

The Ambassador



September 2007. Volume 2, Issue 4

Communicating During a Crisis: How to Plan for the Unexpected

“The Ambassador” is a monthly communiqué designed to provide tips on best practices in effective communications.

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As a CPA Ambassador, you understand the value of preparation in managing your message. A crisis is when that preparation pays off and provides an opportunity to leverage the media skills you've honed.

This series focuses on crisis communication - how you and your organization can prepare a communication strategy that will support you before, during and in the wake of a crisis. Part I in this series examined the importance of having crisis management protocols and procedures and taking the lead to ensure these systems are in place before they're needed

In this issue, we'll cover **Media Do's and Don'ts During a Crisis**. As a leader in your organization - large or small - you know how much the media can impact a brewing or existing crisis. Knowing, in advance, how to engage the media during a crisis can help you manage perceptions and limit damage to you and your firm.

Part 2: Media Dos and Don'ts During a Crisis

On any given day, thousands of stories are submitted to the mainstream media regarding the accounting field. Some have to do with a tax policy or financial literacy. Often, there is a story about young people joining the ranks of this respected profession. But, occasionally, a mainstream news story that involves accounting will focus around allegations of fraud or other misconduct. Why? Well, there is a saying: “Two airplanes landing safely at O'Hare Airport is never ‘news.’” The same is true in your field. No story will appear in *The New York Times* about how an audit once again revealed good and ethical practices by both accountant and client. The media generally want controversy. The bottom line – the media love to cover stories where there are two sides in conflict; reporters like stories that have a hero, victim and villain, and they don't care who plays which role.

How you handle the media during a crisis may determine which role you, or your organization, play.

How to be the H.E.R.O.

Being a H.E.R.O. in the press – and in the eyes of the public – during a crisis can limit the financial and reputational damage. H.E.R.O. stands for: **Honest, Error-free, Responsive, On-deadline**.

Being **Honest** means tackling the issue head-on and divulging all that you are able (that is not under litigation). Being honest with the press is not just about admitting fault; it may simply mean acknowledging the trouble or struggle you are having. Being honest brings credibility and trust among reporters and stifles skepticism. Conversely, avoidance or denial *invites* skepticism and keeps the interest alive.

Error-Free is about checking your facts and knowing all that is reasonable for you to know at the time of communication. As a leader and/or principal of your firm, you are not expected to know every single detail of the problem, but it is essential that you have all the latest and basic facts. This was how CEO Lee Raymond of Exxon in the wake of the Valdez oil spill made things worse. While appearing on national television he was not prepared with even the fundamental details of the company's incident protocols or the details of what they were doing to clean up the spill. He had the chance to become either the hero or villain and his lack of knowledge contributed to the public choosing the latter role for him.

Responsive is simply about getting back to reporters even if it's just to say that you will have to get back to them later. When you are not yet prepared to provide an update on the facts of the issue, take the time to reiterate some basic messages highlighting your firm's high ethics and standard operating procedures. This may not be quoted in an article, but it can help establish trust and buy some time with reporters, producers and editors. When a story runs and it says that you were unable to be reached for comment or that you refused to comment, the public will begin to decide how they feel about you, most often negatively.

On-deadline is about making promises and keeping them. If there is ever a time for you and your partners, associates and staff to be on time with meetings, materials or responses, it is during a crisis. Meeting a reporter's deadline often means that more of the positive messages you relay will appear in print. Being on-time brings with it confidence in your message's authenticity. Reporters' lives revolve around deadlines and if you help them meet those deadlines, you will often be framed in a more favorable light in the story.

In addition to being the H.E.R.O., here are some of the most critical rules when dealing with the press during a crisis:

Media Do's

- Establish relationships with key press
- Stay calm and courteous
- Set up a central communications facility
- Use your web site
- Communicate with employees directly
- Know where to find "boilerplate" and B-roll footage

Media Don'ts

- Never say "No Comment"
- Don't speculate
- Avoid using or repeating "negatives"

MEDIA DO'S

Establish Relationships with Key Press

According to a PR director of a company with extensive crisis experience, "The antidote to bad news is not good news, it's relationships."

When a crisis hits and a reporter is on their way to a breaking news story, their worst instincts take over.. Why? Partly because reporters are skeptics by training. The other reason is more basic - the bigger the crisis, the bigger the story in the paper, on radio or TV, and the greater the visibility for the reporter.

If, however, the same reporter is aware of the company involved and knows the PR staff and others in management, the reporting is invariably more balanced. In a typical report, the headline and first paragraph relay facts and figures related to the events. The following paragraphs temper the news and put it into perspective and these can be influenced by the reporter's relationships and knowledge of you and your firm or company. A reporter who knows and trusts the information you provide is likely to write a more favorable story.

Stay Calm and Courteous

This is often easier said than done. Facing several microphones, a half-dozen cameras, a phalanx of lights and machine-gun-like questioning can make it difficult to stay calm, much less courteous. In some crises, the questioning from reporters or activists can be hostile and personal. Reacting poorly will only provide the press with negative quotes.

Before a news interview, spokespersons can and should take a few minutes to discuss how to stay calm and rise above the commotion. One of the best techniques for control is to pause before every answer. This not only allows for more time to think, it also helps keep everyone calm. Having a moderator of a news briefing set ground rules for the press (i.e. limit the number of questions per reporter) will also help.

Set Up a Central Communications Facility

A central communications facility benefits practically every player in a crisis. A central facility gives the press one place and phone number to obtain information which also provides the affected organization with a level of control over the dissemination of information. Ideally, you should be the sole press contact. If your firm or company has a public relations officer on staff, that person should serve as the primary press contact. Advise everyone on your staff not to speak with any reporter and to refer all calls to you or your designated contact. If your firm doesn't have a public relations function, consider hiring a PR agency with experience in crisis communication. You might also consider calling the PR/communications director of your state CPA society for counsel.

Depending on the crisis, this central communications facility can also function as a place to hold briefings and serve as a working space for the press. It should have equipment for both inbound and outbound communications. In addition to phones, inbound communications require the ability to monitor news coverage and receive

faxes and email. Outbound communications include the ability to broadcast messages, write and distribute press statements, produce B-roll and video information as well as manage the Web site.

Use Your Web Site

The Internet has had a profound im-pact on crisis communications – both positive and negative. On the positive side, companies in a crisis have used their Web sites to quickly communicate their messages, key information and breaking news. On the negative side, the Internet has helped spawn several crises in that it is an unedited and unabated forum. Due to the impact of the Internet, some advance preparation is worth considering.

Prepare “dark sites,” web pages created in advance of a crisis that can be posted shortly after a crisis begins. Dark sites were used effectively by Alaska Air after a crash in early 2000. Within an hour of learning of a missing plane, the company had information posted on its web site. In addition to the factual information, the web page template had a "caring ribbon" indicating concern. Within a short period of time, another page listed the safety history of the aircraft involved in the accident. A few hours later, a letter from the company president was posted. It's clear that the organization knew that a crisis might occur and had pre-produced the tem-plates.

With this done, you can focus immediately on managing the crisis communications and public perceptions:

- Update your web site early and often to keep those important stakeholders – employees, shareholders, government officials, clients, media – well informed.
- Monitor news coverage. In anticipation of a crisis or during fast-chang-ing events, use the web to monitor news. In addition to breaking news on the sites of major news organizations, it's critical to monitor chat rooms of employees or dissident groups. If you lack the staff to do this, hire an Internet clipping service as well as a company that searches non-traditional media for coverage.

Communicate with Employees Directly

Employees respond more positively if they get information directly from their employers, supervisors or other direct sources, rather than through third parties such as the news media or Internet chat rooms. Know that there is no guarantee these employee communications will stay private and won't become known to the press or public. But an "employee-only" communication can help you maintain or restore morale and help minimize misinformation circulating via the office grapevine.

Know Where to Find "Boilerplate" and B-roll Footage

During the heat of a crisis, it's difficult to put your hands on press kits, background materials and video/B-roll footage. This reusable material should be catalogued and readily available at a moment's notice. Reporters will need quick information

on your company and the issues that affect the CPA profession.

Company information also can be critical in molding public opinion. During the "Pepsi syringe crisis," the public wondered how syringes could have been placed in a Pepsi can and whether the company could have been at fault. Pepsi provided news organizations with B-roll footage of cans whizzing along the assembly line, demonstrating that it would have been next to impossible for someone to interrupt the high-speed process to tamper with the product.

MEDIA DON'TS

Never Say "No Comment"

There are many ways to say "no comment" without ever using the exact words. Unfortunately, these two words — especially if they're said in a tight, defensive way — can leave the impression that the company or organization is guilty before any charges are leveled against it.

So how do you say "no comment" without actually saying it? Basically, you offer reporters something else. You can negotiate with reporters by saying in essence, "I can't answer your precise question, but you can use this other information."

When a reporter asks a question that seems to require "no comment," substitute the following responses and include what you can or do want them to know. Any quotes will usually include your entire answer:

1. I can't really comment on that because we don't have all the facts as yet. Here is what I do know....
2. I can't comment on that matter because it is the subject of litigation. Here are the facts that I can share with you...
3. The information you're seeking is proprietary. Here is something that is in the public domain....

Don't Speculate

Avoid getting caught up in the media game of speculating or hypothesizing. Do not discuss cause, fault or say more than you know for certain or can confirm. Instead, put the focus on providing factual and timely information.

Avoid Using or Repeating "Negatives"

As you may recall from your CPA Ambassador media training, you should never repeat a negative statement in your answer since this "negative" is often quoted regardless of whether or not you bridge to positive information. Avoiding "negatives" is a cardinal rule: If you don't want to see it, read it or hear it, then don't say it.

When reporters ask questions in negative terms, don't try to buy yourself more time by repeating the negative statement in your answer. Instead, use phrases such as: "I wouldn't state it like that..." or "That's not the way we view the situation" to deflect the verbal trap.

Having a plan in place beforehand will help you manage a crisis, but keep in mind

that no two crises are ever the same or will match exactly what you prepared. By following the media do's and don'ts and keeping your specific organization in mind, you can respond to events as they unfold and determine that your organization plays the role of H.E.R.O. in the press.

In the last issue of this three-part series...

We'll take a look at how others have weathered such storms in the past. Look for the next installment entitled: *Learning from History: How Organizations and Leaders Have Handled Crises*.

Have a suggestion on a topic? E-mail James Schiavone at jschiavone@aicpa.org

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0133H-312

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