

PROTECTING REPUTATION: BEYOND THE BASICS

By Michael Bland

Exxon Valdez; Perrier; Brent Spar; Ratner; BSE; Parexel; Cadbury's; Buncefield – these are just a few of the names that spring to mind when we think of the term Crisis. And in each of these and a myriad other cases, the physical damage done to the actual business by the discontinuity is insignificant compared to the damage done to reputation.

Nowadays the intangible asset of corporate, brand or product reputation often counts for more than the price or quality of the product or service itself, and the Business Continuity (BC) profession is becoming increasingly aware of the vital role of reputation management when the proverbial hits the fan. It is a short-sighted BC manager who isn't concerned with the public relations (PR) aspects of his or her role – and an equally short-sighted PR boss whose crisis plans are not closely linked with those of the BC manager.

Full marks, then, to the BC profession for the growing number of practitioners who are learning about reputation management (and black marks, I'm ashamed to say, for the PR profession as only a tiny handful of PR professionals know anything about business continuity).

However, BC and PR managers alike soon find that once they have learnt the basics of crisis/reputation management they then run into what I call the real challenges – and these are not to be found in textbooks or taught on courses. So, for those who already have, or are going to have, a grounding in reputation management, here are some of the brick walls and conundrums that you will encounter further down the road, along with some advice on how to deal with them:

Silo Thinking

A friend of mine works in the research department of a giant American multinational. When she read my book on crisis management she realised that her company had some holes in its crisis planning and policy – so she told her bosses. The result: she was hauled over the coals for meddling in something that did not concern her and was firmly put in her place by the PR

boss, whose feathers had been ruffled. This is sadly typical of the silo thinking of most organisations.

The problem is exacerbated by the fact that there is no clear boundary between fact and fantasy when it comes to crisis. The all-important asset of reputation is affected not only by real-life discontinuities such as fires, product recalls and IT outages but also by intangible – and sometimes even fictional – influences such as rumour, speculation, media hysteria and junk science. With such a variety of causes and effects, protecting reputation in a crisis is everyone's business.

Crisis? What Crisis?

It is very, very hard to get senior management to take crisis planning seriously. Of course, they all think they do, especially when they've just had a near miss or seen something dreadful happen to another organisation. But, just as a driver mends his or her ways after seeing a serious accident and then reverts to their bad habits, so a smart manager who sets out to 'do something' about being ready for a crisis soon realises that it is going to take a lot of time and effort while not achieving the sort of recognition you get for selling widgets or saving money. Much of my consulting and training time goes into making the most of occasional brief bursts of enthusiasm and activity, followed by long periods of inaction.

Heads in the Sand

Then when a crisis actually happens, top management tend to bury their heads in the sand and hope it will go away if they pretend it isn't there. They can also be very good at underestimating the amount of reputational damage that could be caused by a seemingly small incident – such as Gerald Ratner's throwaway remark about his products being 'crap' or Cadbury's not recalling chocolate bars containing a tiny amount of salmonella that was well within notifiable limits.

Unfortunately, at the time of a crisis it is very difficult to assess the amount of actual damage that will be caused. Much depends on a range of factors such as how well-known you are, what your audiences make of the event and what else is going on at the time - all the more reason to take the potential damage very seriously and be prepared for the worst.

The Planning Conundrum

'In preparing for battle I have always found that plans are useless, but planning is indispensable.'

That's a quote from someone who knew a thing or two about crisis: Dwight D. Eisenhower, who commanded the Allied forces in World War II. He was absolutely right. Most organisations who plan for a crisis prepare detailed

procedures which try to cover every possible contingency. The result is a massive tome which no one has the time to read and which, worse, breeds complacency because everyone assumes that 'it's all in the manual' and they don't have to worry about what to do in a crisis. In 1987 British Rail had no less than 23 crisis plans in place for what was believed to be everything that could possibly go wrong – but they didn't have one for hurricanes!

At the same time, however, it is a very foolish organisation that doesn't do any kind of crisis planning. One of the hardest professional challenges is to find the right level of plan which strikes a balance between being unworkably over-elaborate and dangerously inadequate. I have yet to see or create one that does this to perfection.

Whose Crisis Is It Anyway?

There are several executives who have a decision-making and/or influencing role in a crisis: Chairman, CEO, legal, financial, sales, business continuity, security, public relations etc. Apart from BC and PR, none of them wants to be involved in the onerous task of preparing a crisis plan but leaves it instead for us to do and then signs off on it after a five-minute glance. Then, when a crisis strikes, they all want a say in it! And faced with the horrors of exercising unfamiliar traits such as honesty and accountability, they override vitally important policies such as rapid response, issuing statements, conceding ground and being transparent.

Media Blinkers

In a crisis, you will usually have literally scores of different audiences with whom you need to communicate quickly, openly and interactively. Examples include customers, employees, shareholders, suppliers, emergency services, regulatory authorities, local community etc. Yet an alarming number of crisis plans, including many prepared by PR professionals, deal almost exclusively with the media. Undoubtedly the media are a very important audience in a crisis but they are far from the only one – and isn't it better for all those vitally important audiences to receive your messages direct rather than via the garbled version they pick up in the media?

Conflicting Pressures

We live in an age when we are increasingly indoctrinated to believe that there is a simple right way of doing things - we see this in the proliferation of standards and procedures, for example. But in a crisis there is seldom a 'right' answer; rather there is a series of options, each with different outcomes and knock-on effects. The problem is made worse by the lack of available information in the crucial early stages. This can create a number of difficult decisions for management to argue about: should we respond with a statement immediately or wait till we know the facts? Tell all or clam up? Take a hit or fight back? Each chosen course presents its own array of pluses and minuses.

Behavioural Problems

I was taught in the Army that when bullets start to fly all over the place, some people turn into heroes and some cowards – but you can't tell who will be which until it happens! The intense pressure and unwelcome potential consequences of a crisis can bring out the worst (and the best) in senior management and can seriously impair their behaviour and judgment. It is hard enough to get them to agree, speedily, on a logical course of action at the best of times; but it is considerably harder once they start to pop their psychological corks.

Remedies

If the ordinary 'GCSE' of crisis and issues management consists of basic skills such as identifying risks, preparing a communication plan and acting quickly and openly, then I have just shared with you some of what might be termed the 'A Level' challenges. While well versed in the former, I don't yet claim to have found all the answers to the latter – but here are some techniques I've developed over the years which might help when you encounter the above challenges:

Prioritise

Senior management needs to be constantly pressured into taking crisis and reputation management seriously. Some ways of achieving this are:

When someone else's crisis is being covered by the media, send out a reminder to all key players that 'this could happen to us, and are we ready for it?' Keep 'em scared.

Try to get crisis put into the senior management agenda for a meeting at least once a year - and preferably every six months - to review the current crisis scene and the adequacy of the crisis plan.

Capitalise on the fact that companies are required nowadays to include an account of their risk preparedness in the annual report.

Use media training as the thin end of the wedge. Bosses who may be too busy to spend five minutes thinking about crisis will seldom turn down a media grooming session. Then, when you've got them in front of the cameras, base some of the interviews on a crisis scenario and let them see for themselves how ill-prepared they are.

When you run your crisis simulation exercises, incorporate the reputational aspects – for example, by bringing in a journalist or media trainer to conduct 'doorstep' interviews or using actors/trainers to role-play pressure groups, local community representatives etc.

Establish Ownership

List all the people in your organisation who will have a say in the decision-making process during a crisis and that, you will find, is the list of people you need to involve before a crisis! It's hard work to get them all to participate but try to get as many key players as possible involved in:

A half or one-day crisis awareness session. This includes case studies, general principles and realistic, testing desktop exercises which expose where necessary the weakness in their arguments and their lack of preparation.

The planning process. It is unrealistic to ask so many busy senior executives to involve themselves in the detailed planning but it should be possible to involve them in a headline-only session, after which you and appropriate colleagues fill in the details afterwards and submit the completed plan for approval.

Simulations (see above).

Crisis media training. It is essential to have a cadre of senior media-trained executives, and the training itself helps to make them more crisis aware and familiar with the organisation's policy.

Develop Direct Lines of Communication

As well as using these methods to make crisis everyone's baby, develop direct lines of communication with all your major audiences in advance. You don't want key stakeholders such as customers, employees, financial stakeholders and regulators to rely on the vagaries of the media for the information about the crisis; and you won't have time to start working out how to contact them when the alarms are ringing and the crisis is in full swing.

Training-led Preparation

Developing a crisis management team is like developing a football team. You don't give a sports team a huge manual telling them what to do in all known circumstances; instead, you practise them in their skills and tactics on the pitch so that every member of the team learns on the job, gels with the others and can adapt during the game to unforeseen circumstances.

By all means have a written crisis communications (cricoms) plan but start the all important training process early and involve as many decision-makers, executives and administrators as you can.

Training is also useful for team building – and it can help to identify some of the personality problems that might arise during the crisis itself. The media training and testing desktop exercises are particularly valuable here as they give early warning of blinkered attitudes, pomposity, empathy failure (very common) and paranoid behaviour. And when a less-than-suitable top executive sees his/her poor performance played back after a mock television

interview, or receives critical consultant feedback from a scenario exercise, he/she will often realise (though not necessarily admit publicly!) that there is a problem and do something about it.

Regular training also enables you to keep the written cricoms manual down to a minimum, usable size. Members of the crisis team should be issued with a thin binder (and e-version, of course) which acts as a working tool for people who already know what to do in a crisis, not a vast, prescriptive tome that no-one has time to read or comprehend.

Keep It Simple

That last bit of advice sounds simple enough – but wait till you try it! Keeping the plans and documents short, simple and idiot proof is for me the single hardest part of crisis management. At every stage of the preparation process there is intense pressure – both from bosses and colleagues and from one's own sense of professionalism – to fill in details, but every time you do so you are adding another straw to the camel's back. Keep asking: "Do we absolutely have to have this amount of detail?"

Human Behaviour

A degree in clinical psychology helps! There is nothing like the pressures and threats of a crisis for exposing the psychological cans of worms that senior management usually manage to hide from the outside world.

Increasingly, organisations invest in programmes such as well-being, work-life balance and stress management. These can all help to keep the corks on the bottles during a crisis, but it is also worth considering some specific crisis-related stress training – and to have a stress counsellor on standby for when a crisis happens.

Be aware, too, of the human, psychological and personality factors throughout the preparation stage, particularly during the training and media training.

Much of the battle to prevent top management doing the wrong things in a crisis can therefore be won before it actually happens. Then, if they still end up pressing the wrong buttons (e.g. being combative, not caring, inaction, "no comment," "we can't say anything till we know the facts,"), the use of a heavyweight, senior outside consultant who has the respect of top management can help to get them thinking in the right direction.

And finally, if all else fails and you find yourself part of a collective body that is going down the wrong road, you need to be able to let go and not let it affect you too deeply.

A few years ago, in the aftermath of a major disaster, I almost came to blows with the managing director of a client company during a heated meeting about the direction the company should be taking. After the meeting, he took me to one side, put an arm round me and said: “Look, I know you’re giving me good advice – but it’s up to me whether I take it or not!”

“Fine,” I said, “so long as you keep paying my bills.”

I have never lost my temper in a crisis since. Usually, and happily, you are in the privileged position as business continuity and reputation managers of being able to change the course of history for the better. But sometimes you have to accept that your only – but still very important – role is to ensure that your organisation has been given the best possible training, preparation and advice.

The rest is up to them.



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