

A white circular object, possibly a lid or a button, is centered on a yellow mesh background. The object has a thin white border and contains text in black and yellow. The text is arranged in a vertical stack, with the main title in black and the author's name in yellow.

**Holding
on to
stakeholders
when it hits
the fan**

By Michael Bland



I have a recurring nightmare:

I am starring in a play and, just as the curtains start to roll back, I realise that a) I have learned the lines to the wrong play and, b) I am stark naked.

Before the men in white coats come to take me away, let me say in my defence that this is apparently quite a common sort of dream for strange people like me - and that it is hardly surprising after years of working in crisis management.

For a crisis is a time when you stand naked before your stakeholders - and boy! are they looking at you. When something goes badly wrong - a faulty product, a serious accident, allegations of fraud, environmental pollution, an IT meltdown, hostile pressure group activity, you name it - a very large and very bright spotlight of attention lands on your company or organisation whether you want it or not.

The way you behave in that spotlight could make or break you, for your stakeholder audiences won't just remember what happened - they will remember what you did about it. This might sound obvious, but the instinctive reaction of top managements when caught with no clothes on is to do what anyone would do in that situation: run away or cover up.

Many of the most reputation-damaging crises of the past have involved companies which have clammed up - and in some cases done nothing at all - in the hope that the problem would go away, overlooking the fact that while they are doing and saying nothing the damage done by rumour and speculation is running out of control. Some classic examples include the reputational damage suffered by Distillers Company after Thalidomide, Pan Am after Lockerbie and Exxon after the Valdez.

Conversely, several companies have not only recovered their reputations in a crisis but even enhanced them. Examples here

include Johnson & Johnson's response to its Tylenol poisonings, British Midland after the Kegworth air crash and Shell's rapid and caring response to an oil spill on the River Mersey.

Given that reputation is arguably the most important asset of most organisations, and considering the scale of the resources that are poured into developing that reputation, surprisingly little is done about protecting and rescuing reputation at a time of crisis. Yet there are simple procedures to adopt both before and during a crisis which can make all the difference between sinking in the mire and coming up smelling of roses.

The hardest part is convincing senior management and other key decision-makers such as corporate lawyers that successful crisis management is more of a psychological discipline than a procedural one. If the organisation responds rapidly in a human way the fuss will usually die down more quickly, but it is difficult to get hard-nosed business leaders to buy into this concept. This is why crisis management works best when it is training-led rather than simply preparing a plan and getting management sign-off.

This leads to the next difficulty: the right level of planning. Eisenhower said that in battle he found plans to be useless but planning essential. Huge crisis manuals full of precise details about who should do what and with which and to whom never work in real life, yet some degree of planning is important.

The best way to approach crisis preparation is to ask yourselves a series of key questions. In developing the answers relevant to your company you are developing a workable crisis communications plan. These are the questions:

What crises could hit us?

Meet every few months for a crisis

management session and look at what crises have been in the news: could they have happened here? If so, how would we have coped? In what ways might you be exposed to the risk of a crisis: chemicals, machinery, health, environment, sabotage etc?

Who are the audiences?

List all the possible audiences with whom you may have to deal. In a real crisis you will probably have to communicate with all or most of them.

The main criteria for identifying an audience in the planning stages are:

- Who would be affected by the crisis?
- Who could affect us?
- Who needs to know?

Clearly, your key stakeholder audiences such as customers, employees and the financial community will be paramount here, but when you really sit down and assess who you will need to communicate with in a crisis you will find it is a mighty long list!

How do we communicate with them?

What methods of communication do you have in place to be able to inform those audiences immediately and effectively?

Regularly review your internal communications to facilitate early warning of impending crises and issues. In most cases, someone within the organisation saw it coming but didn't think to report it (or wasn't listened to!).

What are the messages?

Obviously, the information you put out will depend on the nature and stage of the crisis at the time. Nevertheless, having identified in advance the types of crises, audiences and communication methods, it is possible to anticipate a number of 'core' messages, such as what's happened; care and concern; what we're



doing about it; reassurance; positive track record etc.

If the management team agrees these messages in advance it will save vital time when the crisis happens.

Who will Form the crisis team?

Identify, brief and train your spokespeople and communicators. In a really big crisis - especially an international one - you may need the services of a specialist PR company and/or a call centre (helpline). Have you identified and briefed them?

What resources and facilities will be needed?

Think of where the crisis team will meet and all the communication facilities you will need.

Training

What training can members of the crisis team undergo? Are crisis rehearsals feasible? At the very least:

- Test the call-out procedure for the crisis team and reserves
- The crisis team and other relevant people should undergo crisis awareness training
- Spokespeople must undergo media training.

And stress management training can help your team to cope with the often enormous stress induced by a crisis.

The crisis manual

It is probably impossible to pitch the manual exactly right. If you try to anticipate every type of crisis and include all the details and instructions that everyone will need, it will be a huge, unworkable document. People do not have time to thumb through hundreds of pages in a panic to find out who does what. But too few instructions and briefing

details will leave the crisis team short of vital guidance.

Probably the best combination of crisis preparation is:

- Awareness training/briefing for senior group/company/plant management.
- Updates.
- Media training for spokespeople.

Refresher training.

- Regular management meetings to keep abreast of crisis identification, preparation and procedures.
- A simple instruction to all staff on how to respond to a call from the media. Update and re-issue it regularly. Try to back the instruction with some form of education as written instructions are soon lost or forgotten.
- A brief manual containing the corporate philosophy, essential advice and relevant checklists. This should be a working tool to be used by people who, via training, already know what to do, not a vast prescriptive document which is opened for the first time when the flames are lapping round your feet.

In other words, the crisis manual is never treated in isolation. It is simply a supporting part of a programme of training, meetings, brainstorming and exercises that combine to provide the best and most flexible preparation for a crisis - and which help senior management to adopt those all-important right attitudes.

Does it work?

Now that you have a crisis procedure in place, check its viability and efficiency. Establish an emergency call-out procedure for assembling the crisis team in a hurry. If possible, test it occasionally. Crisis simulation exercises can be useful for spotting weaknesses and honing responses.

Bridge building

The better people know and understand you - both personally and as an organisation - the less inclined they are to want to damage you when things go wrong. It is well worth developing a pre-emptive communications (PR) programme with MPs, authorities, key journalists, the local community, support services etc.

So, you're as ready as you can be to protect your reputation through fast and effective communications in a crisis. Now all you need to know is what to do when it happens! The recommended actions at a time of crisis are:

Holding action

Try to do something to seize the initiative and 'freeze the action' as far as possible. Examples:

- Stop production
- Close plant
- Product recall
- Announce immediate, independent investigation.

And make these actions visible. Just 'doing something' isn't enough - your audiences need to see that you are doing something.

Holding statement

Decide, approve and immediately issue a holding statement containing some or all of the key messages. Promise to keep the media and other audiences thoroughly informed as soon as more details are known - with a time if possible.

Assemble the crisis team and assess the situation

It is absolutely essential for a core group of the crisis team and top management to sit down as quickly as possible, isolated from the crisis and the 'phones, and take a cool, strategic look at the situation.



Identify the audiences

Go through the audience checklists and ask:

- Who is affected by this crisis?
- Who can affect us?
- Who needs to know?
- Who else should be informed?

Brief relevant people

Thoroughly brief everyone involved (including security, switchboard, reception etc) - and keep briefing them.

Centralise information

Ensure that all information comes into - and goes out from - a single source throughout.

Understand your audiences

When communicating with hostile or frightened audiences you have a tremendous attitude barrier to overcome. And attitude barriers are strengthened, not weakened, by counter arguments, statistics and defensive messages. You can only hope to get through to an audience when you show that you see the situation from their side. A useful crisis/issues maxim is: First deal with the feelings and then deal with the problem.

Give information

Information is your most useful tool (and defence weapon). Give the audiences a regular flow of as much information as you can possibly release. That way, you will fill much of the information gap with your side of things. If possible, provide background information about the company, about safety standards etc.

And when you issue information to the media remember to keep your own staff (and other relevant audiences) fully informed.

Give reassurance

Remember that audiences need reassurance that everything is under control and they are not in danger.

Resist combat

Easier said than done! It is often hard to be polite to an irate public figure 'demanding to know' or to resist throwing a brick at a press photographer climbing a drainpipe to get photographs. But you must always be polite and dignified.

Be flexible

A crisis can twist and turn. So can the requirements of your audiences - especially the media. You may have to adapt the plan and re-brief people several times.

Think long term

It can be tempting to try to protect some short term interest - and pay for it later. But it is often best to be prepared to take a short term loss to protect your long term reputation. Ask yourself: 'How will our public see us a year from now when they look back on this episode?'

What have we learned?

When it is over, examine:

- What you have learned from it.
- Will the publicity return, and when? eg:
 - Anniversary
 - Legal battle (especially if specialist disaster lawyers are involved)
 - Aggrieved victims
 - Inquest
 - Report

Be well prepared in advance for these stages. If the media have 'good' (ie unpleasant) photos and footage of the

original incident they will seize every opportunity to re-fill the pages and TV screens with them.

There may seem to be a lot to remember here but most of good crisis management is common sense and some of the best managed crises have been the result of a single, simple action by someone at the top.

And although a crisis can be a threatening and testing time, it is usually an opportunity to shine, too. When a London pub was voted 'Worst Pub in London' by Time Out magazine it put up a big banner proclaiming that it was officially the worst pub in London.

Takings soared. **S**



Michael Bland was formerly communications head of the Institute of Directors and Ford Motor Company Limited. He has trained and advised many of the world's largest companies and organisations in crisis management, media interview techniques, presentation skills and stress management. He is the author and co-author of 13 leading communication text books and guides including his crisis management text book: 'When It Hits The Fan'. Further information on:

www.michaelbland.com