

Crisis Managers

MBA students test their ability to stay cool in a crisis in a realistic role-playing competition at the University of Michigan.

If MBA students must learn to handle crises with grace, it makes sense to give them a true-to-life crisis to handle. That was the reasoning behind the Leadership Crisis Challenge at the Ross School of Business at the University of Michigan in Ann Arbor. The first of its kind at the Ross School, the challenge was conducted in January by the Ross Leadership Initiative (RLI), a two-year series of activities that supplement the school's MBA curriculum.

In the challenge, students assumed roles at Pharmtek, a fictional pharmaceutical company in the midst of a public relations meltdown. Gentab, one of Pharmtek's subcontractors in Hyderabad, India, has been charged with contaminating the local water supply with mercury, causing illnesses and three deaths. Although no evidence has linked the spill to Gentab, the Indian government has shut the facility down for investigation, halting production of Maladone, Pharmtek's widely used anti-malaria drug.

Students were placed in 12 teams of four; on each team, students assumed the roles of the company's general counsel, regional VP of operations, regional VP of sales, or environmental health and safety officer. At 10 p.m., the teams held emergency meetings to study the data and plan their responses, while RLI staff bombarded them

MBA student Brent Morgan fields tough questions at a mock news conference as part of the Ross School's Leadership Crisis Challenge.



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—Sue Ashford, associate dean

with memos, updates, and financial alerts.

At 8 the next morning, each team attended a mock press conference where its members fended off a volley of daunting questions—from "Does Pharmtek take responsibility for the mercury spill?" to "Why were you outsourcing Maladone production to India in the first place?" Ross professors, executives, and real-life professional journalists wielding microphones and cameras played the roles of persistent reporters, angry NGO representatives, and agitated stockholders.

Ralph Bahna, a UM alum and chairman of Priceline.com, played one of the questioners. He notes that authentically presented experiences such as the Crisis Challenge teach students to communicate the facts, uphold their company's reputations, and shape their messages carefully under pressure. "The mes-

sage should be 'We are the cure for malaria globally,' not 'We are the killer of people locally,'" says Bahna. "In most crisis situations, it is critical that you take the offensive. You cannot move from fear."

After their conferences, teams met with a communications expert to review their presentations and performances, right down to their clothes, speech patterns, and body language. Students learned to eliminate unnecessary gestures and verbal stuttering, speak with confidence, maintain eye contact, and never, ever lie. Students David Cieminis, Anurag Gupta, Shally Madan, and Brent Morgan won the competition—and the \$2,000 team prize.

The Crisis Challenge reflects the type of experiences MBAs need to prepare for the fast pace of real-world problems, says Sue Ashford, associate dean for leadership programming and director of RLI. "Judgment and leadership are qualities best learned by experience. But experience can be costly and quite painful," she says. "The Crisis Challenge is a chance for our MBAs to exercise both judgment and leadership in a 'safe' environment." ■