International Association of Business Communicators Heritage Region

COMMCORE CONSULTING GROUP

How to Contain a Crisis in Today's Viral World

Andrew Gilman & Dave Roznowski

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Agenda

I. Crisis Overview

II. PressureTest™ Simulation

III. Debrief

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Our BLUF

- How up to date is your plan?
- What can you learn from other crises?
- When is your next drill?

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CommCore…at a glance

35 years Experience in Crisis & Communications

- From Tylenol to Boeing helping organizations prepare for and mitigate crises.
- Communications training to develop superior internal and external communications skills
- Critical Time; Critical Audiences

TYLENOL®

BOEING

COMMCORE PRESSURETEST

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The New York Times

MEDIA

Who'd Create a P.R. Crisis on Purpose? Well, Only the Sweat Was Real

By SAPNA MAHESHWARI SEPT. 17, 2017

Dale Weiss of CommCore Consulting Group helped create a crisis simulation, complete with a masked hacker, to demonstrate the "firestorm" that can engulf a company. Sam Hodgson for The New York Times

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Where were the world's largest oil spills?

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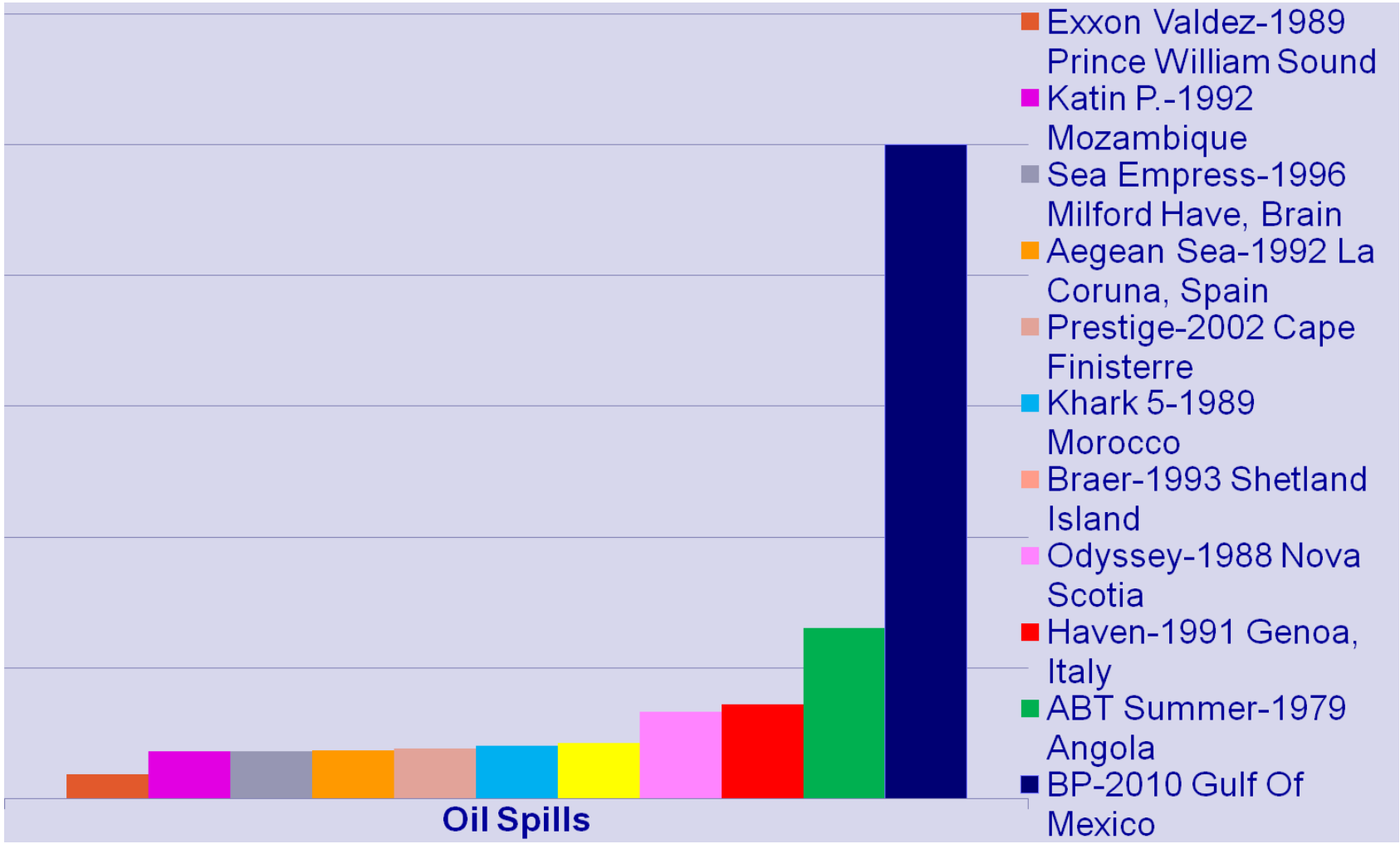
World's Largest Oil Spills



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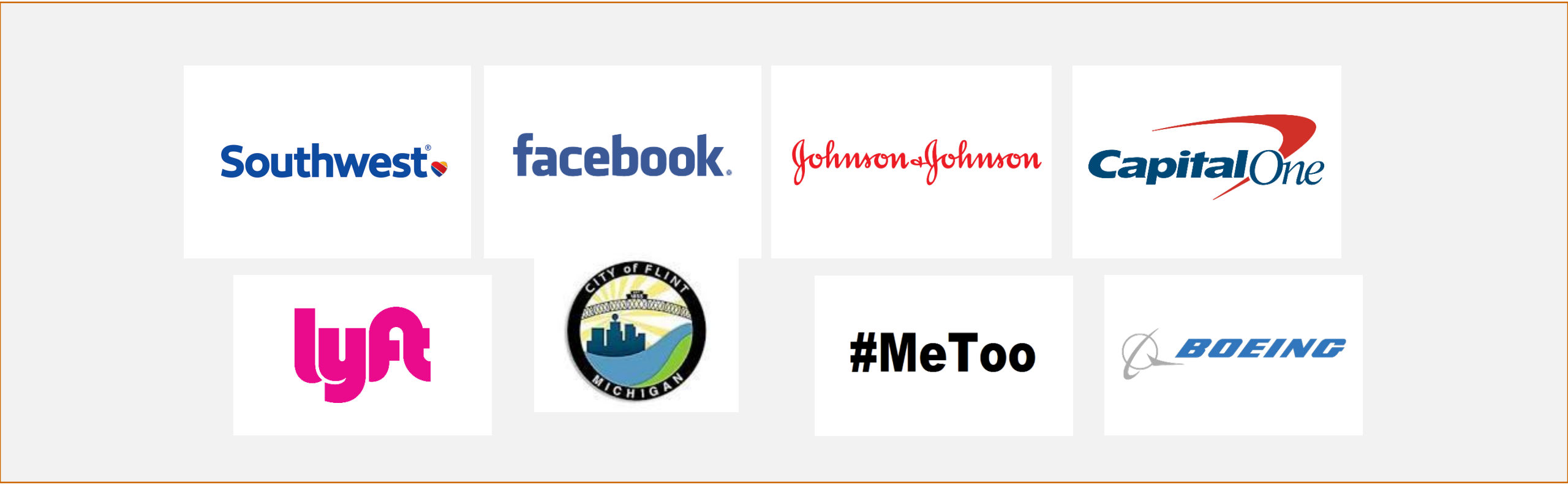
Who has had challenges?



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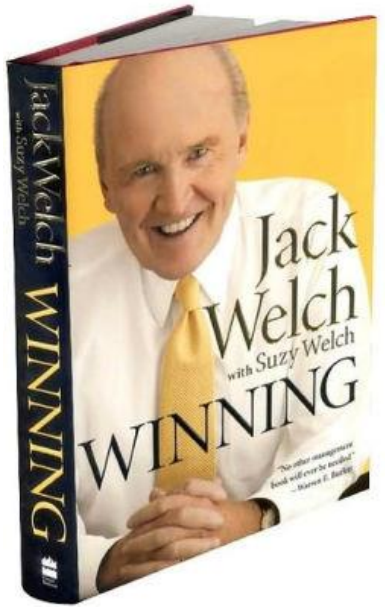
Crisis Words of Wisdom

1. The problem is worse than you first thought
2. There are no secrets in the world
3. Your organization's handling of the crisis will be portrayed in the worst possible light
4. No crisis ends without blood on the floor
5. Your organization will survive

– Jack Welch and Suzy Welch, ***Winning***



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Emerging Trends Impacting Reputation

Cybersecurity Breaches: All companies must embrace preventative measures and proactive crisis communications planning

Cultural Narrative of Sexual Equality: Employers, employees, and investors alike are increasingly aligning behind the movement to support gender pay equality and adopt zero tolerance sexual harassment policies

Focus on Workplace Culture: With increasingly low unemployment rates, the potential to attract and maintain employees of choice is now more likely to be shaped by intangible cultural benefits

Tweet Ranting: Earned media and journalistic reporting is less likely to drive the public relations sector in the way tweet rants and social media outlets dominate mainstream media

Millennials Matter More: Representing over a quarter of the US population, Millennials actively participate in social media and social responsibility making them highly influential in shaping corporate values and innovation

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Emerging Trends Impacting Reputation

CEO Activism: audiences have increased expectations of companies and their willingness to take a stand

Nationalism v. Globalism: The multinational company is waning, empowering the home-country advantage as patriotic and nationalistic

Everyday Influencers: The power of influence through word-of-mouth and social media networks continues to create influencers; ordinary people are having extraordinary impact

Corporations finding higher purpose: Corporations with a higher purpose yield stronger reputations that directly translate into their profits

Fake News v. Truth: Credibility continues to be called into question, organization will need to work harder to prove themselves honest

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Social Media Landscape

28.4 million		TWEETS
260 million	YouTube	VIEWS
232 million	Google	SEARCHES
4.78 million		POSTS
125 million		SNAPS
779 million		TEXTS

Source: Domo "Data Never Sleeps 6.0"

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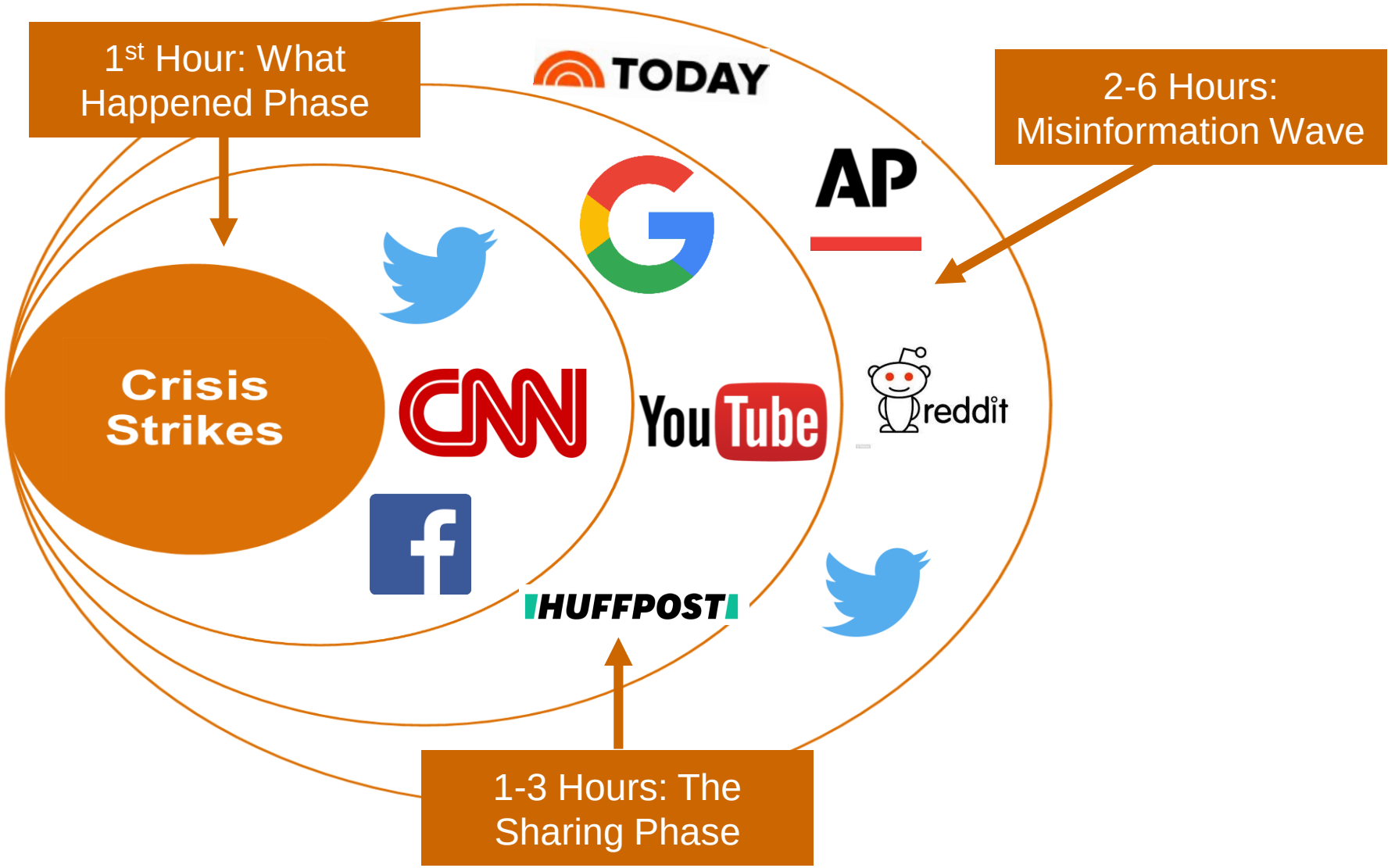
Crisis Timeline



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Vatican Square

1.Villain

3.Vindicator

2.Victim

4.Village Idiot

4V’s

Types of Crises

- Cyber Attack/Hacking

- Internal System or Infrastructure Failure

- Human Error

- Unethical Behavior

- Terrorism

- Natural Disaster

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Crises Duration

- **Flash**
  - Goal: Shorten news cycle
  - Strategies: Multiple communications channels
  - Tactics: Rapid response
- **Predictable**
  - Goal: balance response from stakeholders
  - Strategies: mobilize all internal/external resources
  - Tactics: Preparation
    - FAQs, Press Release templates, 3rd Parties
    - Corrective action
- **Chronic**
  - Goal: Longer term Reputation Management/Improvement
  - Strategies: Short term adjustments to long term plan
  - Tactics: Monitor, adjust with circumstances

Crisis Realities

- Inside a courtroom, you're innocent until proven guilty

- In the court of public opinion, you're guilty unless you prove yourself innocent

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SOUTHWEST®

"Passenger Killed On Southwest Flight Is the First U.S. Commercial Airline Fatality In 9 Years"

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Strategy: Compassion and Action

- Responded immediately with regular updates
- Avoided corporate speak in favor of human language
- Coordinated media/social media responses
- Posted brief statements – linked to longer statements
- Released CEO video statement
- Provided $5,000 per passenger – no strings attached
- Offered travel support and trauma counseling upon landing via trained team

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Strategy: Compassion and Action

Southwest®

“Southwest is a great company and they took really good care of us. There’s no question in my mind as to who I’ll be flying with again. They really took care of us.”

– Passenger Andrew Needum

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And yet…

The Dallas Morning News

"Southwest Airlines 'safety culture' questioned amid frayed relationship with mechanics' union"

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Case Study

LyondellBasell Crane Collapse
July 18, 2008 - Houston

Putting the Crisis Plan and Simulations to Work

Overview

- A 420’ (42-story) crane being used for maintenance collapses
- 7 contract workers Injured (3) treated on-site, (4) transported to area hospitals – (2) by Life Flight Helicopters
- Four Deep South Crane & Rigging Fatalities
- National generated the following in 48 hours:
  - 81 Print articles
  - 347 broadcast news stories
  - 520 web articles
- Four (4) Press Briefings on July 18, 2008
  - 1:20 Incident first briefing at 2:30 with Refinery VP
  - 3:30 pm briefing and Live at 5 pm briefing
  - 9 pm final briefing with Regional PR Manager – Transition
- More than 20 one-on-one interviews conducted Saturday, July 19 including Fox News Live at noon

Crisis Communications Planning Pays!

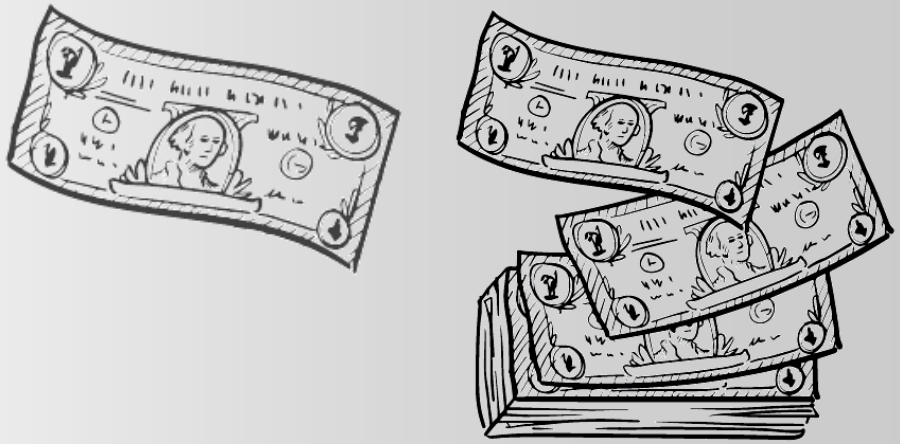
30-days leading up to crisis:

- A media analysis was conducted of Goodyear's response to their incident and fatality
- CERT Drill with Public Affairs
- Public Affairs Table-Top Drill 2-weeks prior to event
- Crisis Scenario Planning for VP of Communications and Global Public Affair Director vacations.
- Regional PR Managers EOC training and shadowing at refinery
- Media Readiness Assessments at each site
- Media Training
- Media Training for Non-Spokespersons

Crisis Preparedness Is An Investment- Not An Expense

According to Marsh LLC:

Every $1 spent in crisis planning is worth $7 in losses averted



*Marsh LLC

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Your Goals in a Crisis

- Contain it from getting worse
- Keep it no profile, or at least low profile
- Make it fade away as soon as possible
- Keep on doing business as usual
- Avoid any damage to reputation
- Keep it from affecting finances

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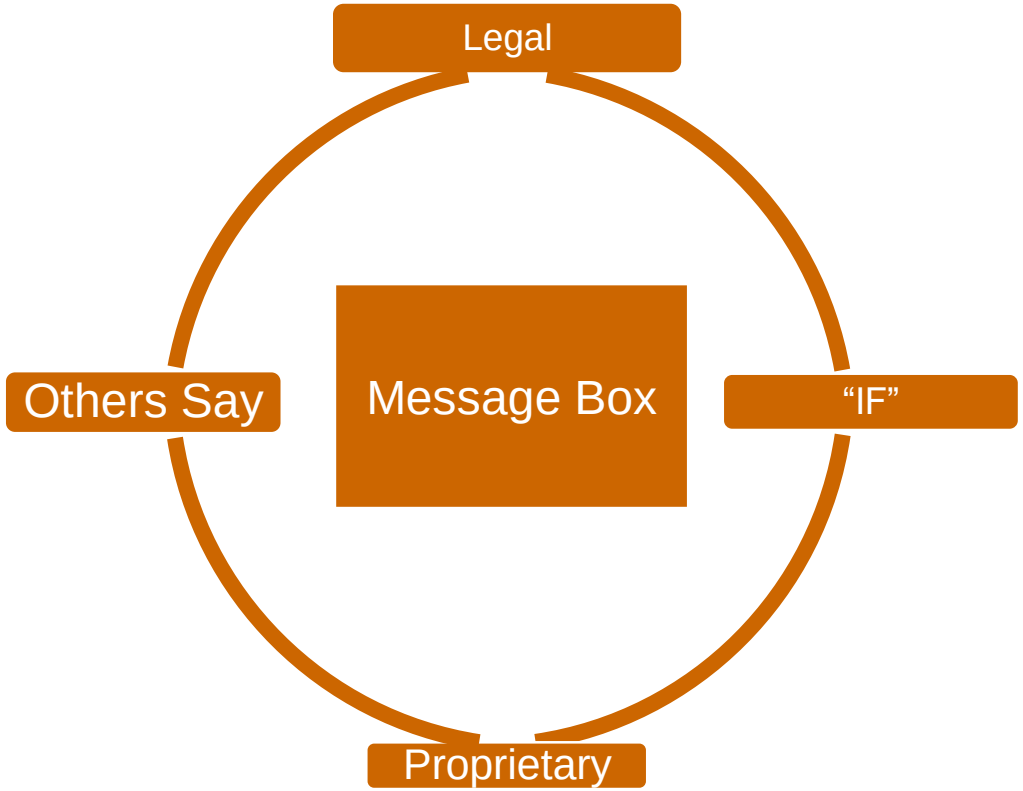
In a Tough Situation

- “No comment” gets you into more trouble
- Use the message box
- Limited answer with little or no deviation



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Texas Health Presbyterian Hospital

Executive Defends Dallas Hospital: No 'Systematic, Institutional Failure'

by **Evan McMurry** | 9:27 am, October 15th, 2014 178

Dr. Daniel Varga, chief clinical officer for Texas Health Resources, defended Texas Health Presbyterian Hospital at a press conference Wednesday morning after news that a second health worker had contracted ebola from patient Thomas Eric Duncan, who passed away last week. The second case intensified criticism of the hospital, especially after a statement from a nurses association accusing the hospital of lacking proper protocols.

"We're a hospital that serves this community incredibly well and we have for nearly a half century," Vargas said. "We're a hospital that may have done some things different with the benefit of what we know today. But make no mistake, no one wants to get this right more than our hospital, the first to diagnose and treat this insidious disease that has now attacked of two our own."

One reporter asked whether the second case represented a "systematic, institutional problem" at the hospital.

"I don't think we have a systematic institutional problem," Vargas said. "The case of this patient here again shows that the ability to intake those folks, get them into isolation and manage them has been very effective. But we're looking at every element of our personal protective equipment and infection control inside the hospitals."

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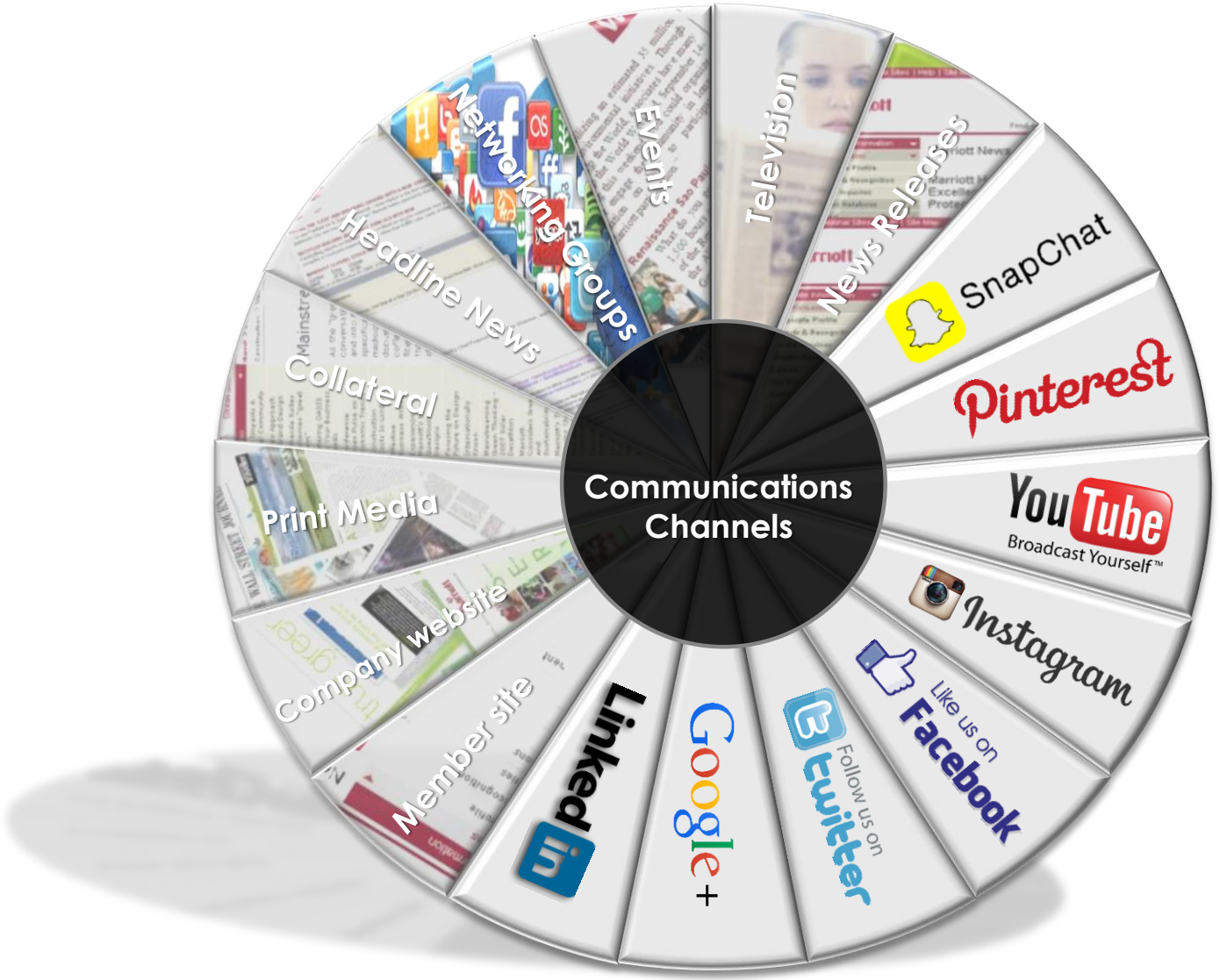
Strategic Communications Wheel



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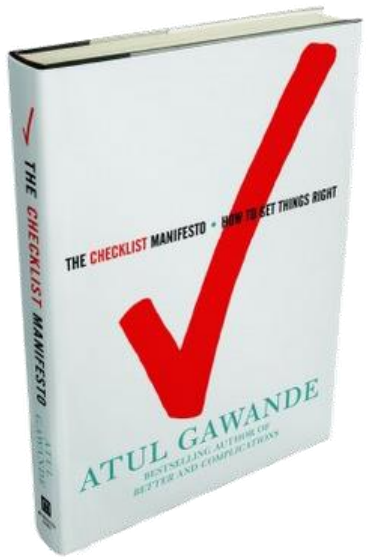
The Checklist Manifesto



Successful Outcomes in:

- Construction
- Airplanes
- Crisis Planning
- Medicine Results:
  - 36% decrease in complications
  - 47% decrease in deaths
  - 25% decrease in in return trips to the OR

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Objectives of Crisis Simulation

Companies prepared for a crisis can minimize damage, lower response costs and reduce the likelihood of regulatory action and litigation.

Effective preparation mitigates damage by helping organizations to:

- Build Teamwork, Respond quickly and effectively to fast-breaking situation
- Reassure customers/ key stakeholders of commitment to address concerns
- Mitigate fines, penalties and litigation costs
- Successfully pivot to the future

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