

Crisis Planning

Most organizations will experience a potential crisis about every two years (Sickler, 2019). A crisis is a significant threat to operations that can have negative consequences if not handled appropriately. Examples of an organizational crisis include a financial loss that disrupts operations, an industrial accident or product malfunction that results in injuries and/or loss of lives, a data breach that exposes consumers' Personally Identifiable Information (PII), and a lawsuit that results in damage to employee morale, public image, and stakeholder and consumer confidence.

Organizations can help manage a crisis long before it occurs by having a crisis plan in place. Crisis planning contains a series of steps an organization performs to handle such catastrophic events and is a critical organizational function. This bulletin provides best practices to help organizations prepare for, respond to, and recover from a crisis.

Three Phases of Crisis Planning

Crisis management is a process designed to prevent or lessen the damage a crisis can inflict on an organization. This process can be broken down into three phases: the pre-crisis phase, crisis response, and post-crisis phase.

1. Pre-Crisis Phase

The most vital stage of a crisis plan occurs before a problem exists. The pre-crisis phase focuses on preventing and preparing for a crisis, allowing the organization to react faster and to make more effective decisions when a crisis occurs. Consider the following guidelines for crisis preparation.

Have a crisis management plan and update it at least annually. A crisis management plan is a reference tool that will save time during a crisis by pre-assigning tasks and roles. At a minimum, the crisis plan should address the following (Sickler, 2019):

- Internal and external stakeholders
- Communication infrastructure and redundancies
- Primary spokespersons for each communication channel
- Decision-making chain of command
- Access to emergency funds
- Holding statements
- Contingency plans

Have a designated crisis management team that is properly trained. The crisis management team should be staffed with senior executives, department leadership, legal counsel, and the head of public relations (PR). Team members are pre-assigned to the basic tasks required in a crisis, saving time when a crisis occurs.

Conduct exercises at least annually to test the crisis management plan and team. Each crisis is unique and will require a different response. Therefore, it is important to train all team members in making decisions, including how to respond and what to communicate, during a variety of possible situations. Plans and teams are of little value if they are not tested.

Pre-draft select crisis management messages. Pre-drafted message templates will also save time in a crisis and will help maintain consistency in communications. The templates leave blank spots to insert key information once known. Templates should include crisis statements from top management, press releases, and content for websites. It is important to have legal counsel review and pre-approve these messages.

2. Crisis Response

Crisis response happens after the crisis occurs and includes the initial crisis response and any necessary reputation repair. Consider the following best practices when responding to a crisis.

Be quick. It is crucial for the organization to be quick to respond so it can tell its side of the story – the key points the organization wants to convey about the crisis to its stakeholders. When a crisis occurs, people want to know what happened, prompting the media to fill in missing information. However, solicited information from outside the organization, or within, may be inaccurate, or may be used as an opportunity to attack the organization. A slow response, or no response at all, not only lets others control the story, it suggests the organization has not gained control of the situation.

Quick response is also crucial when public safety is a concern. The organization may need to deliver instructing information so people know what they must do to protect themselves. For instance, people must know as soon as possible not to drink public water if it has been contaminated.

Media relations allow crisis managers to reach a wide range of stakeholders fast. However, this is not the only channel they should use to reach stakeholders. Websites, Intranet sites, and mass notification systems also help to provide a broad and quick response.

Be accurate. Speed is meaningless if the information is wrong. Accuracy is crucial when communicating with the public because stakeholders need to know the truth about what happened and how it might affect them. Inaccuracies and inconsistent communications can make an organization look as though it is trying to cover-up the crisis. Furthermore, incorrect statements can make the organization appear inept at controlling and remedying the situation.

Be accountable. Trying to cover up a crisis will worsen the damage. Forbes notes that organizations can better manage the situation by taking responsibility, reacting immediately, and responding to feedback (2017). It is important to acknowledge concerns and questions and respond to the right conversations.

Another important component is to express concern/sympathy for any victims of the crisis. Victims are anyone who has been hurt or inconvenienced in some way by the crisis. Expressions of concern help to lessen reputational damage; however, there are limits to expressions of concern as these may be viewed as admissions of guilt (Tyler, 1997). Additionally, as more crisis managers express concern, these expressions may lose their effect and may start to seem canned.

Be consistent. More than one person will likely need to speak for the organization but the message must be the same. It is the role of the crisis team to deliver a consistent message by briefing all spokespeople on the same information and key points the organization wants to convey. Spokespeople should be trained in media relations skills and coached on how to respond prior to any crisis. This allows the focus during the crisis to be on the key information the organization wants to deliver rather than how to handle the media.

3. Post-Crisis Phase

In the post-crisis phase, the organization is recovering from the crisis and returning to business as usual. Although the crisis is no longer the focal point of management, it still requires some attention. Consider the following best practices.

Communicate updates. The Institute for Public Relations suggests the organization provide updates on the recovery process, corrective actions, and/or investigations (2007). It is also important to provide any additional information that was promised during the crisis phase. For instance, if an organization promised the public tightened internet security on its website, they must make sure to notify the public as soon as they have implemented the improved security controls. If crisis managers do not deliver on informational promises, they risk losing stakeholders' trust. The amount of information promised during the crisis phase along with the length of time it takes to complete the recovery process will dictate the amount of follow-up communication required. Corrective actions may take days or may take years, depending on the damage caused by the crisis.

Learn from the crisis. Every crisis should be used as a learning experience. Determine the root cause of the crisis and address flaws in any underlying policies or processes that may have led to the event. This will help prevent similar issues in the future. The post-crisis phase is also a good opportunity for the organization to evaluate its crisis management efforts and see what is working and what needs improvement. The lessons learned will help the organization make improvements to its prevention, preparation, and/or response plans and then integrate those improvements into its crisis management process.

Conclusion

All organizations are at risk for a crisis and the way they respond can either boost their image or significantly damage their reputation. Crisis management begins long before a crisis occurs and inadequate planning can have a profoundly negative effect on the organization. Effective crisis planning can help minimize the potential damage and, in some cases, allow the organization to emerge even stronger than before the event occurred.

References

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