Best Practices for Effective Corporate Crisis Management:

A Breakdown of Crisis Stages Through the Utilization of Case Studies

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Abstract

In the most recent decade, there has been a shortage of effectively managed corporate crises. This study is meant to discover the reasons behind the ineffective crisis management responses through the inspection of past corporate case studies in crisis management, as well as what can be done to help corporations use crisis management more effectively. The best practices in effective corporate crisis management in the three different stages of a crisis were attained through the utilization of case studies and expert opinions. The recommendations for practice include making pre-planning and evaluation regarded as more important in crisis management plans, choosing the correct spokesperson, and involving leaders in every stage of crisis management. These recommendations, along with the other best practices divided into crisis stages, should be a helpful overview to educate a corporate crisis manager prior to a crisis, during a crisis, or after a crisis has occurred.
# TABLE OF CONTENTS

## Chapter 1

- Introduction ..............................................................................................................1
  - Statement of the Problem ....................................................................................1
  - Background of the Problem ...............................................................................1
  - Purpose of the Study ..........................................................................................2
  - Setting for the Study ..........................................................................................2
  - Research Questions ............................................................................................3
  - Definition of Terms .............................................................................................3
  - Organization of Study ..........................................................................................5

## Chapter 2

- Literature Review ..................................................................................................6
  - Dealing with Past Corporate Crises ......................................................................6
  - Best Practices for Anticipating the Crisis ...........................................................16
  - Best Practices for Addressing the Crisis ...............................................................20
  - Best Practices for Dealing with the Aftermath of the Crisis .................................24

## Chapter 3

- Methodology .........................................................................................................27
  - Data Sources .........................................................................................................27
    - Participants .........................................................................................................27
    - Interview Design ..............................................................................................27
  - Data Collection ....................................................................................................28
  - Data Presentation ..................................................................................................28
Appendix B....................................................................................................................76
  Interview Transcripts: Ron Alsop........................................................................76
Appendix C....................................................................................................................84
  Interview Transcripts: Kory Raftery...............................................................84
LIST OF TABLES

Table 1. Dealing with Past Corporate Crises ................................................................. 45
Table 2. Components of Effective Crisis Management ............................................... 47
Table 3. Best Practices for Anticipating the Crisis ....................................................... 48
Table 4. Best Practices for Addressing the Crisis ........................................................ 50
Table 5. Best Practices for Dealing with the Aftermath of the Crisis ........................... 52
Chapter 1

Introduction

Statement of the Problem

This study focuses on corporate crisis management and how current strategies are falling short in creating effectively managed crises. “Contemporary crisis management, in short, is often little more than ‘rolling with the punches’ and hoping for the best” (Nudell & Antokol, 1988, p. 18).

From the Exxon Valdez Oil Tanker Spill in 1989 to the BP Oil Spill in 2010, it is clear that for years corporations have been ineffective in managing crises, and thus need a list of best practices in order to be able to successfully manage any crisis scenario a corporation may encounter.

Background of the Problem

In the current crisis management literature, most case studies on corporate crises include only a couple of examples in which the corporation handled the crisis management response effectively in the last decade. There is existing literature on crisis management, but most of it is scattered and does not directly pertain to corporations, nor is it current.

Since so many corporations are dealing with devastating crises yearly, it is important to conduct research on the best practices used by professionals in the crisis management fields by collecting expert opinions on the topic of crisis management.
Purpose of the Study

Examples between 2008-2010, like the US economic crisis of 2008 and the BP oil rig spill in 2010, prove that “clearly, we continue to experience devastating crises of all types and, as a result, the current need for effective crisis communication understanding and skills continues to grow” (Ulmer, Sellnow, and Seeger, 2011, p. 3). Through collection of current literature and expert opinions, hopefully corporations can have a better layout as how to best manage an impending crisis, current crisis, or the aftermath of a crisis.

By researching the current best practices in crisis management and analyzing them along side expert opinions from the industry, it will benefit corporations and crisis management professionals who are in charge of managing and finding solutions to crisis situations. It can also prevent corporations from losing everything if a crisis hits, because “planning to manage crises and issues is the key to corporate survival” (Regester & Larkin, 2008, p. 206).

Setting for the Study

This study is done as part of the completion of a Senior Project at California Polytechnic State University, which is located in San Luis Obispo, California. The data will be collected through administering interviews with three experts in the fields of corporate crisis management, emergency management, and crisis communications. The experts will be interviewed individually with a questionnaire that was designed to probe deeper in order to answer the research questions and discover the inconsistencies in the current literature on the topic of effective corporate crisis management.
**Research Questions:**

This study will use the following research questions to answer the unknowns in the existing literature on the topic of crisis management. These questions were developed after discovering the gaps in the current crisis management literature, and in hopes of gathering further information from experts in the fields of corporate crisis management, emergency management, and crisis communications.

1. How have corporations used crisis management in the past to deal with crises?

2. What is considered effective crisis management?
   a. What role does a leader play in effective crisis management?

3. What are the best practices in effective crisis management for anticipating the crisis?

4. What are the best practices in effective crisis management for addressing the crisis?

5. What are the best practices in effective crisis management for dealing with the aftermath of the crisis?

**Definition of Terms**

The following terms are defined to help the reader understand the jargon of the topic and provide background for the study.

Attribution Theory: a theory “built on the premise that people need to assign responsibility for events, and it assumes that people will look for the causes of events,
especially unexpected and negative events,” thus “managers should evaluate the situation to determine which crisis response is best for the situation” (Coombs, 2006).

Crisis: “An unstable time or state of affairs in which a decisive change is impending --- either one with the distinct possibility of a highly undesirable outcome or one with the distinct possibility of a highly desirable and extremely positive outcome” (Fink, 1986, p. 15).

Crisis communications: “The communication between the organization and its publics prior to, during, and after the negative occurrence. The communications are designed to minimize damage to the image of the organization” (Fearn-Banks, 1996, p. 2).

Crisis management: “Crisis management seeks to prevent or lessen the negative outcomes of a crisis and thereby protect the organization, stakeholders, and industry from harm . . . It is a set of four interrelated factors: (1) prevention, (2) preparation, (3) response, (4) revision” (Coombs, 2007, p. 5).

Dark site: A website that can be created with pertinent information and turned on to be accessible to the public on the Internet whenever a crisis occurs (Breakenridge & DeLoughry, 2003, p. 176).

Stakeholders: “people who are linked to an organization or who have an interest in an organization and are affected by the decisions made by that organization. Examples of stakeholders are employees, stockholders, communities, and government officials” (Fearn-Banks, 1996, p. 12).
Organization of Study

Chapter 1 includes the statement of the problem, background of the problem, purpose of the study, setting for the study, research questions, and a definition of terms. Chapter 2 will identify the best practices and case studies regarding effective corporate crisis management by reviewing the existing literature on the topic. Chapter 3 will present the methodology of the study. Chapter 4 will present the organized data findings, as well as the analysis based on the original research questions. Finally, Chapter 5 will include a summary of the study and recommendations for future corporation crises.
Chapter 2

Literature Review

The literature review expresses the opinions of the current literature on effective crisis management best practices and corporate crisis management case studies, as well as the theoretical framework regarding the crisis response.

Dealing with Past Corporate Crises

*Johnson & Johnson Tylenol Crisis*

In September of 1982, seven deaths occurred due to capsules of Extra-Strength Tylenol that were laced with cyanide being consumed in the Chicago area (Regester & Larkin, 2008, p. 158). These deaths were a crisis that burst quickly and ferociously upon Johnson & Johnson, and its subsidiary McNeil Consumer Products Company, the maker of Tylenol (Pinsdorf, 1999, p. 83). Although the Tylenol crisis struck without warning, Johnson & Johnson is lauded for their exemplary crisis management performance (Pinsdorf, 1999, p. 88).

Johnson & Johnson made many great crisis management choices. First, Johnson & Johnson began open and honest communication with the public and the media immediately (Pinsdorf, 1999, p.86). Johnson & Johnson cared about their public’s safety first and foremost, and thus they identified their key publics that needed to be notified, including the media and the FDA, and maintained ongoing communication with them throughout the crisis (Dougherty, 1992, p. 17). During the crisis there were about “80,000 separate news stories in the U.S. newspapers, hundreds of hours of national and local
television and radio coverage, and more than 2,000 telephone calls to Johnson & Johnson seeking information on the Tylenol crisis” (Fink, 1986, p. 209).

Second, Johnson & Johnson’s CEO James E. Burke made sure to create a seven-member crisis management team that was in charge of handling all decisions about the “ever-changing developments” and “coordinated all organizational efforts and communications” (Dougherty, 1992, p. 17). By organizing a select group of specialized and intelligent individuals into a crisis management team, Johnson & Johnson’s CEO was able to make sure that the Tylenol crisis was solved using a makeshift crisis management plan, the Johnson & Johnson Credo (Pinsdorf, 1999, p. 85). The Johnson & Johnson Credo begins with the first line: “we believe our first responsibility is to the doctors, nurses and patients, to mothers and all others who use our products and services . . . .” (Fink, 1986, p. 217). “To the extent that a crisis management plan is a blueprint that tells you where to go and how to get there, yes, the J&J credo is a crisis management plan,” because the Johnson & Johnson crisis management team and CEO looked to the Credo to guide them in decisions, like whether or not they should have withdrawn the Tylenol product from stores, which made that decision the third great crisis management choice made by Johnson & Johnson (Fink, 1986, p. 217).

Fourth, Johnson & Johnson not only fully admitted to the Tylenol problem when it first surfaced, but also “accepted fault and didn’t hide behind the problem or try to affix the blame on someone or something else” (Albrecht, 1996, p. 150). By accepting the problem and taking responsibility, they put their customers before corporate money loss by recalling all Tylenol products from the store shelves which alone cost more than $100 million (Pinsdorf, 1999, p. 86). The fifth great crisis management choice that Johnson &
Johnson made, was to act on the basis of the worst conceivable scenario, and less than a week after the crisis began, decided to recall Tylenol from all points of sale (Anthonissen, 2008, p. 13). Johnson & Johnson also made two other money related decisions that put their consumers first. First, they put a full-page advertisement in major U.S. newspapers that offered an exchange of their unused Tylenol capsules for tablets (Dougherty, 1992, p. 17). Second, they offered free discount coupons worth $2.50 that could be redeemed for any Tylenol product (Dougherty, 1992, p. 17).

Besides financially reimbursing their consumers, Johnson & Johnson opened up their ears to listen to their customers concerns in order to gain back public trust in the Tylenol product (Fink, 1986, p. 213). Thus, the sixth great crisis management decision made by Johnson & Johnson, was to have McNeil, Johnson & Johnson’s subsidiary, create “toll-free consumer hot lines to respond to inquiries concerning the safety of Tylenol,” in which 30,000 calls from concerned consumers took place during the month following the beginning of the Tylenol crisis (Dougherty, 1992, p. 18). Besides putting their consumers at ease, Johnson & Johnson’s CEO made internal relations a top priority, and the seventh great crisis management decision, because he wanted to explain to the McNeil employees directly about what was going on with the Tylenol crisis (Fearn-Banks, 1996, p. 109). The CEO Burke, “spoke to an assembly at McNeil and promised that Extra-Strength Tylenol was coming back” (Fearn-Banks, 1996, p. 109).

Finally, the last great crisis management choice that Johnson & Johnson made, was to come out publicly with information about what they did to make to make things right and to what they were doing to prevent a similar crisis from happening, including introducing a safer and improved product (Albrecht, 1996, p. 150). Johnson & Johnson
first aired a 60-second television commercial in October and November in which the medical director at McNeil notified consumers of the upcoming return of Tylenol (Fearn-Banks, 1996, p. 110). Then, at a November 11 news conference it introduced a triple-seal safety package, which was then swiftly placed on the shelves of retailers 10 weeks after the initial recall of all Tylenol products (Fearn-Banks, 1996, p. 110).

“The key to the remarkable comeback of Tylenol can be attributed to swift action by the company combined with a clearly defined action plan. Following a strategy and developing the correct message for the appropriate publics is clearly illuminated” in the handling of the Tylenol crisis (Dougherty, 1992, p. 18).

**Exxon Valdez Oil Spill Crisis**

On the evening of March 24th, 1989 a 987-foot oil tanker, the Exxon Valdez, plunged into the rocks and was grounded on Bligh Reef in Prince William Sound, near Alaska, which caused approximately 11 million gallons, or 240,000 barrels, of crude oil to be poured out of the tanker’s hull and into the sound (Dougherty, 1992, p. 89). The oil spill was considered “America’s worst oil spill,” and according to one estimate, the oil slick was “roughly one thousand feet wide and four miles long,” and was spreading southwest “some eight hundred fifty miles away” (Dougherty, 1992, p. 89). This oil spill was a crisis that became “instant world news” for Exxon, one of the five largest companies in the United States (Regester & Larkin, 2008, p. 174). Unfortunately for Exxon, the Exxon Valdez oil spill is now considered a “classic case of crisis mismanagement” (Ulmer, Sellnow, & Seeger, 2007, p. 71).

Exxon made many incorrect crisis management choices in their handling of the Exxon Valdez oil spill. First, Exxon had not anticipated such a large oil spill, nor did it
expect the difficulties in cleanup and overall communications (Fearn-Banks, 1996, p. 147). The Exxon crisis management plan allotted only five hours for the containment of an oil spill, and once the crisis hit, it took two days before the plan was even put into action (Dougherty, 1992, p. 91). Second, Exxon did not communicate the crisis with the public or the media immediately, but decided to pursue a strict “no comment” policy that lasted longer than a week after the initial oil spill (Regester & Larkin, 2008, p. 175). Third, once the CEO of Exxon, Lawrence G. Rawl, finally appeared on television six days after the incident, he refused to apologize to the fisherman “whose livelihood had been adversely affected” and “showed no emotion over the tremendous environmental impact of the disaster” (Dougherty, 1992, p. 91). Instead, CEO Rawl decided to admit that the Exxon Valdez oil spill was a public relations disaster and blamed his company’s problem on the “media’s reporting of the situation” (Regester & Larkin, 2008, p. 175).

Fourth, the second attempt by Exxon to reach out to their public included full-page ads that expressed their concern about the spill and vowed to clean it up, but once again did not accept responsibility for the damage the spill caused (Fearn-Banks, 1996, p. 147). Fifth, instead of taking responsibility for the oil spill, Exxon “deemphasized the scope and impact of the crisis,” suggesting that the effects of the oil spill would not be long lasting (Ulmer, Sellnow & Seeger, 2007, p. 68). Finally, the sixth incorrect crisis management choice Exxon made was refusing to take ownership of the problem they felt their subsidiary, Exxon Shipping Company, should take care of because CEO Rawl had “no time for that kind of thing” (Regester & Larkin, 2008, p. 174).
“The Valdez incident reaffirmed the need for companies to set up a preexisting crisis communications plan, test the plan, and respond quickly and compassionately” (Dougherty, 1992, p. 92).

Jet Blue-Stuck on the Tarmac

On February 14, 2007, Jet Blue canceled 1,100 flights, which caused “thousands of passengers to be stranded in airports and tarmacs across the country,” as well as a major crisis for Jet Blue CEO David Neeleman (Adubato, 2008, p. 158). The handling of the Jet Blue “trapped on the tarmac” crisis has its good and bad, but it was mainly grossly mismanaged (Adubato, 2008, p. 158).

The following are examples of poor crisis management decisions. First, Jet Blue did not have a proper crisis management plan for this “bad weather,” and thus did not have a crisis communications plan to communicate properly internally or externally with its publics about what was happening (Adubato, 2008, p. 160). If Jet Blue had a crisis communications plan that they had tested in prior simulations, they may not have left their passengers “in the dark about the nature of the delays” and the “extent of the delays” (Adubato, 2008, p. 160). Second, Jet Blue did not properly prepare their spokesperson for media briefings (Adubato, 2008, p. 166). CEO Neeleman was sent onto the David Letterman show without being properly prepared for the challenging questions that were asked, thus the CEO lost credibility for fumbling through his half-thought out responses (Adubato, 2008, p. 165).

Although Jet Blue did mismanage part of their crisis, they also made a few good crisis management decisions. First, the CEO immediately took responsibility and “genuinely” apologized profusely through various media outlets (Adubato, 2008, p. 164).
Second, Jet Blue took steps to prevent similar crisis from occurring in the future by implementing the Passenger Bill of Rights, which included a “new ‘full refund policy’ that Jet Blue would offer if a flight was cancelled within twelve hours of a scheduled takeoff and a $25 voucher for a plane waiting more than five hours” (Adubato, 2008, p. 159).

*Odwalla-Tainted Apple Juice*

On October 30, 1996, Odwalla was notified of a “link between its unpasteurized apple juice and an outbreak of E.coli,” which “took the life of a 16-month-old girl and seriously sickened 60 other children,” and was the beginning of a major crisis for Odwalla Inc., (Ulmer, Sellnow, & Seeger, 2011, p. 106). Odwalla’s crisis management response was “celebrated as an exemplar of excellence in crisis communications,” but they did make at least one glaring misjudgment in their crisis response (Ulmer, Sellnow, & Seeger, 2011, p. 110).

The following are multiple examples of Odwalla’s great crisis management choices. First, from the start Odwalla put its customers concerns first by voluntarily recalling products and shutting down operation immediately, as well as offering to pay for “medical costs for illnesses resulting from their contaminated juice” (Ulmer, Sellnow, & Seeger, 2011, p. 107). Second, Odwalla listened to their public by launching “a website dedicated to the crisis within 24 hours” and by creating “two 1-800 numbers for customers and suppliers to call” (Ulmer, Sellnow, & Seeger, 2011, p. 107). Third, and finally, Odwalla attempted to prevent a similar crisis from occurring in the future by introducing “flash pasteurization as a technique it insisted would destroy E. coli bacteria while maintaining much of the flavor and nutritional value that was present in its
unpasteurized products” within two months of the crisis (Ulmer, Sellnow, & Seeger, 2011, p. 107).

For all the good choices that Odwalla made, they made one very bad one. Odwalla did not take into account the livelihood of all their stakeholders for the long term when they developed their crisis response, because sixty Odwalla employees were laid off in the aftermath (Ulmer, Sellnow, & Seeger, 2011, p. 110). “Although consumers were compensated as a result of the crisis, little was done to support Odwalla’s employees during the crisis recovery” (Ulmer, Sellnow, & Seeger, 2011, p. 108).

**Taco Bell’s E. Coli Scare**

In late 2006, Taco Bell was linked to an E. coli outbreak that caused seventy-one people to get sick in five different states; and thus, Taco Bell faced a major crisis (Adubato, 2008, p. 177). Although Taco Bell was in need of an “immediate damage-control response,” their immediacy caused all of their good crisis management choices to become null and void, and created an overall mismanaged crisis response.

The following are examples of good crisis management choices that Taco Bell attempted a bit too soon, and thus did not end up helping solve their original crisis. First, Taco Bell understood that they needed to have their president, Greg Creed, visible to the public and made sure he was “the most visible” and a “consistent presence on behalf of the company” (Adubato, 2008, p. 180). Second, Taco Bell made sure to reassure their customers that they were being proactive “in finding the cause of the outbreak and ultimately dealing with it,” by spending millions of dollars on “aggressive series of print and electronic ads” (Adubato, 2008, p. 179). Third, and finally, Taco Bell made sure to
communicate information quickly with their “key audiences, in this case customers and the media,” as soon as they got information (Adubato, 2008, p. 180).

Although, Taco Bell had good intentions with their immediate communications, their immediacy only seemed to cause a larger problem (Adubato, 2008, p. 177). Taco Bell decided that it was “better to be fast than to be accurate,” and thus “incorrectly blamed ‘green onions’ for the problem, when in fact it was later learned that Taco Bell’s E. coli outbreak was caused by lettuce grown in California” (Adubato, 2008, p. 178). Taco Bell could have saved some of its credibility if it had not felt so “compelled to predict or to respond to hypothetical questions,” and instead could have told the public and the media that they didn’t know the answer and would communicate the factual information once they received it (Adubato, 2008, p. 183).

**Domino’s Pizza YouTube Hoax**

In April of 2009, two Domino’s Pizza employees posted a “grotesque video” to YouTube which shows one male employee “violating standard health codes by intentionally contacting food with several of his orifices,” which caused a major crisis for Domino’s Pizza (Ulmer, Sellnow, & Seeger, 2011, p. 159). This crisis was a unique challenge for Domino’s Pizza because it occurred using new technology that most corporations had not planned for within their crisis response plan (Ulmer, Sellnow, & Seeger, 2011, p. 159). Domino’s Pizza ignorance to social media caused them to make several bad crisis management decisions, but once they began to accept the new technology, they were able to turn the crisis into a positive by making a series of great crisis management choices using the technology that created the crisis in the first place (Ulmer, Sellnow, & Seeger, 2011, p. 162).
The following are a few examples of how Domino’s Pizza originally made all the wrong crisis management decisions. First, Domino’s Pizza was ineffective in monitoring their social media, and was unable to detect the hoax video on their own; “rather, a blogger alerted the company to the condemning video” (Ulmer, Sellnow, & Seeger, 2011, p. 161). Second, because Domino’s Pizza did not realize the video was online, “the company did not provide a formal statement from Domino’s USA President Patrick Doyle until 48 hours after realizing the video was on YouTube” (Ulmer, Sellnow, & Seeger, 2011, p. 161). Third, and finally, Domino’s Pizza communicated their crisis message to the incorrect public; they used “standard press releases through traditional media venues” that “did not reach the audience of the hoax video” that were online (Ulmer, Sellnow, & Seeger, 2011,p. 162).

Once Domino’s Pizza realized they mishandled the crisis initially, it was able to successfully manage the crisis by embracing social media (Ulmer, Sellnow, & Seeger, 2011, p. 162). First, “Domino’s did what it had never done before – address a crisis situation via a social media site” (Ulmer, Sellnow, & Seeger, 2011, p. 162). Second, a visible leader took responsibility for the crisis; “dressed in a shirt with an open collar,” President Doyle “read a 2-minute crisis response seated in front of a single camera,” in which he apologized for the incident and took responsibility for the crisis (Ulmer, Sellnow, & Seeger, 2011, p. 162). Third, and finally, President Doyle explained in his YouTube crisis response that in order to prevent a similar crisis from occurring in the future they were taking the hoax video very seriously and “vowed to reexamine the company’s hiring practices to ‘make sure that people like this don’t make it into our stores’” (Ulmer, Sellnow, & Seeger, 2011, p. 162).
Best Practices for Anticipating the Crisis

According to Steven Fink (1986), planning for the inevitability of a crisis is similar to how “you view and plan for the inevitability of death and taxes: not out of weakness or fear, but out of the strength that comes from knowing you are prepared to face life and play the hand that fate deals you” (p. 2). In order to effectively manage a crisis, proactive planning, which includes “proactive mechanisms that have been tested and revised over time and that can be implemented by personnel who are carefully selected, properly trained, and secure in their authority and procedures” is necessary for success (Nudell & Antokol, 1988, p. 14). Julie Miller (1992) agrees, saying that proactive crisis management “will not only lessen the actual damage sustained by the company, it also may enable the business to affect the public’s perception of the crisis and of the organization’s response” (p. 11). Crisis management is the “key to corporate survival,” because “crisis management is about seizing the initiative – taking control of what has happened before it engulfs the organization” (Regester & Larkin, 2008, p. 206).

The first best practice for anticipating the crisis is to create a crisis management plan before any crisis should hit, because a crisis management plan will help reduce the “chaos surrounding a crisis,” and will make the overall event less stressful (Coombs, 2007, p. 90). The crisis management plan should include information regarding the following: potential crisis situations, policies for preventing potential crisis situations, strategies and tactics for how to deal with each potential crisis, identify who will be affected by potential crises, creation of effective crisis communication plan regarding how to properly communicate with potentially affected publics, information regarding who will enact and be in charge of crisis management plan, information regarding
simulations and testing exercises of crisis management plan, and information regarding where the crisis control center will be located (Regester & Larkin, 2008, p. 208).

The second best practice for anticipating a crisis is to create a crisis management team, because “an emergency plan is only as good as the people who create it and the people who implement it” (Nudell & Antokol, 1998, p. 33). The crisis management team has three basic responsibilities: “creating the crisis management plan, enacting it, and dealing with any problems not covered in it” (Coombs, 2007, p. 66). Some desirable characteristics of crisis management team members include: be available “on the premise when a crisis may occur,” be “trained in the duties of several members of the team” in case a team member is unavailable at the time of crisis, should be “willing to follow orders and be respected by their coworkers who will, in turn, be more willing to accept emergency directives from a team member,” and be “able to function well under stress” (Head as cited in Miller, 1990, p. 20).

The third best practice for anticipating a crisis is to locate a crisis management center, because “usually the very nature of a crisis situation and the need to control the flow of information will necessitate having some type of central information operation” (Dougherty, 1992, p. 39). The following are suggestions for what a crisis management center should incorporate at its location: “necessary electrical amperage and outlets” for your equipment,” basic communication tools like telephones and computers, a layout for where all equipment should be placed, and basic supplies such as food and water (Nudell & Antokol, 1998, p. 57-60).

The fourth best practice for anticipating a crisis is to have practice simulations and exercises of the crisis management plan, because “a crisis management plan has little
value if it is not tested and practiced in simulations or exercises” (Coombs, 2007, p. 96). Practicing a crisis management plan “reveals the holes or weaknesses that must be addressed before a real crisis occurs” (Wilsenbilt as cited in Coombs, 1989, p. 96). Simulations can be designed in any way, “from a superficial, across-the-board touching upon all elements of the emergency plan, to a specific, in-depth focusing upon one particular kind of crisis” (Nudell & Antokol, 1998, p. 114). In order to be effective, simulations should take place “once or twice a year to ensure recommendations from the previous one have been implemented and take account of changes in the business and movement of personnel” (Regester & Larkin, 2008, p. 216).

The fifth best practice for anticipating a crisis is to have good internal relationships before a crisis occurs because “employees are the company’s ‘ambassadors’ and need to be in a position to explain to customers, family and friends what is happening” should a crisis hit (Regester & Larkin, 2008, p. 229). Employees “can be a very potent support force in your communication efforts if they are involved in the process” (Dougherty, 1992, p. 58).

The sixth best practice for anticipating a crisis is to have good external relationships with key publics and stakeholders before a crisis occurs because “a favorable reputation can act as a shield to protect an organization from harm” (Coombs, 2007, p. 146). Furthermore, a favorable reputation will lead key publics and stakeholders to “wait to hear the organization’s side of the story before drawing conclusions about the crisis” (Coombs, 2007, p. 147). In order to gain good relationships prior to a crisis, organizations need to build up their reputation by adjusting “performance so the deeds
speak for themselves,” rather than “trying to conjure up a good story to hide substandard performance” (Regester & Larkin, 2008, p. 206).

Finally, the seventh, and possibly most important, best practice for anticipating a crisis is to create a crisis communication plan because “without specific plans for communicating information related to the crisis to key publics, crisis management plans are inadequate” (Miller, 1992, p. 21). If you do not have a crisis communication plan in place, “the press will fill that ‘media vacuum’ with information, comment or opinion, which does more to sell their story and less to protect your business” (Anthonissen, 2008, p. 26). As a part of having a crisis communication plan “your chief communicator or someone from the communication department” should be a member of the crisis management team (Fink, 1986, p. 96). The reason for having this communication individual involved in the planning process is “to put forth suggestions of ways to package and present ‘bad’ news in the best possible light” (Miller, 1992, p. 24). The crisis communication plan should at least include the following: a system that could reach each public to notify them of the crisis, identification of crisis communication team members, identification of the media spokesperson and specialist spokespeople, list of key media contacts, pre-gathered background information about the organization, and the approved key messages for different crises (Fearn-Banks, 1996, p. 26-33). Before a crisis occurs, the crisis communication team needs to do the following: figure out possible target audiences, have the tools to communicate with the various target audiences ready, and have the messages ready to be communicate with the various target audiences (Anthonissen, 2008, p. 41). A crisis communication plan should also include media guidelines, which will allow the organization to be able to define their relationship with
the news media prior to a crisis (Miller, 1992, p. 24). The media guidelines should include: “the organization’s commitment to providing timely, accurate, and truthful information, specific information that cannot be released and why,” media access to top officials within the organization, media access to where the crisis occurs, “names, titles, and phone numbers, both work and home, of primary contacts, and alternates, and the location of an on-site information center for news media briefings in the event of a crisis” (Gorney as cited in Miller, 1990, p. 25).

**Best Practices for Addressing the Crisis**

According to Devon Dougherty (1992), “when a crisis strikes, the first response by you and your organization should be to ensure that the situation is brought under control and that all the facts are gathered” (p. 51). Once the immediate needs are handled, Dougherty (1992) believes that it is “time to activate your crisis communications plan and to notify your selected publics” (p. 56).

Once a crisis occurs, people are going to begin to search for a cause of the event because crises are unexpected and negative, and the most relevant theory associated with handling crisis management is the Attribution Theory, which deals with crisis communication (Coombs, 2006). “The attributions stakeholders make about crisis responsibility have affective and behavioral consequences for an organization . . . if an organization is deemed responsible, the reputation will suffer” (Coombs, 2006). Besides an organizations reputation suffering, “stakeholders may exit the relationship and/or create negative word-of-mouth” (Coombs, 2006). Thus, “management has a vested interest in preventing either of these two negative outcomes,” and it is the reason why
corporations need the best practices in effective crisis management to follow, in order to “determine which crisis response is best for the situation” (Coombs, 2006).

The first best practice for addressing the crisis is to communicate information about the crisis to the public and media as quickly, honestly, and often as possible, because it allows for the controlling of the message, and therefore the controlling of the crisis (Fink, 1986, p. 98). Working with the press as an ally during a crisis has many advantages, including: more of a chance to be “active rather than reactive,” a better chance of being able to control the message, a greater chance of “correcting misinformation,” and they can be the best resource to communicate with many of the key publics (Dougherty, 1992, p. 61).

Besides communicating with the media and the public, it is necessary to not ignore internal publics, most importantly employees (Anthonissen, 2008, p. 35). During a crisis situation, employees “should not learn new information via the media,” instead they should be briefed about the “company press statements prior to release,” and have the “opportunity to ask questions,” so that they will be aware of the company’s policy on talking to the media about the crisis (Regester & Larkin, 2008, p. 229). When “employees understand the crisis, they can better articulate it to the media, friends, and family” in order to “avoid inconsistency” (Coombs, 2007, p. 131).

In order to communicate well with the media and key publics, organizations must carefully select a spokesperson to represent them, because “to the public, this person is the company or organization” (Fearn-Banks, 1996, p. 29). The spokesperson’s primary responsibility is “to manage the accuracy and consistency of the messages coming from the organization” (Coombs, 2007, p. 78). Before a crisis, it is important that the
spokesperson work with the rest of the crisis communication team to “anticipate the kinds of questions that will be asked” by the media “and prepare guidelines for answering them” (Nudell & Antokol, 1988, p. 71). The spokesperson should be “easily and readily accessible to the media” at all times during a crisis, because “stonewalling will accomplish just the opposite of whatever positive messages you hope to convey and will make it appear you have something to hide” (Fink, 1986, p. 100). When the spokesperson does not have the answers to certain questions or does not know certain information, they should not speculate, but admit that they do not know, and make sure to “get back to the questioner with some sort of answer as soon as possible” (Nudell & Antokol, 1988, p. 76). The importance of the spokesperson truly lies in reducing “the possibility of a conflict about statements or organizational values and explanations” (Fearn-Banks, 1996, p. 66).

Although most companies employ one spokesperson, “sometimes several persons are spokespersons” depending “upon expertise” (Fearn-Banks, 1996, p. 29). These extra spokespeople are referred to as specialist spokespeople, because they “are not normally needed to deal with the crisis, but may be needed to add credibility and explain ‘the way it is’ if a crisis relates to an area that is outside regular news reader/viewers’ daily comprehension” (Anthonissen, 2008, p. 31).

The second best practice for addressing the crisis is to not over-reassure the public during a crisis, but to “focus on self-efficacy – showing people how to protect themselves from the effects of the crisis” (Ulmer, Sellnow, & Seeger, 2011, p. 54). According to Coombs (2007), “people are the first priority in any crisis, so instructing information must come first,” because once a crisis hits, “stakeholders want to know what happened,
and they need to know how the crisis will or might affect them” (p. 134). The self-efficacy messages “should be valid, useful, and instructive in actually protecting stakeholders from potential risk” (Ulmer, Sellnow, & Seeger, 2011, p. 54). By disseminating information to stakeholders that “they require to protect themselves,” the organization is able to gain control of the crisis situation (Coombs, 2007, p. 134).

The third best practice for addressing the crisis is to communicate with the public and media about “what is being done to prevent a repeat of the crisis and to protect them from future crises” (Coombs, 2007, p. 135). According to Ulmer, Sellnow, & Seeger (2011), organizations that “provide a prospective vision for recovery are more likely to be able to reduce uncertainty post-crisis” (p. 57). When an organization communicates the actions it is taking to prevent a similar crisis, it is known as a corrective action, which is desirable to present “as early as possible in the crisis response,” because it “reduces psychological stress by reassuring stakeholders that their safety is a priority” (Coombs, 2007, p. 135).

All of the aforementioned best practices cannot be completed without the fourth best practice for addressing the crisis, which is to have strong leadership throughout the crisis because leaders “help reduce the turmoil of crises and reassert order and control, in part, by being visible to employees, members of the community, and the media,” as well as “oversee responses and help others understand and cope with what is happening” (Ulmer, Sellnow, and Seeger, 2011, p. 64). According to Adubato (2008), the following are a few traits of a strong leader, including: being “candid, forthright, and highly prepared,” being “direct and straightforward,” being able to “disagree without being disagreeable,” avoiding “being defensive or taking cheap shots,” mastering “your body
language so it communicates your sense of confidence,” channeling “your anger or frustration into productive passion and conviction,” answering “questions directly without becoming a slave to them,” expecting criticism and calmly dealing with it, and taking responsibility and not shifting the blame onto others (p. 226). Ulmer, Sellnow, & Seeger (2011) echo Adubato’s statements, saying that strong leadership qualities during a crisis include the following: being “visible during a crisis,” being “actively engaged during a crisis,” being “visible and accessible to the media,” being “responsive to the needs of victims,” and being “actively engaged in the response” (p. 65). Strong leadership during a crisis “helps to increase the impression that the crisis is being actively managed and reduces the impression that the company has something to hide” (Ulmer, Sellnow, & Seeger, 2011, p. 65).

**Best Practices for Dealing with the Aftermath of the Crisis**

According to Mayer Nudell and Norman Antokol (1988), the most important part of crisis management is “debriefing and evaluation,” because “the end of every crisis is the beginning of your preparation for the next one” (p. 126).

Thus, the first best practice for dealing with the aftermath of the crisis is to debrief and evaluate the crisis response as soon as possible, because “by evaluating quickly and effectively after the crisis you will be to check the accuracy of your plan and make revisions if necessary” (Dougherty, 1992, p. 79). A few things that can be accomplished through debriefing and evaluating include the following: “performance can be evaluated and errors recognized and corrected” and “management can take a look at the entire plan” and “eliminate any weaknesses, reinforce strengths, and generally be much more
prepared for the next incident, should there be one” (Nudell & Antokol, 1988, p. 129).
Specifically, “an important part of the overall evaluation process is a look at how well the people performed,” because if an individual should not have been assigned a certain crisis response task, or assigned to the crisis management team at all, then during the debriefing and evaluation process “is the time to make adjustments in as face-saving a way as possible” (Nudell & Antokol, 1988, p. 49). There are many questions that should be asked during a debriefing session, but the following three questions encapsulate the main ideas that should be covered: (1) “Was the crisis itself handled quickly and effectively? If not, why not? (2) “Did the communications efforts work according to plan? (3) What do you feel the perception/image of your organization is now? And how is this different, if at all, from before the crisis? (Dougherty, 1992, p. 78). In order for the crisis management efforts to be considered effective, “the actual crisis damage should be less than the anticipated crisis damage” (Coombs, 2007, p. 152). Finally, the debriefing process should include “maintaining positive organizational-stakeholder relationships,” by updating the “stakeholders on the progress and results of ongoing investigations and the actions being taken to prevent a repeat of the crisis” (Coombs, 2007, p. 162).

The second best practice for dealing with the aftermath of the crisis is to figure out what lessons have been learned from the crisis and to communicate those with the public and stakeholders because it prevents “a similar crisis in the future” (Anthonissen, 2008, p. 18). Although “disasters can rarely be prevented,” analyzing the crisis will “provide you with valuable lessons” that will “reduce your vulnerability to similar emergencies in the future,” or “avoid repetition of the incident” entirely (Nudell & Antokol, 1988, p. 23). According to Fearn-Banks (1996), “just because a company has
suffered one crisis is no indication that it will not happen again,” thus “the learning phase is a process of examining the crisis and determining what was lost, what was gained, and how the organization performed in the crisis” (p. 8).

Finally, the third best practice for dealing with the aftermath of the crisis is to realize the positive aspects of the crisis, because “crises do offer opportunities for renewal and future growth” (Ulmer, Sellnow, & Seeger, 2011, p. 59). According to Julie Miller (1992), “when a crisis is perceived” as “an opportunity for an organization to assess its strengths and weaknesses as well as its vulnerability to external and uncontrollable forces,” they are more likely to be proactive with their crisis management planning, and thus their perception of a crisis an opportunity ultimately allows them the positive aspects found in the aftermath of the crisis (p. 40). Also, “thinking about the potential positive aspects of a crisis focuses an organization on moving beyond the event and provides a positive direction toward which organizational members can work” (Ulmer, Sellnow, & Seeger, 2011, p. 60). “Positive results can come from a crisis”, according to Meyers and Holusha (1986), and the following are seven potential positive results: “(1) Heroes are born, (2) Change is accelerated, (3) Latent problems are faced, (4) People are changed, (5) New strategies evolve, (6) Early warning systems develop, (7) New competitive advantages appear” (as cited in Ulmer, Sellnow, & Seeger, 2011, p. 60).
Chapter 3

Methodology

This chapter explains the process used to collect the data for the study including the data sources, data collection, data presentation, delimitation, and limitations.

Data Sources

For this study, three experts in the field of corporate crisis management, emergency management, and crisis communications were interviewed with questions from a single questionnaire. The questionnaire was developed in order to answer the original research questions regarding effective crisis management practices.

Participants

The corporate crisis management expert selected was Tom Jones, the Director of Government Relations at PG&E. The emergency management expert selected was Ron Alsop, the Emergency Services Manager at the Office of Emergency Services for San Luis Obispo County. The crisis communications expert selected was Kory Raftery, the Communications Director at Calvert Cliffs Nuclear Power Plant located near Lusby, Maryland, and the former spokesperson for PG&E.

Interview Design

The following questions were asked of each of the experts, in order to collect the data for the remainder of the study:

1. How would you, as an expert in your field, use crisis management more effectively?
2. Can you provide examples for the best practices in effective crisis management prior to a crisis?

3. Can you provide examples for the best practices in effective crisis management during a crisis?

4. Can you provide examples for the best practices in effective crisis management after a crisis?

5. How would you define effective crisis management? Can you give examples?

6. What would constitute ineffective crisis management? Can you give examples?

7. What role should a leader play in crisis management?

**Data Collection**

The method of data collection for this study was individual interviews with each of the three experts. The interviews were conducted during the end of February 2012 and beginning of March 2012, and each was between fifteen and thirty minutes in length. The interviews included questions that would provide more in depth answers to the original research questions, in order to gain better understanding about the best practices in effective crisis management.

**Data Presentation**

In order to ensure that the data was presented completely, a digital audio recorder, along with hand written notes, were used during the interviews.
Delimitations

There are delimitations to this study because the study was only discussing the topic of best practices in crisis management in regards to corporations. Another delimitation of this study is that it was decided that only three expert interviews would be completed and included for data collection on the topic of best practices in crisis management for corporations.

Limitations

There are limitations to this study because of the amount of time allotted to complete the senior project; it had to be completed during one ten week quarter. The time restriction caused two of the three expert interviews to be conducted over the phone; Ron Alsop was interviewed in person. Kory Raftery is located in Maryland, and it was not practical to interview him in-person, due to the time restraint of the study, as well as the monetary restraint. Although Tom Jones is located in San Luis Obispo, during the time that the interviews were conducted, he was traveling throughout California on business, and once again it was not reasonable to conduct an in-person interview due to the time restraint of the study and the monetary restraint.
Chapter 4

Data Analysis

Chapter 4 will supply descriptions of the experts interviewed in the study and the respondents’ answers to the questionnaire will be summarized. The data will be analyzed through comparison to the original research questions, as well as to the current literature on effective crisis management as discussed in Chapter 2. The data will then be presented in both direct quotations and paraphrased response forms, due to the interviews lasting between fifteen and thirty minutes each in length.

Expert Biographies

Individual respondents provided their own biography.

Corporate Crisis Management

Tom Jones is a Director of Government Relations for Pacific Gas and Electric Company. He is responsible for the company’s local governmental activities from Stockton to San Bernardino County and Santa Cruz to Vandenberg Air Force Base. In this area, he guides many charitable contributions and other community investments made by PG&E. He also serves as the company’s lead negotiator for permitting capital projects and franchise negotiations and is the Corporate Affairs lead on License Renewal for Diablo Canyon Power Plant. He joined PG&E in 2001 during the height of the energy crisis. Before joining the company, he worked for former State Senator Jack O’Connell for seven years, serving as his District Director. He directed consistent services and worked on key public safety, infrastructure and energy matters. He currently serves on the Sierra Vista Regional Medical Center Governing Board, the San Luis Obispo County Economic
Strategy Steering Committee and is a former Planning Commissioner of the City of Atascadero.

**Emergency Management**

Ron Alsop has been with the Office of Emergency Services (OES) for over 21 years. Prior to his emergency management experience, he served in the public safety field with the California Department of Forestry and Fire Protection and the San Luis Obispo County Fire Department. His disaster and related emergency management experience includes responding to incidents locally as well as statewide, both with Cal Fire and as an emergency manager. His duties have also included a role as emergency public information officer, which has resulted in interactions with local, national, and international news media during large emergencies over the last 25 years. He also is a past member of the Board of Directors of the California Public Information Officer’s Association. He has been involved with emergency drills and exercises statewide such as nuclear power plant, homeland security, and natural disaster scenarios.

**Crisis Communications**

Kory Raftery is the Communications Director at Calvert Cliffs Nuclear Power Plant, near Washington, DC. In addition to being chief spokesperson for the facility, he leads a team responsible for all internal and external communications, and media and community relations. Previously, he worked at Pacific Gas and Electric Company, where he managed a number of gas and electric crisis communications initiatives as well as the communications and public affairs for the Diablo Canyon Nuclear Power Plant in San Luis Obispo, California. He is a former television anchor and reporter with experience in California, Nevada, Virginia and Wyoming. He also worked as a communications
specialist for the U.S. Senate and as a play-by-play radio broadcaster for the Santa Barbara Foresters, a semi-professional baseball team. He earned a B.A. degree in Mass Communications from the University of Nevada, Las Vegas (UNLV).

Effective Crisis Management Questionnaire

Each expert was asked their opinions on the following questions concerning effective crisis management:

1. How would you, as an expert in your field, use crisis management more effectively?

Question #1 was invented to see how the experts felt crisis management had been used in the past, and what they thought could be done to have it be used more effectively in the future. It was a great opening question to understand how the experts felt about crisis management uses during the entirety of a crisis situation.

- Tom Jones: “The information you need to convey needs to be relevant, concise, and timely . . . That is the responsibility of the person doing the crisis communication, to make sure that the audience can act on the information given to them.” (Appendix A).

- Ron Alsop: “I think the first answer would be to try and avoid getting to the point of where you actually need crisis communication, by having a positive, ongoing image of your organization. And, the second point is that if it does get to that, be upfront right away, and release as much information as you can” (Appendix B).
Kory Raftery: “We have to have firm plans and relationships built long before a crisis ever happens, if we really want to be successful. In other words, we can’t just be creating a plan off the fly when something may go down” (Appendix C).

2. Can you provide examples for the best practices in effective crisis management prior to the crisis?

Question #2 was asked to begin the breaking down process of the overall best practices in effective crisis management. It is important because it helped get more specific best practices versus sweeping overall statements about best practices in effective crisis management. Most people do not consider the need for pre-planning for crises, so this question got the experts to begin thinking about the fact that planning for a crisis is an integral part of crisis management, and thus the experts were able to give specific examples of what should be done prior to a crisis.

- Tom Jones: “We have dedicated emergency response teams that drill on a regular basis . . . You can really pre-stage not only what you are going to do, but what you are going to say” (Appendix A).

- Ron Alsop: “Putting out preparedness information ahead of time, and letting people know, and make people aware of the fact that there are threats . . . Be continually putting out that information year round, annually, not just waiting for something to happen” (Appendix B).

- Kory Raftery: “Have good relations with nearby customers, have good relationships with community members, so that when a crisis does happen . . . You need strong community members that can speak to the fact that
you maybe made a mistake, but you are not a bad company” (Appendix C).

3. Can you provide examples for the best practices in effective crisis management during the crisis?

Question #3 was designed to continue the breaking down process of the overall best practices in effective crisis management. It was meant to find out what any corporation should be doing during a crisis; and, at the same time the experts were able to give specific examples of how the best practices during a crisis were played out in past corporate crises.

• Tom Jones: “During a crisis, I think that the spokesperson is key . . . Rudy Guiliani was the unofficial President of the United States for about three or four weeks. I mean the nation looked to the mayor of a city because of how compassionate and competent he was” (Appendix A).

• Ron Alsop: “So, one is to get the information out quickly. And two, to put out credible information. I think the most important thing for crisis communication, is that if something does happen, don’t stall, don’t wait” (Appendix B).

• Kory Raftery: “I think the best practices are to get out there quick, to use plain language, to be clear, concise, to be compassionate to those that may not understand your business as well as you do, and obviously be truthful” (Appendix C).

4. Can you provide examples for the best practices in effective crisis management after the crisis?
Question #4 was created as the last in the set of three questions that delved deeper into the specific best practices of effective crisis management. It allowed the experts to narrow down their best practices based on the different stages of a crisis. This specific question was made to get an overall view of what best practices corporations should employ once the immediate crisis is over, but it also was made to elicit specific case studies of corporations that have dealt either effectively or ineffectively with a past crisis, in order to create the list of best practices in crisis management after a crisis has passed.

- Tom Jones: “Look at their [Odwalla Juice’s] response, committed, compassionate, changed their product line, took advantage of pasteurization, and said, ‘here is why it won’t happen again, here is our commitment.’ That reassured customers, they are still in business” (Appendix A).

- Ron Alsop: “In an after action report, it is basically like a critique . . . It is just going back and . . . reviewing the procedures, and seeing what went wrong and what processes can be changed” (Appendix B).

- Kory Raftery: “They [Toyota] really wanted to put a face on their company after that to show that people were working hard to not only correct it, but to be the best in safety . . . If you put a face on your company, then you win” (Appendix C).

5. How would you define effective crisis management? Can you give examples?

Question #5 was devised to clarify what effective crisis management means from the perspectives of corporate crisis management, emergency management, and crisis communications, in order to get a basis for what effective crisis management meant
holistically. By asking for examples, the experts were able to explain their definition through the illustration of past crises examples.

- Tom Jones: “It is a prepared and well-organized structure, and it has a clear vision . . . The main thing, is that roles and authority are predefined, there is only one person in charge, and that person has commanding control, and the roles are known before they get there” (Appendix A).

- Ron Alsop: “Effective crisis management is crisis management in which there are existing plans and procedures in place to respond to it, you know you’re not just responding to it off the cuff. And that you have designated people that are able to have the authority to respond to a crisis management, or a crisis communications issue” (Appendix B).

- Kory Raftery: “Effective crisis management is not necessarily getting a favorable story out of a crisis, that is a really tough thing to do, but I think it is getting your side of the story included in the story” (Appendix C).

6. What would constitute ineffective crisis management? Can you give examples?

Question #6 was produced to counter the previous question by asking the experts to describe what ineffective crisis management would be like. By pointing out all the incorrect ways to handle a crisis, the experts were justifying that doing the opposite of the ineffective practice would bring about an effective best practice. This question helped garner more effective best practices, because through the examples the experts were able to more explicitly explain what was being done wrong, in comparison to the previous question about what a corporation in crisis had done correctly.
• Tom Jones: “They [FEMA] didn’t know how many people were missing, they didn’t know how to get the power back, they didn’t know how to get safe water to folks . . . They couldn’t get the basics right” (Appendix A).

• Ron Alsop: “The worst thing you can do is not have a plan, and two, the second thing is to answer any questions or inquiries that you get, even if it is a ‘Yeah something happened, but we don’t have the details right now, but we will get back with you as soon as possible.’ And the third aspect is, be upfront and don’t use that no comment thing” (Appendix B).

• Kory Raftery: “Anytime that a company off as a cold, callous, inhumane, and a company without compassion, those would all be characteristics that I would tell you that they handled that poorly” (Appendix C).

7. What role should a leader play in effective crisis management?

Question #7 was aimed at discovering if leadership was an important aspect in effective crisis management. The question was meant to probe the experts about whether or not leadership was a best practice in effective crisis management during a specific stage of the crisis situation, or an essential overall key best practice in effective crisis management. It also allowed most of the experts to decide to place specific best practice tasks in the hands of the leadership.

• Tom Jones: “They have to reassure people, and provide information, that again, is clear, concise, and meaningful . . . Have to give hope and confidence . . . And a leader’s work is really to have the front work done, so that if a crisis hits, they know how to do those simple things” (Appendix A).
• Ron Alsop: “So good leadership and authoritative crisis communications manager, is going to have the backing of the company, two, authority to answer the questions, three, come across with confidence, four, I guess is sort of an informal term, someone that won’t ‘get buffaloed’ by the media, or scared by the media, and then five, someone that answers questions openly, doesn’t try to avoid a question” (Appendix B).

• Kory Raftery: “They should be on the front lines as soon as possible . . . Take accountability and do the right thing . . . Need to be intricately involved in not only the crisis response, but also the preparation that goes into place before the crisis. They need to know their messages, they need to work with their team, they need to work with their operating crews, they need to ensure that they have a firm grasp on their role should a crisis happen” (Appendix C).

**Effective Crisis Management Research Questions**

The subsequent five research questions were created for the study in order to determine what best practices are being used among corporate crisis management, emergency management, and crisis communications professionals, as well as to compile expert opinions on effective crisis management.

**Research Question #1:**

**How have corporations used crisis management in the past to deal with crises?**

• “The key to the remarkable comeback of Tylenol can be attributed to swift action by the company combined with a clearly defined action plan.
Following a strategy and developing the correct messages for the appropriate publics is clearly illuminated in this [Johnson & Johnson example” (Dougherty, 1992, p. 18).

- According to Steve Adubato (2008), Jet Blue did not have a proper crisis management plan for this “bad weather,” and thus did not have a crisis communications plan to communicate properly internally or externally with its publics about what was happening . . . Jet Blue did not properly prepare their spokesperson for media briefings (p. 160, 166).

- “The Valdez incident reaffirmed the need for companies to set up a preexisting crisis communications plan, test the plan, and respond quickly and compassionately” (Dougherty, 1992, p. 92).

- Robert R. Ulmer, Timothy L. Sellnow, and Matthew W. Seeger (2011) suggest that Domino’s Pizza ignorance to social media caused them to make several bad crisis management decisions, but once they began to accept the new technology, they were able to turn the crisis into a positive by making a series of great crisis management choices using the technology that created the crisis in the first place (p. 162).

Research Question #2:

What is considered effective crisis management?

a. What role does a leader play in effective crisis management?

- “Any measure that plans in advance for a crisis (or turning point) – any measure that removes the risk and uncertainty from a given situation and
thereby allows you to be more in control of your own destiny” (Fink, 1986, p. 19).

- “Effective crisis management is a collection of anticipatory measures that enable an organization to coordinate and control its responses to an emergency . . . Effective crisis management permits an organization to maximize its opportunities and minimize the dangers it confronts” (Nudell & Antokol, 1988, p. 20).

- “Successful management of a crisis situation is about recognizing you have one, taking the appropriate actions to remedy the situation, being seen to take them and being heard to say the right things” (Regester & Larkin, 2008, p. 173).

- “Effective crisis communication starts long before a crisis hits an organization and should be apart of every organization’s business and strategic plans” (Ulmer, Sellnow, and Seeger, 2007, p. 35).

- “While leaders are always important to the success of organizations, during crisis, they take on particularly critical roles. They help reduce the turmoil of crises and reassert order and control, in part, by being visible to employees, members of the community, and the media. They oversee responses and help others understand and cope with what is happening” (Ulmer, Sellnow, and Seeger, 2011, p. 64).

Research Question #3:

What are the best practices in effective crisis management for anticipating the crisis?
• “If you make an ongoing effort to identify potential problems and develop countermeasures, it will improve your chances of survival in an emergency” (Ishikawa & Tsujimoto, 2009, p. 70).

• “Plans made by corporations that are effective crisis managers contain: (1) a recognition that there are a variety of possible futures, (2) provision for monitoring to ensure that they are not surprised, (3) a set of actions that are not inconsistent with any of the likely futures, (4) explicitly contingent” (Andriole, 1985, p. 32).

• “An emergency exercise is an excellent way to test the procedures . . . The testing will be a good way of evaluating how effective training has been. No set of procedures can work perfectly and any test will identify a number of areas that, hopefully, will only need slight adjustment but, occasionally, may need major reorganization” (Haywood, 2005, p. 260).

• “Therefore, it is only advisable for a public relations professional to be prepared for the eventualities with a crisis management plan . . . Some of the aspects and parameters that should encompass the plan are: the message, the crisis management committee, the target publics, the responsibility, the media relations, and the aftermath” (Sachdeva, 2009, p. 418, 424-425).

• “Being proactive in the age of the Internet means having more than a plan on paper. Actual Web pages, known as ghost templates should be created so that they can be turned on and made accessible on the Internet when crises occur” (Breakenridge & DeLoughry, 2003, p. 176).
Research Question #4:

What are the best practices in effective crisis management for addressing the crisis?

- “There is a first-mover advantage in crisis response: whoever defines the crisis, the organization’s motives, and its actions first, tends to win. Silence on the part of company is seen as indifference or guilt, and allows critics, adversaries, the media, and the blogosphere to control the communication agenda” (Doorley & Garcia, 2011, p. 312).

- “A company should take responsibility for its actions. When a company is trustworthy, it is morally accountable for its actions and all its constituents believe that it is responsible for its position and assume that it is capable of rational conduct. Thus, corporate reputation depends on credibility, trustworthiness, reliability, and responsibility” (Ramu, 2000, p. 129).

- “As the facts continue to become available, the spokesperson should schedule regular times for briefing the media. That is a way to maintain control over the press. Members of the press have to defer to the organization’s time frame” (Dilenschneider, 2010, p. 117).

- “Give the media the fullest information possible. Even if you do not have full details of the incident, useful background on the company, its record and trading activities will be helpful to journalists . . . To offer no comment can destroy a company’s reputation by making management look indifferent to the hazard or actual harm that might be created by an incident” (Haywood, 2005, p. 250, 253).
Research Question #5:

What are the best practices in effective crisis management for dealing with the aftermath of the crisis?

- “Set up debriefing meetings with all members of the team to improve procedures; invite the emergency services to attend and comment” (Haywood, 2005, p. 265).
- “Have the aftermath strategies worked out to bolster public confidence” (Sachdeva, 2009, p. 429).
- According to Mayer Nudell and Norman Antokol (1988), “In many ways, debriefing the crisis team and evaluating the plan immediately after the crisis is the most important part of crisis management. The end of every crisis is the beginning of the preparation for the next one. Nothing is of more value to an organization’s future planning than the lessons already learned” (as cited in Miller, 1992, p. 26).
- “The learning phase is a process of examining the crisis and determining what was lost, what was gained, and how the organization performed in the crisis. It is an evaluative procedure also designed to make the crisis a prodrome for the future . . . Just because a company has suffered one crisis is not indication that it will not happen again” (Fearn-Banks, 1996, p. 8).

Effective Crisis Management Data

It was necessary to collect data regarding the best practices in effective crisis management because the current literature does not cover crisis management as whole;
rather it mainly focuses on the crisis communications aspect. The three experts interviewed for this study were Tom Jones, a corporate crisis management expert, Ron Alsop, and emergency management expert, and Kory Raftery, a crisis communications expert. They were asked questions that would examine each of the research question topics, and the main idea from each of their answers is exhibited in individual tables.

**Research Question #1:**

*How have corporations used crisis management in the past to deal with crises?*

This research question was targeted at understanding what the experts knew about past crisis management efforts in crises, in order to explain how they devised their answers to the following questions. This question allowed the experts to give many specific crises examples, which gave the study more background information, once it was joined with the numerous case studies discussed in the literature review in Chapter 2. Robert R. Ulmer, Timothy L. Sellnow, and Matthew W. Seeger (2011), discuss the case studies of Odwalla Inc. and Domino’s Pizza in order to help aid the understanding of best practices in effective crisis management “based upon well-established research and practice in the multidisciplinary field of research” (p. 22).

Table 1 showed that all three experts mentioned an ineffective crisis management example that occurred in the last seven years, whereas Raftery was the only respondent that named an effective crisis management response that happened in the last sixteen years. According to the Jones and Raftery, their work-related crisis management examples were handled effectively, while Alsop felt that his was handled ineffectively.
because communication lacked between agencies during his work-related crisis management example.

Table 1

*Dealing with Past Corporate Crises*

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Effective Crisis Management Example</th>
<th>Ineffective Crisis Management Example</th>
<th>Work-related Crisis Management Example</th>
</tr>
</thead>
</table>

Research Question #2:

What is considered effective crisis management?

a. What role does a leader play in effective crisis management?

This research question’s purpose was to investigate what the experts considered effective crisis management overall and why they considered certain practices the most effective in crisis management. According to Stephen J. Andriole...
(1985), "When it is effective, that direction results in ‘success’ in an operating environment . . . a specific rate of profitability, change in market position or share, opening new lines of business, reduction of costs, and so forth” (p. 22).

It was also aimed at discovering if leadership was an important, and or, necessary aspect in effective crisis management. It was meant to probe the experts about whether or not leadership was a best practice in effective crisis management during a specific stage of the crisis situation, or an essential overall key best practice in effective crisis management. It also allowed most of the experts to decide to place specific best practice tasks in the hands of the leadership. Robert R. Ulmer, Timothy L. Sellnow, and Matthew W. Seeger (2011), present the idea that strong leadership during a crisis “helps to increase the impression that the crisis is being actively managed and reduces the impression that the company has something to hide” (p. 65).

Table 2 shows that both Jones and Alsop agree that effective crisis management includes a preexisting crisis management plan and a crisis management team with a spokesperson that was selected before the crisis situation occurs. Whereas, Raftery felt effective crisis management dealt more with having good preexisting relationships with the public, stakeholders, and the media because it would allow the corporation a better chance to explain the crisis in their terms. The three experts believe that ineffective crisis management is not communicating information about the crisis to the public, stakeholders, and the media. All of the experts believed that the leadership was a necessary aspect of effective crisis management because leaders should be in charge of providing the information to those affected by the crisis. Jones and Raftery concur that leaders should also be actively involved in the crisis response planning.
Table 2

Components of Effective Crisis Management

<table>
<thead>
<tr>
<th>Respondent</th>
<th>What is effective crisis management?</th>
<th>What is ineffective crisis management?</th>
<th>What role does a leader play in effective crisis management?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Jones</td>
<td>Have a well-organized plan created; Have a well-defined crisis management team and a preselected spokesperson.</td>
<td>No risk assessment; Not talking to the public; Can’t help public help themselves.</td>
<td>Provide relevant and clear information about crisis to the public; Reassure the public; Tell public how they can help themselves; Be involved in crisis response planning.</td>
</tr>
<tr>
<td>Ron Alsop</td>
<td>Have existing plans and procedures in place; Have designated crisis management team and spokesperson; Spokesperson has the authority of the corporation backing them.</td>
<td>No crisis management plans; Not informing employees of crisis response procedures; Saying “no comment” to media inquiries.</td>
<td>Have the authority to answer questions; Be confident; Don’t be afraid of answering media inquiries; Don’t avoid questions.</td>
</tr>
<tr>
<td>Kory Raftery</td>
<td>Good public and stakeholder relationships; Get corporation’s side of the story about the crisis in the media.</td>
<td>Not disclosing information to the public; Spokesperson coming off as cold and callous and not compassionate towards the public.</td>
<td>Visible as soon as possible; Take responsibility for crisis situation; Be involved in crisis response planning; Know corporations crisis messages.</td>
</tr>
</tbody>
</table>

Research Question #3:

What are the best practices in effective crisis management for anticipating the crisis?
This research question was contrived to begin obtaining the specific best practices in effective crisis management. Without this question, and the other two that break down the crisis into stages, the specific time of use of the best practices would not be known. Best practices in effective crisis management are only useful if the experts explain when they should be used, how they should be used, and who should use them. This stage of the crisis, the pre-stage, is crucial, as the literature states, and this question was able to garner distinct best practices that are only viable prior to a crisis. Effective crisis management should “include proactive mechanisms that have been tested and revised over time and that can be implemented by personnel who are carefully selected, properly trained, and secure in their authority and procedures” (Nudell & Antokol, 1988, p. 14).

Table 3 reveals that Alsop and Raftery acknowledge that a strong relationship with the public and the corporations’ stakeholders is very important best practice prior to the crisis occurring. Jones and Raftery both feel that completing a risk assessment prior to the crisis is a best practice in effective crisis management. Jones points out that simulations and exercises are important before a crisis arises, and he explains that at his job, Diablo Canyon Nuclear Power Plant, they conduct drills on a regular basis to make sure they are prepared for any possible crisis.
Table 3

Best Practices for Anticipating the Crisis

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Best Practices</th>
<th>Example of Best Practices</th>
<th>Which Best Practice was used?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Jones</td>
<td>Simulations and exercises;</td>
<td>Diablo Canyon Nuclear Power Plant</td>
<td>Simulations and exercises are conducted on a regular basis.</td>
</tr>
<tr>
<td></td>
<td>Complete a risk assessment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ron Alsop</td>
<td>Good relationships with public</td>
<td>Office of Emergency Services</td>
<td>Providing emergency preparedness information ahead of time that</td>
</tr>
<tr>
<td></td>
<td>and stakeholders; Give out</td>
<td></td>
<td>comes from a variety of sources.</td>
</tr>
<tr>
<td></td>
<td>awareness information from a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>variety of reputable sources.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kory Raftery</td>
<td>Strong relationships with public</td>
<td>Calvert Cliffs Nuclear Power Plant</td>
<td>Created “dark site” on the internet that could go live whenever</td>
</tr>
<tr>
<td></td>
<td>and stakeholders; Complete a</td>
<td></td>
<td>necessary.</td>
</tr>
<tr>
<td></td>
<td>risk assessment; Create a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>“dark site.”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Research Question #4:

What are the best practices in effective crisis management for addressing the crisis?

This research question was aimed at achieving descriptions of the particular best practices in effective crisis management while a crisis is occurring. This stage is the most well known stage, according to the literature, on which crisis management is usually employed. In effective crisis management, once the crisis has developed, and “you have taken the immediate steps to bring the physical situation under control and ensure the safety of affected individuals, it is time to activate your crisis communications plan and to notify your selected publics” (Dougherty, 1992, p. 56). Now that the experts have decided what the best practices are before a crisis
transpires, this question delves into what best practices still need to be completed in order to achieve an effective crisis management response.

Table 4

*Best Practices for Addressing the Crisis*

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Best Practices</th>
<th>Example of Best Practices</th>
<th>Which Best Practice was used?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tom Jones</strong></td>
<td>Need a compassionate and competent spokesperson; Use prepared responses; Keep responses short and to the point.</td>
<td>Rudy Giuliani after 9/11</td>
<td>Sent out a spokesperson that was compassionate and competent, and used prepared responses.</td>
</tr>
<tr>
<td><strong>Ron Alsop</strong></td>
<td>Get credible information out quickly; Tell the public what they can do to help themselves; Explain preventative measures the corporation is taking.</td>
<td>Cal Poly Dairy Milk Radiation</td>
<td>Provided credible information about how much radiation was truly in the milk, and that it was not a health threat.</td>
</tr>
<tr>
<td><strong>Kory Raftery</strong></td>
<td>Explain crisis situation as clearly as possible to public; Have the spokesperson show compassion; Tell the truth to maintain credibility.</td>
<td>Diablo Canyon Nuclear Power Plant Alert</td>
<td>Created a video with a spokesperson that showed compassion towards the public, as well as explained exactly what happened and how it was, in fact, not a safety risk.</td>
</tr>
</tbody>
</table>

Table 4 imparts that all three experts agree that a best practice in effective crisis management during a crisis is to communicate information about the crisis to the public, and Jones includes that communication should be prepared in advance as much as possible through the use of risk assessment prior to the crisis. Jones and
Raftery both believe that the news about the crisis should be divulged by a compassionate and well-informed spokesperson. Raftery adds that the information should be credible, he states that he had to release correct information after the Diablo Canyon Nuclear Power Plant Alert crisis, so that that public would know that it was, in fact, not a safety risk, just an internal miscommunication. Alsop expanded on the best practices in effective crisis management, by revealing two other examples, including telling the public what they can do to help themselves during the crisis, and explaining preventative measures that the corporation is taking to help the public.

**Research Question #5:**

**What are the best practices in effective crisis management for dealing with the aftermath of the crisis?**

This research question was fashioned to find the best practices that should be applied once a crisis situation has occurred. This stage, like the pre-planning stage, is usually overlooked, according to the literature. According to Mayer Nudell and Norman Antokol (1988), the most important part of crisis management is “debriefing and evaluation,” because “the end of every crisis is the beginning of your preparation for the next one” (p. 126). This question was created to achieve detailed answers from the experts on what to do once the crisis is over. By asking the experts to break down the best practices in crisis management into these three stages, they are able to come up with more detailed best practices.
<table>
<thead>
<tr>
<th>Respondent</th>
<th>Best Practices</th>
<th>Example of Best Practices</th>
<th>Which Best Practice was used?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Jones</td>
<td>Bring back normalcy; Figure out what is most important to fix first; Reassure public and stakeholders; Explain how the corporation will prevent a similar crisis from occurring again.</td>
<td>Odwalla Inc. Apple Juice pasteurization E. coli scare</td>
<td>Made sure to explain how their corporation would prevent a similar crisis from occurring again by changing their apple juice product by taking advantage of pasteurization.</td>
</tr>
<tr>
<td>Ron Alsop</td>
<td>Complete an “after action report” critique; Decide what could have been done better; Decide what needs to be changed; Decide what went wrong.</td>
<td>Cal Poly Diary Milk Radiation</td>
<td>After completing an “after action report,” decided they needed better communication with the California Department of Public Health.</td>
</tr>
<tr>
<td>Kory Raftery</td>
<td>Manage corporate brand reputation by putting a face to the corporation; Explain how the corporation will prevent a similar crisis from occurring again; Put the safety and happiness of the public and stakeholders that have been affected by crisis first.</td>
<td>British Petroleum (BP)</td>
<td>Launched a localized commercial campaign to put a face to their corporation through the use of people that had dedicated their lives to working in the Gulf.</td>
</tr>
</tbody>
</table>

Table 5 reveals that both Jones and Raftery agree that a best practice in effective crisis management after the crisis has occurred is to explain how the corporation will prevent a similar crisis from occurring again. Alsop feels that an “after action report,” or an evaluation of the effectiveness of the crisis management response, is a best practice after the crisis occurs because it can help the corporation
decide what could have been done better, what needs to be changed, and what, if anything, went wrong.
Chapter 5

Discussion and Recommendations

Summary

This study was executed due to the recent high number of corporate crises that have occurred in the last decade. Effective crisis management practices have not been updated to have the ability to handle current corporate crises, and they also lack the explanation of what stage in the crisis they should be enacted. Most of the literature on the topic does not adequately explain the best practices with the use of case study examples, which burdens the corporate crisis manager to handle crisis events effectively without being able to learn from the mistakes of other corporations. Thus, it was necessary to gather data from industry experts in the fields of corporate crisis management, emergency management and crisis communications to compile their opinions and examples on the topic of effective crisis management best practices.

The following research questions were addressed with answers collected through a questionnaire during individual interviews with each of the industry experts:

1. How have corporations used crisis management in the past to deal with crises?
2. What is considered effective crisis management?
   a. What role does a leader play in effective crisis management?
3. What are the best practices in effective crisis management for anticipating the crisis?
4. What are the best practices in effective crisis management for addressing the crisis?
5. What are the best practices in effective crisis management for dealing with the aftermath of the crisis?

Discussion

Conclusions can now be drawn based on the previously listed research questions, due to the association discovered between the two sources of knowledge, the literature discovered in Chapter 2 and the opinions of the industry experts analyzed in Chapter 4, on the topic of effective crisis management best practices.

Research Question #1:

How have corporations used crisis management in the past to deal with crises?

All of the experts responded with ineffective case study examples that occurred in the last seven years, and Alsop was the only respondent to name an effective crisis management response that occurred in the last sixteen years.

The literature reflects a similar viewpoint. Out of the six case studies, four were ineffective, and all of the ineffective managed crises occurred in the last six years, besides Exxon Valdez, which occurred in 1989 (Ulmer, Sellnow, and Seeger, 2007, p. 71). Both examples of effective crisis management, like the experts stated, happened at least sixteen years ago.

Overall, it is clear that corporate crises have not been handled effectively recently.

Research Question #2:

What is considered effective crisis management?

a. What role does a leader play in effective crisis management?
All three of the experts believe that ineffective crisis management is not communicating information about the crisis to the public, stakeholders, and the media. Jones and Alsop agree that effective crisis management includes a preexisting crisis management plan and a crisis management team with a spokesperson that was selected prior to the crisis situation occurring. Raftery felt that effective crisis management also dealt with having good preexisting relationships with the public, stakeholders, and the media because it would allow the corporation a better chance to explain the crisis in their terms. All experts agreed leadership was a necessary aspect of effective crisis management because leaders need to be in charge of providing information about the crisis to those affected.

The literature listed similar answers on the topic of effective crisis management, and the role leadership plays within it. “Effective crisis communication starts long before a crisis hits an organization and should be apart of every organization’s business and strategic plans” (Ulmer, Sellnow, & Seeger, 2007, p. 35). Timothy Coombs (2007) agrees, stating that good preexisting relationships is a best practice in effective crisis management because “a favorable reputation can act as a shield to protect an organization from harm” (p. 146). Robert R. Ulmer, Timothy L. Sellnow, & Matthew W. Seeger (2011), state that the role of leaders are “always important to the success of organizations, during crisis, they take on particularly critical roles” because, “they help reduce the turmoil of crises and reassert order and control, in part, by being visible to employees, members of the community, and the media. They oversee responses and help others understand and cope with what is happening” (p. 64).
Overall, effective crisis management is having existing crisis management material and people in place, and having a designated spokesperson to speak on behalf of the company in order to create good relationships with the public and the corporation’s stakeholders prior to a crisis situation, as well to maintain those relationships during and after a crisis. A leader’s role in effective crisis management is to be a part of the creation of effective crisis management response plans before a crisis occurs, as well as being a visible creator of change for the better during a crisis situation, and once the crisis has been averted.

**Research Question #3:**

**What are the best practices in effective crisis management for anticipating the crisis?**

Alsop and Raftery agree that a strong relationship with the public and the corporation’s stakeholders is a best practice in effective crisis management prior to a crisis situation. Jones and Raftery believe that completing a risk assessment prior to a crisis is a best practice. Jones also points out that simulations and exercises of the crisis management response are an important best practice. Raftery used his work, Calvert Cliffs Nuclear Power Plant, as an example of a best practice, which is creating a “dark site” with information about potential crises that can be turned on whenever necessary.

The literature agrees with the experts’ statements on the best practices in effective crisis management for anticipating the crisis. “If you make an ongoing effort to identify potential problems and develop countermeasures, it will improve your chances of survival in an emergency” (Ishikawa & Tsujimoto, 2009, p. 70). According to Timothy Coombs (2007) good relationships with the public and corporation’s stakeholders will
lead to a favorable reputation for the company, which will lead the public and stakeholders to “wait to hear the organization’s side of the story before drawing conclusions about the crisis” (p. 147). Roger Haywood (2005) points out that the benefits of an emergency exercise is that, “No set of procedures can work perfectly and any test will identify a number of areas that, hopefully, will only need a slight adjustment but, occasionally, may need a major reorganization” (p. 260). “Dark sites,” or “actual web pages, known as ghost templates should be created so that they can be turned on and made accessible on the Internet when crises occur” (Breakenridge & DeLoughry, 2003, p. 176).

In addition to the best practices that the experts and literature agreed upon, the literature asserts that there are four additional best practices. First, the creation of a crisis management team is important because “an emergency plan is only as good as the people who create it and the people who implement it” (Nudell & Antokol, 1998, p. 33). Second, locating a crisis management center is important because “usually the very nature of a crisis will necessitate having some type of central information operation” (Dougherty, 1992, p. 39). Third, internal relationships are important because employees “can be a very potent support force in your communications efforts if they are involved in the process” (Dougherty, 1992, p. 58). Fourth, the creation of a crisis communications plan is important because “without specific plans for communicating information related to the crisis to key public, crisis management plans are inadequate” (Miller, 1992, p. 21).

Overall, the best practices in effective crisis management for anticipating the crisis include the completing a risk assessment as a part of the overall crisis management plan, preexisting good relationships with the public, the corporation’s stakeholders and
employees, conducting simulations and exercises of the crisis management response, using current technology, like “dark sites,” to have information prepared and ready to be disseminated on the most advanced channels when necessary, creating a crisis management team, locating a crisis management center ahead of time, and creating a crisis communications plan.

Research Question #4:

What are the best practices in effective crisis management for addressing the crisis?

Each expert agreed that a best practice in effective crisis management during a crisis is to communicate information about the crisis to the public, and Jones adds that the communication should be prepared in advance as much as possible through the use of risk assessment prior to the crisis. Jones and Raftery both answered similarly by saying that the news about the crisis should be divulged by a compassionate and well-informed spokesperson. Alsop adds that effective crisis management during a crisis includes telling the public what they can do to help themselves during the crisis, as well as explaining preventative measures that the corporation is taking to help the public.

The literature expresses similar perspectives on the best practices in effective crisis management for addressing the crisis. According to Steven Fink (1986), it is important to communicate information about the crisis to the public and the media as quickly, honestly, and often as possible, because it allows for the controlling of the message, and therefore the controlling of the crisis (p. 98). In order to communicate well with the media and key publics, organizations must select a spokesperson to represent them, because “to the public, this person is the company or organization” (Fearn-Banks, 1996, p. 29). By disseminating information to stakeholders that “they require to protect
themselves,” the organization is able to gain control of the crisis situation (Coombs, 2007, p. 134). According to Timothy Coombs (2007), it is important to communicate with the public and media about “what is being done to prevent a repeat of the crisis and to protect them from future crises” (p. 135).

Another best practice in effective crisis management that is stated in the literature is having strong leadership during the crisis because it “helps to increase the impression that the crisis is being actively managed and reduces the impression that the company has something to hide” (Ulmer, Sellnow, and Seeger, 2011, p. 65).

Overall, the best practices in effective crisis management for addressing the crisis include communicating information about the crisis to the public, media, and employees as quickly as possible, divulging information with the use of a compassionate and well-versed spokesperson, focusing on self-efficacy, explaining the preventative measures being taken by the corporation, and visibly strong leadership.

**Research Question #5:**

**What are the best practices in effective crisis management for dealing with the aftermath of the crisis?**

Jones and Raftery concur that a best practice in effective crisis management after the crisis has occurred is to explain how the corporation will prevent a similar crisis from developing again. Alsop feels that an “after action report,” or a critique of the effectiveness of the crisis management response, is a best practice after the crisis transpires because it can help the corporation learn from its mistakes and decide what could have been done better, what needs to be changed, and what, if anything, went wrong.
The literature supports the expert responses on the best practices for dealing with the aftermath of the crisis. According to Mayer Nudell and Norman Antokol (1988), debriefing and evaluating can accomplish the following: “performance can be evaluated and errors recognized and corrected . . . management can take a look at the entire plan . . . and eliminate any weaknesses, reinforce strengths, and generally be much more prepared for the next incident” (p. 129). “The learning phase is a process of examining the crisis and determining what was lost, what was gained, and how the organization performed in the crisis” (p. 8).

Furthermore, the literature recognizes that another best practice in effective crisis management for dealing with the aftermath of the crisis includes realizing the positive aspects of a crisis, because “thinking about the potential positive aspects of a crisis focuses an organization on moving beyond the event and provides a positive direction toward which organizational members can work” (Ulmer, Sellnow, and Seeger, 2011, p. 60).

Overall, the best practices in effective crisis management for dealing with the aftermath of the crisis include debriefing and evaluating the crisis management response, figuring out what has been learned from the crisis, and realizing that positive results can come from a crisis.

**Recommendations for Practice**

Given the analyzed data on the topic of effective crisis management best practices, the following recommendations emphasize the most significant information that was discovered during study, which is presented for the consumption of those in
fields that deal with corporate crisis management. The recommendations for practice include making pre-planning and debriefing more predominant in crisis management, choosing the correct spokesperson, and involving leaders in every stage of crisis management.

**Pre-planning and evaluation must not be neglected.**

Most current crisis management plans only focus on dealing with the actual crisis stage, when the attention should be primarily directed towards the pre-planning and evaluation stages of the crisis. Julie Miller (1992) states that proactive crisis management “will not only lessen the actual damage sustained by the company, it also may enable the business to affect the public’s perception of the crisis and of the organization’s response” (p. 11). All three expert respondents agreed that best overall practice in effective crisis management is to have a crisis management plan in place before a crisis ever occurs. Tom Jones states that, “What you are really preparing for are the high consequences of low probability events” (Appendix A). In order to effectively pre-plan for a crisis, the experts also assert that corporations need to complete risk assessments of possible crisis scenarios, have strong relationships with external publics, and complete simulations and exercises. The literature adds that a crisis management team must be assembled prior to the crisis, as well as crisis management center location and a detailed crisis communications plan.

According to Mayer Nudell and Norman Antokol (1988), the most important part of crisis management is “debriefing and evaluation,” because “the end of every crisis is the beginning of your preparation for the next one” (p. 126). Ron Alsop agrees with the literature, by explaining that evaluation is important because “it is just going back and
looking at yourself, and reviewing the procedures, and seeing what went wrong and what processes can be changed” (Appendix B). Without debriefing the crisis, corporations will never learn from their mistakes, and thus crisis management will never be effective because future crises will not be prevented.

**Select good representation.**

Besides choosing a good crisis manager, the selection of the spokesperson is the most important pre-planning crisis management decision. According to Kathleen Fearn-Banks (1996), corporations must carefully select a spokesperson to represent them, because “to the public, this person is the company or organization” (p. 29). Kory Raftery explains that an entire crisis management response can be considered ineffective based off of an inadequate spokesperson, because they can make “a company come off as a cold, callous, inhumane, and a company without compassion” (Appendix C).

The spokesperson primary responsibility is “to manage the accuracy and consistency of the messages coming from the organization,” (Coombs, 2007, p. 78). If a spokesperson is not compassionate when expressing the message from the corporation, or does not work well with the media, they are not fully completing their primary responsibility. Raftery also points out that in order for a spokesperson to work well with the media, he or she needs to “not be afraid to say ‘I don’t know, I’ll give you that answer later,’” because “that will enhance your credibility more than it will if you try and answer something” (Appendix C). If a spokesperson does not come across as credible, then they are of no use to an effective crisis management response. Raftery sums up the idea, by stating, “Even if you are right three times, if you’re wrong once you are going to kill your credibility and everything you say will be questioned” (Appendix C).
Leaders should be incorporated in every crisis stage

Leaders, be it the CEO of the corporation or the head communicator of the crisis management team, need to be intricately involved in not only addressing the crisis as it occurs, but also the pre-planning and evaluation stages as well. Robert R. Ulmer, Timothy L. Sellnow, and Matthew W. Seeger (2011), believe that strong leadership is important because leaders “help reduce the turmoil of crises and reassert order and control, in part, by being visible to employees, members of the community, and the media,” as well as, “oversee responses and help others understand and cope with what is happening” (p. 64). All of the expert respondents agreed with the statement that leadership is necessary in crisis management, and all brought up the point that leadership responsibilities should not be exclusive to when a crisis is occurring, but should also include the preparation of the crisis management plan, as well as the debriefing of the crisis once the smoke has cleared.

Tom Jones adds that in the aftermath of a crisis, a leader should be “compassionate, and not going to allow this to happen again to the best of his ability, going to make people aware of what steps to take to make themselves safe, and then provide for people when they can’t provide for themselves” (Appendix A). In other words, a leader needs to be able to protect his or her public from the harm of whatever crisis his or her corporation has created; that can only happen if the leader is involved in every stage of crisis management planning, because the leader needs to be aware of what crises are possible ahead of time so he or she can prepare safety material and/or know who to contact for safety information.
Study Conclusion

In conclusion, the general discoveries identified in the study need to be further researched on a regular basis in order to keep up with the current best practice trends in effective corporate crisis management. Altogether, this study displayed the opinions of several experts in crisis management-related fields and a review of the literature on the topic of effective corporate crisis management. As crises are individual in nature, the recommendations offered were given as an overview on the topic. The conclusions elicited from the study cannot be applied to all individual crises, but can serve as an educational tool in the beginning stages of handling a crisis situation for those in crisis management-related positions. The study was created for corporations, but it can also serve as guide for any business or organization, small or large, that is overcome with a crisis situation.
References


Appendix A

Interview Transcripts: Tom Jones

The following was conducted to get expert opinions from a corporate crisis management perspective based on a questionnaire about effective crisis management.

Interviewer: Katelyn Smith
Respondent: Director of Government Relations for PG&E (Tom Jones)
Date of Interview: 3/6/11

Interview Transcription:
Katelyn Smith: “What is your position currently?”

Tom Jones: “I’m the Director of Government Relations.”

KS: “Okay, and that is for PG&E?”

TJ: “Correct.”

KS: “Okay. Have you had any previous positions that are similar to your current position?”

TJ: “Yes, I have had three different director positions at PG&E, one of which was the Interim Director of Crisis Communications for natural gas and pipeline safety. I was also the District Administrator for State Senator Jack O’Connell, and did some communication issues, or prepared for them anyway, whether it was a national disaster or another calamity.”

KS: “Okay, I guess the first crisis management specific question that I have is how would you, as an expert in your field, use crisis management more effectively?”

TJ: “I think that if folks are prepared, it is pretty, crisis communication is not terribly complex. What you have to remember is that people in a stressed situation are not going to have the ability to process detailed information. So the information you need to convey needs to be relevant, concise, and timely. So, pick a scenario. A wild land fire, people don’t need to know about fire prevention, they don’t need to know about anything else other than are the structures safe, what is the pathway of the fire, do they need to evacuate, and if they do need to evacuate, is there a shelter provided. Those are the immediate things that they need to know, because in a crisis it is really first and foremost about life health safety issues.”

KS: “Okay.”

TJ: “People will do much better, the communicator will be well received, and the communication will be use, and I think for making sure it is effective, that is the
communicators job, if the message isn’t getting through, if it is getting confused or misunderstood, that is the responsibility of the person doing the crisis communication, to make sure that the audience can act on the information given to them.”

KS: “Okay. Can you provide specific examples for the best practices in effective crisis management prior to a crisis?”

TJ: “Actually, the best organizations, and I think actually nuclear power is probably the thing to hold up to all other industries. We have dedicated emergency response teams that drill on a regular basis, and so they train and exercise prior ever needing to be used. So, we have four emergency teams at Diablo Canyon, on two weeks and then off two weeks. They are on-call for those two weeks, for any type of emergency response. But, we train quarterly, and then we also do drills at least once a year where we actually activate, stimulate, a major disaster or some operational issue and resolve it. So, we have a whole department that makes these drills, these theoretical scenarios, and put them together. We also drill with our offsite partners, so we actually, when we conduct a major drill, we also do it with the Office of Emergency Services, Cal Fire, the Sheriff’s office, the Department of Health for San Luis Obispo County, and we have these things orchestrated, and roles well defined. And also for most crises, you know what you are dealing with in advance. So, for instance in California, if you think of yourself, or if you find yourself, Katelyn, as a director of Office of Emergency Services for Los Angeles County, you would know that you need to be prepared for, if you just think about the weather and the geography, you need to be prepared for wild land fires, you need to be prepared for landslides, earthquakes, tsunami, flood, storm, wind storm, and what else? And then like any like human event, like rioting, or public unrest, that’s about it. And so you can prepare for those things in advance, and so then you can also pre-stage and identify what are you going to do. So if you think about San Luis Obispo, say we have serious rains, the creeks go up, in 1995 you couldn’t get off the 101 at Marsh St., the bridges were all under water, but the Office of Emergency Services already knows that those bridges, what would the evacuation route be, and how would we circulate traffic and keep people safe. So, you can really pre-stage not only what you are going to do, but what you are going to say. You can really think through your crisis that you are responsible for addressing, and then you can even take that a little further. So, think of yourself as the public information officer for a school district. You know, what are the ten worst things that can happen at a school? You can have a child abduction, you can have somebody that was on the sex offenders list that somehow gets hired inappropriately, which has happened here before in this county, you can have work place violence, you can have a kid seriously hurt or injured or die in sports, you can have gun on campus, drugs on campus. You know you can role-play quickly what the ten or fifteen things that can happen. And then you need to figure out what your response would be, and then the communicators’ job is also to say, “This is the guidance we have from here’s an institution, for instance, the school district. Our policies don’t address these three things.” Then you elevate that back to your leadership in your organization to make sure that it gets prepared to deal with any of these scenarios.”

KS: “Okay.”
TJ: “And so, there is a phrase that folks use, both in engineering circles and in seismic circles, it is that, “What you are really preparing for are the high consequences of low probability events.” So American, United, and Southwest Airlines, I guarantee you, if you looked at, if you went to their corporate communications department and you said, “What is in the playbook?” or “What are the ten scenarios?” They would have something for strike, and that would go through like, “Okay, how do we reassure the public that planes are safe when the mechanics are on strike?” Right? You would be concerned for you as a passenger, and you would be concerned for me. All the way through, had a plane crash, or had a terrorist abduction on the plane, okay? Most companies have all of this stuff already identified in their risk assessment for their organization. So, that is the other thing that the crisis communicator needs to do is there is something that most, all businesses do, called risk assessment, and then you know look at that, and what are the biggest risks, and go backwards from there. So, think about the American Beef Council, and the E. coli scares in hamburgers a few years ago. How did they demonstrate that food product is safe? How did they reassure the public? How did they get people to consume burgers again, or red meat again? Huge consequences for both peoples’ health and their economic well being, so that is why they have to nail this one down fast. Does that make sense?”

KS: “Yeah, it does. Okay, and then I have, my next question is can you provide examples for the best practices in effective crisis management during a crisis?”

TJ: “During a crisis, I think that spokesperson is key. The best example for that is Rudy Giuliani right after 9/11. You can argue that, I just use this when we talk about this during training, Rudy Guiliani was the unofficial President of the United States for about three or four weeks. I mean the nation looked to the mayor of a city because of how compassionate and competent he was. We didn’t look at Governor Pataki at the time, and people didn’t really look at Bush, they looked at the mayor of the largest city in the country because of the how he handled himself. And what is interesting about that is he is actually a devout emergency planner, and he knew that New York, because of its great symbolism to the free world, would be attacked again. Because in his first term as mayor, there was an attempt to bomb the World Trade Center, and they were successful in the ending of that device, few people died, but it nothing, obviously, like the 9/11 attacks. And so he worked with a group, a communications firm, and this guys name was Dr. Vince Covello, and Covello is of the opinion that not only can you forecast some things, you can forecast almost all things. Covello goes one step further, he offers a lot of training, and Covello did research to really understand what the humans can understand in times of stress, and Covello’s research suggests that human beings, appreciate the math here, they can understand three topics over the course of about nine seconds and with about twenty-seven words. You see the cube root there, the cube of three. So, people that have subscribed to this theory include Ted Turner, who is on CNN, which reshaped television news, so if you think about the sound bite, it is always about nine or ten seconds, and usually people get their three ideas in, and it last about, it has no more than twenty-seven words. So, when you think about Giuliani’s responses when they asked what was the casually list, you can even Google this and do the Giuliani press
conferences, you will find a balance in his answers that had no more than three topics, usually about nine or ten seconds an answer, and usually had twenty-seven words. And, in fact, some of the answers they had drafted several years before the World Trade Center issue happened. And the answer to one of them was, when asked how many people had died, he said something to the effect of, “We don’t know, but it is more than we can bear, and we will never forget them. And we will honor them as we move forward.” Right? So that is good whether or not you lost seven people, seven hundred, or seven thousand. So a lot of that was pretty preordained. They worked on that in advance, knowing that they would be attacked again. And so, I think that Guiliani was the best example of a communicator in crisis, for a profound thing, that frankly, generations haven’t faced before. Meaning, it was the undermining of the bedrock of this nation versus, if you think about a lot of crises, the Northridge earthquake or the flood in the Mississippi, a Californian is not worried about a flood on the Mississippi, unless they have a relative there. But, that could’ve happened anywhere, and then you go, “Oh gosh,” but so when you think about how powerful those messages were when you go back and look at that, I think that you will see excellent crisis communication, some of the best I’ve ever seen.”

KS: “Okay. And then, can you provide examples for the best practices in effective crisis management after a crisis occurs?”

TJ: “Let me point to the ones that didn’t work first; FEMA post Katrina, and then, that was just the ultimate failure of government and post response. It has got to depend on the crisis, so if it is natural phenomenon, it is how do you rebuild. So, after an earthquake, I think that if you go back to the Northridge earthquake in the late eighties and early nineties, the state responded in a meaningful way that it hadn’t done in the past. Bridges, overpasses had collapsed in some of the busiest freeways in the United States, in Southern California, and Cal Trans threw out its normal five to seven year plan it takes to build a bridge, and they just contracted, and they gave the folks bonuses if they could do it in shorter time, if they could rebuild the freeway in like ninety days. I mean the government had never moved so fast, so you got to figure out what do you need to have back, and then what do you want to have back, and what do you like to have back. It kind of has a triage; it is the reverse of triage in the emergency. So, in the emergency it is the worst first, you know who are the most injured, you work on them first, the people that just have a broken arm can wait. And then when you get done with that, then how do we rebuild, it is what do we need first? We need the highway before we need to fix the park. And then regardless of group, if you approach it that way, it is the strongest recovery. So, if you think about consumer product safety that is a lot different then the role of government after a national disaster, but the steps aren’t that different. So, are you familiar with the Odwalla juice incidents?”

KS: “Yeah.”

TJ: “Did you use it as a case study?”

KS: “Yeah, I do.”
TJ: “Look at their response, committed, compassionate, changed their product line, took advantage of pasteurization, and said, “Here is why it won’t happen again, here is our commitment.” That reassured customers, they are still in business. They were still able to provide a product that is healthy.”

KS: “Okay, and then how would you define effective crisis management? And can you give examples?”

TJ: “Crisis management. How do I define effective crisis management? It is a prepared and well-organized structure, and it has a clear vision. So, when you look at, for instance, a good example is fire response, they use the instant command system. No matter how big or small the incident, there management structure is scalable, so if it is a small fire in a bakery, one or two fire engines respond, you have an incident commander, but you still have public information officer, you still have a logistics coordinator, it doesn’t change. Then, you have a hundred thousand acre wild land fire that took across Texas last year, you still have an incident commander, you still have a public information officer, but that logistics dealing with one or two fire engines has a bunch of deputies that report to him, and they are handling now the sixteen hundred firefighters that are coming from nine states. How do you fuel them? How do you feed them? So, you have to be able to handle your organization, not only take care of your organization, but the public you’re serving, purpose you’re serving. So, I think the ICS model is actually one you can use in private sector as well; the instant command structure, and we use it at PG&E. We used to do our own thing, and then we realized this is much better, so we adopted it. Anybody can use it. And the other part of crisis management, and how to head a command structure, is you can use it as a plan for forward, for event. So, you can take the incident command structure and a public information officer, and you can be ready to go for positive event, where a negative thing can still happen. So, think about a Presidential visit to a city, that involves the White House, the secret service, the local police department, the local FBI, the media, and this case, in California, it involves Cal Trans, they are also going to take the highway patrol. But when you activate that event, as though it is an emergency, and you still plan for the logistics in the same way, and then if any emergency does happen, you are already up and running, and your structure doesn’t change, your goal changes. So, those things you can be prepared for nearly anything. The main thing is that roles and authority are predefined, there is only one person in charge, and that person has commanding control, and the roles are known before they get there.”

KS: “Okay. And then, to flip that question around, what would constitute ineffective crisis management? And, can you give examples?”

TJ: “Oh, absolutely. Katrina is the best example. So, they didn’t know how many people were missing, they didn’t know how to get the power back, they didn’t know how to get safe water to folks. Weeks after the event bodies are still floating down the river, they can’t even account for the missing or the dead. They decide to bring in, I don’t know if you’ve heard of this story but if you Google “FEMA trailers,” have you heard about this? They decide to get two thousand or five thousand trailers to get people housing, and they are toxic, I mean it is just; you couldn’t make this stuff up about how incompetent they
were. So, you know stuff can happen, when you can’t see people and provide them shelter, and they couldn’t get the basics right. And this is an organization that has been around for decades, and they should never have been caught that flat-footed."

KS: “Okay, and then what role should a leader play in crisis management?”

TJ: “Well, it is going to sound so simple, they have to lead. And they have to do two things, they have to reassure people, and provide information, that again, is clear, concise, and meaningful, and that is it. And then when they do that, I’m trying to think of another local example, locally there isn’t as much, unfortunately we don’t have a lot of local examples. So, where did you grow up?”

KS: “San Fernando Valley.”

TJ: “San Fernando Valley, okay, so, you got to get people willing to do things and sacrifice in times of crisis, and to be calm. I can’t really think of anything down there, too much, other than the Northridge earthquake. Do you remember that?”

KS: “Yeah, I was living in Northridge.”

TJ: “How old were you when that happened?”

KS: “Four.”

TJ: “Four, I’m afraid I was like nineteen, but I remember it too. Yeah so there has to be a reassuring thing, you have to give hope and confidence, and you have to let people know that you are just taking care of business. So, I go back to the Guiliani example. Compassionate, wasn’t going to let this happen again to the best of his ability, going to make people aware of what steps to take to make themselves safe, and then provide for people when they can’t provide for themselves. Pretty simple stuff, but you only got one chance to do it, and the other thing is, you have one shot to get this right. There is no do-overs in a crisis, you can’t be evacuating people the wrong way in a wild land fire, you can’t, the risks you take with people, you have to know what you are doing. So, if you look at some of these evacuations they did in Houston a few years ago for hurricanes, and you know what happened? Several people died during the evacuations. Cars are out of gas because people weren’t prepared, they didn’t know how to deal with it so they clogged up the streets because all of these cars ran out of gas with no tow trucks to get rid of them. And then you know the frail and elderly, they weren’t able to evacuate the same way, so a plan upfront matters. And a leader’s work is really is to have the front work done, so that if a crisis hits, they know how to do those simple things I just mentioned.”

KS: “Okay, and then my last question is how have you applied any of the best crisis management practices in your own work environment?”

TJ: “I run four teams, and so I have sixteen employees, and in fact they are training today for this very issue, and we do all of those best practices that I mentioned, we have regular
drills, annual training, and then spot training on top of that, we do all the parts associated with that, even random unannounced drills, to make sure that people can be accounted for when they were on-call in the first place. We make training a core function, and while we have annual training, it is the employees’ responsibility and my position to get that done in the first ninety days of each year, so that you are ready to go on a daily basis. And then, we also, one of the other practices we use is called three-way communication. We use it both during emergencies, during operations, and during regular business when the hand-off is important. So, when I am relieving somebody else, you know, or I need a resource, I would say to you, “Katelyn, I need a thousand feet of electrical conductor for the Cambria outage by ten o’clock.” And you would repeat back, “I understand that you need a thousand feet of electrical conductor to restore the power outage by ten o’clock.” And then I would say, “Yes, that is correct.” And then, the fourth thing is that you would actually go do it, but those simple tools like that, eliminate confusion in times of high stress, and so that in that scenario that I just gave you, you would clarify a.m. or p.m., as the logistics coordinator, but using these well-tested structures like the incident command structure, that we employ, you are really, it is so easy to do a good job. But I think that, that is how we do it, we do the incident command center, training, you got to budget for it, that is another component, and then you got to execute it.”

KS: “Thank you so much for allowing me to interview you.”
Appendix B

Interview Transcripts: Ron Alsop

The following interview was conducted to get expert opinions from an emergency management perspective based on a questionnaire about effective crisis management.

Interviewer: Katelyn Smith
Respondent: Emergency Services Manager with the San Luis Obispo County Office of Emergency Services (Ron Alsop)
Date of interview: 2/22/12

Interview Transcription:
Katelyn Smith: “First off, I would like to start off with what is your position currently?”

Ron Alsop: “My name is Ron Alsop. A-L-S-O-P. Emergency Services Manager with the San Luis Obispo County Office of Emergency Services.”

KS: “And have you had any previous positions that are similar to this one?”

RA: “Yes, I have worked in Office of Emergency Services, or OES as we call it, for over 21 years, and prior to that I worked for the California Department of Forestry and Fire Protection, both in fire prevention and as a firefighter.”

KS: “Okay. Now to go onto the questions about crisis management. How would you, as an expert in your field, use crisis management more effectively?”

RA: “Well, as for crisis management, I think there is kind of a preparedness part of it, to just keep the positive word out about the organization up in front of the public, or your customer base, or the media as much as possible on an ongoing basis just so they are aware of you before there is a crisis. But as far as crisis management itself, you know as the term defines, it means if something happens that you need to deal with it on. And I don’t know if it is a direct answer to your question, but quite frankly, just being upfront with people and letting people know what is going on. I think once people sense mistrust or you try and mislead people or you try and downplay something that people are suspicious of is a little more serious, than you are going to be in trouble. So, I think the first answer would be is to try and avoid getting to the point of where you actually need crisis communication, by having a positive, ongoing image of your organization. And, the second point is that if it does get to that, be upfront right away, and release as much information as you can.”

KS: “Alright, and then to break down crisis management, can you provide examples for the best practices in effective crisis management prior to a crisis?”
RA: “Actually, that is a question that is probably a unique answer from an Emergency Management, which is to provide emergency preparedness information ahead of time, and to provide it from various sources. As you might know, people find information more credible when it comes from a variety of sources. So, in the particular context of Emergency Planning, is we partner up with the private entities and agencies, such as the Red Cross. And so, what we do, is market, for lack of a better term, our information. And our concept for Emergency Management is to put out emergency preparedness information, to tell people how they can be prepared, and how they should respond to a disaster, and have that information constantly out there. For example, if you see things like, it is Earthquake Preparedness month, or something called the Shake-Out, where we do earthquake preparedness drills, or it is tsunami awareness month. So, continually, putting the awareness of, in our case, were the Emergency Management, of what can happen, out in front of the public at all times, and when something does happen, at least they are aware of the subject matter, and hopefully most of them, or some of them, will know what they should do.”

KS: “Okay. And then can you provide examples for the best practices in effective crisis management during a crisis?”

RA: “Actually, let me go back to your last question first. Again to work hand in hand, to get a more summary answer. To work hand in hand with the organizations that you work with on an ongoing basis, to provide a coordinated front for information sharing, and in the case of emergency preparedness, for putting out preparedness information ahead of time, and letting people know, and make people aware of the fact that there are threats, you know earthquake threats, in our case, tsunami, nuclear power plant, and be continually putting out that information year round, annually, not just waiting for something to happen. As far as best practices for when there is actually a crisis, is to get the information out promptly. And including, in our modern society, we get that catch all phrase, or it seems to be more of a catchall phrase anymore, of social media, is to get information out really quickly. So, one is to get the information out quickly. And two, to put out credible information. I think the most important thing for a crisis communication is that if something does happen, is don’t stall, don’t wait. Get something out there, even if it is to tell the public or whoever is affected that ‘Yes this has happened, and we are responding to the situation, and there is no need for worry at this time, we are going to get additional information,’ or if there is a need for worry or concern to provide what information you have, ‘and then we will get back to you as soon as possible with additional information,’ and then do that. But, initially if do you have the information, ‘Something’s happened, here’s what happened, here’s how it is going to affect you, and as a result here are the actions you should take.’ So basically, the three things are, this has happened, here’s how it is going to affect you, here are the actions you should take, and then to follow up with that, here are the actions we are taking to respond to the situation.”

KS: “Okay. And then can you provide examples for the best practices in effective crisis management after a crisis?”
RA: “It is kind of a long, open ended question. Best practices after?”

KS: “Mhmm. With the aftermath of a crisis. “

RA: “With the aftermath of a crisis, is for the actual responders just to work together with all the affected agencies. And if you wanted a particular example, it would be after the nuclear power plant accident at Fukushima in Japan. After the March 11, 2011 tsunamis, San Luis Obispo County here in California, we woke up to national news one morning reporting that radiation was found in milk in Spokane, Washington and San Luis Obispo, CA. We didn’t know what was going on, and this is a good example of agencies not working together, and it turns out what had happened is, Cal Poly dairy milk, which is tested by PG&E, the owners of the Diablo Canyon Nuclear Power Plan, was asked by the California Department, actually, side note, PG&E regularly tests the Cal Poly milk, they have ever since the Diablo Canyon Nuclear Power Plant has opened, before it opened actually, so as part of the regular testing process, since there was the release of radiation from Fukushima in Japan, the State, the California Department of Public Health asked if PG&E would split the sample, and PG&E did, and the California Department of Public Health got their results back first, and there was a really, really, really, really low level of a radiological aspect isotope in the milk, it wasn’t dangerous at all. But, the information got out, so there was really misinformation that needed to be responded to, and to do that the agencies that needed to work together in this particular case, local public health, local emergency management agency, our agriculture commissioner, and of course Cal Poly, got together, and once we found out what was happening, we actually found out how much radiation was in the milk, where the testing came from, we immediately jointly, from the County Health Officer, the County agriculture, and County Emergency Management, put out a live news briefing to let people know that, ‘Yes, radiation has been detected in milk, but also put in context that you are no more likely to get an exposure from this, than you are from eating a banana. It is really low level exposure, and there is no threat to public health and safety, and the County Health Officer is going to go home and give her children some milk, and there was no concern because of the levels.’ So we shared with people, in that context, to put it into perspective of what was happening, of how much radiation there were from other sources, actually had the agriculture commissioner speak about dairy farming, the health officer speak about the health effects, and the emergency management speak about what we’re doing to monitor the situation. So, it was basically telling people that, ‘Yes, a very low level has been detected, but it is not a health threat’, and then by having the agriculture industry represented, the public health interest represented, and the emergency management represented, all at once, it pretty much mitigated and took care of the situation. It kind of ended a lot of the rumor control and speculation. Does that help?”

KS: “I guess I am looking for, after you guys figured out the milk situation, and the crisis was over, what were the things you did after to deal with crisis, and maybe prevent the same crisis from happening again?”

RA: “I see the context of your question. In this particular example, we worked with the state department of public health, to make sure that the next time that they release some
public information to let us know ahead of time. Because one of the reasons that it actually became a crisis communications issue, is that the agencies that need to work together ahead of time did not do so. So what our follow up response, was to make sure that next time this happens, let’s have everybody talk about it ahead of time, you know we would avoid a crisis communication issue, because to put it in perspective, is California Department of Public Health put the information on their website the night before a state holiday, and then they went home, and there was nobody in the state health offices to answer media or other questions, so it got out of hand. So, our follow up in that case was we didn’t so much change our internal policies, as we actually validated our internal policies, that having briefings at our joint information center is a positive aspect. But we did work with the California Department of Public Health to ensure that should something similar happen in the future, that they communicate with us. But, let me give you another example that might be a little easier to put in perspective and help you, is in June of 2010, there was a test of a fire suppression system at Diablo Canyon, the nuclear power plant, and the test didn’t go as planned and it was no threat to the public health and safety, but because the PG&E operators of the plant couldn’t access this particular area of the plant where the fire extinguishing system went off, because it sucks all the oxygen out of the air, which it is intended to do, because then that puts out the fire. They couldn’t access this equipment in there, and in case of emergency, they wouldn’t be able to access it, so they had to declare an emergency that is called, it is actual defined term, it’s called an alert. An alert at a nuclear power plant is the second up from the bottom level of emergencies; there are four classifications of emergencies, general emergency. This was an alert, and our procedures call for an alert to actually activate the County emergency operations center, activate our joint information center to put out information, and then take immediate protective actions, and one of those includes closing local state parks, and local beaches in the area. In case we have to evacuate people, we want those people that are out there; they are called ‘transients,’ not ‘transients’ as in the homeless type, but people ‘transiting’ through. Well, it’s going to be hard to evacuate people from like a big state park area, like Montana de Oro. So, part of our process is to close them, so we did. Initial response was to close Montana de Oro state park, and notify all the cities in the area that there was this condition at the plant called an alert, that may require, according to our procedures, actually required schools to move schoolchildren as a precaution, because the level of alert means that there is something that happened that could potentially affect the public health safety. Well, in this case, it didn’t really affect the public health and safety, so we had rumor control aspects going around, for example at a community meeting, a number of folks were in a meeting and somebody got a cell phone call from their spouse saying that Los Osos was being evacuated, so we started getting calls that Los Osos was being evacuated, and there were a lot of rumor control issues. So, in response, we did activate, formally activate, the joint information center, put out news releases, actually put out emergency alert system messages so that people knew that everything was okay, you know with the situation was. We tried to get it under control as best as we could, we actually activated what’s called a phone assistance center, again a phone assistance center, and we staffed that for people that wanted to call in and need information beyond what they are hearing, or if they need transportation assistance if there really is an evacuation. So, we were getting calls in there about the rumors that something worse had happened at the plant, and on and on. So, we were able, by staffing
that phone line, getting feedback and hearing feedback from the media to do our briefings at the joint information center to counter the rumors, and say ‘No, this is not really true, this is why we did this,” and so within eight hours or so, actually within six hours or so, the situation was “back to normal.” But, to correct that, what we actually did is actually look back at our procedures and, in this case, we said if A happens do B, in this case, so if there is an alert at a nuclear power plant, alert level, again it is a specific definition for that, if there is an alert, then evacuate school kids, close the state parks, close the beaches. So, the change we made is, to go from if A happens do B, is to if A happens consider doing B, because in this type of situation it was totally unnecessary to close down a state park, you know it was done because somebody got to that part of the procedure before we had people in place that could make the decision to not go with the procedures, standard operating procedures, that say if A happens do B, there is nobody in authority in place to say ‘No, don’t do B.” So, initial response staff, well A happened, it says to do B, so we will. So, we have changed that, if A happens, you don’t necessarily have to do B, you know consider the circumstances, and basically we giver ourselves a little bit more wiggle room than we did in the past. So, hopefully that would mitigate from even reaching a crisis communication point in the future. Does that make sense? Is it helpful?”

KS: “Yeah. Do you have, I guess, more generalized best practices for aftermath of crisis? Like you gave, kind of, in the before and during. “

RA: “I don’t understand the context of the question. Say it again?”

KS: “Do you have like more generalized examples or best practices? Like once crisis is over, what would you tell, what are things that should be done, depending on the certain crisis? Just like, there should be someone, communications should happen during a crisis.”

RA: “Oh okay. That is covered. After a crisis, after any type of like emergency situation or event that was unusual to the business or the community or whatever, we actually do something, the formal term, it is called an after action report. In an after action report, it is basically like a critique, almost like a movie critique, where you know you watch the movie and then as you are watching it, and afterwards you go back and you write about it. You know, ‘hey this movie sucked because of this reason,’ or ‘this acting was good because of this.’ And in general overall context, we do that for any type of a crisis communication event. We do that in the context of what could we have done better, and we actually go down and talk to all the responders that were involved, as well as you know look at the information we received, any phone calls or rumor control issues, and actually as a matter of practice go through and look at that as far as, again it is really a self-critique if you will, an after action report. And what could we have done better, what should we do the next time, what plans and procedures do we need to change, and even things such as logistical needs. You know, was the building set up okay, if you did a news briefing and so on. So, basically it is just going back and doing a, looking at yourself, and reviewing the procedures, and seeing what went wrong and what processes can be changed. That is pretty standard, again not just for crisis communications, but also for any emergency management response activity, is to go back and do a general review.
In fact, there are certain federal requirements that require us to do an after action report. Something’s too, we are actually required to go in, and this is more for emergency drills than actual events, but we have outside agencies come in and do an evaluation on us. So, the evaluation covers set criteria, like for example with the joint media center, it includes not only was proper information provided, were rumors caught and responded to, are the physical facilities adequate. So there are two aspects, one is to do a self-critique, if you will, again an after action report, you know what went wrong, what went bad, how can we change it. And the other one is to get an outside evaluation of the procedures and the processes, and outside suggestions on what we can do to change. Does that make sense?”

KS: “Yeah. Okay, how would you define effective crisis management?”

RA: “How would I define effective crisis management? Good question, hard one to answer. Effective crisis management, how would I define effective crisis management? Effective crisis management is crisis management in which there are existing plans and procedures in place to respond to it, you know you’re not just responding to it off the cuff. And that you have designated people able to respond to it, and designated people that are able to have the authority to respond to a crisis management, a crisis communications issue. And, what I mean by that is you can’t have somebody that responds to a crisis that gets up there, and asks a question of, “Well how long is the product going to be off the shelf,” or “How long is the road going to be closed?” And, you have a person standing up there saying, “I don’t know, I’ll get back to you.” So, the one is to have an adequate crisis communications plan in place, with written procedures, and two, is to have designated people who you are going to have to put in place, and then probably, actually I don’t think probably, the most important aspect, is to have somebody who can speak and act on behalf of your organization. Don’t just put out somebody out there to have to deal with the media, and be a good public relations person, and in fact, I think that sometimes agencies get caught, whether it is government or private, get caught in the context of “We have a PR plan, and so we are going to use our PR person for crisis communication,” and sometimes that works, but a lot of times it doesn’t. So, there is a big difference between public relations and crisis communications, and I think that some entities that have a good public relations program need to make sure they differentiate and have a specific crisis communications response plan. And somebody that is a really good PR person is not necessarily a really good crisis communications manager. So, it is really important to have the plan in place, and have the right people available to respond, and people that have the authority to answer questions on behalf of the organization. That makes sense? I mean, there is nothing worse, I mean you have maybe seen on it on TV, or maybe in your studies, or something where you know “Well, when are you going to be able to open the store again?” Or the Tylenol, did you study the Tylenol thing? Yeah, well “when’s the product going to be coming back to market?” “Well, I don’t know, well I’ll get back to you on that question.” You know you might as well not have a news briefing, or somebody that is able to talk to the media, if you can’t answer the questions. Because then immediately, because I’m sure you know, the media is going to go somewhere else. You know, “I’m going to go talk to this guy on the street corner.” So, it is really, having a crisis communication plan in place ahead of time, is really important, and then having people that can actually answer to the public and the media immediately
and right away, without having to run back to the backroom for answers, or get approval, the authority, to answer certain questions, that needs to be, those people need to be designated ahead of time.

KS: I guess to flip the idea around, what would constitute an ineffective crisis management, or what would constitute ineffective crisis management overall, not just the plan?”

RA: “Not having a crisis management plan. Not allowing your employees to talk to the media. I mean, I can see some employees, you know if you’re in a grocery store and they come in and talk to the clerk about marketing and sales for the grocery chain, you know that type of thing. But to have a blanket thing where nobody can talk to the media, I think that is a big negative. But, people should, within organizations, should know who, if they can’t talk to the media, they should at least know to point to the media sources or others inquiring on where to get the information. And then, also a negative bad thing is not saying anything at all. In the context of, for lack of a better way to sum it up, is the no comment context, I’ve had folks even in our profession, in government, in government management, government administration, when an issues happened the initial instruction of thought was if the media calls, we will say no comment, but, no, no, no, that is the worst thing you can do is say no comment. Because one, then they are going to be suspicious of “wow, something is going on,” and two, they are not going to trust you because is seems like you are hiding something. So, the summary of the answer is the worst thing you can do is not have a plan, and two, the second thing is to answer any questions or inquiries that you get, even if it is a “yeah something happened, but we don’t have the details right now, but we will get back with you as soon as possible.” And the third aspect is, be upfront and don’t use that no comment thing. So, a summary would be is to actually have a plan, don’t try and hide from the media or others making inquiries to you, it is just going to make it worse.”

KS: “I guess, how would you define effective leadership in a crisis situation?

RA: Effective leadership in a crisis is to have somebody from the entity that does indeed have the authority to respond, someone who comes across with confidence, someone who is not afraid to speak up and actually, and the only term that comes to mind is control, but that is not the right term, is to well, I’ll use it for lack of a better term, or maybe you can come up with something better, but, I don’t mean to control the media, but not let the media run the interview or get the, demand answers to questions, that the person feels intimidated by. So good leadership and authoritative crisis communications manager, is going to have the backing of the company, two authority to answer the questions, three comes across with confidence, four, I guess in sort of an informal term, someone that won’t get buffalored by the media, or scared by the media, and then five someone that answers questions openly, doesn’t try to avoid a question. That would be a summary of someone, does that provide you a good overview? I mean if you get somebody up there, you know you’ve seen somebody up there, that “you know I’m not sure,” or “Well, no, I’ll get back to you on that,” and you know the media pushes them into questions and answers, and pretty soon the whole thing is out of control, and the crisis is going to turn
into a worse crisis because you have somebody up there that is an ineffective communicator.”

KS: “Yeah, thank you!”
Appendix C

Interview Transcripts: Kory Raftery

The following interview was conducted to get expert opinions from a crisis communications perspective based on a questionnaire about effective crisis management.

Interviewer: Katelyn Smith
Respondent: Former spokesperson for Pacific Gas and Electric Company (PG&E) at Diablo Canyon Nuclear Power Plant and current Director of Communications for Calvert Cliffs Nuclear Power Plant (Kory Raftery)
Date of Interview: 2/29/12

Interview Transcription:
Katelyn Smith: “What is your position currently?”

Kory Raftery: “The Director of Communications for Calvert Cliffs Nuclear Power Plant.”

KS: “Okay. And then, I guess, have you had any previous positions that are similar to your current position?”

KR: “Yes, I worked as a spokesperson and in communications for Pacific Gas and Electric Company, and I was responsible for Santa Barbara, San Luis Obispo, and at one point Monterey County.”

KS: “Okay. So, the first crisis management question, would be how would you, as an expert in your field, use crisis management more effectively?”

KR: “Well, right now I think that crisis management is something that we do because we are forced to a lot of the times, and we get into situations where either we have an operational issue or we have a public relations issue that we need to basically create a plan to deal with. And I think that all of us have learned, especially throughout the last few years in our industry, and especially as technology becomes more and more instantaneous, that we have to have firm plans and relationships built long before a crisis ever happens, if we really want to be successful. In other words, we can’t just be creating a plan off the fly when something may go down.”

KS: “Alright. Okay, can you provide specific examples for the best practices in effective crisis management prior to a crisis?”

KR: “Prior to the crisis? Sure, I think one of the best practices that you can do, especially in our business, where the nuclear field of course we touch our employee share at the plant, but we also touch our neighbors, and those that live in our communities where our plants reside. And, so I would say one of the best practices that really any company that may be in a big crisis can do, is have good relations with nearby customers, have good relationships with community members, so that when a crisis does happen, you have
solid third party endorsements that you can draw on to help you, because if your company has done something operationally that is not good, if you have basically messed up operationally speaking, or if you have done something to mess up, your credibility is already lost. So, you need strong community members that can speak to the fact that you maybe made a mistake, but you are not a bad company.”

KS: “Okay.”

KR: “To me, that relationship building is really huge. And the other thing, would be in advance of a crisis, I think another best practice would be to think about the crises that your company might face, and create strategies to each of those crises. Maybe create a ‘dark site’ on the internet that you could go live right away with, so that you’re not behind the eight ball, in that you get to tell your own story, and that is really the biggest thing, is that you don’t want others to drive your story. You want to make sure that your voices is at least out there and being heard, and if you have a ‘dark site’ put together and maybe some quotes from leadership or top management on different scenarios that could happen, then if one of those god forbid does happen, you’re ready to go.”

KS: “Okay. And then, next would be, can you provide examples for the best practices in effective crisis management during a crisis?”

KR: “Sure. So, I will just draw on my experience at Diablo Canyon. In June 2010, we had the plants first alert, and while that sounds pretty scary to the public, it’s actually the second lowest level of emergency classification that the nuclear regulatory commission puts out. And really what happened was, the carbon dioxide test, the valve stuck and it released more carbon dioxide, and the close got through more than we had anticipated, so the reason we had to call an alert was they had the room marked off, but if any operators were to go in the room, to not pay attention to the markings and the postings, the carbon dioxide could have threatened their health. So, it was a potential for threatening their health, but any way shape or form, we had to call an alert, and one of the first things we did was, we did a video right away that we could link to in our press release of our site vice president Jim Becker, explaining exactly what happened and why no ones health or safety was ever at risk because of this incident, but that of course it was unacceptable that it happened, and we’re doing investigations to get to the bottom of it. But I think the best practices are to get out there quick, to use plain language, to be clear, concise, to be compassionate to those that may not understand your business as well as you do, and obviously be truthful, I mean you have to be honest, you can’t try to spin or hide anything, because it will get found out, and you will lose all credibility.”

KS: “Okay, and then, can you provide the best practices in effective crisis management for the aftermath of a crisis?”

KR: “Yeah, I think that you know that companies, if you look at the best practices that, let’s put this broadly and look at global companies. Right, if you look at Toyota, maybe you remember a couple years ago when they had the issue with their sticking breaks. They invested a lot of money into brand reputation, brand management, in putting a
grassroots campaign together that included all the elements, Twitter, Facebook, videos of employees, they really wanted to put a face on their company after that to show that people were working hard to not only correct it, but to be the best in safety. The fixed their operations people, they upped their warranties, and now, only a year and half, two years later, their brand didn’t suffer at all because of it. It may have taken a bit right in the beginning, but now their back to being a global leader. BP is another example. BP handled the situation in the Gulf, probably as bad as any company could handle it from a PR standpoint. They didn’t talk, and their British CEO was on the record basically saying that you know ‘can’t this all just go away, I want to get back to my life,’ I mean things that if you were writing a playbook of what not to do, BP did a lot of those things. But, they were smart enough after that to launch a campaign and to localize, so they got people that had dedicated their lives to working in the Gulf and their communities, to be on the commercials for BP, and that really helped them maintain their brand, and now they’re not, you know there are probably still some people that go, ‘Yeah BP had that oil spill in the Gulf,’ but they have certainly turned around their reputation after finding out that if you can put a face on your company, then you win.”

KS: “Okay. And then, how would you define effective crisis management? And can you give examples?”

KR: “I think effective crisis management is when your companies voice can be heard among everybody else that is saying things out there. So, effective crisis management is not necessarily getting a favorable story out of a crisis, that is a really tough thing to do, but I think it is getting your side of the story included in the story. One of the things after Fukushima, one of the things that happened in San Luis Obispo there, was that either the day after, or a few days after, the front page of the Tribune article that we got, said ‘Diablo Differs from Fukushima’ or ‘Diablo Not the Same in Safety,’ or something like that, so we were not, we didn’t do anything operationally, but because it happened in Japan, and because of our location on the California coast, we were thrown into crisis mode. We took two hundred media inquiries from national, international, and local outlets within the first couple days, and our local paper that got picked up most places, one of the great articles was ‘Diablo Differs from Japan,’ and one of the reasons we had that was because we put in a program about a year in advance of that to have good relationships with the reporters and editors there, to have them out to our plant, to help them understand our business a little bit more, and that really helped us out because we could have drawn a lot of negative attention, and we still do so in national stories. MSNBC, who never called or contacted us, still wrote that we were the plant that never should have been built, but that didn’t get picked up as much as our local paper did.”

KS: “Okay. And then, what would constitute ineffective crisis management? And, can you give examples?”

KR: “Well, BP is a big example of that, right? They were pretty ineffective as far as being seen as an open, honest, and transparent company. They were seen as bad leadership, they were seen as a company that had executives that just continued to fill their pockets, and never put safety first, and so their communicators were certainly
working up hill. But, I don’t think that they advocated enough to tell that personal story early enough. And anytime that a company off as a cold, callous, inhumane, and a company without compassion, those would all be characteristics that I would tell you that they handled that poorly.”

KS: “Okay. And then, what role should a leader play in crisis management?”

KR: “When you say leader, are you talking about CEOs and operations or are you talking about communication leaders?”

KS:”CEOs.”

KR: “Okay. They should be on the front lines as soon as possible. People want accountability, when something happens people want to know that the person that is at the head of that company will take accountability and do the right thing. And so, they need to be intricately involved in not only the crisis response, but also the preparation that goes into place before the crisis. They need to know their messages, they need to work with their team, they need to work with their operating crews, they need to ensure that they have a firm grasp on their role should a crisis happen. And, the other thing is they have to be compassionate and realize that the people may have concerns because they don’t have all the information that the CEO may have. And so, I think that if they are not intricately involved you cannot achieve the same amount of success that you could if they are engaged and involved, and understand the messages.”

KS: “Okay. How have you applied any of the best practices of crisis management in your own work environment?”

KR: “Our organization has extensive crisis emergency plans and procedures for communication that we would enact under a variety of situations. I also encourage my folks to take crisis training, to stretch themselves to ask the uncomfortable questions that we may get asked to see how we answer them and work through. We’ve also looked at developing a ‘dark site,’ that is in the works, and we have developed a ‘dark site’ so that if something were to happen here at Calvert Cliffs, we would be able to launch that site, send people there right away, that would be populated with information, statements from our leadership, statements from me, information about the plant itself, how the safety systems work, we would link that to our Twitter and Facebook accounts. And we would really just try to make sure that folks are informed that way, but in the mean time, we have a community outreach program that has those relationships that I was telling you about, that if we were to have a situation where we go into crisis mode, I know that we would have allies that are seen as trustworthy and strong in our community, that would speak on our behalf.”

KS: “Okay. That is all the questions that I then.”

KR: “Okay cool, and the one other thing that I would say too for people in crisis, not be afraid to say ‘I don’t know, I’ll give you that answer.’ I think companies can get
themselves in trouble or spokespeople, whoever, can get themselves in trouble when they are afraid to just admit ‘I don’t have that answer, we are working to get in and ‘I’ll get back to you.’ It is always better than trying to give an answer or trying to sound smart, because at the end of the day you got to be compassionate and genuine and got to know what you’re talking about, and I think that people will see through that, whereas if you just say ‘I don’t know, let me get that answer to you,’ and then of course you got to close the loop and follow up. That will enhance your credibility, more than it will if you try and answer something. And even if you are right three times, if you’re wrong once you are going to kill your credibility and everything you say will be questioned.”

KS: “Okay. Thank you so much.”