

# Crisis communications MYTH-BUSTING

Prevention is better than cure – prepare for the worst, but remember that crises are just part of the ongoing battle to maintain reputation

The PR industry loves lists of ‘the year’s worst handled crises’. And with the likes of Volkswagen and FIFA we do indeed have a nice list of CEOs and indeed their Communication Directors who lost their jobs as a result of crisis in 2015.

There are fewer lists and case studies devoted to organisations that handled their crisis well. In 2015, Alton Towers won plaudits for its communications following the crash of its ‘Smiler’ ride; Lufthansa after the Germanwings air crash; mining company BHP Billiton communicated fast and effectively when the dam of a Joint Venture company in Brazil burst; and Richard Branson as ever, after the Galactic crash in the Mojave desert.

But the true heroes are the PROs and organisations that cleverly nipped a crisis in the bud before it became one or where prior planning prevented one. We don’t get to hear about those often but one example is to be found in the December 2014 death of the charismatic and successful CEO of French oil company Total, Christophe de Margerie.

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His untimely demise at the hands of an allegedly drunk Russian driving a snow-plough at Moscow airport might have sent the shareprice reeling but a carefully prepared succession plan swung into effect. The new CEO, Patrick Pouyanne,

announced the next day, had previously and deliberately been exposed to the media and investors and was a respected and known entity. The transition was seamless and the shareprice unaffected.

## Crisis communications and Issues management are different

‘Crisis’ is an infrequent occurrence for most organisations, when defined as “an intense, unexpected and unstable state that disrupts normal operations and risks highly undesirable outcomes that requires extraordinary measures in order to restore stability”. The communications function’s role during a crisis is to minimise publicity, terminate long term coverage, preserve public confidence in the organization, ensure balance and emerge stronger. But let’s face it, crisis communication plans aren’t activated all that often.

So if the kind of event which dominates the news pages for days or weeks and the fallout of which defines the organisation for years is infrequent, perhaps we should take a chill-pill, ensure here is a tested plan for the worst and get on with PR life?

Probably - and wisely!

However, what of crisis management’s unruly sibling - ‘issues management’. This is often ‘business as usual’ in PR – the negative fallout of which can define the organisation for years. For communicators, a ‘crisis’ is really but a spike in the graph representing the constant reputation battle being fought

out across multiple audiences. They can both have serious short and long term reputation consequences (particularly when everything is digitally archived courtesy of Google)? Opposition to Shell drilling in the Arctic didn’t cause a ‘crisis’



but it did require constant management and communications during which Shell’s reputation with certain audiences took a big hit.

Many crises can be characterised as reputational problems rather than operational ones – and all organisations are vulnerable here. While it may not be a traditional ‘crisis’, a poor reputation becomes the context in which all your communications take place. Think GSK and allegations of bribery in China; banks managing trust issues as a result of LIBOR rigging and the financial crisis; think Jeremy Corbyn!

So, just a thought. Is there a way to link more explicitly how we think and plan our communications around crisis with how we think and plan communications around issues?

## It will never happen to me

Just because you do not work for an airline where you have to prepare for an aircraft falling out of the sky, or for an oil company where the rig may explode or for a food manufacturer whose products may be contaminated, doesn’t mean you will not face a reputation defining moment in other ways.

As the saying goes, an issue ignored is a crisis invited. And in the words of the National Lottery advertising - “it could be you”. Most spikes in reputation management arise from ‘slow-burn’ issues rather than a singular incident – think Thomas Cook’s handling of a ‘routine’ legal hearing over deaths in a Corfu hotel nine years before.

Similar scenarios could relate to long-standing labour issues that suddenly explode or discrimination complaints coming to a tribunal (crucifixes anyone?) or a ‘standard process’ that causes consternation in a different situation (think The ▶

◀ Environment Agency’s opening of the York flood barrier in December 2015).

Good crisis planning, a clear singular corporate story and endless practise can allow you to emerge stronger from your crisis. It’s usually not the crisis that defines your reputation but how you handled it. Crisis preparation is not a single time inoculation! Confidence comes from learning; learning comes from practise. A crisis is no time to start practising.

But let’s be clear, there are very few examples of organisations ever collapsing as a result of a reputation hit. Arthur Anderson and Ratner Jewellers perhaps - but the list is pretty short.

### Does the CEO always need to respond to a crisis?

No. Dragging out the CEO to respond to every perceived crisis may not be the correct default strategy. Why?

1 It’s not really a crisis. As discussed, many situations actually require issues management – and that’s possibly someone else in the organisation’s job to sort out. Your CEO really is quite a busy person with enough to worry about. Keep them informed, probably involved, but they don’t always need to be the spokesperson.

2 The CEO should be getting a grip on sorting out the problem. It’s difficult to do this if they’re spending all their time talking to journalists, important though communication may be. Should the nature of the crisis demand it, then by all means a press conference or a small number of interviews with key media is appropriate (which might be because of their large reach or key specialist audience). But then

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think about delegating day-to-day media handling to someone else until you’ve arrived at the next big ‘stage’ of your crisis and putting up the CEO will demonstrate its importance to the media.

3 They are not the best spokesperson for the organisation in the situation. A pretty good rule-of-thumb is that incidents involving loss of life always require the CEO or Chairman to be available. Otherwise CEOs who are just not very good at media handling (another reason for training them intensively before a situation arises) may make things worse when there may be better qualified people to do it. Two cautionary tales:

Many of the US media interviews undertaken by BP’s Tony Hayward during their Gulf of Mexico crisis might have been better done by a senior American executive. Fielding the ‘home boy’ with the right accent, who understands local cultural nuances and who looks as though they feel the pain of the audience because it’s their community too, goes some way to showing empathy with those affected.

In 2013, more than 40 people were killed when a 73-car train filled with oil derailed in Quebec and slammed into downtown Lac-Mégantic. Edward Burkhardt, chairman of the responsible train company waited several days before showing up and giving a very poor press conference, assigned blame without knowing the facts, chided the press for their ‘manners’ and talked of how his net wealth had taken a hit after the accident.

4 Alternatively, there just may be more appropriate people to be the lead spokesperson. The issue may be very technical and the CEO might struggle with elements of that (as demonstrated at an

infamous press conference following the 1989 Phillips Houston Chemical Complex explosion in Pasadena Texas which killed 23 people. The CEO, Glenn Fox, alone on a platform, struggled with a large piece of

valve machinery to explain what had gone wrong. The media pulled him to pieces).

### Did Tylenol set the gold standard for crisis management?

The grand-daddy of effective communication during a crisis is often held to be Johnson & Johnson’s response to the Tylenol poisonings in 1982. While Electric



Airwaves has previously written a case study on this, particularly identifying the importance of a single unifying corporate message in one’s crisis communication, we should not forget that things were very different thirty years ago.

No social media to aggregate and amplify the story; media reach, media tenacity and media relations were a pale imitation of what they are today (J&J’s press office were alerted to the link between Tylenol and deaths by a journalist who then gave them a few hours to investigate before commenting!); much of the J&J response was led by use of advertising (and even by cars circling around Chicago issuing warnings through loudspeakers), not communicating through the media; and they took several days to get Tylenol off the shelves which would be regarded as a massive #PRfail today.

There are lessons to be learnt from the incident about how organisations respond to crisis – but there are fewer lessons for PR people than might be imagined and there are a lot more recent valuable case studies.