Whistling Past the Graveyard

There are two kinds of organizations: those that have had a crisis and those that will.

There is risk inherent in virtually every activity of any organization . . . be it for profit or not for profit. Every organization is vulnerable to errors in judgment, the death or serious injury of an employee or customer, sabotage, theft or a natural disaster. The list goes on and is terrible to contemplate.

Sooner or later, something will go wrong. Horribly wrong.

Remember, a crisis will be both career defining and brand defining event for individuals and their organizations. That is why getting it right is so important because you won't get a second chance.

You can't plan for a crisis while you're having one.

Most managers are not in denial about the inevitability of a crisis within their organization. They know it is coming. The crisis is predictable, the timing is not. So, it is easy to focus on the everyday issues bedeviling you at the moment rather than the crisis that may be lurking. It takes an act of considerable self-discipline to wrest your attention away from this day and this week and this quarter to focus on the moment you hope will never come.

The terrible fact of life is that failure to anticipate and plan for that moment raises the odds that the crisis will be much more damaging.

What is a Crisis?

Every phone call from a reporter is not a crisis.

Answering the phone and hearing the voice of someone identifying himself or herself as a reporter is enough to send chills up and down the spines of most managers. The subject of the reporter's call may be something you'd just as soon not talk about it; but that doesn't make it a crisis.

A true crisis is an event that jeopardizes your ability to continue to do business; it threatens to temporarily paralyze or permanently shutter your operation.

How would your organization respond under these circumstances?

- Loss of life
- Serious injury
- Significant environmental/physical damage
- Allegations of sexual harassment or racial discrimination.
- Theft, fraud or financial malfeasance.
- Civil or criminal complaints of product or service liability.

What would you do? What would you do first? Do you have a plan that will mobilize an effective and timely response? Are you prepared to communicate internally and externally? Have you identified your important audiences? Have you prioritized them?

You know it is a crisis when....

Sometimes the crisis will smack you like a two-by-four right between the eyes. But it could sneak up on you.

At first blush, an incident may be troubling, but not seem all that consequential. The fact is being in the eye of the storm may not allow you to judge the ferocity of the winds blowing around you.

Here are a couple of indicators to be sensitive to:

- A significant number of media are calling or even showing up at your door.
- Partners, affiliates, family, friends and complete strangers are urgently contacting your organization.

One of the elements common to most all crisis is the creation of victims. This is what the news media finds so interesting. A victim can be a person, an animal or living system such as rivers, forests or the air we breathe. Any organization will be judged by the way it handles the victims of any disaster.

The vast majority of all crises stem from the things that businesses do every day. These are more operational issues such as a shortage of raw materials, a lack of inventory or the failure of a product. When an operational crisis occurs, businesses are usually equipped to handle them. While by no means easy, an operational crisis involves issues with which most businesses are familiar. These tend to resolve quicker.

It is the minority of cases that deal with non-operational issues. These could include natural disasters, work place violence and/or outside forces. This type of crisis is usually more difficult to deal with because they are not around issues that companies usually manage. This is where many organizations get themselves in to big trouble because they are more apt to duck and cover to avoid the issue.

Don't be in denial. Perception is reality. If the world outside your gates thinks you have a crisis, you must respond as if you have a crisis.

You may be in command of facts that clearly demonstrate there is no crisis. In that case, you must launch your crisis communications plan and get your factual story told before perception overwhelms reality.

What is at stake is the number one asset in any organization: your reputation. It is the foundation upon which your organization is built. Don't hesitate. Move quickly to preserve your reputation.

The Crisis. The Media. And You.

Some of us are old enough to remember "Duck and Cover"; drills run to prepare schoolchildren for a nuclear attack. Duck and hide under your desk. It wouldn't have helped during a nuclear attack and it won't help with the media in a crisis.

Ignoring the media won't make them go away.

Reporters will fill the information vacuum you create by not communicating. Remaining mute will simply allow reporters to tell the story they want to tell. Once the story is told, it is impossible to take it back. Not presenting a spokesperson makes everyone else a spokesperson. You must manage the media.

During a crisis, the media acts differently. So should you.

It is important to remember that your crisis is a crisis for the media, as well. If it is big enough to have brought all of the media in town to your door, you are now facing a media free-for-all. When the national media joins the party, you know you have a full fledged media circus on your hands. This is the moment when television, radio, newspaper, and now you can add the bloggers, compete head-to-head. Back in their newsrooms, the competing media are keeping score. Who has the best information? Who has the best pictures? Who's winning?

In a crisis, the news media will act in a predictable manner. This fact will help you in preparing. In a crisis the media will:

- Seek to get close to the action.
- · Talk to anyone.
- Research past incidents and archives.
- Seek out third party experts.
- Seek to establish blame.
- Identify with victims.

And in a crisis, the media will have a short attention span. That means they will eventually stop reporting on your story and move on to the next story. But before that happens, you can be sure they will be persistent.

The media in any crisis are participating in a competition. That competition creates stress for reporters and their bosses. They don't want to get beat, and they will do things they might not ordinarily do. Their behavior changes. And emotions may overwhelm the judgment of the media.

Same goes for you. The media thinks they're under pressure? Depending on the nature of your crisis, you have customers, employees or other partners who have been injured or perhaps died. You are working with law enforcement. You are facing civil, even criminal liability.

The failure to react appropriately can only make it worse. The best way to react appropriately is to follow a Crisis Plan. A plan that will guide you and your team when the emotion and stress are running at peak levels inside your organization.

The Crisis Plan

A crisis plan provides a comprehensive approach to every aspect of managing through a crisis including the critical communication piece. A Crisis Plan must be put in place and tested well in advance of the actual crisis. It is also critically important to revisit your plan at least once a year. Or it needs to be reviewed when you know key players or elements have changed.

Here are the fundamentals of a good crisis plan:

- First Hour Check List
- Crisis Team Roles and Responsibilities
- Contact Numbers
- Notification Guidelines
- Company Fact Sheet
- Sample News Release
- Key Messages
- Question and Answer Templates
- IT Information

What is your worst nightmare?

A good place to start formulating your crisis plan is through a crisis audit. What are your worst case scenarios? Go through a deliberate process of assessing what could go wrong, very wrong. As a management team, complete your audit on your own, or consult with specialists who know the media and understand your liabilities. Remember, a true crisis is an incident that could jeopardize your continued operation.

When your audit is complete, you, or if need be, you and your consultant can begin to plan your response.

Identify your crisis team.

Responding effectively in a crisis requires a well-coordinated team with clearly understood, specific responsibilities. The advantage of having these roles defined and pre-assigned before a crisis hits should be apparent; you will be able to address the crisis far more quickly if you are not spending time doing the organization work you could have done ahead of time.

Here is a list to consider:

- Team Leader
- CEO
- Project or Site Manager
- Human Resources Manager
- Safety Manager
- Legal Counsel
- Web Manager
- Spokesperson

The crisis team roster will vary from organization to organization, but there is one lesson to be drawn from this list that applies in most situations; your CEO should not be the Team Leader and should not be the Spokesperson during a crisis.

The CEO is the ultimate authority in a crisis. But he or she may not be as knowledgeable about the execution of the plan as the Team Leader. While the CEO will make critical decisions in the course of the crisis, it is the Team Leader who typically presents the CEO with the situation and a set of recommendations. Also, the CEO will have other responsibilities besides communication during the crisis. It is up to the CEO to deal with on-going business issues. As long as there is a business to run, it is up to the CEO to maintain that role of managing the entire business.

In a crisis it is the Team Leader who is in the primary operational position. All members of the Crisis Team will rely on the Team Leader to provide direction based on the steps and contingencies outlined within the Crisis Plan. That person should provide minute by minute direction to the rest of the team based on judgments made by the CEO.

Consider the incident command model that fire and police departments follow. It puts the highest ranking officer on site is in charge of managing people, resources and communication. In such a situation, the commander would never go in to the fire. Instead they would direct firefighters to put out the flames from a command center. For the same reason, the CEO should not go into the middle of the crisis.

This is one reason why CEO's don't make good spokespeople at the beginning and peak of a crisis. The same is true of the Team Leader. There may very well come a moment when it will be appropriate for the CEO to make a public statement directly to the media, but in the meantime, the CEO and Team Leader should be focused on managing the response.

If your organization does not have a public relations professional or a person who typically acts as a spokesperson, it is important to identify someone who is articulate and reacts well to pressure to stand in front of the media. The experience will be intense. They may face a room full of reporters shouting difficult questions. Consider professional media training to prepare your spokesperson. It is also important to have a back-up spokesperson.

First Hour of a Crisis

The first hour of any crisis, often call the "Golden Hour", is when most organizations fail. They fail because they sometimes don't recognize the potential for the explosive attention they are about to get. Or they fail because they don't have a well defined crisis communications plan.

While it is important to organize your crisis team, it is just as important to prioritize the response activity of the team. Every crisis plan should have a checklist that directs the team's response during those chaotic early moments when judgment may be clouded by shock and stress.

- 1. Limit the problem, end the problem or control the problem.
- 2. Communicate with those affected including victims and families.
- 3. Communicate with employees.
- 4. Communicate with government, regulators, neighbors, community leaders, customers, suppliers and shareholders.
- 5. Communicate with the news media and other channels of external communications.

Addressing the media is critically important and will consume a lot of time and energy during a crisis, but it is not the top priority. Remediation of the crisis and communicating with the other audiences identified here should be your priorities. In fact, how well you handle these other audiences early on will be examined by the news media; communicate inadequately or insensitively and your reputation will be damaged.

But, meanwhile, you have a horde of news media banging at your door. What do you do?

Managing the Media

The Buy Time Statement

The arrival of the news media is like the phone call you know you need to take, but you're busy with something else. So you put it on hold. You can put reporters on hold by issuing a buy time statement. Here is one that will work in almost any situation:

"We want to help you with your story, but we need to gather the facts before saying anything. We all want to get the information right. I will be back in contact with you in 60 minutes to give you an update."

In your Buy Time Statement it is helpful to communicate about next steps. The media understands that information and action don't occur in a vacuum. It is OK to tell reporters you are securing the area, gathering facts or coordinating with the appropriate authorities. What you clearly do not want to do is to deliver facts about the incident or open yourself up to speculating about what has happened. One of the most important things you can tell reporters is that you understand their need for information.

The Buy Time Statement delivers these messages to the reporters: we will speak to you, we will provide you with information and we will give you ongoing updates. That puts the reporters on hold and gives you the space and time to address the priorities in your crisis plan.

The time you buy can vary depending on how much time you need to mobilize your crisis team and gather the facts.

Decision Making

One of your biggest challenges will be how to make difficult decisions. These are decisions that are operational and related to the need to communicate. In a crisis, decisions must be made quickly. This is sometimes difficult for executives who are often process thinkers. They will want to study the problem before making decisions. In a crisis you don't have time to follow the ordinary decision making process. In fact delay can be toxic. In a crisis it takes an intuitive thinking approach to create good decisions. This is a process led by the Crisis Team Leader. Your Crisis Team has to quickly consider the following:

- 1. The facts
 - a. "Here's what we know..."
- 2. Analyze the situation
 - a. What are the treats, risks and opportunities
- 3. What are our goals?
 - a. Where do we want to end up?
 - b. What are the expected outcomes?
- 4. State options (At least 3 options)
 - a. Option #1: Do nothing or nothing more
 - b. Option #2: Do something
 - c. Option #3: Do something more
- 5. Choose the best option
 - a. Sensible, simple and do-able
 - b. Least number of unintended consequences
 - c. Limit collateral damage (side effects)

The challenge in crisis decision making is that good decisions must be made in real time. There are no "mulligans" or "re-do's" in a crisis. In the end, it is important to gauge decisions against the measure of "doing the right thing." This is how the public, your peers and regulators will judge any organization once the dust has cleared.

When Talking to the Media

When you do step in front of the microphone, here are some guidelines to follow:

Treat all media equally

Even if you are in a position to do individual interviews with the reporters who have gathered on scene, it isn't good approach. Every reporter will wonder if you're giving his or her competitor some bit of information they're not getting. Holding a news conference makes it clear everyone is getting the same information at the same time. And it is a much more efficient.

Control the scene

Holding news conferences to provide updates will also help you control the scene at your location because it will tend to corral the reporters and camera crews. By providing regular updates in one location, you are rewarding reporters for staying in one place and it provides a disincentive to wander off to find information elsewhere.

• Be consistent in your story

Reporters will be quick to identify contradictions in the information you provide. You will minimize the risk of inconsistency if you stick strictly to the facts.

Tell the truth

Perhaps this goes without saying, but painful as it may be, you must tell the truth. If you tell a lie, it will be caught. A lie is a coverup. And a reporter's favorite gotcha is a cover-up. There are plenty of well known case histories that demonstrate that a cover-up is worse than the original offense.

Never speculate

"I don't know" is the right answer, the only answer, when you are not sure of answer.

Place primary emphasis on victims

Make it clear at every opportunity that your primary concern in resolving the crisis is addressing the needs of any victims. You must communicate a sincere concern.

Nothing is "Off the Record"

You cannot have confidential or off the record conversations. The news environment is simply too competitive and reporters will find a way to use anything you tell them.

Make appropriate referrals to law enforcement and regulators
 Clearly, there are areas of investigation that follow some crises that are beyond your purview. Do not attempt to address those questions. Refer them to the proper authority.

Remind all employees not to talk to the media

The best laid plans in a crisis can go out the door when your own people start talking to reporters: either on the phone or on the scene. Make it known to your people that all calls should be referred to the Crisis Team. It is your receptionist who may first comprehend that something bad has happened. Be sure to include your receptionist in your Crisis Plan.

Monitor the coverage

Assign someone on your team the role of monitoring all news coverage.

• Don't forget the Internet

Discussion of your crisis will not be limited to the traditional media. Chances are it will also become a topic of discussion on the Internet. That presents risks and opportunities.

The Internet's Role in a Crisis

Communication is real time

We long ago left the era when the widespread dissemination of information was controlled by the traditional news media. Now anyone can broadcast information about your crisis. Consider the distribution platforms available to just about anyone:

- Cell Phones
- Camera Phones
- Video Phones and Cameras
- Text Messaging
- Blogs
- Chat Rooms

Case History: The JetBlue Nightmare

On February 14, 2007, JetBlue stranded hundreds of passengers on planes that left their gates but never took off due to a powerful winter storm. Passengers were held for hours and hours on planes that were going nowhere. Far from being sequestered in a communications vacuum, these increasingly angry passengers shared their plight and vented their frustrations with the outside world via cell phone and wirelessly connected laptops. They were soon appearing as the victims of JetBlue's blunders in news media reports.

One intrepid blogger created a site called "jetbluehostage.blogspot.com" in which he and other passengers not only described the scene, but also posted pictures from their camera phones. The "Valentine's Day Massacre" as it was called was headlined with this entry: "Nothing says 'I love you' like being held hostage on a frozen plane with the man you love, 99 strangers, 4 other people you happen to know, 4 screaming babies and 3 rambunctious kids running about, nothing but chips and soda for sustenance, faulty power, unreliable direct TV and overfilled sewage system for 11 hours."

You can't possibly monitor every blog or chat room when a crisis hits. But it is important to know that a relatively small number of people can shine a light on everything from bad customer service to unethical corporate behavior. In the process of doing so, this can turn any incident in to a full blown crisis.

Integrating the Internet into your crisis plan

Your website will be an important asset during a crisis if you have made it part of your crisis planning. Failure to make your website a component of your crisis plan won't simply be a lost opportunity; it will make you look foolish, or worse.

- Pre-build a crisis template that you keep offline until needed.
- If a crisis hits, consider taking your regular website offline.
- Fill in your crisis template and put in online in place of your website or create a link to the template on your home page.
- Add facts as they are confirmed.
- Provide a company background.
- Consider including helpful links.

When the crisis hits:

- Post Statements and News Releases.
- Post Frequently Asked Questions (FAQ Document).
- Update as frequently as possible.
- Notify the news media of this online resource.
- Notify other important audiences about the resource.
- Ensure the information on your crisis template is consistent with other statements made to the media.

Don't limit your internet crisis plan to your website. There will likely be other voices on the internet discussing your crisis.

- Identify your on-line influencers before a crisis.
- Monitor relevant blogs and chat rooms.
- Respond by directing to the crisis template on your website.

There is one more provision you will want to consider for your internet crisis plan. It may wise to market your crisis template website through Google, Yahoo and other search engines. This will require contacting the search engines during a crisis and paying to have relevant key word searches directed to your website. If executed effectively, this tactic will mean that anyone who is searching the internet for an update on your crisis will be directed to your website for your facts and messages and not to the website or blog of a critic.

Case History: The Taco Bell Rats

When a New York news crew caught video through a window of rats scampering around a Greenwich Village Taco Bell restaurant after hours, the video became an instant hit on the internet. The video was first shown on New York stations WCBS and WNBC and then went straight to CNN. From there the video was at the top of the charts on YouTube and other social media sites. Links to the video were then flying across the internet in emails.

It was an internet driven story albeit limited in scope to a single store. But it soon became a national story with Taco Bell's reputation for safe food in a clean environment questioned everywhere.

Taco Bell did launch an aggressive internet response. The company purchased keyword searches, such as "Taco Bell Rats", on the major search engines including Google and Yahoo. That helped direct anyone searching for the video on the internet to the Taco Bell site for the company's statement rather than to the video.

Taco Bell's internet response was clever and web savvy, but it still took weeks and weeks for the attention to fade away. It is a cautionary tale about the power of the social media to spread bad news like wildfire.

When the Dust Settles

Unfortunately, lightning does strike twice. Enduring a crisis doesn't indemnify you against enduring another one. Take the time to conduct a review with feedback from all of the players.

- Your crisis plan: What worked? What didn't?
- Review the media coverage
- Monitor and respond to ongoing developments
- Lay the groundwork for recovery

Taking the time to create a crisis plan and run a simulation of that plan is a significant commitment for most organizations. It is a big, distracting time out in the lives of managers, but it is also the best way to give your organization a fighting chance when the dreaded day, inevitably, comes.

Authored by the Principals of Rockford Gray

About Rockford Gray

Rockford Gray is a Denver, Colorado based media relations and crisis communications firm. Our principals, Marv Rockford and Steve Gray, work strategically with clients to help them tell their story. The firm provides:

- Media Training
- Crisis Management
- Issues Management
- Presentation Skills Training

To contact Rockford Gray:

Rockford Gray, LLC 1675 Broadway, Suite 1850 Denver, Colorado 80202

<u>www.rockfordgray.com</u> 303 799-3900 (phone) 888 988-8570 (toll free)

Steve Gray steve@rockfordgray.com 720 873-2323 (direct line) 303 898-6532 (cell) Mary Rockford
mary@rockfordgray.com
720 873-2315 (direct line)
303 886-8128 (cell)