

THE LOGIC AND PSYCHOLOGY OF PANIC SITUATIONS by Geoffrey Klempner

Three cases

- You have an interview date with a potential client and have been waiting for your interview partner in a conference room for more than fifty minutes. His secretary apologizes for the delay and offers you coffee. How do you react? Will you leave? Are you prepared to wait longer?

- One morning you find that you have to deal with many things in parallel: A proposal to improve the working climate for your boss which you promised to deliver at the end of the day (you know it will take you at least four hours to finish off). In the morning you have to go to the project team meeting to get an overview about the latest developments of the past week. Further, you promised to join a two hours meeting at the HR department in the afternoon to discuss an education plan for the staff. The project leader called you and asked urgently for a private meeting with you (tomorrow he will be travelling again). In your e-mail inbox you find about thirty unopened and unanswered e-mails. It is obvious that you are not able manage all those tasks within this day. What will you do?

- On your company networked laptop you have printers installed for all locations that you work at. You are printing a personal email. After clicking the print button, you realize to your dismay that you have used the printer at head office instead of your local printer. Everything that you said about your boss and his boss in a weak moment of desire for revenge is in this e-mail. What can you do to save the situation?

Definition

It is axiomatic that things sometimes go wrong, in business as in life. We spend much of our time thinking of ways and means of preventing things from going wrong. But sometimes business situations go pear shaped despite our most stringent efforts of exercising control.

All three situations I have described here might have been avoided. After twenty minutes, you should have said to the secretary, 'I'm sorry but I have a very busy schedule today, and I am only able to wait another ten minutes. If your boss can't make it this time please ask him to ring me to make another appointment.' With so many things going on, you should not have made such a rash promise to your boss. The mix-up with the printers could have been avoided by establishing a routine of double checking before sending out a print job.

But that is besides the point. However many panic situations we avoid, there will always be others to catch us off guard. Even if you plan your actions with perfect precision, taking account of every conceivable eventuality, you cannot be sure that one of your most reliable staff or colleagues won't unexpectedly let you down.

The everyday examples I have given are all personal, in that you are the only one under threat. But we could equally have looked at panic situations faced by teams, all of whose heads will roll if the project is not successfully completed, or companies fighting to survive in the marketplace.

For the purposes of this article, I am defining a 'panic situation' as things going wrong in an unforeseen way which requires an immediate response. Whether their going wrong was *foreseeable* may be a moot point, which becomes relevant if you are looking round for someone to blame. But when the panic bells ring, there is no time for blame.

A panic situation, so described, is different from a 'crisis' as such. While both panic situations and crises demand immediate action, the possibility of the crisis – a cash flow crisis, for example, or a crisis point in negotiations – was always on the cards, and so can always be planned for to some extent. You keep a source of funding in reserve in case the money runs low. Or you hold one or two pieces of ammunition back rather than shooting all your guns off at the start. Crises are part of normal business life. We also understand, and accept philosophically, that sometimes the cash does run out, sometimes negotiations do break down when we have nothing more to put on the table.

By contrast, what characterizes a panic situation is that it catches us unprepared. There are no techniques or practiced routines. We have to think on the hoof. As a philosopher, I am interested in this phenomenon as part of the natural history of the business world. I will argue that there is a *logic* of panic situations, as well as a *psychology*.

Logic

We talk of 'acting out of panic' by contrast with thinking things through. However, this very contrast often presupposes the vantage point of hindsight. The example of a building on fire is the classic case of perfectly logical, reasonable actions appearing to an onlooker as unthinking panic. You run past the nearest staircase because you can see smoke coming from under the fire exit door, not realizing that it was in fact your best chance of escape. Then you find that the second fire exit is blocked, so you run back only to discover that the first staircase is now full of smoke. So you run to the third fire exit, which looks safe enough until you get down to the next landing – and so on.

One of the hardest things to accept in any situation which requires a decision is when there is no good outcome. Sometimes, logically, all one can reasonably hope for is the least worst result. When you have little or no time to think, it becomes that much harder to accept the *least worst* option. So you hang on while the precious minutes or hours tick away, until the time and your choices run out. Or you tell yourself, 'Better be hanged for a sheep as for a lamb!' and choose the worst alternative instead of the least worst. Too late, you discover that the difference between the two was the difference between going down and surviving to fight another day.

We are taught that good decision making is a matter of thinking through consequences. Some times, a plan of action looks good until you reach the small print. So you can't afford to leave any stone unturned. But all that wisdom is turned upside down in a panic situation. When there is no time to think things through to the end you have to rely on your judgement, you have to average it, play your best hunch. Or you may have to bluff your way through. The very qualities which are regarded as suspect in normal business practice become the key to survival in a panic situation.

Psychology

One of the most profound facts about human beings is that we are subject to moods. To take the most simple, stark alternatives, everyone has at some time felt depressed or elated. What is most remarkable about moods is the way they colour the world. As Wittgenstein remarked, 'The world of the happy man is different from that of the unhappy man.' That is why the mental stress or anguish occasioned by a panic situation is not comparable, say, to physical pain. Admittedly, it is not so easy making decisions when you have a bad headache or a toothache. But at the end of the day physical pain is just that, and nothing more. Whereas the psychological aspect of panic, the mood that it brings on distorts the very way we see the world.

While we admire those who appear ice cool under pressure, it does not necessarily follow that the one who makes the least overt fuss is most likely to make the right decisions. It is just as likely that person holding things tightly together with has in the process allowed his or her view of the situation to become completely distorted. For example, the business competitor who has caught you napping becomes in your cracked vision the very personification of Satan, to be destroyed at any price – including your own survival.

In other words, don't be shy of using a few expletives if that works for you. It is not about making a fuss or not making a fuss but keeping hold of a balanced view of things, in the face of the strong psychological pressure to do otherwise. It may be necessary to remind yourself of very obvious facts. Run a simple checklist, or score different aspects of the situation on a scale from 1 to 5. All these props can help to restore a sense of balance even when your head is reeling.

A final thought. It is an accepted cliché of the business world that every threat is an opportunity. The psychological meltdown induced by a panic situation is one of the few times that you have to creatively challenge your fundamental assumptions. Don't let the opportunity pass you by.

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