Corporate Exposure: Crisis Communication

Harry Mirijanian

ith environmental and other liability regulations tightening at the state and local levels, and in the face of ever-increasing litigation, crisis communication must be foremost in the minds of managers. Through strategic development, management consensus, assignment of responsibility, and implementation, your organization can begin to address this challenging area.

A Suggested Approach

- 1. Designate a small group of key executives as the crisis planning and management team. This team should include, at a minimum, the CEO, inhouse counsel, risk manager, operations manager, and corporate relations personnel.
- 2. Brainstorm possible crisis scenarios for your operation so that planning can be as exact as possible. This will also facilitate decisions about whether one or several plans are required. Independent risk control management consultants, insurance brokers, and carrier representatives are additional resources for assisting in this risk identification matrix.
- 3. Train all members of the team to deal with the news media. During a crisis, the news media will likely become the primary audience to which all others will react. Understanding the news operations process will also help the team implement its plan more effectively.
- 4. Develop a list of primary contacts. Identify audiences that will require accurate and timely information in the event of a crisis. A master list of key individuals representing each audience component should be assembled, complete with address, day and evening telephone numbers, and FAX numbers where available. Contacting each individual on this list

should become the responsibility of a designated member of the team.

- 5. Select one member of the team to serve as a spokesprson in the event of a crisis. All team members may be called upon to answer specific questions from the news media, but the spokesperson should serve as the primary contact, processing and tracking all incoming inquiries. A back-up for the designated spokesperson is advisable.
- **6.** Establish contacts and develop a relationship and rapport with the news media before a crisis. Remain

Once you're caught in a lie, your reputation will be destroyed.

in regular contact and inform the media about such things as new operations, community involvement, new hires, promotions—in short, whatever could conceivably be called news. Often, the way a company is perceived during a crisis depends on how well the company interacts with the public *before* a crisis.

7. Review your plan continuously and amend necessary areas as quickly as possible. We have seen plans that were not audited or updated for years; in emergency situations some of the people designated by management to respond were no longer even with the firm.

Organizations usually have to learn the hard way that crisis communication means being prepared to act fast. Communication programs will succeed or fail within the first few minutes of a crisis. Companies must be capable of delivering and processing news and information as soon as it is available. Statements, press releases, and corporate responses to inquiries must be crafted and approved in as simple and swift a manner as possible. By taking quick action, the company discourages the news media from digging elsewhere for information, and it enables itself to present the company's side of the story before anyone else has spoken.

Summary

There are some simple and obvious considerations attached to this issue. First, you should be honest. Once you are caught in a lie, your reputation is destroyed and may possibly be unsalvageable. Second, report only on hard facts-and do this without speculation. Do not make statements about future developments, and do not volunteer negative information. Try to offer positive comments as much as possible. Third, do not use industry acronyms or terminology. Your audience is the general public, and if they do not understand, you can expect that their conclusion will be negative.

Finally, be calm and in control at all times. Practicing in front of cameras, or having others on your team do some role-playing and pretend to be reporters digging for sensational headlines, will help make it easier to face confrontations that have become commonplace in today's society.

Harry P. Mirijanian is president of Applied Risk, an independent risk management services firm established to assist the business community in reducing exposure to loss and insurance costs. He is a frequent speaker at AMA seminars.

