

Homeland attack and homepage response: a preliminary review of affected business entities' online corroboration/explanation of September 11 economic impact

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Abstract

This research examines the reporting of negative economic impact resulting from September 11, 2001 terrorism incidents. Student researchers who coordinated the project began with MSNBC's World Wide Web-based "Layoff List" containing the names of corporate entities that claimed economic harm from the terrorist attacks. Students identified business problems and categorized resulting responses (taken or proposed) reported by MSNBC. Then, a content analysis was conducted of affected firms' institutional Web sites for corroboration and/or explanation of the claimed economic injury. Although 99% of the business entities subjected to study had institutional Web sites, 84% of the firms made no mention of injury claim(s) on their institutional site. Among entities which did make online corroboration/explanation of media reports, fewer than half did so with detailed financial reports and most used rhetorical strategies that made business issues sound ambiguous while focusing blame for problems on variables outside the organization's control.

1. Introduction

No one needs reminding of the colossal tragedy which resulted from the urban terrorist attacks on New York City and Washington, DC on September 11, 2001. These unprecedented acts of hatred brought about tremendous damage to the local and national economies. For weeks afterward there were continuing reports of economic problems attributed to the terrorist incidents.

While these economic impacts received extensive news media coverage, one must question the assumption of a direct, widespread and long-lasting economic injury. Some news media seemed to suggest September 11 was ‘to blame’ for economic troubles, despite the fact that there were strong indications of international economic instability prior to the attacks (Index of the Service Sector, 2001; Ip, 2001). As late as September 10 consumers were “increasingly worried by continuing bad news about struggling businesses and mounting layoffs” (Hager, 2001, p. B3).

Although the evidence is anecdotal, it was suggested by MacGregor that “plenty of people have invoked September 11 as an explanation for behavior or decisions that actually have nothing to do with the attacks or their aftermath” (MacGregor, 2001, p. E1). In the business world, Creswell noted evidence for what she termed “the reverse makeover,” a situation in which businesses try to publicize immediate bad news so that, by comparison, they can appear more economically sound in the future (Creswell, 2001, p. 44).

In the weeks following the terrorist attacks and subsequent anthrax scares, the American public was recognized to be “standing tall at a time of crisis” and “united in their approval” of the nation’s political and military leadership (Overwhelming Support for Bush, Military Response, 2001, not paginated). This supportive public attitude seemed to extend to much of the world community, as well, given that several key indicators of consumer confidence grew in the weeks following September 11 (Investor Optimism Surges in October, 2001; Ryle, 2001).

One must wonder if corporate entities, recognizing high levels of public empathy for those affected by September 11, felt more comfortable announcing ‘bad economic news’ in the days following the terrorist attacks. At the same time, one wonders if high levels of public empathy witnessed by MacGregor and others allowed business entities to feel less corporate responsibility for unpopular responses such as layoffs, bankruptcies, and corporate cost-cutting measures.

A first step in investigating these issues involved an examination of media accounts of ‘bad economic news’ attributed to corporate entities that claimed to have been impacted by September 11. Such examination cannot reveal anything about corporate entities’ motivation for reporting negative economic impacts. But it certainly does call into question the integrity of firms that used the news media to publicize ambiguous injury claims or equally vague corrective response steps. It would also call into question the honesty of using the news media to make sweeping claims about economic injury without making similarly broad corroborative/explanatory efforts via a medium directly under corporate entities’ control.

For business, the bottom line is protection of interests. The corporate entity that successfully defends itself from well-deserved blame is “resisting change and protecting turf”—both of which are highly valued in traditional business environments (Ashforth & Lee, 1990, p. 621). The bottom line of this research was to make a preliminary effort to see how business entities identified as impacted by September 11 corroborated and/or explained that impact—and to speculate whether doing so might have helped protect their turf, at the expense of the truth.

2. Research questions

The issues related to September 11 economic impact and business entities’ corroboration or explanation of that impact were presented to undergraduate students enrolled in an

upper-division elective public relations course. The issues were presented initially as part of a discussion of the impact of online and broadcast media content on public opinion. The class focused much of its attention in regard to news media coverage on MSNBC's World Wide Web site, which featured a regularly-updated "Layoff List" of for-profit and not-for-profit entities which reported layoffs and other negative economic impacts that were attributed to September 11.

Students worked individually and in teams to investigate related literature, reach preliminary understandings of the issues of blame and justification in a corporate communications context, and develop research questions based on their examination of the MSNBC site and of corporate institutional Web sites. Later, students gathered data, analyzed the data, and reached preliminary conclusions about the extent of affected corporate entities' online corroboration and explanation of economic impacts of September 11.

- RQ1 To what extent did the MSNBC "Layoff List" specify the business problems and resulting responses proposed or taken that were reported by firms claiming economic injury as a result of September 11?
- RQ2 How many of the affected organizations identified by the MSNBC "Layoff List" had operational corporate Web sites that allowed direct communication with the public about business problems and resulting responses proposed or taken associated with September 11?
- RQ3 How many of the affected organizations identified by the MSNBC "Layoff List" that had operational corporate Web sites used those sites to corroborate and/or explain the business problems and resulting responses proposed or taken associated with September 11 as identified by the "Layoff List"?

3. Methodology

A simple content analysis method was chosen. Content analysis allows for measurement of communication content in "a systematic, objective, and quantitative manner" (Wimmer & Dominick, 1994, p. 164). Content analysis is widely favored among researchers investigating electronic or published media content. This is because content analysis allows for a "systematic examination of materials that are more typically evaluated on an impressionistic basis" such as Web sites (see Babbie, 1990, p. 30). The research was carried out in a reasoned, systematic way in an effort to reach preliminary conclusions that may justify further work on this subject in the future.

The 54 students working on the project were mostly seniors and Communication Studies majors enrolled in 'Public Relations Tools & Strategies.' Investigation was conducted over the course of three days in October and November, 2001. All work was completed in a computer-equipped classroom that allowed each student a terminal with unrestricted access to the Internet.

Students began by working either individually or in a group with others for 50 min to conduct a general World Wide Web search. Students were told that the goal of the search was to gather information about how corporations assigned blame for negative economic impacts following the

September 11 terrorist attacks. Students were allowed to brainstorm ideas and become familiar with the subject at hand. They then determined online search strategies and evaluated search outcomes without instructor input. The initial search results were reviewed by the instructor and discarded. The first day's work was designed to prepare students for higher level analysis.

On a second work day, the instructor presented students with print copies of the October 29, 2001 MSNBC "Layoff List" (Layoff List, 2001). The list contained 142 entities. Each represented a for-profit or not-for-profit organization that sustained a negative business impact as a result of September 11. A wide range of businesses from all sectors of the international economy were included on the list. List entries were divided up among students present in the class. Students were asked to evaluate and categorize the informational content for each organization identified on the MSNBC "Layoff List." Specifically, students were asked to evaluate the specific identified business problems for each organizational entity as reported by MSNBC. Problems were to be categorized as high costs, low revenue, excessive competition, poor sales, or none of the above.

Students were asked to evaluate the specific identified business response(s) taken or proposed for each organizational entity as reported by MSNBC. Response(s) were to be categorized as government bailout sought, bankruptcy, layoff, shareholder dividend cut, earnings drop, cut in production or service, or none of the above.

Students were then asked to search for the presence of an operational Web site for each organizational entity. Multiple search engines were used to verify presence or absence of sites on the Web. Students made note of visual and informational content of sites in order to evaluate whether sites made reference to September 11 in any way, and if reference(s) addressed business problems or responses identified by MSNBC. Print copies of Web pages were made.

During their analysis, students coded information onto sheets that were then collected by the instructor and reviewed for accuracy. Data were entered into Microsoft Excel and a spreadsheet was created to facilitate data analysis. Simple sums and percentages were determined. The instructor reviewed print copies of Web pages to evaluate use of visual, operational, and informational content—three key measures of Web site effectiveness (Swanson, 1999).

4. Results

Of the 142 for-profit and not-for-profit organizations identified by the October 29, 2001 "Layoff List," 13 were disqualified from the research effort. One of the corporate entities had a Web site with content written in German. One of the corporate entities had a Web site that prohibited access by 'non-subscribed' users. Five of the entities were disqualified because of student data collection errors associated with the search for Web sites. Six of the 142 listings were disqualified because they represented three firms, each of which was listed twice on the "Layoff List."

4.1. Research question 1

"Layoff List" entries included the name of each entity and a short description of the firm's major business activity. For each entry, the list identified the number of jobs lost or planned

Table 1

Specific, identified business problems of qualified organizations, as identified by the MSNBC "Layoff List" ($N = 129$)

Identified problem	Number of affected organizations	Percentage reporting
Poor sales	38	29
Low revenues	28	22
High costs	11	9
Excessive competition	6	5
No specific problem identified	71	56

for cut, and offered a short narrative description of the economic injury claim. Occasionally, a statement of responses proposed or taken was included. In many cases, descriptions were extremely vague and cliched, with rhetoric about 'gaining cost-efficiency,' 'losing ground,' 'getting back on track,' or 'slimming down amid tough times.' Business problems and responses that could be specifically identified from the "Layoff List" entries are categorized in Tables 1 and 2.

4.2. Research question 2

Of the 129 organizations qualified for study, 127 were found to have operational Web sites (99%). Of those Web sites, 47 made general reference to September 11 incidents (37%). Many of these references consisted of informational narratives offering support to victims and their families. Often, patriotic or spiritual references were included. Web sites also commonly asked users to make donations to the recovery effort or give blood to the American Red Cross. On occasion, sites were operationally linked to Web sites of victims' assistance organizations.

4.3. Research question 3

Among "Layoff List" business entities that did make Web-based efforts to corroborate/explain the economic injury claims reported by MSNBC, fewer than half did so with detailed financial reports. Even so, most used rhetorical strategies that attempted to focus blame for problems on variables outside the organization's control. Common wording included blaming "economic malaise," citing "the economic downturn" or claiming that layoffs and other consequences were "a negative impact" or "a series of actions to address the current economic

Table 2

Specific, identified business response(s) taken or proposed by qualified organizations, as identified by the MSNBC "Layoff List" ($N = 129$)

Identified problem	Number of affected organizations	Percentage reporting
Layoff	120	93
Cut in production or service	31	24
Earnings drop	9	7
Bankruptcy	4	3
No specific problem identified	2	2

environment.” All of these kinds of wording make real problems that affect real people sound ambiguous and less threatening.

Two news media firms which reported layoffs had no information about those corporate actions on their Web sites, despite their own voluminous online news reporting of other firms’ similar actions. A British telecommunications firm which the “Layoff List” reported was facing the ultimate injury of going out of business—in the process, terminating 2,300 workers—made no mention of the action on its Web site.

Rare, indeed, was the Web site which declared any corporate sense of responsibility. One such instance was found among the narrative on the Web site of a major insurer that cut 1,900 jobs: “There should be no question about our intention and ability to meet our obligations and to do so quickly and efficiently.”

Among the 20 sites that were found to address specific business issues, 9 sites provided a narrative presentation of related facts. Seven sites provided a third-quarter financial report. Four sites reproduced one or more news releases explaining the economic injury or related consequences. These sites represented 43% of those which mentioned September 11 in any way, and 16% of the total number of corporate sites that were subject to content analysis.

5. Discussion

This research does not answer all the questions about how corporate strategy in regard to reports of economic injury associated with the September 11 terrorist incidents. But it does make a small and interesting comparison between one news media outlet’s reporting of economic harm and the corroborative/explanatory efforts of those harmed.

The findings showed that, of the total number of corporate Web sites associated with all qualified organizations from the MSNBC listing, 84% made no mention whatsoever about the specific business problems identified by the MSNBC “Layoff List.” This fact alone is shocking, given the assumptions commonly held—particularly among college students—that ‘everything you want or need to know is on the Internet.’

The research effort proved to be a valuable learning experience for the students who carried it out, especially since almost all of them were graduated within the following year and entered a workplace which is increasingly dependent on the World Wide Web for disseminating information about business activity. Students need to know, and saw first-hand through this exercise that not all business entities are forthcoming about their economic problems. Students need to know, and learned through this experience that businesses seem much more willing to make vague statements of harm through the media than they are to make specific corroborative/explanatory statements—even on the Web sites they control. Maybe the Web site is not as empowering for host entities as we thought it was. Clearly there are a host of variables which affect when and how the Web is used to communicate ‘bad news.’

Future research in this area could widen the focus to examine corporate Web site content and compare it directly and in context to a variety of news media sources. Future research could also investigate specific blaming strategies used, such as denial, bolstering, differentiation, transcendence, absolution, vindication, and justification (see Rybacki & Rybacki, 1991). It would also be valuable to investigate issues of credibility that users must sort out when faced

with conflicting corporate messages across different media. All these issues, if addressed, would help us gain the greater understanding we need of how online communication works effectively in the corporate world.

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