

# DEVELOPING CONTINGENCY PLANS

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*Abu Hurayrah said: "The Prophet, peace be upon him, remarked: 'The example of a believer is like a fresh tender plant: From whichever direction the wind blows, it bends the plant. But when the wind dies down, it straightens up again. (Similarly a believer is tested by afflictions to strengthen his [her] faith and heart, and he [she] remains patient and firm.) And an evil person is like a pine tree that remains hard and stiff until Allah breaks it whenever He wills'."*<sup>1</sup>

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Uhud demonstrates the importance of contingency plans for Islamic organizations.

No strategic plan is ever perfect, and all of them are relatively rarely implemented as intended. The SPC must help the organization formulate possible alternative or contingency strategies in case events unfold in an unanticipated manner. An excellent example of changing a strategy occurred at the Battle of Uhud. Contrary to the Prophet's explicit directives, the Muslim archers abandoned their position on top of the hills at the rear and left the Muslim army exposed to Khalid ibn Walid's attack. Exhibit B depicts the Muslim archers' initial position, as dictated by the Prophet, their subsequent abandonment of these positions, and the brilliant countermove by Khalid, the only person to inflict a near-defeat on the Prophet.<sup>2</sup> If Allah wanted to test His Prophet and the Muslims with the bitter taste of Uhud, why should He spare you?

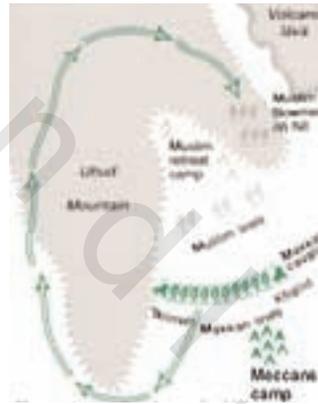
Just in case you encounter your own Uhud, develop contingency plans. Use a SWOT analysis to quickly develop and *rehearse* several contingency plans to deal with any emergent issues or problems. As we will discuss later, scenario building can really help you anticipate various types of change.

## Developing a Process

As the SPC works through the strategic plan, its members need to anticipate the moves and countermoves of other sectors of the external and internal environments. Unless your Islamic organization wants to engage in management by activity and reaction (MAR), make every attempt to be proactive.

Never have only one backup plan. Rehearse multiple contingency plans to deal with any emergent issues or problems.

Exhibit B: The Battle of Uhud



Meccans cavalry seizes the high ground once Muslims arrowmen left it for the plains.

[Reproduced from the online book *Khalid bin Al-waleed: The Sword of Allah* by A. I. Akram. <http://www.swordofAllah.com>, 1969.]

Constantly fighting fires can sap the life right out of your organization and its strategic plan by diverting your attention from your vision, mission, goals, and objectives.<sup>3</sup> A driving instructor once told me to "expect the unexpected." In other words, people and organizations will not always behave normatively but according to their own idiosyncrasies. To the extent that one understands and plans for some of these idiosyncrasies, road accidents can be mitigated. Similarly, a strategic plan that anticipates potential contingencies allows you the flexibility to deal with them on your own terms. God willing, you will not be totally taken by surprise.

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No such thing exists as a perfect strategic or operational plan.

Although it may never ascertain the whole range of possible contingencies, an effective SPC will indirectly devise a cognitive process for thinking proactively and responding to events that are not part of the formal strategic plan. Ultimately, this cognitive process may be one of the strategic management process' most desirable results, because it provides the leader and other key decision makers with a common cognitive template for dealing with unanticipated events.

The SPC must remember that there is no such thing as a perfect strategic or operational plan. As pointed out earlier, trying to create the perfect plan is a waste of scarce time and resources. Due to the environment's dynamic nature, a plan becomes increasingly obsolete as soon as it is formulated. Hence, contingency plans should always be formulated right along with your organization's strategic and operational plans.

## Positive and Negative Contingencies

Most strategic planners try to anticipate problems but rarely think of how to make use of an opportunity that arises suddenly. A deep understanding of one's internal and external environments, acquired through a continuous SWOT process, will provide all of the information an organization needs to counter unexpected threats or take advantage of opportunities. Remember that although an opportunity may be extremely attractive, an organization should not rush into capturing it; there may simply be no fit between the opportunity and the current configuration of the organization's available resources. A good contingency template should filter out such tempting distractions.

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Outline ahead of time the trigger points at which different contingency plans will kick in.

In mapping out the organization's contingency plans, the SPC will also need to determine the trigger points at which these plans will kick in. For example, should revenues be unable to sustain expenses, the budget committee should be asked to recommend cutbacks or a retrenchment strategy. Alternately, the SPC may go one step further and recommend specific action sequences once a threshold point has been reached. Some threshold points may require tighter scrutiny instead of immediate action. Finally, the nature of the project being accomplished and the environment in which these projects exist can lower or raise thresholds. Thus, in a hyper-competitive environment where the rate of change is extremely fast and the degree and nature of change is itself unpredictable, thresholds could be raised and lead times for action could be shortened considerably in order to preempt the contingency plan's becoming obsolete. This is true for both opportunities and threats.

You should note here that Islam considers both positive and negative contingencies. The Qur'anic injunction to put in writing all contracts seeks to preempt future misunderstandings and problems. Similarly, *salat al-khawf* (the prayer of fear), discussed in *Sahih al-Bukhari* (hadith no. 6.59), allows Muslim soldiers to pray in groups while guarding against possible surprise attacks. Thus, contingency planning based on potential future scenarios is an inherent part of Islam.

## Scenario Building

The motto of one of the major consulting outfits in scenario building is "Eyes on the Future, Feet on the Ground." This implies that while we cannot predict the future, since it is Allah's prerogative, we can attempt to anticipate the potential directions that the future course of events might take.

A scenario can be defined as "an internally consistent view of what the future might turn out to be – not a forecast, but one possible future outcome."<sup>4</sup> Thus, a scenario is a "storyline" that combines what we expect about the future with explorations of what may be possible.

Scenario building has been practiced throughout Islamic history. Prophet Muhammad and Abu Bakr left Makkah for Madinah by the southern route, the exact opposite of what the enemy would expect. 'Amr ibn Fuhayrah, a shepherd, followed them with his flock in order to cover their tracks.<sup>5</sup> After the Ghassanids intercepted and executed the Prophet's envoy to the Governor of Bostra, Muhammad raised an army and put Zayd in charge. He told the soldiers to follow Ja'far if Zayd were killed and then 'Abdallah ibn Rawahah if Ja'far were killed. If all three were killed, then the Muslims should choose someone else to lead them.<sup>6</sup> In fact, this is exactly what happened at Mu'tah, where an alliance of the northern tribes and the imperial Byzantine troops vastly outnumbered the Muslims and killed these three leaders. Finally, Khalid was chosen as the new leader and then rallied the Muslims, checked the enemy's attacks, and led them in an orderly retreat.

Other examples of scenario building apply to one's daily life: performing *tayammum* (ablution with dust) if water is not available for *wudu'* (ablution), feeding poor people if you are sick and unable to fast, and eating pork – just enough to survive – if you are caught in a life-or-death situation with no other options.

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## Checklist for Building Scenarios

Schwartz describes the necessary steps for scenario building.<sup>7</sup> I summarize them here:

- **Identify focal issue or decision**  
For Islamic organizations in North America, the 9/11 terrorist attack was a major external environmental jolt, for such an event was totally unexpected. Muslims were shocked, saddened, and outraged. All of their strategic plans were thrown off course immediately, and the focal issue became clearing Islam's name and surviving as Muslims in North America. Many Muslim communities also dearly wanted to allay the ensuing alarm being experienced by our friends and neighbors of other faith-based communities
- **Pinpoint key forces in the local environment**  
Forces in the environment affect the outcome of decisions relating to the key issue(s) identified in step 1. These include legislative, political, religious, regulatory, and economic forces. Your organization's decision makers need to do their homework and determine what they need to know before making any decision. Obviously, acquiring accurate data is critical.
- **Determined driving forces in macro-environment**  
Driving forces are the major underlying causes of change.<sup>8</sup> Some of them stem from the macro-environment, while others originate from the organization's immediate local environment. Examples of driving forces are changes in information technology, laws (e.g., the Patriot Act and its potential variants), demography, government (who is or is not in power), public opinion, and lifestyle, as well as increases in uncertainty and business risk.
- **Rank by importance and uncertainty**  
Since some of the driving forces are more serious than others, they need to be ranked in terms of their importance to the pending decision and the level of uncertainty associated with them. Some predictable trends may actually rank higher than unpredictable ones. And, their ranking may change over time. For example, CAIR reports that the media's buffeting of Muslims and Islam in the post-9/11 environment is on the increase. A positive trend that initially counteracted this negative reaction was the tremendous wave of support and understanding shown by many

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Select indicators and signposts so that decision-makers can locate the organization's role or part within the specific scenario being played out.

Americans and other faith-based communities. Recently, however, a CAIR public opinion survey of Americans revealed that the war in Iraq has taken its toll on the public's perception of Muslims and that hate crimes against Muslims have increased dramatically.

- **Select the scenario logics**

Two or three driving forces can be used to create two-dimensional scenario maps. Several combinations of driving forces can be used to draw maps, one at a time. One driving force may be "governmental regulations" with its anchors ranging from "restrictive" to "open." Another driving force may be "media coverage" with its anchors ranging from "biased" to "balanced." Four potential scenarios could be developed:

1. Restrictive/biased,
2. Restrictive/balanced,
3. Open/biased, and
4. Open/balanced.

- **Flesh out the scenarios**

Once the scenarios are set, a storyline can be developed for each by answering such questions as

1. What events (international, national, local) need to occur for this scenario to emerge?
2. What kind of actors (people) would enact these scenarios?
3. What are the implications for your organization's strategy?

This is the most important step. How does the issue to be decided upon fare under each of the possible scenarios? Is our strategy feasible under each possible scenario? Or else do we need to adjust our strategy for them to be workable under some of the scenarios?

- **Select leading indicators and signposts**

What indicators and signposts do different parts of the organization need to recognize in order to locate it within the specific scenario being played out? Does the unit observing the indicator know how to act with respect to the indicator and its associated scenario(s)? What are the implications for your organization's strategy?

- Feed the scenarios back to those being consulted, and provide feedback to those being consulted about the issue or decision at hand.

- **Discuss the strategic options**

The decision-makers may then use *shura* to generate a strategy contingency grid (based partly on the scenario options matrix from Ringland<sup>9</sup>) and rate its elements from "very positive" to "very negative." Clearly, the options open to an organization will be a function of its core competencies. In a politically turbulent scenario, hiring extra legal staff, using public service announcements, and building strategic alliances would be positive, whereas the same options could be negative in a politically placid scenario.

Strategy Contingency Grid	Scenario 1	Scenario 2	Scenario 3
Strategy Alternative A	*	✓	X
Strategy Alternative B	*	X	X
Strategy Alternative C	✓	*	*
Strategy Alternative D	X	✓	*

\* This strategy will work very well under this scenario.  
 ✓ This strategy will work O.K. under this scenario.  
 X This strategy will not work under this scenario.

Watch out for diffusion of responsibility among team members; it may lead to everyone dodging assignments.

- **Agree on the implementation plan**

When it has been decided to launch a specific project, appoint someone or a team as the project's owner and task him/her with the specific responsibility of tracking all relevant indicators, initiating early warning signals, establishing an agreed-upon contingency plan, and reporting back to the leader. Be careful when appointing a team as the project's owner/champion, for team processes may *diffuse* the *responsibility* among team members and enable everyone to pass the buck and dodge assignments.

- **Publicize the scenarios, if necessary**

If circumstances require it, publicize some scenarios and their associated actions to sway the opinion of carefully selected target audiences. Be sure to choose these publicity channels carefully and assess the potential benefits/losses before doing so.