



White Paper 1 Crisis Management

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Corporate history is littered with memorable crises which have tarnished the reputations of some of the biggest brand names. Perrier, Ratners, the whole banking sector and the Roman Catholic church spring to mind. Politicians and celebrities too have achieved their fair share of notoriety – think Jimmy Carr's tax arrangements, Jonathan Aitken's simple sword of truth or Chris Huhne's speeding points.

For most SMEs, the scandals that hit the national and international headlines may seem a distant cry from the everyday realities of running a private enterprise in tough times. But small enterprises aren't immune from crises. While the reputational challenges they face may be smaller in scale than those of the celebs and big corporates, the negative impact on their worlds may be no less catastrophic, proportionately speaking.

So here is some advice for smaller or lower profile businesses to consider.





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### It couldn't possibly happen here

Yes it could - and it is pretty certain that at some stage in your business life, to some degree, it will. The sooner you grasp that and do something about it, the better. The boy scouts got it right - be prepared. To do otherwise is to bury your head in the sand, and that is never, ever, a good solution.





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#### Let's define a crisis

In PR terms, a crisis is simply something which potentially risks damaging your reputation and which in turn will have a detrimental impact on your ability to thrive.

It might be something of your own making - a faulty batch of products, noisy lorries leaving the factory and causing neighbours to protest, a piece of news badly delivered.

It may be something where you are the victim of malice or the incompetence of others - a competitor spreading a rumour about your products or services, a disgruntled ex-employee taking you to a tribunal and going public on their grievances.

It may be just misfortune - a subcontractor going bust and leaving you to pick up the pieces when you let your customers down as a result. That's before we even start to think about the risks to all aspects of your business of computer system failure, or the problem of a fire, or mechanical failure at a key plant.

These examples are just for starters, and they could all happen to you. The best service you can do your business is to be prepared.





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### You audit your finances - now audit your risks

Each year businesses audit their finances to ensure they are in good shape.

#### Do the same with your reputational risks.

When was the last time you sat down as a team to assess what might go wrong and, more importantly, what you would do if anything did? When did you go through a "what if" scenario and frighten yourself with the possible outcomes?

Famously, Alan Partridge asked his team to "surprise me at rehearsals, not when the show is going out live". The same applies here. Work through the possibilities before they arise. Truth is, you can't predict or pre-practice every crisis eventuality, but the very exercise of thinking what can go wrong and how well equipped you are to deal with it, will stand you in better stead when the inevitable happens.

Better still, get someone from outside the organisation to lead you on that journey.





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### The best solution is to avoid the problem

By auditing, you will highlight what risks can be pre-managed. Do it right and you will see where the vulnerabilities in your organisation lie, and you will be on the way to minimising them.

### When "I wouldn't set off from here" is no longer the right answer

A man asks a stranger for directions to a distant place. The stranger's advice: "Well I wouldn't set off from here." But there comes a point in any crisis management scenario where "here" is exactly where you are, and though it may not be a pleasant place to be, you have no choice but to accept it. So how do you deal with it?





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### Managing reputation? I'll be too busy dealing with the crisis!

Yes – it's a lot to expect. You have to manage the immediate consequences of the crisis, to keep the business running, but at the same time, while that adds to the pressure of your day job, you have to think strategically and practically how to manage the reputational damage which the incident threatens to cast over your business. At its heart is effective communication - and that's a specialist skill for which you may need help.





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#### Managing reputation? - continued

Hopefully, having audited the risks, you've done that preparation; you have the mechanisms in place the fundamental structure to deal with it – a briefed and attuned senior team, a team with the right expertise to deal with the cause of the problem, a dedicated comms team, a briefed spokesperson, a database of key stakeholders and an indication of their specific interests in relation to the business so you can talk to each group in terms that are meaningful to them.

Then you can consider the strategy.

Assess - what has happened. Work out who it affects and how it affects them so you can prioritise responses and briefings.

Are you victim or perpetrator?

Who knows what so far, and who else needs to know?

Step into the other person's shoes. What do they think/fear?

What do they need to know?

Who's going to tell them? How?

Think through the 'what if?' scenarios and put plans in place.

Think through the risks of the social media age - when do I engage and when don't I?





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### 10 golden rules for communication

It could be 50 golden rules, and these are in no particular order:

- 1 Be available, but build in a safety valve mechanism to buy you time for thought -through responses and information.
- 2 Be honest, but phrase your honesty in the right way.
- 5 Know what to say sorry for. If you are sorry, say it early.
- 4 Don't be afraid to state the obvious. Of course your thoughts are with the people adversely affected by the crisis but if you don't say it you will be judged.
- 5 In an age of soundbites, keep it simple. Long preambles risk the point being missed or dangerous misinterpretation.





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- 6 Choose the appropriate spokesperson for the issue. Putting up the CEO is not always the right first step.
- 7 Don't just think what you want to say. Think what people want to know. Try to make the two match.
- 8 Never say "no comment". It immediately suggests guilt, fear of exposure or culpability. There are ways of engaging which don't require you to say things you don't want to say.
- 9 Make sure the language you speak is not corporate speak. Be human.
- 10 Don't rely on the media alone to convey your message. Have in place established communications vehicles which you control and via which you can contact people with information about the crisis in a way which reaffirm that you are in control of events, rather than being controlled by them.



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### That's just for starters...

If you have good links with the media and with others - customers, staff, suppliers, the industry in which you work - and you have a reputation for being open and honest with them, you will get a more sympathetic hearing. It's back to the message that how well you come out of a crisis depends on how well prepared you are when you go into it. More often than not, that involves having a long-term positive reputation management programme in place via which your business has amassed enough good-will to help you through when things go wrong.

When you have the day job to do, it makes sense to seek professional help here too, not to take the responsibility for reputation management from you, but to help you manage it more effectively.

### And in the aftermath...

Businesses are judged not on whether they get into difficulty, but how they handle getting out of it. Continually actively and positively managing communications after the event is the very best way to ensure that your reputation suffers no lasting damage.





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### **About The Partners Group**

Partners is a friendly and professional public relations and marketing communications agency based in York, North Yorkshire - and this year we are celebrating our 25th anniversary.

If you're looking for strategic and creative as well as practical, hands-on PR and communications support - we're the people to talk to.

Services include:

PR consultancy	International PR
Partners Pathfinder	Events PR
Online PR	Green PR
Marketing support	Public consultation
Crisis communications	Leisure marketing







We help organisations throughout the UK - and across a range of industries - achieve their objectives. Our roots are in business to business public relations and marketing communications, but our experience spans local, regional, national and international campaigns for clients in the building, property, construction, manufacturing, food processing, professional services, family law, leisure and tourism sectors - among others.

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Comments or queries about this white paper are very welcome.



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