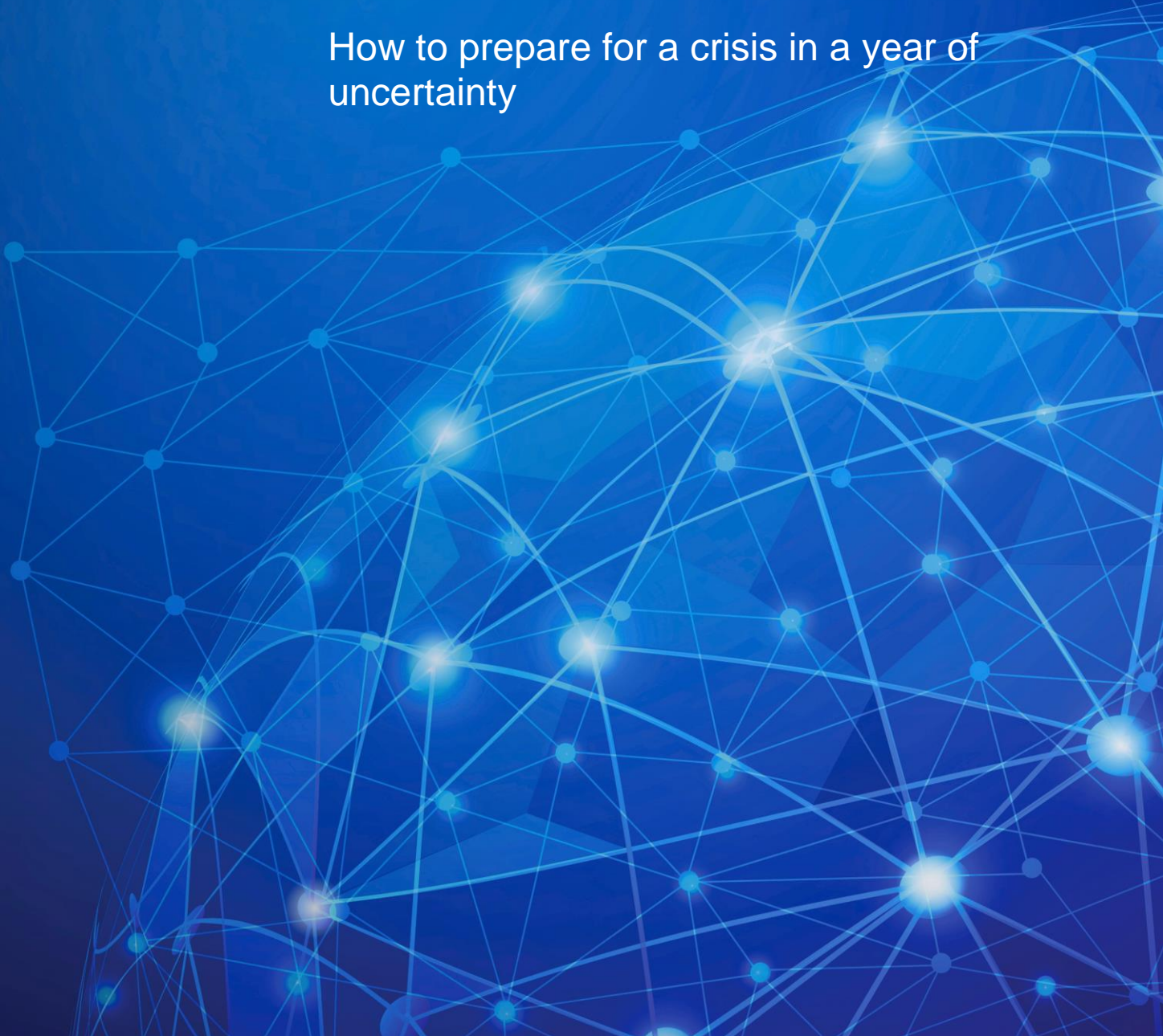




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Detailed Advice Guide

How to prepare for a crisis in a year of uncertainty



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Introduction

We are often asked by our clients for guidance on how to prepare for an unexpected crisis situation and, what is important to consider when handling communications in a crisis. As a result we asked Worldcom Public Relations Group experts from Europe and the US to respond to commonly asked questions.

The content of this Guide is based on the questions answered by our experts in a Webinar first aired in February 2017. You can listen to a recording of the Webinar by clicking on this [link](#).

We hope you find the Guide helpful. Have a look at our [Insights page](#) for more useful content as well as other webinars from our global experts.

If you would like to discuss any of the topics raised with any of our experts, please contact Crispin Manners @ crispinmanners@worldcomgroup.com

Our Partners enable you to design, deploy, track and evaluate communications campaigns that deliver outstanding results and sustained value. By working with Worldcom you can access a significant communications advantage whenever and wherever you need it. If you would like more information about Worldcom and its partners, please contact Todd Lynch, Managing Director @ toddlynch@worldcomgroup.com or call Todd on +1-212-286-9550.

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Panelists

BELGIUM

Hans Karperien

THE NETHERLANDS

Theo Snijders

UK

Crispin Manners

USA

Brian Ellis

Matt Barkett



Bearing in mind the wide-ranging global changes underway, how would you rank 2017 against previous years in terms of the need for organisations to have well-prepared crisis management policies and procedures in place?

USA – BRIAN

From a US perspective, announcements by the Government have become a target for a highly active community of advocacy groups. We see this most in our social channels where people are much more actively engaged and involved. Therefore, in a crisis, you have to be available to respond almost immediately.

For example, when President Trump announced plans to impose a 20% import fee on Mexico, one of our Mexican clients – who were immediately connected to this issue – had to become very proactive in their dealings.

Clients have to be very well prepared to deal with changes, from an administrative perspective and also from a consumer perspective as advocate groups are more vocal today.

THE NETHERLANDS - THEO

In the Netherlands, there has not been as much change as in the US but companies need to be prepared for the impact of this year's elections.

There are some other challenges that may arise this year such as cyber-terrorism and threats to cyber-security.

UK - CRISPIN

In the UK, 2017 is a year where organisations should go the extra mile to prepare for what the world might throw at them. The Executive Order from the US president on travel was a wakeup call for everyone around the world to be prepared for the unexpected.

The impact of the Executive Order on organisations in multiple sectors, including the movement of their people between offices, was something that certain companies had not prepared for. This is a good example of the need to carry out a thorough risk assessment.

USA – MATT

Crisis management is more important than ever. Advance preparation is the most important component of being ready to handle a crisis situation. With the advent of social media - its immediacy and lack of control - being ready to engage at a moment's notice is critical.

2017 has been labelled a year of uncertainty.

With unpredictable political decisions, and growing threats such as cybercrime, carrying out a thorough risk assessment is more important than ever.

Which sectors should prepare for potential crises in 2017?

USA – MATT

At this time, no industry sector is immune from anything. Especially in light of the way the US President is using social media to target any topic, individual, organisation or company. Each organisation, from small to large, must look at preparation in a different way this year. The US President has the ability to cause immediate change or immediate issues for people. When thinking about how you handle challenges that you may face - particularly online - and the impact they may have to your brand in the short term - you have to prepare an effective response strategy. Having plans and procedures set in place is more critical than ever.

BELGIUM - HANS

In general, there is not much difference between different sectors. What is currently important is the new European Data Protection law (the GDPR) which states that all companies with a customer database are now responsible for any breaches of data security and privacy. With the emergence of cybercrime, companies with customer information must be wary of the high risks that they face and be prepared to respond when the worst happens.

USA - BRIAN

In the US, there is a lot of debate about healthcare. Hospitals need to be prepared to be put under the spotlight. There is a company in the pharmaceutical sector which has come under scrutiny around hiking prices – another hot issue in the US media.

The healthcare and pharmaceutical sectors are both under the microscope in terms of their behaviour. Individuals are more willing to be engaged and create issues. The media is actively looking for these issues, especially through social media channels.

THE NETHERLANDS - THEO

In sectors such as healthcare, manufacturing and the petrol-chemical industry, we don't expect an increase. Additional crises related to IT, automation and cybercrime could be possible, such as accidents due to self-driving vehicles and robots. Terrorism and unrest related to ethnic problems and refugees should also be included in any risk assessment.

All sectors should be ready for a crisis in 2017. A new array of threats is becoming real for all companies.

These include the rising threat of cyber terrorism, data privacy laws and wide ranging changes in the political and economic landscape.



What example would you give of a brand that mishandled a crisis – and what was the worst mistake they made? Do you think any company is immune from a crisis? If not please explain why not?

THE NETHERLANDS - THEO

Obviously it is very difficult to talk about clients or specific crises that we handle. However, in my opinion, a lot of crises can be avoided in the Netherlands, especially in the healthcare sector.

Practical thinking is important. We have had a lot of crises because management thought they could act in a way that ignored the legal framework – for example shutting down departments and sacking people without the correct consultation. This kind of crisis could have been avoided if decisions were thought through.

USA - MATT

Many mishandled crises occur when you have an organisation that does not believe that they will be impacted by a crisis situation. Advanced preparation is exceedingly important and a critical success factor when facing any crisis situation.

To presume that you will never be hit with a crisis is not recommended behaviour. Any organisation that has been through a crisis situation unprepared comes out on the other side wishing that they had invested money and time to get prepared. Unfortunately, the day job gets in the way and people get busy, therefore crisis preparation does not become a top priority. Investing a little bit of time in crisis preparedness will make you more successful on the other side.

USA - BRIAN

We could point towards the Wells Fargo debacle in the United States. The company was in a situation where they simply lost touch with their values, who they are and what they represent.

Anytime an organisation loses touch with its values it tends to become vulnerable. We have found that many of the clients that ask us for crisis support have crisis plans but have not practiced them with their people. In fact, many of these plans have grown old and redundant.

We advise our clients to ensure that not only do they have a plan, but also ensure that the plan is being practised. We find that only 25 - 30% of people that we talk with are ready for a crisis – the majority are not even close.

No business is immune from a crisis – some are just at more risk than others.

As a result, a regular risk assessment is essential to ensure that crisis plans are not out of date.

It's also important to sense check if the company is living its values and whether management understands the impact that ill-considered decisions will have on the financial and reputational success of the organisation.

What example would you give of a brand that mishandled a crisis – and what was the worst mistake they made? Do you think any company is immune from a crisis? If not, please explain why not?

UK - CRISPIN

An example that I would like to share is the crisis that hurt Shell a couple of decades ago. Shell had decided to decommission an oil storage platform in the North Sea. They carried out a very rigorous review with the support of some ecological scientists to work out what would be the best way to decommission the platform with the least ecological impact. The answer was to sink it as deep as they possibly could in the North Sea. However, they were called out by a very well organised communications programme from Greenpeace who saw this as an opportunity to raise awareness about their mission statement. This crisis raised a number of key lessons that we can take on board:

Firstly, being right is not enough – you have to be seen to be doing the right thing and that requires active communication to get all stakeholders onside – in this case Greenpeace was better at this: they developed their programme by really understanding which consumers were more attuned to ecological issues.

Secondly, if you are an international brand, you have to be prepared to consider the impact of a crisis internationally. Shell ended up being hurt most in their German territory. German consumers reacted to the call to action by Greenpeace and boycotted Shell service stations. Shell's market share declined dramatically as a result and took a long time to recover. Despite the fact that the crisis was over 1000 miles away, Greenpeace still managed to activate the German consumers.

Being right is not enough – you have to be seen to be doing the right thing and that requires active communication to get all stakeholders onside.

If you are an international brand, you have to be prepared to consider the impact of a crisis internationally or you may find you are hurt well beyond the epicenter of the crisis.

Should every company have a crisis policy and procedures?

BELGIUM - HANS

Certainly. Every company should be prepared for a crisis. There are obviously differences between the preparation required for a large multinational and a small company. However, both would need to have a crisis manual and procedures which states what needs to be done in a crisis.

USA - BRIAN

We find that most clients are not prepared in the digital space. Not only do you need a plan, but you must also think harder about how you interact within the digital arena. This is where the conversations are really taking place. You must have the ability to neutralise an issue before it blows up.

THE NETHERLANDS - THEO

Obviously. Every company can be confronted with 'common' crises such as the sudden death of an employee, fire, fraud, job reductions or IT problems. Clear procedures should be in place and, if possible, rehearsed.

UK - CRISPIN

Every company should carry out a risk assessment and then develop policies and procedures that are consistent with the risks identified.

USA - MATT

Yes. Increasingly, there should be digitally-enabled tools to leverage social channels, mobile devices and available online content.

All companies, whether big or small, have the potential to be severely damaged by a crisis.

Therefore, it is an essential business discipline to have in place a crisis policy and the procedures to support it.



If we think about a crisis in terms of three phases – *Before*, *During* and *After* – where should most of the effort be focused?

USA - MATT

We have talked a great deal about the '*Before*' phase of a crisis – getting your organisation as prepared as possible for a crisis situation. I feel there is a general approach to that as well as a specific one. Any organisation is going to have specific risk areas (i.e. compliance risks in healthcare or labour unions and potential acts of terror in the airline sector) that may not exist in other organisations. It is important to identify and prepare for these risks in advance.

In the '*During*' phase, there has been mention of potential digital risks and the ability to not only be aware of what is being said about your company in the digital arena, but also having the ability to respond and address any issues online.

In the '*After*' phase of the crisis, some form of post-mortem of your performance in response to the crisis is essential to learn from the experience and be better prepared next time.

THE NETHERLANDS - THEO

We have mostly discussed issues of crisis communication, but we must also highlight the issue of risk communication, especially in oil and chemical industries. Transparency guidelines, especially in the European zone, relate mostly to petrol and chemical companies and force them to be transparent about the potential risks that a company poses to the environment.

This would be considered as the '*Before*' phase as they are required to publish their information on their website.

If environmentalists are aware of the potential environmental risks, this may cause some additional problems – we have seen some clients who, even after communicating potential chemical risks, have had campaigns against them from action groups.

UK - CRISPIN

I would give equal emphasis on '*Before*' and '*After*'. Rigorous preparation will mean that the '*During*' phase is handled much more effectively. But in many respects '*Before*' work is theoretical. There is much that can be learned and improved by experiencing a crisis. This learning needs to take place '*After*' the crisis. Learning needs to be a key part of the policy and procedures.

All phases of a crisis are important. However the '*Before*' and '*After*' phases should have the most focus as these will condition how the organisation performs in the '*During*' phase.

It is vital to learn from a crisis. There needs to be a rigorous review in the '*After*' phase to identify the lessons to be learnt and to embody these in the policy and procedures.

Is telling the truth always the best policy?

Telling the truth in a crisis is essential. It is hard to recover from the 'Trust' damage caused by lying.

You will need to consider how much information you provide to make sure you do not confuse audiences and make the situation worse.

USA – MATT

Yes. We have seen numerous examples over the years of companies that have attempted to lie or twist the truth which eventually backfired. Recently, in the US, the National Security advisor Michael Flynn has caused a number of issues for the new Administration.

There is nothing that the media love more than catching people lying. Therefore, telling the truth is pivotal. However, there needs to be a clear policy on how much information to provide. Providing too much may confuse audiences and make the situation worse.

There is a delicate balance of how much you need to reveal in order to get the right message communicated.

THE NETHERLANDS - THEO

We would advise our client to never tell a lie. Of course, one can be selective in the information that is given to avoid greater harm.

UK - CRISPIN

Telling the truth is essential. Most people will forgive mistakes or human error. Very few will forgive a lie.



What language would you use to manage a crisis?

BELGIUM – HANS

The local language should be used to address the people directly in an easy and understandable way. In Belgium, we have four official languages, therefore we would need to have communication localised for all regions, especially if the crisis affects the whole of Belgium.

USA - BRIAN

In the US, we always recommend using the native language of the specific region.

THE NETHERLANDS – THEO

The local language is always best. This can cause some issues if there is a centralised legal team that needs to be involved who use a different language. Planning for this eventuality needs to be part of the policy and procedures.

In general, the local language should be used when communicating during a crisis.

This may pose an issue for multinational companies who may have to translate the communications for numerous regions.

The use of different languages needs to be a key part of the crisis policy and procedures.

Who should lead the crisis team? Should a crisis away from HQ be managed by HQ?

Crisis response should always be led by a local representative.

HQ should be involved to ensure that a local crisis doesn't become an international brand disaster.

These clear lines of authority and responsibility need to be established in the policy and procedures.

THE NETHERLANDS

In the Netherlands, we would prefer to manage the crises locally mainly because of the local knowledge, language, habits and legislation. The HQ team should be available for specialist support.

USA - MATT

If there are capable people at the local level that have been trained and are familiar with what to do in a crisis situation, then I would trust that they would be able to handle it. HQ should have some involvement – they may be able to provide additional counsel that can be useful.

BELGIUM

It depends on the type of crisis. If it is a local crisis such as a work accident at one of the local factories, then it is easy to handle locally. If, however, the crisis has a global impact, then HQ should definitely be involved.

USA - BRIAN

HQ sets strategy and can help alleviate the work load for those on the ground. The ability to respond on the scene is critical since that is where the media will be located and the impact of the issue is more serious.

UK - CRISPIN

The lead person should be local but the response needs to be coordinated to ensure that every part of the business is aware of the crisis and is prepared to respond as needed. The Shell Brent Spar example shows how a local issue can cause international brand damage if the crisis response is not thoroughly coordinated.



USA - BRIAN

We always remind clients that there are two courts: the court of law and the court of public opinion.

Legal plays a critical role in the court of law and getting their involvement is key. Unfortunately, often what we see in the US is that only the legal implications are considered and organisations often lose in the court of public opinion. Although you may win legally, many companies still suffer lasting damage due to losses in public opinion.

We encourage the CEO to recognise that legal counsel may conflict with advice from your communications team. Ultimately he or she will have to make the decision that will benefit the organisation the most. Legal plays a big part in the majority of crises - there are many lawyers who understand both sides and are happy to work with communications teams, however there are some who do not want any input. Nevertheless, it is important to involve legal counsel in the management of a crisis.

UK - CRISPIN

The legal team should play an important support role. They should not, however, be setting communications policy or drafting communications responses.

USA - MATT

Legal counsel should be heavily involved in review of the legal aspects of any outbound communication, internally or externally. This should be practiced to prevent any damaging delay in responses being issued.

Legal counsel plays an important support role in a crisis, but should not be responsible for setting communication policy or handling communications responses.

The organisation needs to make sure it has an effective response for both a court of law and the court of public opinion.

How fast do you need to be able to respond to a crisis?

An immediate response to crisis by someone in possession of the key facts is essential.

In today's social media centred world, it is important not to allow a communications vacuum to develop that is filled by rumour and speculation.

THE NETHERLANDS – THEO

I would recommend an immediate response to a crisis. With the advent of social media, crises will appear nearly immediately as the public can respond faster than companies.

USA - MATT

The first response needs to be accurate and delivered by someone who is in possession of the key facts.

USA - BRIAN

From the start of the crisis, you should be ready to reply within 15 minutes in social and 30 minutes in traditional media as well as internal audiences.

UK – CRISPIN

Speed is everything. The key thing is to be able to provide key facts about the impact on people very quickly. The impact on the environment and the business can come later.

In today's social media centred world, it is important not to allow a communications vacuum to develop that is filled by rumour and speculation.



What would be the recommended approach for handling personal character attacks?

USA - BRIAN

CEO's tend to take attacks on their business as a personal attack. We are constantly counselling those clients to not take such comments too personally. Engaging with these personal attackers prolongs the crisis unnecessarily.

There are ways to handle those situations – most often behind the scenes and not publicly. We recommend that they do not engage and, if the attacks escalate, there are steps and actions that we can take. Don't react immediately out of anger, take some time to think about a clear and effective response.

UK - CRISPIN

As Brian indicated, it is important to ensure that a personal attack does not trigger an emotional response from the organisation or the executive concerned. This will trigger the interest from audiences that otherwise would not be interested. Starving the attacker from the oxygen of publicity is a key defence.

It is important to establish the facts behind the attack. If there are no grounds for it then we would recommend a short statement to refute it and to make it clear that there is no need for further comment. If there are some grounds for it – however tenuous – then there needs to be a properly considered response that follows the advice on the telling the truth.

When dealing with an attack on someone's character, it is essential to avoid an emotional response.

It is important to deny the attacker the oxygen of publicity and to only deal in facts.

Which would you put first in dealing with a crisis – people, the environment, property or reputation?

USA - MATT

People have to come first. You need to protect and advocate for your people to avoid the perception that you favour profits over them. On the practical side, aspects of reputation, environment and sustainability have to be a part of your message.

THE NETHERLANDS - THEO

We always recommend that you put people first.

UK - CRISPIN

It should always be people but very rapidly followed by the environment. If an organisation does not appear to prioritise people and the environment it will be much harder to receive a sympathetic view from 'the man or woman' in the street – or as Brian neatly described it, the court of public opinion.

People always have to come first when dealing with a crisis.

Once individuals are taken care of, the environment, reputation and property can all be considered.

Remember, your response will be judged in the court of public opinion. There will be no sympathy for an organisation that does not put people first.



If you had one piece of advice for handling a crisis that you would put above all others – what would it be?

BELGIUM - HANS

Be prepared, be human and be honest. These are effective ways in handling your crisis in a good manner. Do not think a crisis is not going to happen to you and use that as an excuse not to invest in getting prepared. It's not a matter of 'if' but 'when' and how bad you will get hit by a crisis, so get prepared in advance and you'll fare a lot better when it does.

THE NETHERLANDS - THEO

Being prepared is the most important thing when handling a crisis. Take your responsibility, stick to the basics and do not be ashamed or afraid, whatever the public opinion might think or say. Never push your PR-agency to the front and hide behind it.

USA – MATT

Being prepared is the most important part of handling a crisis. It is an active process which consists of drills and practices rather than just a written manual.

USA – BRIAN

Preparation is critical but it is also important to avoid “paralysis by analysis” when communicating. State what you know as there is information that you can share to demonstrate that you have the situation under control. The natural tendency is to under-communicate. I remind my clients that they can never over-communicate in a crisis. You can say the wrong thing, but you can't over communicate.

UK – CRISPIN

Provide certainty in what appears to be an uncertain situation. Our brains are hardwired to need to know what is going to happen next – they need certainty. You can satisfy this need by providing the key facts about the crisis and what you are doing to address it.

If you cannot provide this through communicating on a regular basis about the actions you plan to take, then people will fill the vacuum with speculation and you will lose control of the situation.

There is no substitute for being prepared for a crisis. Ensure that you go through drills and practices to cement procedures.

Do not let a communications vacuum develop that is filled by rumour and speculation.

Provide certainty about what will happen next by providing regular updates on the situation and how you are responding to it.

If you would like to discuss the content of this document, or its recommendations, or to talk to one of our experts about your communications needs, please contact: Crispin Manners crispinmanners@worldcomgroup.com

or

If you would like more information about Worldcom and its partners, please contact Todd Lynch, Managing Director @ toddlynch@worldcomgroup.com or call Todd on +1-212-286-9550.

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