

INSIGHTS FOR THE C-SUITE

THE ENTANGLED ORGANIZATION:

Leading When Crises Converge





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FOREWORD

The systems that make organizations faster, leaner, and more efficient are often the same systems through which crises spread.

Leadership teams often don't see the cascade until it is already moving. This can expose fragility, threaten enterprise value, and shrink the time available to act. Supply chains, technology platforms, cross-border operations, workforce systems, reputation, regulation, and trust are no longer separate domains. They are interdependent. When one breaks under pressure, the others can follow.

This is [polycrisis](#): a persistent operating environment in which multiple interconnected crises amplify one another in ways traditional crisis management was not built to handle. The result is entangled risk.

Organizations that respond to each crisis separately, as if the others are not feeding it, pay for that mistake in lost revenue, legal exposure, eroded shareholder value, reputational damage, and weakened trust that can compound for years. What triggers a polycrisis is rarely what determines its ultimate cost. The key differentiator is whether leaders can see the entanglement early enough to act before the damage compounds.

That is where leadership capacity becomes enterprise protection. Organizations do not navigate polycrisis through plans alone. They need leaders who can read weak signals, coordinate across boundaries, make decisions under ambiguity, and mobilize people before the cascade becomes irreversible. This is why planning matters more than the plan itself. As Dwight Eisenhower said: "Plans are useless, but planning is indispensable."

The evidence from our research is consistent: Organizations that understand these dynamics and build the leadership capacity to respond are more likely to come through disruption stronger, not merely intact.

This brief distills those findings into what executive teams need to understand, what leaders at every level need to practice, and what investing in leadership must look like in an era when crises no longer arrive one at a time.

David Altman, PhD

Executive Advisor
Center for Creative Leadership



3 QUESTIONS TO FRAME WHAT FOLLOWS

The 3 insights that follow are organized around these questions, and the research behind each one points to specific actions for organizations to take.

1



Which challenges in your organization appear separate but are already feeding one another?

2



If multiple parts of your organization had to coordinate without warning, who would lead and would they know they had the authority before they needed it?

3



What did your organization retain from the last crisis it survived, and what slipped back to the way it used to be?

EXECUTIVE SUMMARY

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INSIGHT 1: ANTICIPATE

In a polycrisis, the conditions that determine how far a disruption spreads are accumulating inside your organization continuously.

They never reset between events, because there is no between. Leaders can see them now if they know where to look and how the connections form.

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INSIGHT 2: COORDINATE

Wherever a polycrisis is in motion, coordination failures are the primary mechanism through which enterprise value is lost.

The breakdowns are predictable, follow a documented pattern, and can be addressed in advance rather than improvised under pressure.

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INSIGHT 3: CAPTURE

Polycrisis can accelerate organizational performance.

At any moment, a crisis somewhere in your organization is suspending the inertia that hinders transformation and opening a window for change that was impossible before the crisis. The organizations that emerge stronger move through that window deliberately.

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WHERE TO START

Acting on these 3 insights requires leaders who can do it.

We recommend 4 development practices to build that capacity systematically.



LEADING IN POLYCRISIS

As part of our research, CCL surveyed about 1,100 employees across 35+ countries on 10 categories of crisis — from financial pressure to political instability — measured personally and at work.

- The typical employee was affected by 8 out of 10 crisis types in the past year.
- The most common single response was the maximum: 10 crises at once.
- 65% reported the crises interact and make each other worse.

1100 EMPLOYEES
SURVEYED

35+ COUNTRIES

10 CATEGORIES
OF CRISIS

8 CRISIS TYPES
TYPICALLY
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65% REPORTED THE
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THESE ARE LEADERS IN YOUR ORGANIZATION.



INSIGHT 1:

ANTICIPATE

In a polycrisis, the conditions that determine how far a disruption spreads are accumulating inside your organization continuously, and they are visible now if leaders know where to look.

The problems that feel separate usually aren't. They're accumulating across multiple systems simultaneously, each making the others worse, all waiting for a trigger to reveal the connection. A cyberattack, a supplier collapse, a regulatory shift: none of these determines the outcome on its own. What does is the state of the organization where those events occur.

The critical distinction is between stresses and triggers. Stresses are slow-moving conditions — technical debt, cultural erosion, operational strain — that accumulate over months or years. They're observable and auditable. Triggers are fast-moving events that interact with accumulated stresses, producing polycrisis. The trigger is often unpredictable. The stresses that make it catastrophic rarely are.

Our research identified 5 categories of incubating conditions that accumulate inside organizations. These internal vulnerabilities interact with external pressures — political, economic, social, technological, environmental, legal — that polycrisis can activate from any direction. The danger isn't any set of conditions alone; it's their collision. The diagnostic questions beside each are the ones leaders must be able to answer:

Condition Category	Stresses That Accumulate	The Questions To Ask
TECHNICAL	Aging infrastructure, accumulated technical debt, systems past replacement dates	How many temporary workarounds are in place, and how old is our core technology?
OPERATIONAL	Overwhelmed teams, manual workarounds, processes dependent on heroic individual effort	Which processes would fail if one key person left tomorrow?
STRUCTURAL	Silos between functions that need to coordinate, fragmented accountability, disconnected communication	Which teams should be coordinating now but aren't?
GOVERNANCE	Oversight fragmentation, misaligned committee responsibilities, risk appetite mismatched to actual exposure	Who owns cross-functional risk, and is that ownership clear?
CULTURAL	Complacency from past survivals, growth prioritized over resilience, warnings normalized rather than addressed	How many audit findings are classified as accepted risks?

WHAT MAKES THESE CONDITIONS DANGEROUS IS THEIR CONNECTION.

Our research identified 4 mechanisms through which vulnerabilities become entangled:

- **Silos become highways.** The organizational walls built to create focus become pathways for failure. When functions operate in isolation, a critical failure in one travels undetected into others.
- **Success masks danger.** Feedback loops that normally maintain stability can accelerate toward catastrophe. Documenting problems creates the illusion they're being managed. Growth imperatives ensure complexity keeps accumulating.
- **Resource debt cascades.** Like financial debt, operational debt compounds. Each unfixed problem creates the next one, until there's no slack left when the trigger arrives.
- **Simultaneous exposure.** When multiple systems weaken under the same stress simultaneously — a budget freeze hitting IT, operations, and training at once — everything fails together.

These 4 mechanisms point to 4 moves that break them:

- **Make the highway run both ways.** You can't wall the functions off, and you wouldn't want to, since they have to work together. Build the connection on purpose before a trigger arrives, so the same pathway that would carry failure carries coordination instead.
- **Install a circuit breaker.** Decide in advance the signal that forces a stop and a reassessment, the point where fixing one problem starts feeding another. The breaker trips before the loop builds to a screech, which is how you catch feedback that otherwise hides behind the documentation that says it's handled.
- **Reserve a firebreak.** Hold specific capacity back, not a generic contingency line but real slack you refuse to spend on operations. It's the gap that stops the fire jumping when the trigger lands and the debt comes due.
- **Know the stress radius.** Before you pull a lever that hits several systems at once, such as a freeze or reorganization, map how far it reaches. One decision can push IT, operations, and training to the edge together, and knowing the radius first is what keeps everything from giving way at the same moment.



Geopolitical confrontation ranks as the top short-term global risk, according to the World Economic Forum.

Its organizational consequences illustrate how external triggers interact with internal stresses across multiple systems simultaneously.

TRADE & SUPPLY CHAIN

The 2025 tariff changes disrupted automotive and electronics sectors within days. Organizations with highly concentrated regional dependencies discovered them through immediate operational failure, exposing the systemic fragility built into years of vendor consolidation and cross-border logistics designed for a stable trading environment that no longer existed.

Where this leaves you:

The problems that look separate in your organization are often feeding each other in ways the org chart doesn't capture.

They live in the 5 categories above with mechanisms like silos-as-highways and resource-debt-cascades connecting them. The test is whether your leadership team can stand in front of those categories and trace, specifically, where problems in one are feeding problems in another. If your team can't, the connections are forming without anyone seeing them, which is what turns an ordinary trigger into a polycrisis.

TECHNOLOGY & MATERIALS

Jurisdictional export controls on semiconductors and rare earth materials in 2024 and 2025 triggered cascading shortages across defense and consumer tech. The external restrictions exposed the fragility within existing internal stresses: aging procurement infrastructure and insufficient strategic stockpiling.

REGULATORY & COMPLIANCE

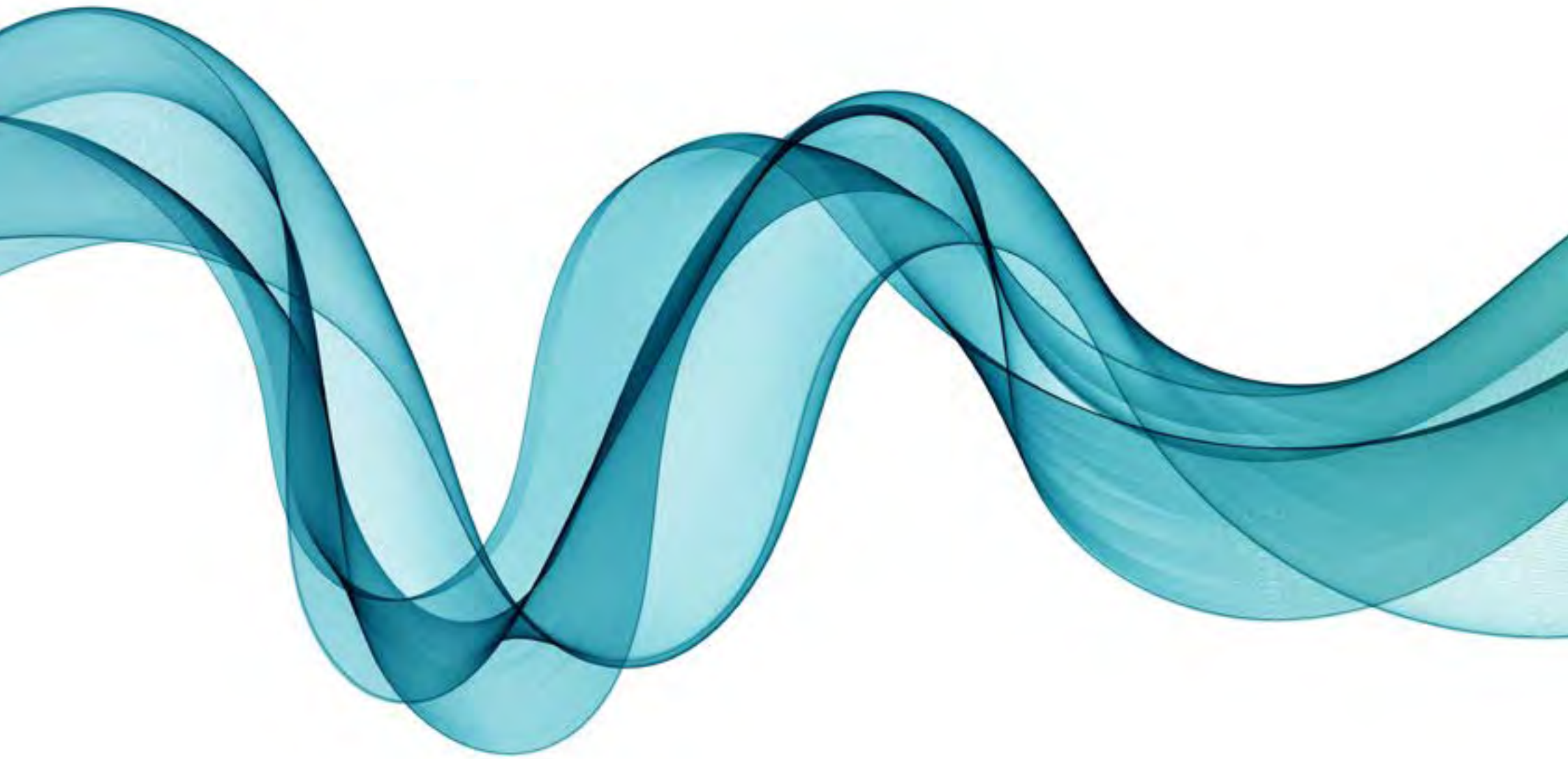
The simultaneous acceleration of ESG disclosure deadlines across the EU, UK, and US turned what many boards treated as a mere reporting function into a massive, cross-functional operational exposure spanning legal, finance, and supply chain management.

In each case, the external pressure was the trigger. The organizational conditions it activated had been accumulating long before.

In practice: Convene a cross-functional conversation specifically about interdependencies and how current internal stresses connect to one another. Then test whether your leaders can trace how a crisis in one domain would cascade across your organization — not just which functions would be affected, but in what direction the pressure flows, how strong each connection is, and how quickly the impact would arrive. If they can map that picture together, your coordination capacity is real. If they can't, that disconnect is worth closing before a trigger forces the issue.

Go deeper →

[When Crises Collide:
How Leaders Untangle
Organizational Stressors](#)



INSIGHT 2:

COORDINATE

Wherever polycrisis is in motion, coordination failures are the primary mechanism of value destruction.

When multiple crises hit simultaneously, functions optimized for their own performance can find themselves working at cross-purposes when conditions shift faster than coordination can adapt. Decision authority is unclear, and the organization loses the ability to act as a whole precisely when it's vital.

The pattern is visible in documented organizational failures. Consider this scenario: a VP of operations cuts costs through vendor consolidation — improving margins. A VP of sales loses major accounts because of resulting stockouts — damaging revenue. A chief sustainability officer faces compliance risk because consolidation violated supplier diversity commitments — creating legal exposure. Three leaders, each succeeding by their own metrics, producing one organizational failure. In a polycrisis, this pattern speeds up: Multiple simultaneous crises mean the gaps between functions become the primary source of organizational risk, and the cost of misalignment compounds faster than any single team can address it.

[Our research on multiteam systems in polycrisis](#) identifies a predictable pattern of coordination breakdowns, and polycrisis conditions amplify every element of it. The specific breakdowns that compound fastest during a polycrisis response aren't random. They follow a recognizable pattern, appear in a documented sequence, and can be addressed proactively.

5 Coordination Breakdowns & the Conditions That Prevent Them

Breakdown	What It Means
TEAMS DON'T KNOW EACH OTHER	When a polycrisis requires cross-functional response, unfamiliar teams lose critical time establishing trust and understanding constraints. Solution: Build cross-functional relationships now, before a crisis determines which teams need to work together.
COORDINATION COLLAPSES AS CONDITIONS SHIFT	The team combinations a crisis requires in Week 1 aren't the same as Week 3. Organizations that can't adapt coordination as conditions evolve lose ground with every shift. Solution: Test this capacity before pressure demands it.
LOCAL EXCELLENCE, SYSTEM RISK	The functions that perform best in isolation can create the largest system-wide exposures during polycrisis. Three executives, each succeeding at their own goals, can produce one organizational failure, not because anyone underperformed, but because no structure existed to align their decisions in real time. Solution: Develop dual capacity — leaders who can deliver function-level performance and hold system-level alignment simultaneously.
NOISE COMPETES WITH IMPORTANT SIGNALS	Too much information sharing slows decisions; too little leaves teams without the situational awareness to act on what's happening. In a polycrisis, both fail in the same way: Teams lose the ability to see how a crisis in one domain connects to a crisis in others. Solution: Establish clear communication nodes, boundary-spanners, and protocols that surface cross-domain interactions before the crisis.
AUTHORITY CAN'T MOVE FASTER THAN THE CAPACITY TO HOLD IT	Decision authority must shift to wherever relevant expertise exists as a crisis evolves. Protocols alone don't produce this. Organizations should build the underlying capacity: psychological safety that lets people step into authority, shared mental models that let others accept it, and leaders at multiple levels developed enough to take it. Solution: Build the capacity. Flexible protocols and named authority only work in organizations with the leadership depth and trust to use them.

Where this leaves you:

If multiple parts of your organization had to coordinate without warning tomorrow, you can tell whether you have the capacity by addressing 3 questions with your leadership team:

- **Who would lead, and would they know they had the authority before they needed to use it?**
- **Could the team name the 3 executives most likely to bridge functional boundaries when conditions demand it?**
- **Could your organization handle a crisis that required the Week 1 teams to look different from the Week 3 teams?**

If any of these questions produces uncertainty, you don't have the coordination capacity polycrisis will require, and the breakdowns above are how that gap will show itself.

In practice: Identify who in your organization can connect teams across functions when conditions are shifting fastest, and give those leaders explicit coordination roles before a crisis assigns them by default. Then run a cross-functional exercise to stress-test coordination and the handoffs between teams. Review what broke down, where authority was unclear, and which functions didn't know one another's constraints. CCL's multiteam systems mapping tool, developed alongside this research, walks leadership teams through this — identifying which teams must coordinate during which conditions, where the gaps are between current and required interdependence, and who the boundary spanners should be.

Go deeper → [The Alignment Trap: Why Your Best Leaders May Accidentally Work Against Each Other](#)



INSIGHT 3:

CAPTURE

Polycrisis can accelerate organizational performance.

This isn't a celebration of crisis. Polycrisis exacts real costs — lives, livelihoods, communities. Recognizing what organizations can build through it doesn't diminish those costs; it ensures the positive changes made under extreme pressure create lasting value rather than evaporate when stability returns.

The instinct during a crisis is to focus entirely on damage limitation. But [our research](#) documents a consistent pattern that runs alongside the threat: polycrisis conditions suspend the institutional inertia that normally makes transformation slow, costly, and politically fraught. Barriers that resisted change for years dissolve under pressure. Decisions that required months of consensus-building get made in days. The same crisis that threatens performance creates the conditions for the kind of organizational change that would have been impossible without it.

Telehealth

MEDICARE PRIMARY CARE VISITS:

0.1% → 43.5%

in a matter of months, a transformation across regulatory, financial, technological, and access systems that had resisted change for decades.

The pandemic made possible what years of advocacy had not.

[Our research also examined 6 organizations](#) — across pharmaceuticals, utilities, manufacturing, aviation, food, and electronics — that navigated hurricanes, cyberattacks, and pandemics while simultaneously advancing business, environmental, and social performance. The finding was consistent: These organizations didn't choose between managing the crisis and building for the future. They did both, converting polycrisis conditions into organizational capability that outlasted the disruption itself.

There is a window that makes this possible. Our research identified 6 actions that capture crisis-driven gains before institutional inertia reasserts:

Action	What It Requires
RECOGNITION	Scan actively for innovations and workarounds that are outperforming prior procedures. Document them systematically during the chaos before they're forgotten when stability returns.
MOBILIZATION	Deploy resources and decision-making authority while the window is open. The barriers that blocked action before will reassert; act before they do.
NAVIGATION	Guide teams through multi-system changes that cross functional boundaries. This requires leaders who can coordinate across the organization and outside of it.
FORMALIZATION	Document innovations before they dissipate as the crisis eases. What isn't captured explicitly will be lost to the pull of prior practice.
REINFORCEMENT	Embed changes into policies, systems, and incentives. Without deliberate reinforcement, organizations return to the patterns the crisis temporarily suspended.
RESILIENCE	Develop the capacity for continuous adaptation rather than episodic response, so the next crisis finds a more capable organization, not the same one.

The transformation window doesn't stay open, and the gains don't hold themselves in place. The same telemedicine transformation that surged during the pandemic has partially reversed as emergency policies have been rolled back. Crisis-driven change is the beginning of the work, not the end of it.

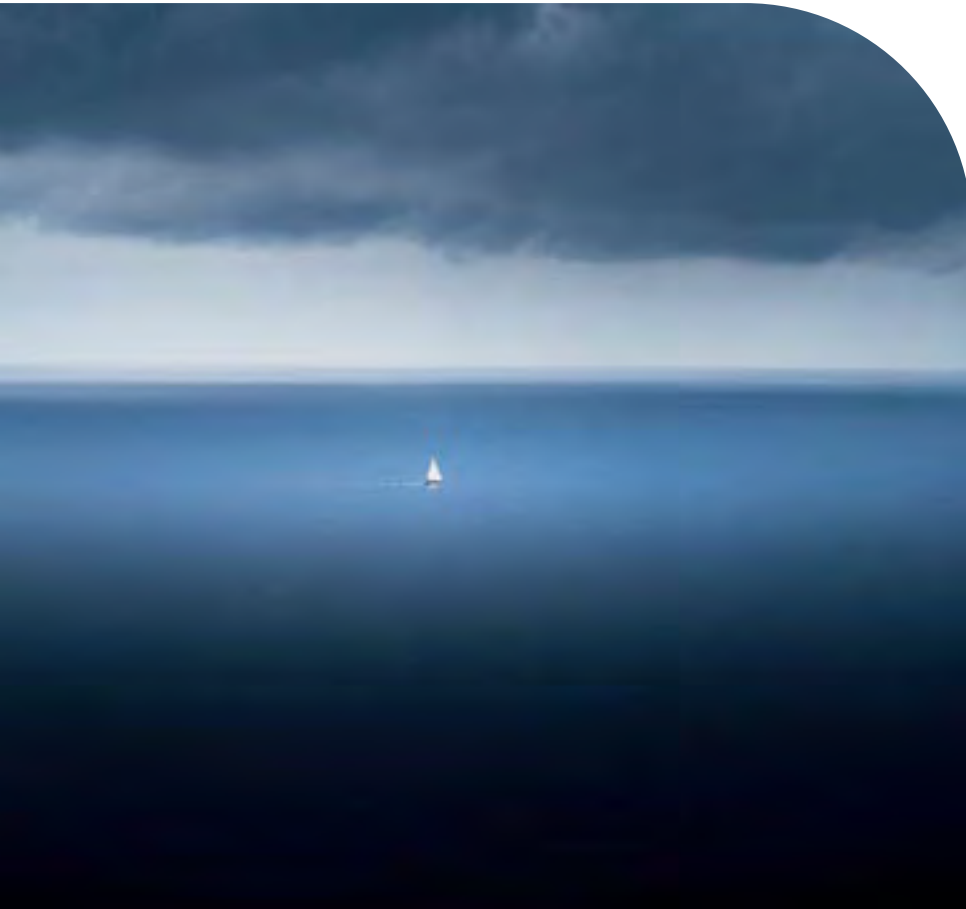
Where this leaves you:

Look back at the last significant crisis your organization survived. What did you retain from it?

If the workarounds dissipated, the coordination models reverted, and the changes you'd been trying to make for years happened during the crisis and then slipped back to the way they used to be, your organization didn't capture the window — it closed without you. If you can point to specific capabilities, relationships, or operating models that survived because someone deliberately reinforced them, you're already building the muscle. The work is to do it more deliberately, in less time, before the window closes again.

In practice: After your next significant crisis (or your last one, if it's recent enough), convene an after-action conversation with one question: What did you build or discover during this time that you should retain? Identify the workarounds that outperformed prior procedures, the coordination models that held, the decisions that were made faster than normal. Then ask what it would take to embed those gains before inertia restores the prior state.

Go deeper → [Windows for Transformation: Seizing Opportunity in Polycrisis](#)



WHEN POLYCRISIS HITS, PREPARATION IS THE DIFFERENCE

The same category of crisis, a technology failure cascading across an entire organization, produced 2 dramatically different outcomes. The difference was what each organization had built before it arrived.

WHEN PREPARATION IS ABSENT

A single faulty software update crashed millions of devices across a global technology ecosystem. A major airline canceled thousands of flights over several days. Hospitals lost access to patient records. Banks went offline. Emergency dispatch centers went dark.

The financial consequences ran into the hundreds of millions in direct losses, settlements, and legal fees across multiple organizations.

The update didn't create the catastrophe. It activated one already waiting. Years of accumulated dependencies across technology, logistics, staffing, and customer systems had never been mapped as a connected whole. When one failed, the chain collapsed.

What was missing: Visibility into how systems connected. Coordination infrastructure across functions. A mapped picture of what a cascade would look like before it happened.

WHEN PREPARATION IS PRESENT

Ransomware encrypted thousands of computers across dozens of countries. The entire IT infrastructure was compromised. The financial cost ran into the tens of millions.

Production never stopped.

Leadership immediately shut down the entire network, accepting short-term disruption to prevent further cascade. Manual procedures, documented and maintained in advance, allowed operations to continue. Rather than commanding the response from the center, leadership distributed authority to the people closest to the problem.

What made the difference: Pre-built coordination capacity. Maintained redundancies. Collective leadership that knew how to act across boundaries without waiting for permission.

The implication: The trigger was unpredictable in both cases. The outcome wasn't. Leaders who could see connections, coordinate across boundaries, and act without waiting for direction made the difference.



WHERE TO START

Build the leadership capacity polycrisis demands.

Everything our 3 insights point to — seeing how vulnerabilities connect before a trigger reveals them, holding organizations together when coordination is breaking down, capturing transformation windows before they close — requires leaders who can do it. That makes leadership development the strategic infrastructure that determines whether your organization has the human capacity to lead through what's coming.

Organizations that hold together under polycrisis build integrated leadership capacity — collective, cross-functional, embedded in how work happens — that compounds over time. Episodic training produces leaders who know what to do. Embedded development produces organizations that can do it.

4 practices build this capacity in the conditions polycrisis creates.

1. **Continuous learning** integrates capability into daily work through ongoing feedback loops — because polycrisis conditions shift faster than annual training cycles can keep up with.
2. **Learning in action** develops leaders through real stakes and cross-functional exercise, building capability before a crisis requires it. The research CCL pioneered on the lessons of experience consistently shows that direct experience drives leadership development more than classroom training.
3. **Wellbeing and inclusion** sustain leaders under persistent crisis rather than episodic pressure — and organizations that treat wellbeing as peripheral to performance pay for that assumption when conditions are demanding.
4. **Vertical development** expands how leaders think, not just what they know — and in polycrisis, that cognitive complexity is what separates a leader who freezes from one who moves.

Our research also identifies a specific barrier that stands out: the belief that developing leaders for systemic, interconnected crises is someone else's problem. The organizations that close this gap shift from that assumption to a different one: Building integrated leadership capacity is as essential to organizational performance as the operational systems leaders are responsible for running.

Go deeper →

[Leadership Development as a Force Multiplier for Systemic Solutions](#)

[Leadership in Polycrisis: Essential Capabilities for Navigating Global Challenges](#)

THIS IS WHAT CCL DOES.

Every insight in this brief points to the same conclusion: navigating polycrisis requires leaders who can do it. Building those leaders systematically, at every level and in ways that create collective capability rather than isolated competency, is what CCL has done for nearly 60 years.

The research underpinning this brief is the same research that grounds our work with clients. We don't apply generic frameworks to specific organizations; we design a solution built to your strategy, systems, culture, and the specific crisis landscape you're navigating.

Polycrisis demands stronger organizational leadership.

Partner with us to build it.

RELATED RESOURCES

RESEARCH:

[Leadership Capabilities for Navigating a Polycrisis](#)

[From Crisis to Transformation: Leveraging Telemedicine to Drive Healthcare System Change in an Age of Polycrisis](#)

[Leading Beyond Barriers: Creating Impact in an Age of Polycrisis](#)

[Threading the Needle: Ten Practices of Organizations that Navigate Polycrisis While Advancing Socio-ecological Wellbeing](#)

[Leading Multiteam Systems in Polycrisis Conditions](#)

ARTICLES:

[Leadership in Polycrisis: Essential Capabilities for Navigating Global Challenges](#)

[Leadership Development as a Force Multiplier for Systemic Solutions](#)

[Windows for Transformation: Seizing Opportunity in Polycrisis](#)

[When Crises Collide: How Leaders Untangle Organizational Stressors](#)

[The Alignment Trap: Why Your Best Leaders May Accidentally Work Against Each Other](#)

SOLUTIONS:

[Organizational Leadership](#)

[Custom Leadership Development](#)

[Leading Through Uncertainty](#)

KEY CONTRIBUTOR



Jean Leslie

Jean Leslie is a CCL Senior Fellow and Senior Research Scientist. In this role, she conducts applied research at the intersection of leadership and polycrisis, investigating how leaders can navigate the complex, interconnected challenges facing our world today. Her work focuses on developing evidence-based strategies and frameworks that help leaders, organizations, and communities respond effectively to overlapping crises while building resilience for the future. Through this research, she aims to empower leaders with the tools and insights needed to create positive, systemic change that benefits our world.



At the Center for Creative Leadership, our drive to create a ripple effect of positive change underpins everything we do. For 50+ years, we've pioneered leadership development solutions for everyone from frontline workers to global CEOs. Consistently ranked among the world's top providers of executive education, our research-based programs and solutions inspire individuals in organizations across the world — including ⅔ of the Fortune 1000 — to ignite remarkable transformations.

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