

Mikhael Lalwani | The Business of Uncertainty

Part 2. Anticipation

Practical Insights on Business, Risk, Growth And Resilience

Most Crises Do Not Begin As Crises.
A Full-blown Crisis Rarely Occurs Without Warning

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Executive Summary

A sudden corporate collapse, operational breakdown, or reputational crisis may appear unpredictable. However, organizational failures rarely occur overnight. Most crises result from processes that began months or years earlier.

Adaptive leadership does not depend on predicting every rare or unexpected event. Instead, it requires noticing patterns across small, everyday signals, interpreting what they may reveal about emerging challenges, and responding early to address underlying risks before they grow into larger, more difficult issues.

How Small Issues Accumulate

In business operations, vulnerabilities often show up as everyday friction and addressing them early improves performance.

- **Operational**: Address minor vendor delays, equipment deviations, and compliance workarounds before they escalate.
- **People**: Strengthen retention in key departments, resolve recurring friction between division heads, and improve reporting transparency.
- **Financial**: Protect margins, follow up with slow-paying counterparties, and reconcile inventory discrepancies.
- **Strategic**: Monitor local regulatory shifts and market sentiment to identify emerging risks and opportunities.

Individually, each issue is manageable: operations can resolve the delay, HR can document the exit interview, and finance can track the variance. By coordinating across functions and giving executives a consolidated view, the organization can address emerging weaknesses early before they compound or trigger a broader crisis.

The Danger of Normalization and Fragmentation

Warning signs become manageable when organizations address three habits early and consistently:

1. **Normalization of Deviance**: When a small operational flaw recurs without causing immediate failure, teams may begin to treat it as routine. Track recurring anomalies, assess their causes, and address them before they become the baseline.
2. **Information Fragmentation**: Early signals may be spread across operations, compliance, legal, and finance. Establish a cross-functional process to bring this intelligence together so leadership can identify patterns and respond promptly.
3. **Explaining Away Repeated Issues**: Reassuring narratives can make anomalies seem less urgent. Examine explanations such as "market conditions," "temporary transition periods," or "one-off supply chain hiccups" against the available evidence.

When adaptive leadership investigates underlying causes rather than accepting explanations at face value, the organization strengthens risk control and avoids complacency.

Distinguishing Anomaly from Pattern

A core adaptive leadership responsibility is to distinguish isolated incidents from emerging patterns.

A one-off anomaly is a deviation linked to a specific, external event that is unlikely to recur. A pattern is a group of distinct incidents, even minor ones across departments, that point to shared systemic causes. Adaptive leadership starts with two practical steps:

1. **Connecting the Dots:** Looking across operational, financial, and strategic indicators to identify shared underlying vulnerabilities.
2. **Assigning Explicit Ownership:** Establishing clear accountability for investigating root causes and monitoring follow-up actions.

Lesson From the Field

Over years of advising organizations across high-stakes environments, I have repeatedly observed that major operational crises are built from small, overlooked oversights.

In one cross-border supply and operations project I observed, a venture suddenly stalled, disrupting operations and damaging investor confidence. Looking at the aftermath, leadership framed it as an unforeseen regional shock.

However, the early signals had been visible for nearly a year:

- Local vendor compliance documentation had arrived late in consecutive quarters.
- Mid-level operational staff reported frequent, minor site access disputes that leadership dismissed as routine administrative friction.
- Key counterparty points of contact were changing with unusual frequency.

These signals were missed because each department handled its own piece of the puzzle. Operations viewed site access as a minor logistics issue; legal viewed document delays as routine bureaucracy. Nobody connected the pattern: the counterparty's operational integrity was degrading.

Had leadership initiated an integrated risk review early on, they would have identified the counterparty’s weakening viability and restructured the operational footprint six months before the breakdown occurred.

Lesson From the Mat

In martial arts and close-quarter combat training, catastrophic submission or knockout rarely happens out of nowhere. It is the cumulative result of minor positional errors: a guard dropped two inches lower than it should be, balance slightly off-center, or a delayed reaction to an opponent's subtle shift in stance.

If you ignore minor positional flaws, your opponent will capitalize on the opening. By the time you realize you are in trouble, your defensive options are severely limited.

On the mat, as in the boardroom, survival and victory depend on micro-adjustments. You correct your posture and guard long before the strike is launched.

Aligning with CORIM Strategic Advisory

Early action creates opportunities to prevent crises and strengthens **leadership's ability to respond, reducing organizational exposure** before options narrow.

At **CORIM Strategic Advisory**, our Crisis Management and Strategic Advisory practice uses Enterprise Risk Management as a proactive foundation. We help decision-makers strengthen preparedness and navigate complex challenges by:

- **Assessing Changing Conditions:** Combining emerging operational, regulatory, and counterparty signals to develop actionable risk insights.
- **Preparing Response Capabilities:** Structuring crisis management protocols and scenario exercises before disruption hits.
- **Supporting High-Stakes Decisions:** Providing objective, field-tested guidance to leaders before, during, and after operational shocks.

Strategic Takeaways

Business crises often develop over time as operational, financial, human, and strategic pressures build across organizational silos. Addressing minor issues collaboratively and early helps teams identify emerging risks before they become normalized or overlooked. An adaptive, responsive, and proactive leadership approach to risk management can help assess changing conditions, strengthen readiness, and broaden executive options. While it cannot prevent every crisis, early intervention can limit organizational exposure and support more effective decisions before an emergency unfolds.

About the Author



Mikhael M. Lalwani is a business leader and practitioner in business risk, crisis management and strategic resilience, with more than two decades of experience spanning security, operations, corporate risk, crisis response, entrepreneurship and investment.

As Founder & Group CEO of CORIM Group, he leads a multi-sector business ecosystem and works with corporate leaders on complex, high-stakes situations where decisions must often be made before the picture is complete.

His perspective is grounded in real-world operating environments. His career has moved from security and high-risk operations into corporate risk advisory, crisis management, strategic business leadership and investment—giving him a practical view of how risk develops, how organisations respond under pressure, and how leaders can build the visibility, readiness and decision discipline required to act under uncertainty.

His thought-leadership focus is the business of uncertainty: risk before crisis, decision-making under pressure, organisational resilience, human risk, leadership, and the relationship between risk and opportunity.

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