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PulseTech Crisis Response Challenge

Company Background

Founded in 2023, PulseTech is a fast-growing fitness technology startup that designs smart health-tracking wristbands connected with a mobile app. The platform monitors activity levels, heart rate, sleep cycles, and GPS-based workout routes to create a detailed and personalized health profile for each user. Since launch, PulseTech has grown to over 3 million users across North America and Europe and raised \$47 million in Series B funding. The platform collects and stores sensitive user data to generate its personalized health insights, including names, biometric health metrics, sleep patterns, and location-based exercise history.

The Incident

Late Sunday evening, PulseTech's security team flagged unusual activity within a cloud database used by the mobile app. Within hours, the company confirmed that an unauthorized third party had accessed the system through compromised credentials belonging to a third-party analytics vendor. The breach exposed data from approximately 1.1 million users including their names, email addresses, sleep and activity data, and GPS workout history. Payment information was not accessed.

Before PulseTech could contain the situation internally, a cybersecurity researcher publicly disclosed the vulnerability online. The story spread quickly, with national media picking it up and the hashtag #PulseTechDataLeak trending across social platforms within hours.

The Fallout

Within 24 hours of the breach going public, the situation has escalated on multiple fronts:

- The PulseTech app is now temporarily removed from both Apple's App Store and Google Play and is pending a security review.
- Investors have begun raising serious questions about the company's risk management practices.
- A class-action law firm publicly announced it was investigating potential legal claims on behalf of affected users.
- The Federal Trade Commission (FTC) formally requested information regarding PulseTech's data protection policies.
- Competitors are moving quickly and positioning their platforms as more secure alternatives in press statements and ad campaigns.
- Customer support teams are overwhelmed and employees are left uncertain about next steps.

Your Challenge

As part of PulseTech's leadership, you must now respond quickly to contain the breach, reassure stakeholders, and restore trust in the company's platform.

RESPONSE FRAMEWORK

Crisis Response Plan

Your response plan should clearly outline methods for:

Short-Term Response (First 48 Hours After Crisis)

1. Your communication strategy for customers, regulators, and investors.
2. The immediate technical and operational steps required to contain the breach.
3. Actions to stabilize investor confidence and support internal teams.

Long-Term Recovery (Next 6 to 12 Months)

1. Key improvements in security, compliance, and internal governance.
2. Strategies to rebuild customer trust and strengthen brand credibility.
3. Clear metrics to evaluate recovery and long term stability.

Submission Rules

Length: Maximum two pages. Submissions exceeding two pages will not be reviewed.

Format and Layout: Any format is acceptable, provided it is clearly structured and legible within one to two pages. Creative and engaging layouts are heavily encouraged.

Team Size: One to three participants

Begins: March 9, 2026

Deadline: Submit by April 3, 2026

**We look forward to reviewing thoughtful, well-structured crisis response strategies.
Good luck!**

Judging Rubric

	1-2	3-4	5-6	7-8	9-10
Comprehension	Shows no real understanding of the situation or stakeholders. Misidentifies key facts and addresses none of the 6 prompted questions.	Shows minimal understanding of the situation's complexities, stakeholders, and implications.. Mentions some stakeholders but misses major ones (e.g., customers, regulators, investors). Addresses 1 of the prompted questions.	Shows adequate understanding of the breach and its effects. Identifies key stakeholders, but explanations lack depth or case-specific detail. Addresses 2-3 questions.	Shows strong understanding of the situation, stakeholder perspectives, and possible implications of actions. Addresses 4-5 questions clearly.	Shows complete understanding of the situation, stakeholders, and consequences of actions. Addresses all 6 prompted questions thoroughly and accurately.
Decision-Making	Demonstrates little to no sound judgment, prioritization, or leadership under pressure.	Demonstrates weak decision-making with limited prioritization and analysis; missing several important elements.	Demonstrates basic decision-making with some reasoning, but analysis is limited and lacks depth.	Demonstrates strong judgment under pressure with effective prioritization and reasonable damage control.	Demonstrates highly effective, well-justified decision-making with thorough analysis, evaluation of alternatives, and clear short- and long-term thinking.
Innovation & Presentation	Solution lacks originality and the 1-2 page submission is poorly organized or difficult to follow.	Limited originality; commonly used ideas. The 1-2 page submission has basic organization but limited clarity or design.	Shows some creativity in combining/adapting ideas. The 1-2 page submission is clear and organized.	Demonstrates creative thinking that improves existing approaches. The 1-2 page submission is well-structured, engaging, and easy to follow.	Demonstrates highly original, forward-thinking ideas. The 1-2 page submission is exceptionally clear, visually effective, and professionally designed
Feasibility	Recommendations are unrealistic or not implementable for a startup.	Recommendations are weak, underdeveloped, and missing key execution details.	Recommendations are realistic and explained clearly at a basic level.	Recommendations are realistic with clear, practical execution steps appropriate for a startup.	Recommendations are highly realistic, strategically structured, and demonstrate clear understanding of implementation constraints and resources.
Evidence & Support	No evidence or sources are used to support the plan.	Provides 1 piece of evidence, but it may be weak, irrelevant, or not credible.	Provides 2 credible and relevant pieces of evidence.	Provides 3 credible sources that clearly support key elements of the plan and demonstrate real-world precedent.	Provides 4+ credible sources that strongly support the feasibility of the plan, citing real examples of strategies that have successfully worked in practice.

Maximum Possible Points: 50



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