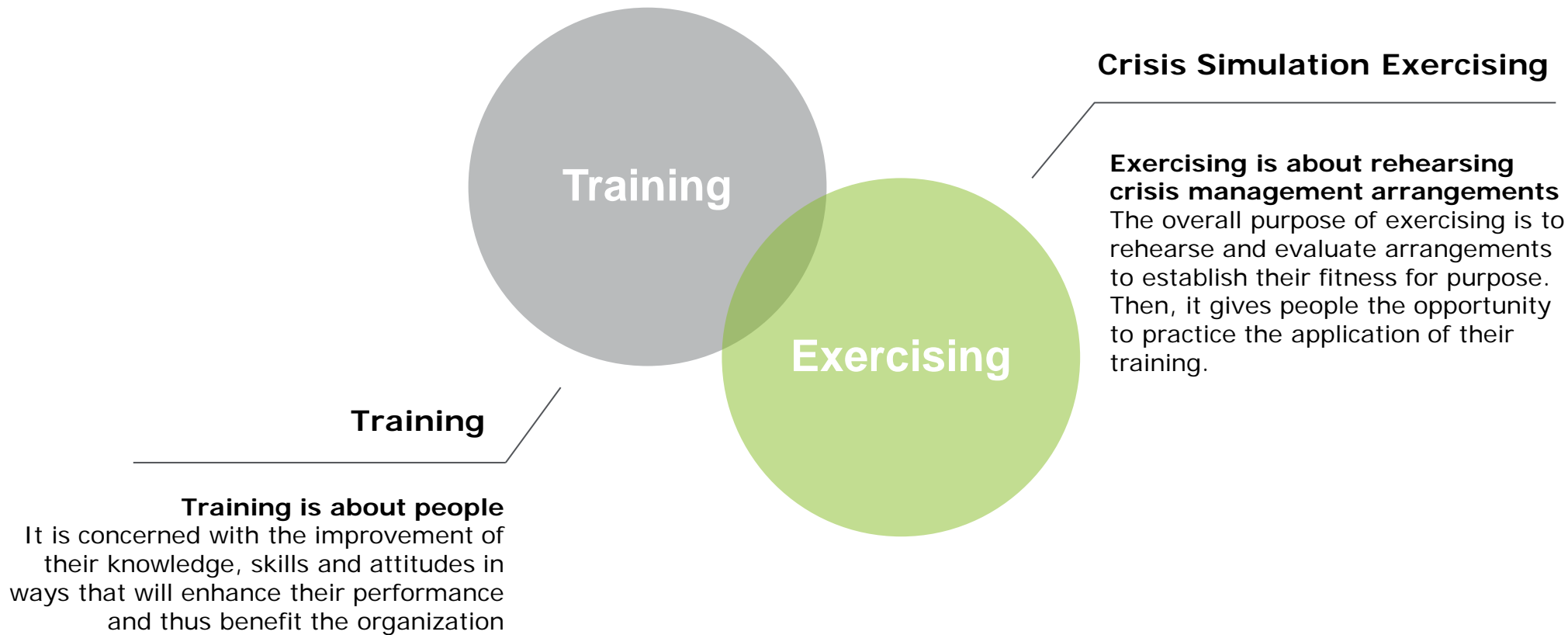
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Differences between Simulation and Other Trainings

Training

Exercising

Crisis Simulation Exercising

Exercising is about rehearsing crisis management arrangements
The overall purpose of exercising is to rehearse and evaluate arrangements to establish their fitness for purpose. Then, it gives people the opportunity to practice the application of their training.

Training

Training is about people
It is concerned with the improvement of their knowledge, skills and attitudes in ways that will enhance their performance and thus benefit the organization

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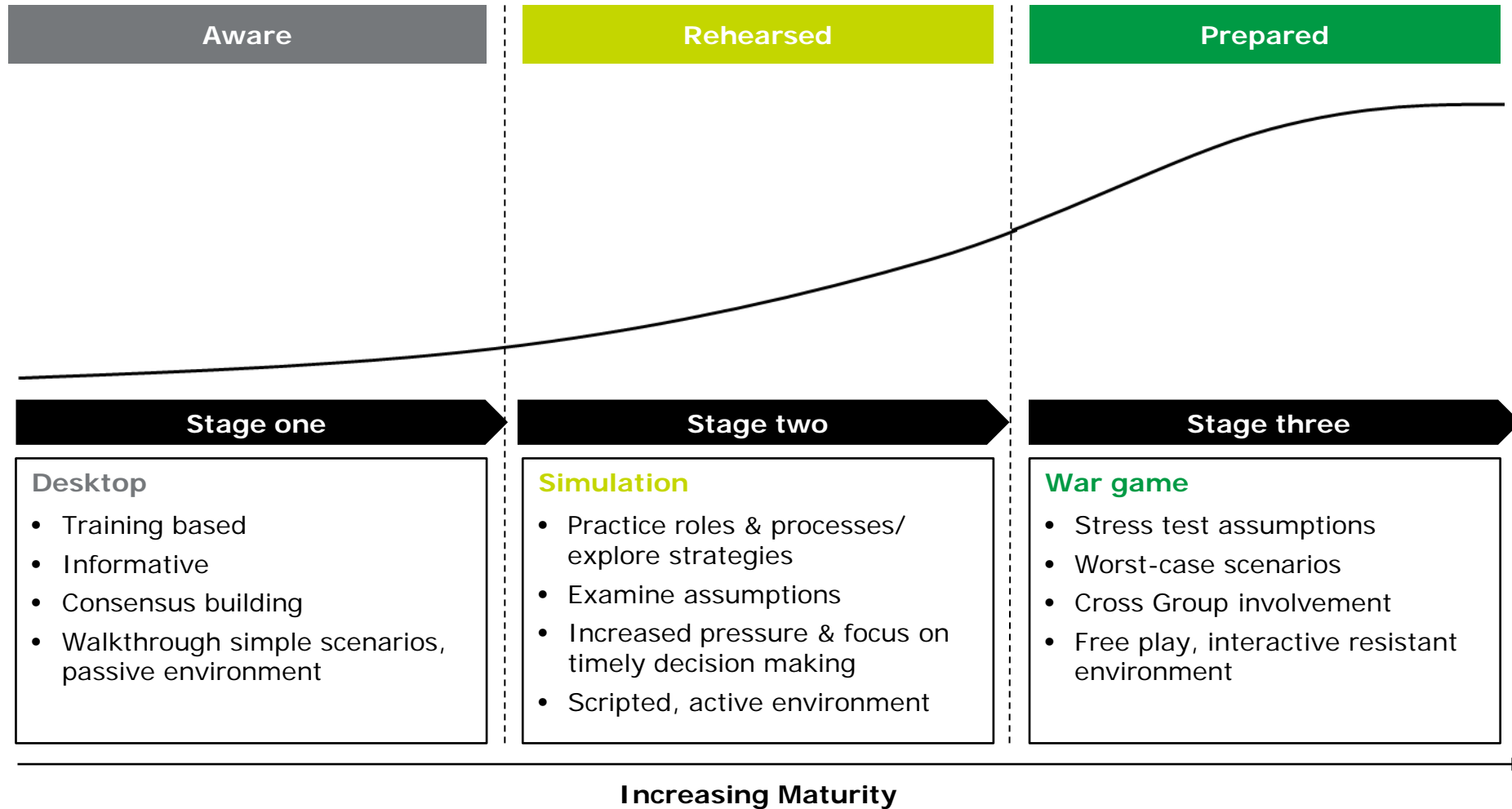
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Simulations Types

The choice of a specific simulation depends on the maturity of the teams involved, the time and resources available, and the level of testing and assurance sought by the management team involved.

Aware	Rehearsed	Prepared

Stage one	Stage two	Stage three
Desktop	**Simulation**	**War game**
• Training based	• Practice roles & processes/ explore strategies	• Stress test assumptions
• Informative	• Examine assumptions	• Worst-case scenarios
• Consensus building	• Increased pressure & focus on timely decision making	• Cross Group involvement
• Walkthrough simple scenarios, passive environment	• Scripted, active environment	• Free play, interactive resistant environment

Increasing Maturity

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Crisis Simulation Team Structure

Simulation team involves senior management at the strategic level, and could involve also personnel on the operational and tactical level of the organization. Team members should be chosen with diverse experiences from across corporate functions and with crisis management experience to coordinate, communicate, assess, and analyze information.

Strategic Level - Participants

C-Suite executives, board members, and other key leaders are usually at the center of the action

Observers

Record key points, issues, and recommendations during the Crisis Simulation

Tactical Level - Simulation Cell

will interact with participants teams; feeding injects into the simulation to move things along at an appropriate pace

Facilitators

guide the simulations by managing the simulation execution timeline and delivery of simulation materials / injects to the Crisis Management members.

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Crisis Simulation Scenarios Development

After identifying the exercise participants, it's the time to **Begin with a scenario?**

That's a common mistake.

Always Begin with a purpose. Only with a clear objective can you construct a scenario that will advance it.

Example of these objectives could be:

Practice identification, invocation and closure of a Crisis

Understand possible impacts on People, Health & Safety and Operations

Rehearse Reputation Management / Crisis decision making

Practice Crisis Communications (Internal & External)

Practice spokesperson Crisis roles and responsibilities

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Crisis Simulation Scenarios Development

Second step of the **Develop** phase is to agree on the Scenario with concerned departments and understand their Emergency, Incident and Crisis Plans

Plan a scenario exercise that's adapted both to the business context and the objectives set

"**Realistic Scenarios**" as realism is generally believed to enhance the success of the exercise and get the participants to play along

Scenarios can include:
- Natural disasters
- Electrical, hardware or software failure
- Acts of terrorism
- Cyber-attacks
- Fraudulent behavior
- Epidemics
- Multiple injuries
- Loss of life
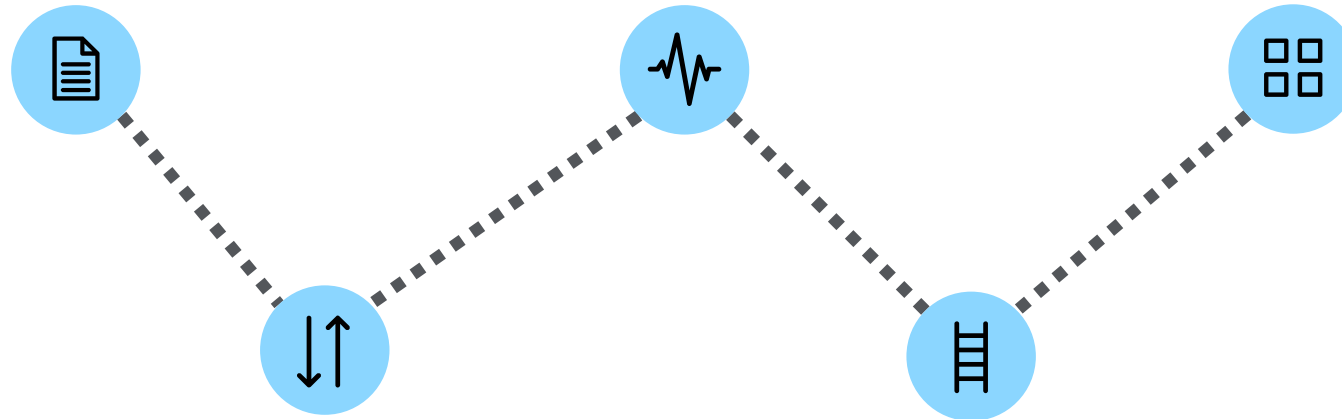
The **simulation should mirror** your internal world as well as your external environment and Threat Landscape

Decide on the necessary **level of details** to ensure that lists of injects are played out according to a timeline

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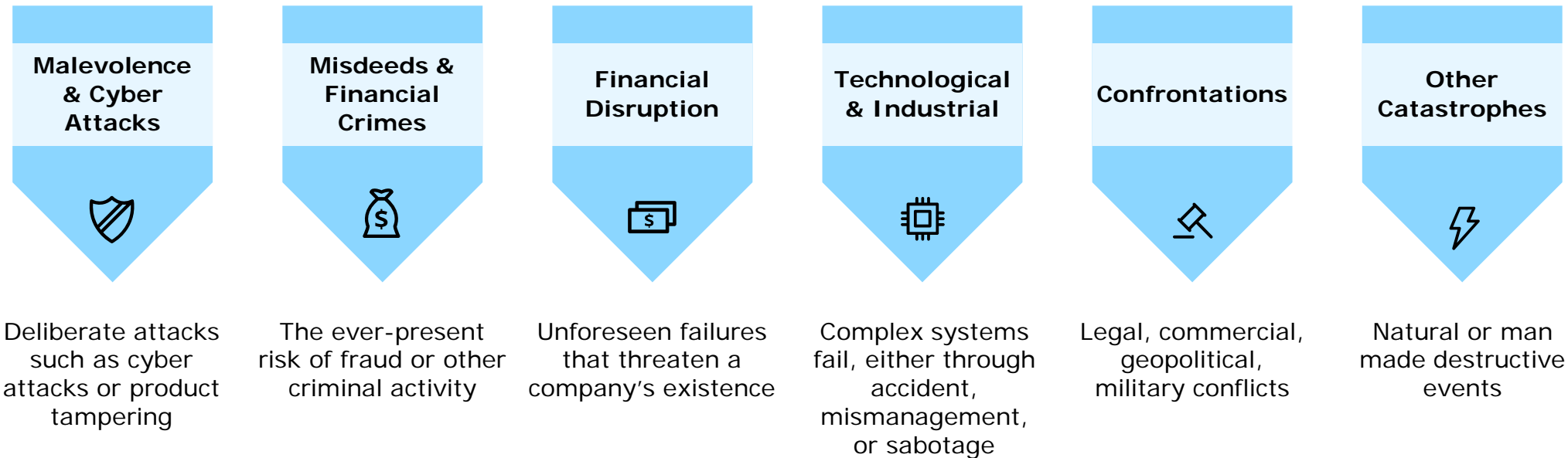
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Crisis Simulation Scenarios Development

Crises can be malicious, accidental, or completely random. Most organizations are susceptible to threats from more than one of these potential triggers:

Malevolence & Cyber Attacks	Misdeeds & Financial Crimes	Financial Disruption	Technological & Industrial	Confrontations	Other Catastrophes
Deliberate attacks such as cyber attacks or product tampering	The ever-present risk of fraud or other criminal activity	Unforeseen failures that threaten a company's existence	Complex systems fail, either through accident, mismanagement, or sabotage	Legal, commercial, geopolitical, military conflicts	Natural or man made destructive events

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Crisis Simulation Scenarios Development

Find the limit. If a simulation doesn't challenge people, it won't teach them anything. So you need to design scenarios that deliver the most useful stress.

Examples of Possible Scenarios:

Cyber Attack followed by IT System shutdown resulted in chaos in the Company

Civil Unrest leading to closure/damage to the Company

Flood followed by a power outage impacting the Company

Fire in the main building hosting the data center impacting Company operations
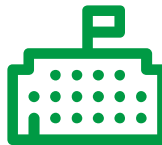
Political issues leading to closure of the Company

Terrorist attack resulting into major injuries/deaths of Company's staff

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Crisis Simulation Scenarios Development

After deciding on the scenario, you need to:

Agree on the **simulation timeline**. It is important to ensure early communication and booking of calendars and facilities where appropriate
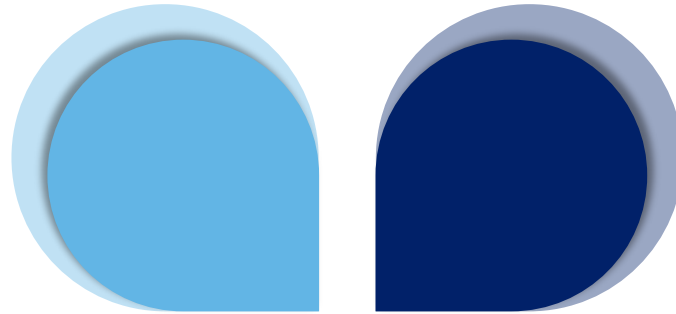
Develop the **Building Blocks**

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Crisis Simulation Scenarios Development

After deciding on the scenario, you need to:

| Scenario Jumps	Scenario Details	Expected Participants	Estimated Time
	Exercise Briefing		30 mins
Natural Disaster	Earthquake resulted in damaging the first floor of the company's building	Sim Cell	5 mins
	Core Service providers were injured, as well as some customers	Sim Cell	5 mins
	Companies Operations are Impacted.	CMT	15 mins
	Kuwait Media and Social Media reporting.	CMT	10 mins
Cyber Attack Occurs	Suspicious Emails are received by the company's users	CMT	15 mins
	Core Systems are compromised	CMT	15 mins
	Cyber Security Team confirms significant spear phishing Attack	CMT	10 mins
	Increasing customer lines leading to man-handling in the Company	CMT	10 mins
	Hacker releases a statement claiming that he has hacked the company	CMT	15 mins
	Customers are threatening to sue the company	CMT	15 mins
Social Media Hits	Media outlets pick up on the incident and reach out to the company for commentary and inputs	CMT	25 mins
	Exercise Debrief		15 mins
	Exercise End		15 mins

Exercise Time

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Crisis Simulation Scenarios Development

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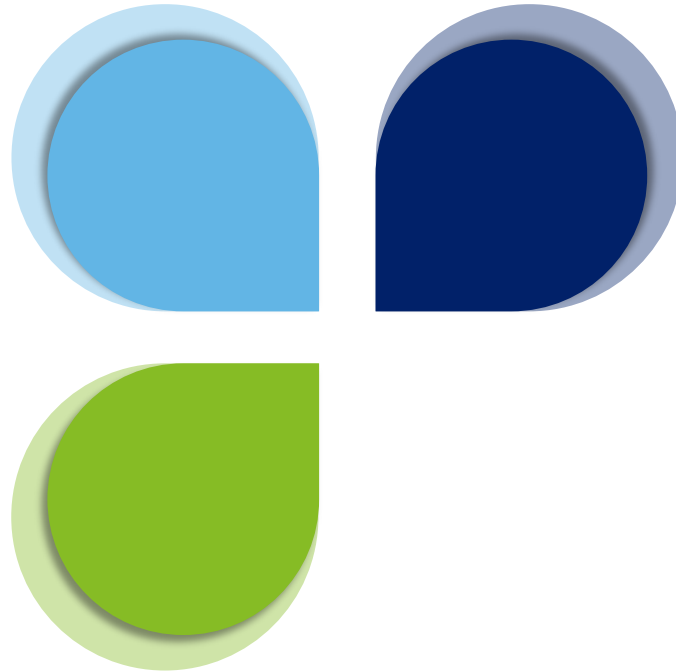
Develop the **Building Blocks**

Create a **Master Events List (MEL)**

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Crisis Simulation Scenarios Development

After deciding on the scenario, you need to:

Create a Master Events list (MEL) which determines who will say what, to whom and when.
An MEL enhances realism by anticipating and accounting for all the decision points in the simulation.

Example

Serial	Event Day	Event Time	Sim Time	Event Type	From			Method	To			Inject Details
					Event From	Represented By	Role		Event To	Represented By	Role	
1	Day 1	9:00 AM	7:00 AM	Context	Team A	N/A	N/A	on-screen	Team A Manager	N/A	N/A	General Security Team reported a damage in the first floor of the company's building due to earthquake
2	Day 1	9:05 AM	8:00 AM	Inject	Team B	Sim Cell	Player	Phone + Physical Handout	CMT - Team B Manager	Self	Participant	Team B escalates the situation to CMT and provides the damage assessment report
3	Day 1	9:10 AM	8:30 AM	Expected Action	CMT Leader	Self	Participant	Verbal	CMT Members	Self	Participant	CMT Leader declares Crisis and invokes Crisis Management Plan

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Crisis Simulation Scenarios Development

After deciding on the scenario, you need to:

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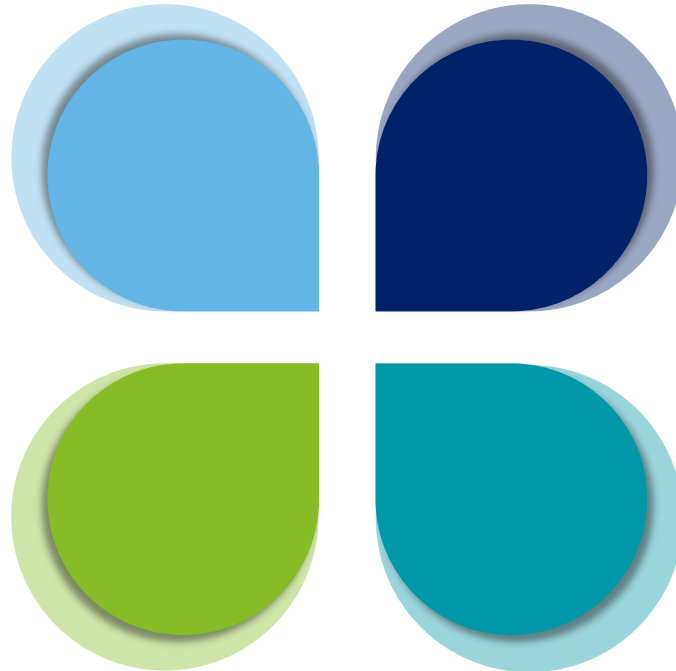
Develop the **Building Blocks**

Create a **Master Events list (MEL)**

Define **inject delivery mechanisms** and develop exercise preparation, facilitation, and delivery materials

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Crisis Simulation Scenarios Development

Samples of Inject Materials:

Damage Assessment Report

1. Impact Assessment Form

Date:		Time:
Prepared by:		

Location of Incident:
Nature of Incident:

2. Type of Incident *(Insert X on all that apply)*

	Account Compromise *(e.g., Lost Password)*		Social Engineering *(e.g., Phishing, Scams)*
	Denial-of-Service *(Including Distributed)*		Technical Vulnerability *(e.g., 0-day Attacks)*
	Malicious Code *(e.g., Virus, Worm, Trojan)*		Theft/Loss of Equipment or Media
	Misuse of Systems *(e.g., Acceptable Use)*		Unauthorized Access *(e.g., Systems, Devices)*
	Physical Damage (e.g., Equipment Damage)		Loss of Access to Facility
	Workplace injury		Power Outage
	Fire		Bomb Threat

Description of Incident:

3. Scope of Incident *(Insert X on all that apply)*

	Critical
	Significant
	Minor
	Negligible
	Unknown/Other *(Please Describe Below)*

Estimated Quantity of Systems Affected:	
Estimated Quantity of Users Affected:	

Crisis Management Status Report

Samples
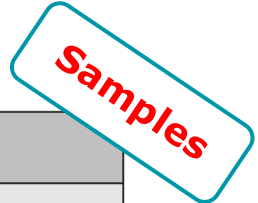
Crisis Management Status Report			
CONTACT INFORMATION			
Issued By:	CMT Coordinator	Issued to	CMT Members
Date:	DD MM YYYY	Time:	00:00 AM/PM
STATUS UPDATE			
What do we know?			
What does it mean to us?			
Which processes are impacted?			
What is our strategy?			

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Crisis Simulation Scenarios Development

Develop Inject Materials

Samples

Samples of Inject Materials:

Media Monitoring Reports

Kuwait Times

Organizations in Saudi Arabia and Kuwait have been hit in latest attacks that involve new wiper malware?

After a two-year absence, the destructive malware Shamoon re-emerged in a new wave of attacks against Oil & Gas companies in the Middle East. These latest Shamoon attacks are doubly destructive, since they involve a new wiper that deletes files from infected computers before the Shamoon malware wipes the master boot record.

News of the attacks first emerged when Italian oil services firm Saipem said that it had been hit by a cyber-attack against its servers in the Middle East. Two days later, the company said that Shamoon had been used in the attack, which affected between

Trending Hashtags	
#COMPANYKuwait 5.5k tweets	#Shamoon 5.8k tweets
#COMPANYAttack 3.8k tweets	#COMPANYVendors 2.2k tweets

Subjects going viral

الرأي @AlraiMediaGroup · 13m

تعرضت البنية التحتية والشبكات الاستراتيجية للشركة للهجوم مما أدى إلى الكشف عن معلومات عقودها السرية. #COMPANYKuwait #COMPANYVendors

184   1.3K   3.3K

ARAB TIMES - KUWAIT @arabtimeskuwait · 8m

Shamoon disk wiper attack on Saipem signals new challenge against energy sector, is CLIENT NAME one of the victims of Shamoon attack? #COMPANYKuwait #Shamooon

64   152   713

Anticipated Media Inquiries

Press Conference - Media inquiries

- What caused the incident?
- According to your assessment, how serious is situation with regards to the Cyber incident experienced by CLIENT NAME?
- Was there any impact on the data of customers?
- The hackers claim that they have obtained access to, and copies of, customer financial data? Is this true?
- Why has CLIENT NAME not been able to deter the Cyber Attack from occurring?
- Will CLIENT NAME consider compensating any stakeholders impacted by this incident?
- What corrective actions is CLIENT NAME planning to take to prevent such incident from re-occurring in the future?
- Have you been able to identify the hackers?

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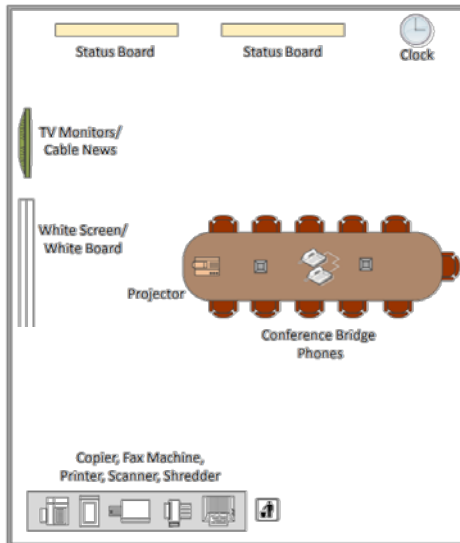
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Crisis Simulation Deliver

With planning and designing complete, it's now time to go ahead and conduct the exercise.

But, it is important to make sure the participants can work from crisis rooms with necessary equipment (i.e. computers, screens, telephones, printers) and have access to real means of communication.

Crisis Management Center (CMC) Layout

Simulation Cell Layout
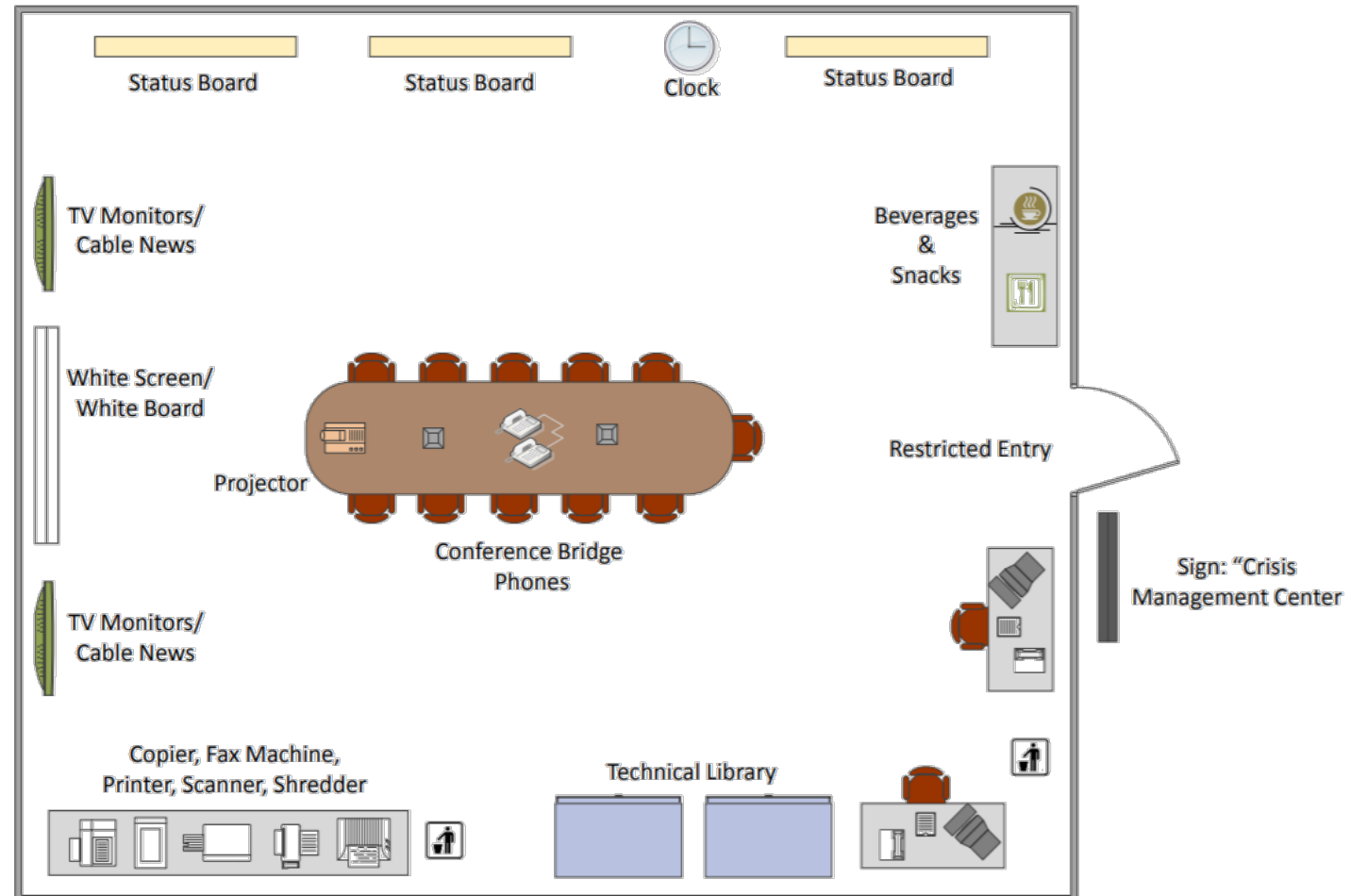
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Crisis Simulation Deliver

Debriefing post-exercise enables the crisis team and participants to comment on how they felt the simulation went and discuss whether it achieved its objectives.

❖ **Hot Debrief –** Held immediately after an exercise prior to staff leaving the exercise location which allows the participants the opportunity to highlight a variety of issues and concerns while fresh in their mind

❖ **Formal Debrief –** This should be within weeks of the exercise and it addresses the organizational issues rather than individuals or group concerns. This report provides the strengths and weakness as well as ideas for future learning.
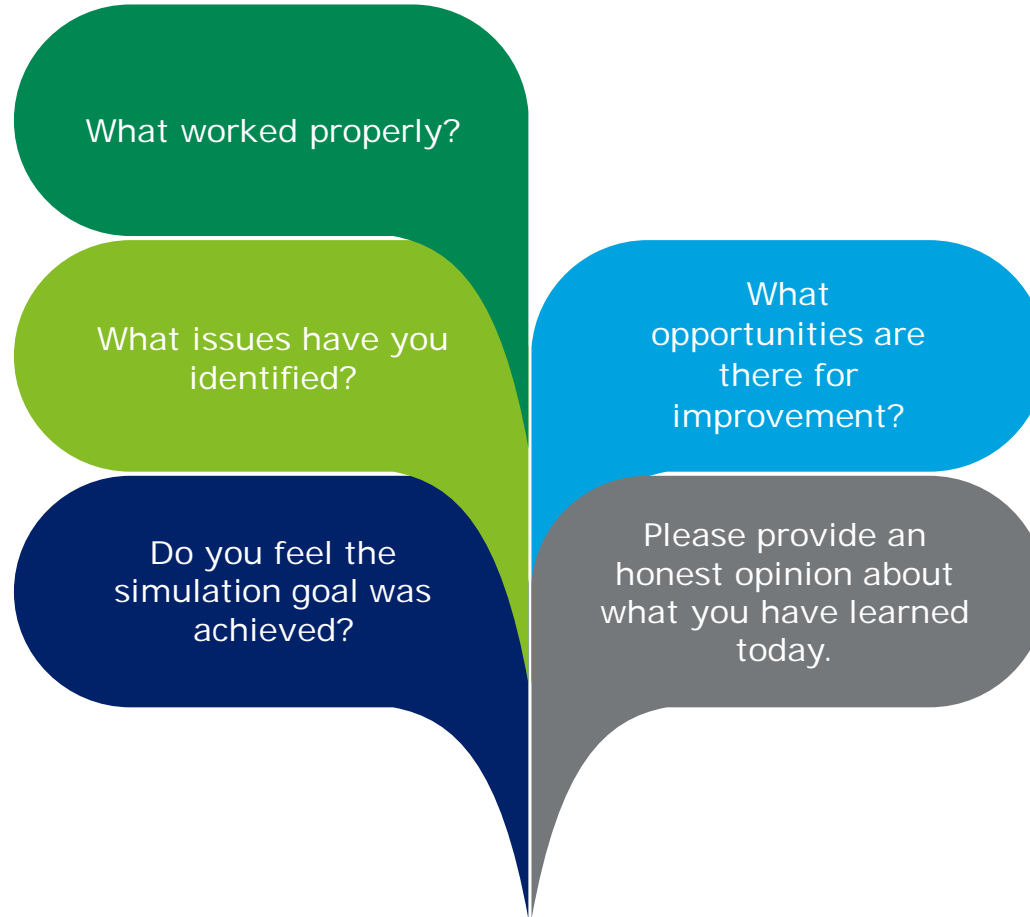
What worked properly?

What issues have you identified?

What opportunities are there for improvement?

Do you feel the simulation goal was achieved?

Please provide an honest opinion about what you have learned today.

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Obtain Feedback and Continually Improve the Exercise

The most **critical part** of any crisis management simulation is the review stage

The **observations (by the observers and facilitators)** enable you to identify potential vulnerabilities in the plans as well as in the organization as a whole, and provide you with a means of establishing, implementing and monitoring a plan of action for rectifying them.

After the simulation, CMT members will be provided with a **Simulation Feedback Form**

Before today: Our communication and planning
1. I knew what to expect from today's session
2. I felt sufficiently prepared for the content that was covered today

During the simulation
3. The scenarios we played out were relevant and well explained
4. I was able to communicate with the all business areas that I needed to
5. I had all the necessary resources to participate
6. The simulation was well facilitated

Overall experience
7. I now have a better understanding of how my role interacts with
8. I feel more prepared for my role
9. Overall, this was a useful simulation

Samples

Once this exercise is finished, you must **continue to test** the effectiveness and robustness of the, re-drafted, contingency and crisis plan in future exercises.

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