PR News Crisis Management Special Report





Editor, Seth Arenstein, 571.236.2896, sarenstein@accessintel.com Editorial Director, Steve Goldstein, 212.621.4890, sgoldstein@accessintel.com Managing Editor, Ian Wright, 212.621.4917, iwright@accessintel.com Assistant Content Manager, Mark Renfree, 212.621.4807, mrenfree@accessintel.com Director of Marketing, Laura Snitkovskiy, 301.354.1610, Isnitkovskiy@accessintel.com VP of Marketing, Amy Jefferies, 301,354,1699. aiefferies@accessintel.com Assistant Marketing Manager. Rachel Scharmann, 301,354,1713, rscharmann@accessintel.com Marketing Assistant, Jessica Placencia, 301.354.1641, jplacencia@accessintel.com SVP Group Publisher, Diane Schwartz, 212.621.4964 Division President, Heather Farley President & CEO, Don Pazour Graphic Designer, Tara Bekman



Pro New SatUpion LookuD Paul Argenti - Tuck School of Business at Dartmouth Ned Barnett - Barnett Marketing Communications Mary Buhay - Gibbs & Soell Neal Cohen - APCO Carol Cone - Edelman Peter Debreceny - Gagen McDonald Chris Hammond - Wells Fargo Mike Herman - Communication Sciences Larry Parnel - George Washington University Mike Paul - MGP & Associates PR Deborah Radman - Senior PR Consultant Brenda Siler - Best Communication Strategies Helene Solomon - Solomon McCown Mark Weiner - PRIME Research Mary Wong - Office Depot

PR News BOARD OF CONTRIBUTORS

Dave Armon - Context Optional Andy Gilman - CommCore Consulting Bruce Jeffres-Fox - Jeffres-Fox Associates Angela Jeffrey - VMS Richard Levick - Levick Strategic Comms lan Lipner - Lewis PR/YoungPRpros Tom Martin - College of Charleston Katie Paine - KDPaine & Partners Rodger Roeser - The Eisen Agency Lou Thompson - Kalorama Partners Reid Walker - T-Mobile

Group Subscriptions — Laura Snitkovskiy, 301-354-1610, laura@accessintel.com

Additional Copies & Article Reprints – Contact Wright's Media, 877-652-5295; info@wrightsmedia.com

Published weekly by Access Intelligence, LLC 9211 Corporate Bivd, 4th Fl, Rockville, MD 20850 Client Services: Phone: 888.707.5814 * Fax: 301.309.3847 e-mail: clientservices@accessintel.com New York Editorial Office: 40 Wall Street, 50th Floor, New York, NY 10005 Phone: 212.621.4900 * Fax: 212.621.4800

Subscription/Renewal Coupon

 I want to subscribe to PR News for \$1,148.97/ year or \$2,196.97/2 years, and receive weekly issues plus unlimited access to the online premium content and archives.
Name:
litie:
Organization:
Address:
City: State: ZIP:
Phone: Fax:
Email:
O I want to renew my \$1,049 or \$1,998 subscription to <i>PR News</i> . My account number is:
Charge my Card No

Exp. _____ Signature: _____ Check enclosed (Payable to Access Intelligence, LLC) In MD add 5% tax. Postage and processing add/yr: \$20 within U.S., \$99 outside U.S. Fax to 301.309.3847 For subscribers only: full access to PR News article archives at www.prnewsonline.com

Introduction

We're on fairly solid ground in this special report on crisis management. Unlike some topics in PR, social media, for example, where the tactics and platforms change almost as soon as an article is written about them, the fundamentals of crisis management move much slower.



That means all you need to do is master the tactics and strategies laid out in these pages and you'll be set for anything. Seems simple, right?

Well, not exactly. Social media (there it is again) has changed the playing field in crisis management, too, mainly by speeding up the game tremendously. Warren Buffett famously said a reputation built over the course of 20 years could be ruined in 5 minutes. Brands hardly get 5 minutes anymore thanks to social media, says Torod Neptune, VP of communication at Verizon. A crisis spreads in the time it takes to compose a Facebook post, he says (see page 6). 28% of crises rebound around the globe in 1 hour, according to Freshfields Bruckhaus Deringer and MWWPR, but it takes the average brand 21 hours to respond to a crisis. "60 seconds is the new first hour," says Careen Winters, EVP and global corporate reputation practice leader at MWWPR (see page 4). The fallout is equally troubling: 12 months after a crisis more than half of companies had not seen share prices regain pre-crisis levels.

There are other issues beyond speed. The number of brands mishandling crises leads one to believe that a central tenet of crisis preparation, having a crisis plan in place, is being ignored for the most part.

At PR News Pro, we looked into this supposition in mid-March 2016, along with our partners at Nasdaq Public Relations Services. We found nearly 50% of communicators surveyed said their brands lack a crisis plan; 12% said they were unsure. Face it, when a communicator's unsure whether or not the brand has a crisis plan that's tantamount to not having a crisis plan. This lack of preparation shows in how some brands react when an incident erupts.

Just in the past few weeks we've seen Wells Fargo bungle a situation involving several million false savings and credit card accounts. What makes it more puzzling is that the situation was brewing quietly for years before it erupted onto the front page. For example, the bank fired more than 5,300 employees during a five-year period leading up to the September 2016 news stories about the accounts. Yet Wells Fargo and its CEO, John Stumpf, seemed unprepared when asked about the situation.

Shortly after a period where the bank refused to comment, a statement was drafted, although Stumpf's name was absent and its tone was more factual than apologetic. When he eventually spoke to the media, Stumpf insisted Wells Fargo's culture was fine; it was a case of a few bad apples, he said. Critics questioned how more than 5,000 employees could be described as "a few bad apples."

Stumpf essentially repeated this line to congressional committees. Members on both sides of the aisle who were primed to score points with voters pilloried him. Stumpf was gone as CEO in a matter of weeks, although the results of an ongoing investigation into the matter eventually might cost him some of his ample retirement package.

Just weeks after Wells Fargo news burned on all forms of media, a major tourist attraction in Australia, Dreamworld, bungled the aftermath of an accident on one of its rides. It was awful that four people were killed on the ride, but the theme park's owner's senior leaders absence for several days worsened the situation. When the owner's high-profile CEO, Deborah Thomas, finally met the press, she came with a just-approved \$800,000 performance bonus and a faulty claim. She said the company, Ardent Leisure, had contacted all the victims' families. A reporter challenged her during the press conference; the journalist said a family watching the press conference on TV was outraged. The family had never been contacted. It was yet another miscue during an awful week.

The tips and tactics concerning crisis, many of which are reiterated in this report, are obvious. Equally obvious is that if brands and brand communicators do little to implement these lessons, very little good will be the result.

Seth Arenstein Editor, PR News Twitter: @skarenstein

How PR Pros Can Anticipate Crises at Their Own Organization

By Seth Arenstein

here's good news and bad news when it comes to managing crises in the digital era. On the upside, brands are able to reach their stakeholders directly via social and there's never been a time when it was easier to monitor and listen to the conversation between brands and customers. Yet digital technology can spread word of crises, accurate or not, around the globe within seconds. The five minutes that Warren Buffett once said it takes to ruin a reputation is no longer the case. It's now been reduced to the time it takes someone to create a Facebook post, Verizon's VP, corporate communications Torod Neptune said at PR News' Crisis Management Workshop Oct. 19 in New York.

All Is Not Lost: Still, Neptune is upbeat. As a communicator "you already know where 90% of the crises" that will touch your business are, he said. "If I ask you to name the three areas where you think there will be a crisis at your company I'm sure you'd be able to name them," he added. That's because communicators "work in the shadows," between a brand's various departments and so are well placed to know where potential crises loom, Micheline Tang, director of communications at the law firm King & Spalding, said at the workshop. "We're the great synthesizers" since we work with all parts of the company...this makes us invaluable," said Neptune.



As such, "[Communicators] should lead in a crisis... we deal with all the teams and manage relationships" between them, he said. In addition to knowing where potential crises reside, "We know the protocols [for crisis management], the chain of command...others [outside of communications] at your company might not know these things," he said.



Torod Neptune, VP, Corporate Communications, Verizon

Listening and the Ivory Tower: Another important function for communicators, the two agree, should be monitoring the social conversation, via Google Analytics and other tools, so they should be most attuned to the climate and "anticipate crises," Neptune said. Adds Tang, communicators who

are monitoring and listening should be a brand's defense against "a corporate ivory tower." Don't allow your brand to become "isolated."

A Tip: "I know what the C-suite thinks" are the brand's pain points and potential crisis starters, Tang said, but it's important to spend time with middle and lower rank staff. Find out what's on their "oh, crap" lists, she urged. That will add to your knowledge base about where crises might be lurking. In addition, when a crisis occurs that's related to one of the less-known areas of your company, you will be able to explain it easily to the C-suite. At the least, you'll know people in the affected areas whose knowledge you can tap, Tang said. **Prepare and Pack Heavily:** Where the two disagree slightly is on preparation for crises. Neptune advocated having a plan in place.

Tang opts for a "packing list" that anticipates the many things you'll need to react to crises, including: press releases, timelines, media contact numbers, media kits, lists and contacts for industry gurus/influencers, logos, call forwarding instructions for receptionists, proxy statements, B-roll, emails of politicians, union leaders, etc.



Micheline Tang, Director of Communications, King & Spalding

Tang suggests formulating such lists and updating them through periodic visits your brand's domestic and international offices. Once on site assemble members of various teams (operations, secretarial, financial, legal, sales, marketing etc) and run a crisis simulation. Hers consists of 11 envelopes that contain various

scenarios. The group reacts to the scenarios, formulating plans. At the end of the three-hour session Tang leads a lessons-learned segment. She underscored one of Neptune's earlier points: "What seems obvious to us as communicators [during a crisis] may not be for people in other parts of the company."

Follow Seth Arenstein: @skarenstein

3 Questions to Ask Before Your Crisis Counterattack

By John Roderick

he public apology is dead. Long live the indignant counterattack. Thanks to Republican presidential nominee Donald Trump, public figures and corporate chieftains who find themselves on the receiving end of scrutiny by media or other actors may no longer need to recite painfully scripted statements with stoic spouses standing by their sides. They just need to fight back.

PR News editorial director Steve Goldstein wrote recently, "Standard practice...when an organization or individual commits an act that outrages a community includes...confessing your sins, creating a forum that enables the community to express itself freely and showing a commitment to improvement by engaging in an activity that can lead to personal or organizational change. At the heart of the crisis management response to an outraged community is the apology itself."

Trump essentially has turned standard practice on its head. The candidate's routine method of reacting to crises is to denounce his accuser or those who've registered criticisms. Examples of this in the Trump presidential campaign are numerous. And regardless of which candidate you support and, for the moment, suspending ethical judgement, you have to admit it's worked for the most part.

An early example of Trump's reengineering of the public communications playbook occurred in May.



Accused of short-changing a veterans' group on a charitable donation, Trump called a press conference. He then used the opportunity to unleash a 40-minute attack on the press, accusing it of lying.

In one deft move Trump took the kind of accusation that had the potential to damage his credibility and turned it into a referendum on liberal bias in the media.

Trump, in this particular case, avoided traditional media-training tactics communicators have relied upon to navigate challenges like this, including conciliatory gestures and speeches and wellplaced op-ed articles. Instead he turned to what is known as the Strategic Offensive Principle, popularized by the adage "The best defense is a good offense." As such Trump turned the tables, training his sights on the press corps, saying, "The political press is among the most dishonest I've ever met." A reporter from ABC News was a "sleaze," Trump said; a CNN reporter was guilty of "abject incompetence."

Apologies, Then Back to the Offensive

While the recent 2005 videotape revelation resulted in apologies from Trump whose completeness and tone can be debated, the point here is his offensive returned quickly. In response to reports that House Speaker Paul Ryan allegedly told House Republicans during an Oct. 10 conference call they should make their own decision about whether to support Trump in light of the video, Trump attacked. "Our very weak and ineffective leader, Paul Ryan, had a bad conference call where his members went wild at his disloyalty," he tweeted. "Paul Ryan should spend more time on balancing the budget, jobs and illegal immigration and not waste his time... fighting [the] Republican nominee," another Trump tweet said. One hour later Trump tweeted, "It is so nice that the shackles have been taken off me and I can now fight for America the way I want to."

Right, wrong, true, false—it matters little because Trump's mastery of the sound bite and his disinterest in the mores of traditional PR translate into authenticity with his base. Say what you will about his style, if you ask Trump supporters what they like about him, you're almost guaranteed to hear a variation of "He speaks his mind" and "He'll shake things up in Washington."

Rewriting the Rules of PR

Whether you call it the Trump Effect or the end of the age of nuance, the legacy of the 2016 election may be a rewriting of the rules of effective communications.

This trend is not limited to politics. A gradual evolution away from the strictures of traditional standards has been unfolding in all forms of public communications.

The issue for communicators: Can Trump's style work for others? In fact, it's already working, but only for some. Trump's opponent Hillary Clinton was on the offense during much of the email server incident, apologizing fairly late in the game. **Wells Fargo** CEO John Stumpf and the phony accounts scandal is another example. While Stumpf admitted culpability eventually, his initial response was to blame 5,300 lowlevel staff and to refuse to admit his bank had a cultural or systemic problem. That offensive failed to convince lawmakers in Washington, D.C., who grilled Stumpf during two hearings. Stumpf resigned Oct. 12.

So, before you throw away the PR playbook, it's important to ask yourself several questions:

IS MY BRAND EDGY ENOUGH?

When it comes to tone, what's right for a multinational like **GE** may be different from what works for a younger, edgier brand. Take comments made May 19 by **Vice Media** CEO Shane Smith on hiring former Bloomberg editor Josh Tyrangiel to lead his news empire: "He's a murderer...Vice News [is] the fastest growing news platform in the world...[But] How do we take on CNN...and the BBC?...Josh is that guy...a [expletive] angry young man who wants to shove it in their asses."

Vice Media is edgy, but it's also a very mainstream presence with about \$1 billion in revenue, a new show on HBO and a valuation of roughly \$5 billion. For Vice, the approach was pitch-perfect.

ARE WE BEING AUTHENTIC?

Authenticity, not to be confused with the truth, is the ability to put complete conviction behind your statements. It's everything in the current communications environment.

This is a fundamental change, but in a world where it's become commonplace for public figures to show their anger and vent, overly scripted public statements and carefully-worded détentes can come across as insincere.

Another bank example is the scrape between **JPMorgan Chase** boss Jamie Dimon and Cameron Fine, president/CEO of the **Independent Community Bankers Association**. When asked during a May 11 CNBC interview about critical comments Fine had made, Dimon didn't say he respectfully disagreed or appreciated the sentiment. He called Fine "a jerk." That made headlines for one day and disappeared. Known as a no-nonsense executive who sometimes has little patience for debate, Dimon arguably emerged stronger in the end, his authenticity very much intact.

HOW THICK IS OUR SKIN?

Live by the angry barb, die by the angry barb. An unfortunate side effect of the trend toward unfiltered public communications is that these types of comments never occur in a vacuum. They are not knockout punches that render opponents neutralized. Rather, they are opening volleys in a salvo that often reverberates for days in the echo chamber of 24-hour news channels and social media.

Just as it was in third grade, if you call someone a name, you'd better expect retaliation. You, your spokespeople and your brand will need to have the resolve to ride out the ensuing drama.

How PR Pros Can Shape a Brand's Culture to Avert Looming Crises

By Deborah Hileman

very day, another organization finds its way into the headlines embroiled in a once-preventable crisis that threatens its reputation, financial health, even its very survival. In this age of instant global communication, no organization is immune. Entire companies and their stakeholders can suffer from the consequences of poor decisions made by people at every level of the organization. Often, powerful cultural influences in an organization disguise the warning signs that can identify smoldering issues that spell disaster.

Effective crisis management and crisis prevention in particular include a systemic approach to identifying issues and correcting them. Crisis management consultants often advise clients to implement an early-warning system to surface issues early enough to prevent or mitigate them before significant damage occurs.

As it turns out, communications and culture are key parts of such a warning system. As important members of the crisis management team, communicators can and should work with executive leadership to build the cultural dynamics needed to support an effective crisis early-warning system centered on transparent communication.

A culture of transparent communication across the organization is fundamental to the success of such a system. An organization's culture plays a defining role in how employees communicate, make decisions and solve problems.



How do you know if your organization's culture discourages employees from raising legitimate concerns? Consider the following:

Shooting the messenger: In many organizations, it's common for members of senior management to blame those who bring issues to their attention. In this culture, people learn quickly to keep quiet to stay safe. Such fearful silence is toxic to the organization, creating abundant opportunities for manageable issues to become costly crises.

Passing the buck: On his desk, President Harry Truman had a sign that read: "The buck stops here." In other words, "I am ultimately responsible." All too often, though, in a culture where people fail to take responsibility for decisions, crises can smolder for months or years before they erupt.

Mixed messages: The potential for smoldering crises to escalate intensifies when management routinely sends mixed messages to employees. For example, the company mantra may be "quality first," but when employees are directed to cut costs or take shortcuts to meet a short-term financial goal, the mantra is undermined, creating ideal conditions for a crisis to grow.

Groupthink: Coined by Yale's Irving Janis, the term refers to behaviors where group members' desire for unanimity overrides their motivation to consider alternative courses of action. Groups may develop an illusion of invulnerability that encourages extreme risk-taking behaviors. Group closed-mindedness occurs where warnings or other information are discounted or ignored. Groups may apply peer pressure to those who express strong arguments against a course of action, causing individuals to self-censor their concerns.

Management by committee: Especially in medium-to-large companies, this drives individuals to avoid taking decisive action out of fear of being blamed for a mistake. Critical decisions are not made, resulting in crises.

Changing a culture takes time and often involves a lot of collective pain for leaders and employees.

Cultural modificationis not a quick fix. In a larger company, it can take years to effect meaningful change. Clearly, then, culture is an important risk factor to consider when developing and implementing an early warning system.

In an effective culture, communication is reciprocal, transparent, consistent, frequent, timely, appropriate, managed up and down, supportive and empathetic. When all team members can communicate effectively with one another and with those outside their immediate group, issues are resolved, good decisions are made and the company succeeds.

What can leaders do to create the culture of communications and disclosure that encourages employees to speak up when they see a problem?

Transparent Communication is KEY

Most organizations have articulated a mission and stated values or principles. When trust and transparency are part of the culture, interests of employees are balanced with those of the organization in a process that demonstrates the shared value of disclosure.

If your organization has not made transparent communications one of its core values, I encourage you to work with leadership to revise them to include this as a clear element.

Communication Training: Ineffective communications contribute to more failures in business than any other cause. Every employee, from line staff to CEO, is responsible for effective communications. Yet far too few companies offer values-based communications skills training to teach employees how to share information with peers and supervisors.

Collaborate with HR or the training department to develop communications skills training for all employees, starting with managers. A strong example is set when senior leadership participation is mandatory, including the CEO. Leaders must walk the talk.

Training should include: (1) understanding diversity and different communication styles,

(2) developing active listening skills, (3) shared understanding through mirroring and feedback,
(4) workplace interpersonal skills and (5) resolving differences and conflicts. As a follow-up, offer coaching and support to help managers refine skills and fulfill the goals of two-way symmetrical communication.

Employee Hotline: To support a culture of transparent communications, set up a toll-free telephone "hotline" that anyone—employees, fam-ily members, customers—can use to report concerns 24/7. Publicize it vigorously.

Engage an experienced third-party vendor to manage the line. Promote it in every medium, reminding employees that a neutral third-party is taking the call. Adhere to strict confidentiality standards to assure callers can remain anonymous.

Commit to following up with callers (who provide their names). To build trust, provide regular reports

to all employees regarding reported concerns (to the extent possible) and outline the actions management is taking to correct them.

Rituals of Recognition, Positive Feedback: Humans learn by example. Positive reinforcement helps make new behaviors a habit. Consider ways to enhance transparency and build a culture of communication by acknowledging those who raise concerns. Include a regular agenda item in team meetings to talk about issues. Highlight management's corrective action, which will engender transparency and trust.

A business crisis can be a short-term disruption or spell the end of a brand. More than two-thirds of organizational crises are preventable. Leaders have a responsibility to manage issues and prevent them from becoming a serious threat. Communicators are vital to this effort.

CONTACT: dhileman@crisisconsultant.com

6 Ways to Turn Employees Into Ambassadors When a Crisis Hits

By Mark Renfree

t's no secret that a crisis can pop up at any time and put an organization in a precarious position. The crisis can present itself seemingly out of nowhere—like the diving and water polo pools at the Rio Olympics turning mysteriously green, or Delta Airlines' power failure—and dangerously skew the perception of a brand.

Sometimes even despite a swift response, a crisis will settle into a slow burn, like Fox News is currently dealing with as reports of endemic sexual harassment continue to appear.

In the event of a crisis, communicators who have a competent and well-rehearsed team in place are in the best position to lead their brand through the fire. Torod Neptune, corporate vice president, corporate communications with Verizon, urges communicators to keep four things in mind when assembling crisis teams:

- 1. Ensure team members represent the reality of how crises need to be managed today, not yesterday.
- **2.** Pick "connectors" who know how to navigate the organizational stakeholder landscape.
- **3.** Make sure the team is populated with people who understand and can balance both the need for speed AND prioritizing being thoughtful in responding to a crisis.

Make a team of doers, not just organizational nameplates.



Time-tested PR pros know that it's not a matter of if your organization will face a crisis, it's a matter of when. Yet even with a expert crisis team in place, the scramble that is the first hours and days of a crisis can cause an organization's most important stakeholders to be forgotten: its employees.

While it's essential to focus on a transparent and progressive external response, communicating clearly and efficiently with employees can create powerful brand ambassadors in troubled times.

In the Book of Crisis Management & Tactics Vol. 8, Deborah Hileman, president and CEO, Institute for Crisis Management shares these six tips for internal communications during a crisis with readers.

Get the latest tips and hear case studies on crisis communications from organizations like Verizon, Edelman and Environmental Defense Fund at PR News' Crisis Management Workshop, taking place on Oct. 19 at the Marriott Marquis in New York City.

Start with candor as a core value

If employees are afraid to speak when they see a problem, leaders can't identify issues and fix them. Unfixed issues can become full-blown crises. It becomes invaluable in the end if you've built a culture where people feel not only empowered but also driven to speak up.

Nurture a crisis culture

A crisis culture is one of non-stop readiness for the unexpected, where every employee knows what he or she is supposed to do in the event of a crisis. A side benefit to building 24/7 crisis preparedness is that it fosters a sense of readiness for change and the ability to adapt decisively and calmly.

Communicate regularly and seek employee feedback

Build a trust bank with employees ahead of time

by communicating consistently and treating them with respect. If you interact regularly with the workforce, then you don't have to scramble to put something in place in a crisis. Cascading information is useful for everyday news, but communication directly from the C-suite to the frontline is critical in a crisis.

Move quickly

Companies no longer have the luxury of time when communicating in a crisis, and employees who don't get timely information from management will turn to social media with their questions, speculation and concerns. Even a simple statement telling employees that you are aware of an issue and are looking into it is better than saying nothing. All employees want to know what the organization is doing to get back to normal and if "normal" has changed.

Tell employees first and anticipate their questions

Even a few minutes of advance notice makes a big difference on the trust scale. To the extent possible, offer facts rather than general reassurances. Humans are hardwired to assume the worst and will fill in the blanks in the absence of meaningful facts. Don't sugarcoat the problem. Instead, provide information in a way that helps employees process the issue in a less emotional way. Anticipate likely questions and provide honest answers as quickly as possible.

Keep communicating even after the worst of the crisis has passed

Establish a calendar for regular updates and advise employees when they can expect to hear from you. Return everyday communications vehicles to their pre-crisis schedule.

Follow Torod:@torodneptune Follow Mark: @MarkRenfree

Rapid-Response Tactics for When the News About Your Organization Is Bad and Getting Worse

By Seth Arenstein

ne of the pleasures of writing about communications and PR is that the field is vast and exposes you to a variety of topics and sources. Reporting about brands in the food space last year put us in contact with the **U.S. Dept. of Agriculture** and a slew of excellent food-safety publications. It was a mixed blessing. When delving into the food space you discover quickly recalls and safety issues occur nearly every day. In fact, the recalls point out that we have better technology to oversee food prep and packaging than previously. On the other hand, reading editorials in food-industry pubs about the lack of government spending for food safety tends

to weigh on the mind. In sum, trips to the grocery store seem less pleasant.

The majority of recalls and safety-issue actions fail to gain national media attention, of course. It's likely the same with recalls and issues in most sectors—it's the major events that receive coverage. On the other hand, communicators are unable to relax. What seem to be small or middling incidents can grow like, er bacteria, thanks to social media. And then, of course, the huge events, like **Chipotle** (PRN, Nov 9, 2015) or the July 19 recall of 350,000 pounds of Bar-S Foods' hot dogs and corn dogs are always possible. Moreover, social media scrutiny has prompted regulators and lawmakers to take stronger action.



Brands are reeling from the impact.

So when negative news, such as a recall or a possible E. coli outbreak, hits the headlines, how should brand communicators handle it? And since most PR News Pro readers are outside the food sector, let's broaden the discussion: How should communicators react when negative items about their brand make news? We'll use food as a jumping-off point. The tactics and strategies we'll cover apply to most sectors.



Gene Grabowski Partner, kGlobal

For Gene Grabowski, the veteran communicator who's handling two large food recalls, CRF Frozen Foods and Dole Package Salads, and a major auto parts supplier, there are several tactics specific to brands in regulated industries, such as food, but much of what he

After that's been released, a

story and adding context. It

brand should put out a

used to be a second

anymore, he says.

second release, telling its

release was harmful, not

Broadening his advice to

communicators generally,

your story, others will."

he says, "If you don't frame

counsels is applicable across the board.

Speed Kills...a Negative Story: A partner at kglobal, Grabowski says speed is paramount on several levels. First, it's essential for a brand to get out in front of negative news, such as a recall. "You can't wait for the government be the first voice to be heard," he says. With regulated sectors a brand often needs to include various elements in its first release, Grabowski says, to meet statutory regulations.



Stephen Payne, VP, Feld Entertainment

Adds Stephen Payne, VP, corporate

communications, Feld Entertainment, "I'm a firm believer in rapid response, even if the communications are not in response to a crisis. By rapidly addressing issues you help prevent something small from mushrooming and being more difficult to manage."

On another level the message has to be speedy, too. "If you can't say it fast, you'll lose," Grabowski says. "Nobody's reading anything that's not short...nobody's even reading long blog posts." Look at the candidates, Donald Trump and Hillary Clinton, he says. "They're not talking to reporters, they're tweeting out...even regulators are using social."



Hinda Mitchell, President, Inspire PR

A veteran of food industry PR, Hinda Mitchell, president, Inspire PR Group, urges brands to have "a dark page, or hidden website page, ready to take live to share recall-specific information." Broadening that to other industries, she says, "There just simply is no substitute for

preparation. Any company can and should identify the highest risks, most likely crisis scenarios and then work a plan to address them." She adds, "Figuring out how to post in 140 characters is not something you want to be doing while in crisis mode. Craft template responses now."

Social Makes Brands Like Politicians: The immediacy and ubiquity of the digital world has forced brand communicators to strategize as if they were managing a political campaign, Grabowski says. "Due to social media, [a brand] can't allow a statement [about it] to go unchallenged...the culture today, particularly millennials, often assume the first thing they hear is the truth...and if it's not corrected quickly, it certainly is the truth."

Lights, Camera...: After you've issued your statement, or your second statement in the case

of a regulated industry, it's time to "think about your video," Grabowski says. The video should be done and online within the first 72 hours of the negative news hitting. You have options for the vid. It can be an apology video or an expert's retort to the negative news. Perhaps your CEO will appear.

In any case, it needn't be a polished, smooth corporate video. In fact, those are not as credible, he says. Grabowski prefers "a simple, unscripted video...I like to brief the subjects, but let them work from 4-5 talking points." Another tip: shoot with two cameras, as it will make editing easier. Ideal Transparency vs Foolish Transparency: Certainly be "as transparent as possible," Grabowski say. "Rip off the Band-Aid and tell the story...[yet] plenty of companies talk about transparency and few deliver." Still, Grabowski cautions, "Don't be foolish" about transparency, set limits. Payne agrees. "In the case of a systematic campaign against [your brand] by outside groups, transparency can be used against you. Understand the situation and realize the players before deciding how open to be."

4 People to Include on Your Communication Alert Team

By Ian James Wright

hen you're putting together preparations for the possibility of a crisis, internal communications is usually not the first thing to come to mind. But it's an essential part of crisis response preparedness; you must loop in employees, owners, board members, investors and the wider community (including the families and business associates of all the above) if you want to maintain a reputation of integrity and transparency.



Melinda Merillat

Melinda Merillat, senior director of marketing and public relations at the College of Biblical Studies in Houston, Texas, advocates for putting together a communication alert team, which is responsible for notifying appropriate stakeholders in a timely fashion in the event of a crisis. The size of this team will probably scale with the size of your organization, but these four people should be at the core:

Incident commander

- Leads response and recovery effort during a crisis
- Activates emergency alert system or delegates to a public information officer

Public information officer

- Is the media spokesperson or designates one.
- Writes communications, protects brand and assists with image and presentation
- Coordinates communications timeline



- Coordinates and oversees "human touch" element during an incident
- Sends pre-approved communications to stakeholders and community
- Provides support for strategic planning team and on-ground incident team
- Activates emergency alert system if incident commander is unable

IT specialist

- Responsible for the communications infrastructure (computer, website and telephone) during emergency operations and recovery
- Oversees all issues related to company intranet and other IT systems
- Provides website support as needed
- Updates phone systems with pre-approved, pre-recorded crisis message

Social media coordinator

- Provides communications support as needed, including social media and website updates
- Implements and manages "human touch" element
- Trained in emergency alert service operations—activates alert system if incident commander and public information officer are unable

You may also consider adding someone specifically designated as internal liaison, who is the link between major stakeholders and the crisis management team. Merillat stresses that all team members should participate in scheduled practice alert tests.

To learn more about crisis management, see PR News' Crisis Management Guidebook, available now.

Follow Ian Wright: @ianwright0101

A Social Media Checklist for Your Crisis Communications Plan

By Steve Goldstein

n times of stress, one's judgment is impaired, no matter how cool the head might seem. This holds true for both individuals and organizations in crisis mode, and the temptation to act out on social media can be too great for some. The best defense is a smart, succinct crisis plan that can be shared throughout an organization.

In this excerpt from PR News' Book of Crisis Management Strategies & Tactics, Vol. 8, Ann Marie van den Hurk, principal of Mind The Gap Public Relations, lists six recommendations for integrating social media into every crisis scenario your brand or client might face.

- Criticism: Do not censor criticism on your blog, Facebook account or YouTube channel unless it violates your stated community guidelines. This is a difficult concept for organizations to get accustomed to in the age of social media. Removing the offending comments may lead to more, harsher comments.
- **Tone**: Social media is not the space for corporate tone. When responding, be personal, polite and professional. Never respond in a dismissive or impolite manner. It will only add fuel to the fire.
- Order: Many organizations are afraid to stand up for themselves on social media. It's OK to bring order to the organization's

online space, which will allow for concerns to be addressed.

- Listen: Listen to and try to understand what the negative commenter wants. Respond directly to the person, when possible. Respond publicly and have an open conversation or acknowledge the concern and then take it offline. How an organization handles a particular situation depends on the factors involved.
- **Channel**: Different social media channels have unique tones because they target different audiences. Each channel needs to communicate the same message, but that message needs to conform to the style of a particular channel. What works in a media release, on a website or in a brochure will not necessarily work on Twitter or Facebook.
- **Update**: Websites and social media platforms need to be updated 24/7. During a crisis, people will be expecting current information. They will be expecting interaction on social media platforms.

This article was adapted from PR News' Book of Crisis Management Strategies & Tactics, Vol. 8, which is available in digital and print formats. Follow Steve Goldstein: @SGoldsteinAl

8 Time-Tested Crisis Communications Tips You Can Adopt for Your Brand

By Joel Newman

ews stories about organ donation and transplantation are, by their nature, dramatic and compelling. Through organ donation, the tragedy of a lost life can be put in a different perspective by the fact that other lives are saved. Living organ donors make a selfless choice to restore the health of a relative, friend or even a complete stranger.

Adding to this drama is the unfortunate reality that not everyone who needs a transplant will receive one. Assuming no sudden, major increase in donation rates, only about one in four will receive a transplant in a given year. On average, 21 people die every day because a matching organ didn't become available in time.

United Network for Organ Sharing (UNOS) is a part of many stories about transplantation in the United States. It's a non-profit organization that serves as the national transplant network under contract with the federal government. It operates the system that matches donated organs with patients in need. Its computer database prioritizes candi- dates for each organ offer and collects medical data on all donors, transplant candidates and transplant recipients. All U.S. transplant hospitals and organ procurement organizations are members of the national network.



Some transplant stories are high profile because of the name recognition of the people involved. Mickey Mantle, Walter Payton, Steve Jobs and Dick Cheney are instantly known to untold millions of people. (Of these four, Payton died before he could receive a transplant. The other three were transplanted.) UNOS often is asked whether celebrities receive priority in the matching system because of their fame or influence. They don't. But situations like these provide an opportunity to talk about how the system really works.

The UNOS Communications Department is the first responder for all media issues. Two communications professionals routinely split media relations responsibilities with an additional backup person. In potential crisis situations, UNOS invokes a crisis communications plan and involves UNOS executive staff members and elected officers.

Applying Lessons to a Variety of Crises



Joel Newman, assistant director, communications, United Network for Organ Sharing Lessons learned from responses to previous crises have influenced its crisis plan. But given the vast arrayof issues that may involve UNOS, it can't anticipate a short list of likely scenarios and develop detailed plans to address each. The subject may be a first-of-its-kind transplant procedure one time, a donor-transmitted

infectious disease the next or a controversial statement by a public figure after that. Each event may require a unique set of messages and expert advisors/spokespeople to develop and convey them.

Even though each situation may vary, a common set of do's and don't's helps shape UNOS' actions. In the heat of the moment, when everyone's paying attention and there is no Plan A to follow, these time-tested lessons can help keep your crisis team on track:

Keep key audiences informed and involved. At the beginning of a potential crisis, list key audiences and stakeholders and determine specific actions for each. Revisit your list and action plan as the situation evolves.

Release as much information as you can. If you don't, someone else might—and their information may be wrong, incomplete or contrary to your interests.

Prioritize opportunities that best serve your needs. Identify media outlets most likely to address what you need and want to say. Who best covers the audiences you need to reach? Who do you believe will report accurately and fairly? If these outlets have contacted you, follow up quickly. If they haven't, contact them. Don't ignore other requestors. Transparency and courtesy are vital to building positive relationships.

Have a plan A. A crisis plan developed before an actual crisis is best. Be specific about how you'll notify and involve key decision-makers as soon as possible as well as how to access key resources to prepare your response.

Be ready for plan B. No plan can address every possible development. While you should prepare for likely contingencies, also recognize the need for creative problem solving when the need arises. You might even designate a "plan B thinker" to concentrate on addressing unexpected developments.

Don't assume all the shoes will drop at once. Crises evolve unpredictably. They can change entirely based on a new development such as an investigation, a lawsuit or an organized protest. While continuing to respond "in the moment," discuss with your decision-makers "what's next" scenarios and how to address them.

Don't talk only about "what this means to us."Your natural focus may be the harm a crisis has caused your organization. But others may be harmed or could be at risk. If your communications overlooks or dismisses what is happening to others, you may appear uncaring or incompetent. Does this situation cause hardship on customers, patients or local residents? What are you doing to help them? If you haven't met their needs, how will you do better in the future?

Don't rest on past reputation/relationships. The media may never have done a bad story about you or may not even notice you. Maybe your usual

"beat" reporter likes and trusts you. That can change in an instant. Earn your reputation every day, especially in times of crisis. You may not be able to fix past problems or convince everyone immediately that you've changed for the better, but you can position yourself as a caring organization that's able to improve and learn. Set a tone you'll continue to follow when the immediate crisis is over.

Follow Joel Newman: @UNOSNews

Issues Management Cheat Sheet

By Mark Renfree

Mitigating and Responding to Risk

Here are some top-line tips for managing tough issues:

- Be prepared. No matter what your industry, there is a security "pain point" that you should consider.
- When creating a risk mitigation plan, be open to the input of others outside your company.
- But, ultimately, trust your own company's experience, expertise and nuances to create a custom plan.
- Consider the entire company when developing a plan (not just managers or executives).
- Build an escalation plan into the infrastructure.
- Stick to the plan. Stay disciplined about what your messages are and who is responsible for delivering them.
- Choose a point person for media inquiries.
- Consider what your communications are within the company walls—and keep them consistent with external messaging.
- If you are working with a law enforcement agency, make sure to establish—clearly and early on—what their expectations are of your company.
- When working with multiple law enforcement agencies, reduce confusion or misinformation by keeping the points of contact to a minimum.
- Be conscientious about capitalizing on a "sensational" event. It may do more damage than good in the long run.

Seven Survival Strategies When the CEO Goes Rogue

Richard Levick, chairman and CEO of Levick and co-author of The Communicators: Leadership in the Age of Crisis, stresses that PR pros have to recognize that the rules have changed when it comes to corporate chieftains thinking they can say anything as long as it doesn't offend the core constituency. Here are some steps to take when the CEO gets the company in hot water:

- Determine the severity of the sin. There are a thousand "shades of grey," and every case is different. But, the first question the company must ask itself, Levick says, is: "Can the CEO regain the trust of our consumers and stakeholders?"
- 2. Determine the Investor Relations (IR) response. Private companies usually have fewer audiences so there is more latitude. Public companies have an audience of shareholders to cater to, and their concerns need to be gauged and addressed by the board.
- **3.** Determine whether the CEO's brand can be distanced from that of the company. If the two can be reasonably separated, they should be via statements that the sin does not reflect the company's values. If they can't, a much more aggressive response is necessary.
- 4. Determine how the sin relates to the company's brand. The same sin can be judged differently among different audiences, says Levick. "If Chick-fil-A's most important markets weren't in the Bible Belt, we would have seen a far more aggressive response."

- **5.** Determine how the sin's timing affects its impact. Timing is everything—and sometimes timing demands a more aggressive response than would normally be called for.
- 6. Determine the cost/benefit of sticking with an embattled CEO. Sometimes, a CEO is so visionary and essential to success that the company can afford to take the temporary reputation hit that comes with standing by him or her, according to Levick.
- 7. Determine how much goodwill resides in the CEO's trust bank. Has the CEO built up enough credibility and trust to be given the bene t of the doubt for one misstep?

A Communications Infrastructure Is Designed to Handle Questions Such As:

- 1. What's the issue?
- 2. What needs to be said?
- 3. What needs to be done?

- 4. Who are we talking to?
- 5. How do they prefer to see the message?
- **6.** How quickly can the message be disseminated?

Prepare for Problems Before You Have Them

Although it can be difficult to make the case to budget-conscious CEOs, spending dollars up front on communications planning and training will save money in the long term and help avoid a devastating reputational hit. Here are five guidelines to get you started:

- 1. Find an attorney before you need one.
- **2.** Update your crisis communications plan to include protocols for reporting a data breach.
- 3. Draft away.
- 4. Train and practice, practice and train.
- **5.** Build a social media presence before a breach.