Communicating in a Crisis

The Toyota and BP debacles have once again shown us the consequences of organisations failing to manage a crisis effectively. The tragedy is that it was all so avoidable. In cash terms these crises can be counted in billions of dollars but unfortunately the consequences will ripple on for many years – a high price to pay for failing to manage relatively simple crisis scenarios. It is amazing how much time and money is spent on developing and discussing strategy compared to developing the skills needed to implement it or manage it if things go horribly wrong. The rules of crisis management are really quite simple.

Prepare for the unexpected – it may be an unpleasant thought but if you run an airline, the chances are that one of your planes might crash one day. If you make food, customers may have been thinking (which is also quite likely) whether their car was safe to drive. You have to build trust with your customers before their goodwill turns to anger, resentment and even personal hatred (as with BP).

Put yourself in the customer’s shoes – Toyota customers were happy to pay premium prices for two key things: reliability and safety. When Toyota finally reacted to their crisis, their spokesmen tried to explain everything in engineering terms. What they should have done is consider what their customers may have been thinking (which is likely to have been whether their car was safe to drive). You have to do everything to show that if you are prepared and react well to a crisis, there can even be long term benefits in terms of customer loyalty and media perception. Seize the opportunity!

Know your message and stick to it – most TV soundbites are about 30 seconds which means you need to sum up your message in this time, which in reality is only about 90 words. Don’t forget to take advantage of the other media routes open to you including radio, internet and social media sites such as Facebook, YouTube and Twitter.

Take control – crisis can hurt but it can also be an opportunity to show what a fine organisation you are. Case studies such as Johnson & Johnson Tylenol and BMI Kegworth show that if you are prepared and react well to a crisis, there can even be long term benefits in terms of customer loyalty and media perception. Seize the opportunity!

When one looks at “classic” crisis cases such as Exxon Valdez, Perrier Water and Shell Brent Spar, it never ceases to amaze that such globally powerful organisations can get things so terribly wrong.

Managing a crisis is never easy but if Toyota and BP had followed the simple steps above, they may well have now been looking at a rosier future instead of the ridicule that they will now have to endure.

As one major insurance company was delighted to say after they had successfully managed a major disaster “we don’t make a drama out of a crisis”. In the case of Toyota and BP it is sadly “we created a catastrophe out of a crisis”.

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“Unless you are ahead or on the curve you will always be playing catch up and the crisis will spread systemically.”