MCH8179 Risk and Crisis Management



LEARNING OUTCOMES

To develop:

- the ability to develop and deploy established media relations activities during crisis
- the ability to independently evaluate, draw upon, and offer practical recommendations to organisations facing crises
- advanced communications and strategic planning skills in the production of a crisis response plan.

❖Key focus:

- Crisis management/communication plan (CMP/CCP)
- Crisis management team (CMT)
- Scenario discussion



(Griffin, 2014)

'Most of the work done in the name of crisis management is in fact crisis preparedness'

Crises – perceptions (Griffin, 2014)

Terminology and attitudes are extremely diverse:

- For some organisations 'crisis' is a dirty word
- Incident management with emergency response
- 'We have crises every day'
- Issues management
- Reputation risk

Regester & Larkin (2008)

'An issue ignored is a crisis ensured'

ICM (2022)

BUSINESS CRISIS DEFINED

Any issue, problem or disruption which triggers negative stakeholder reactions that can impact the organization's reputation, business and financial strength

TYPES OF BUSINESS CRISES

Sudden Perceptual Smoldering Bizarre



Catastrophies Casualty accidents Lawsuits Consumer activism Cyber crime Defects and recalls Discrimination Environmental damage Executive dismissal Mismanagement Whistleblower Sexual harassment Who typically experiences and prepares for crises?

Big companies with major assets

Physical product-led companies

Service industries

Which category do your clients belong to? Why do crises happen?

- Rigid management systems
- Overconfidence
- Poor structure
- No emphasis on substance

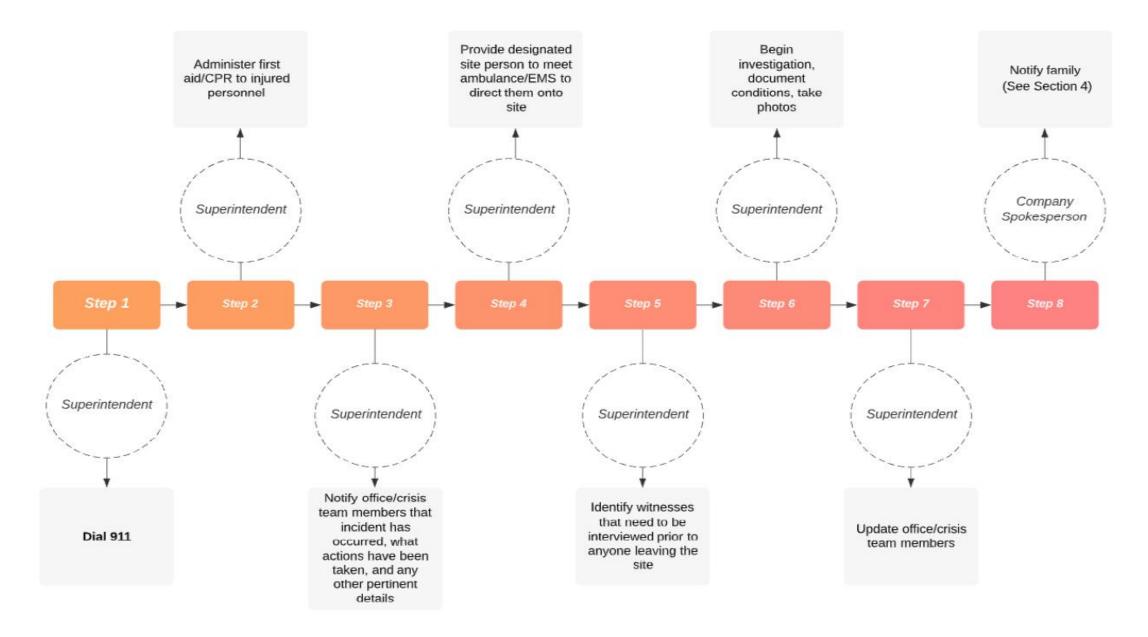
CMP, CCP, CMT

Crisis Management Plan vs Crisis Communication Plan

Crisis Communication Team

SERIOUS INJURY / FATALITY

WORKFLOW



In the event of an employee fatality:

There may come a time when you will have the unfortunate responsibility to notify a wife, husband, mother, father, son, or daughter of one of your workers of the death of their loved one. This is a very traumatic event, for both the family and you. The following are guidelines to help prepare:

Prior to any discussions involving the events of a fatality, consult our legal counsel for direction. Have your facts together. Obtain the full name, address, and social security number of the deceased. Get full name of next of kin, relationship to the deceased. Determine if family members are English-speaking or if an interpreter is necessary. Gather all information relative to the event and prepare for any and all questions.

Have a support system. You'll need support as well, so take a fellow employee, superintendent, co-worker friend, or minister. Assess the stability and health of the family members upon hearing this type of news.

Determine what you will say. There is no easy way to do this. Speak simply and directly. Listen and provide answers to any and all questions to the best of your ability. Be sympathetic. Be factual. Don't lie or make up answers if you are not certain.

- The President, Spokesperson, or member of upper management, will inform the spouse in person of the accident. A phone call is not acceptable. Offer (and select) an employee to assist the family in any manner he/she can make calls or help handle arrangements.
- The designated upper management personnel should remain at the home until other family members arrive
- Provide as much comfort to the family as possible during this difficult time. If the victim's
 family is in need of money to cover expenses or require other assistance, you should
 consider offering to help it is within company policy
- Contact should be maintained with a relative or close friend of the spouse throughout the time of the funeral to make sure everything is done

NOTE: If the injury involves a non-employee, also consult our legal counsel as soon as possible. The local authorities will need to be consulted and our legal counsel can provide advisement.

Key elements of a crisis manual

- 1. Identification of potential crises
- 2. Establishment of a crisis management/control team
- 3. A 24 hour mobilisation plan
- 4. A written manual of procedures
- 5. Co-ordination of procedures with third parties
- 6. Regular trial runs to test the plan

Crisis Management Team

- CEO/President/Senior Execs
- Comms
- Marketing/Sales
- Operations
- HR
- Legal

Key elements of a crisis manual

- Agreed procedures and training programme for handling initial 'crisis call' whether it is received by the chief executive's office, the switchboard operator, or arises in the public domain
- Prepared corporate 'position statements' or guidelines on all issues likely to affect organisation
- Prepared 'holding statements to ensure no potentially damaging comment is released to media or other party

Key elements of a crisis manual

- Communication plan for informing sales force and other employees of action required
- Product withdrawal procedures including, where relevant, agreed liaison procedures with distributors/retailers
- Mock-up advertising layout to cover potential needs
- Draft press releases to provide format and content guidelines
- Dark site/dark side on the website



A STAR ALLIANCE MEMBER

Accident to Ethiopian Airlines flight number ET 302 Accident Bulletin no. 1 Issued on march 10, 2019 at 11:00am

Accident Bulletin no. 1

Dark site/

dark side

Issued on march 10, 2019 at 11:00am

Accident to Ethiopian Airlines flight number ET 302

Ethiopian Airlines regrets to confirm that its flight ET 302/10 March in schedule service from Addis Ababa to Nairobi was involved in an accident today around Bishoftu (Debre Zeit).

The aircraft B-737-800MAX with registration number ET- AVJ took off at 08:38 am local time from Addis Ababa, Bole International Airport and lost contact at 08:44am. At this time search and rescue operations are in progress and we have no confirmed information about survivors or any possible causalities. Ethiopian Airlines staff will be sent to the accident scene and will do everything possible to assist the emergency services.

It is believed that there were 149 passengers and 8 crew onboard the flight but we are currently confirming the details of the passenger manifest for the flight.

Ethiopian Airlines is establishing a passenger information center and telephone number will be available shortly for family or friends of those who may have been on flight ET 302/10 March.

Ethiopian Airlines will release further information as soon as it is available. Updated information will also be on Ethiopian Airlines website

at www.ethiopianairlines.com



Mr. Tewolde GebreMariam Group Chief Executive









PR role in crisis

- Ensuring nominated spokesmen are media trained in subject matters related to each potential crisis
- Ensuring plans for handling media enquiries are prepared in advance
- Picking your way through the minefields of semantics and misinterpretation surrounding the exact wording of key policy statements – KISS!
- Playing your part in containing that crisis alongside the other key players to minimise the damage, whether financial, trading or reputation





Stakeholder mapping – 'get to know the enemy' (Deegan, 2001)

- Identifying activists that may prove a threat
- Identifying activist goals
- How activists view the organisation
- Public opinion and potential threats
- Organisational performance
- Outside influences

Stakeholder mapping — 'get to know the enemy' (Deegan, 2001)

- Focus: relationship building, negotiation and conflict resolution
- Which groups to approach
- When to approach
- Who to approach first
 - Less hostile groups
 - Immediate threats
 - Local groups

Media relations

- When did their chair/CEO/PR last meet key journalists?
- What's the tone of the media coverage positive, negative, neutral?
- How does this compare to industry standard/competitor position —are you being set up as the 'bad guy' or 'fall guy'?



Golden rules (and processes to adhere to!)

- 1. Call in the legal experts as soon as possible, release no information to the media without having it checked by the legal experts.
- 2. Have one source of news in and out, make sure that receptionists know who and how to handle calls (most companies include receptionists and telephonists in crisis training scenarios).
- 3. Don't say "No Comment;" if you don't know, say so and promise to get back in touch as soon as you do know, and do it.

Golden rules (and processes to adhere to!)

- 4. Arrange for an independent, official enquiry (often a legal necessity for transport accidents etc.) as well as your own enquiry, and publish the results when available?
- 5. Cancel all product advertising perhaps replace it with product recall advertising?
- 6. The guiding principle initially is to save life before reputation = people, environment, property, money.

Golden rules (and processes to adhere to!)

7. Remember Owned media:

- the role of the website and social media in giving clear instructions on what is happening, what to do etc.,
- don't forget the intranet and/or extranet to keep employees and other stakeholders informed.

When should a CEO step up?



When should a CEO step up?

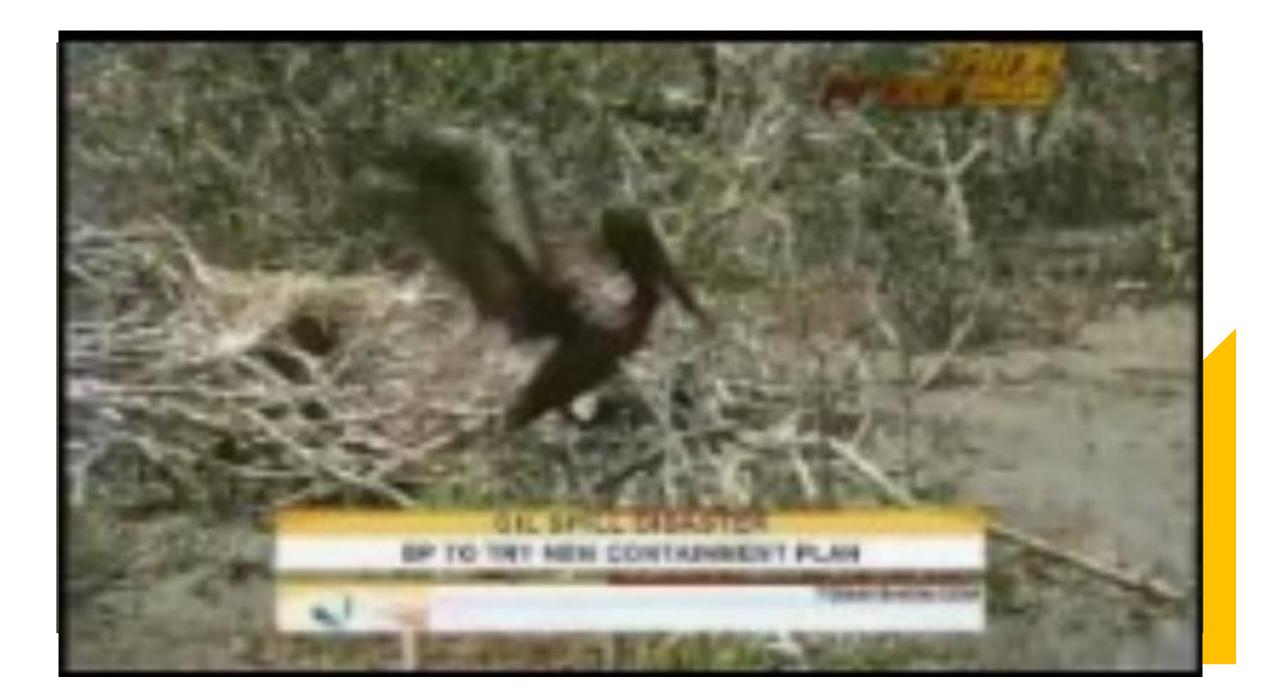
- You need more than one person
 BUT
- With one voice and message
- They have to media trained
- Manage expectations
- Consider crisis size and impact

When should a CEO step up?

Key considerations:

- Number of affected employees
- Casualties
- Litigation / stock plummeting
- Negative media hype & loss of reputation
- Government investigation





Off to you!

- 1. You are a **PR Consultant** and have just received a call from the local NHS Trust hospital (**not** a client), asking for some help.
- 2. One of the patients being treated in the accident and emergency unit has stabbed a visitor.
- 3. The local paper wants the Chair of the Trust to make a statement at a news conference.
- ➤ What will you advise?
- ➤ What will you charge?
- ➤ Holding/position statement?

What's next?

Week 4 Workshops:

- Cinnamon Toast Crunch
- CMTs analysis
- Response procedures (NUSU)

Week 5: Channels & Responses

- No lecture
- Seminars: writing response templates