



Crisis Management Guidebook

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Managing the Numbers

By Stephen A. Halsey

Science will prevail—that’s what many companies believe when a crisis strikes. But such crises often center on dueling data, with company scientists on one side and expert witnesses for the plaintiffs’ attorney on the other side. This Pandora’s box of equal and opposite experts can unwittingly cause a company to get mired in defending minute data points, while missing the bigger issue.

Getting a firm grasp on the numbers, putting them in the proper context, correcting false claims and touting your side’s key points is essential to a company’s crisis response. But success requires that you go beyond the numbers and focus on action.

As simple as this notion of action sounds, it is a very hard thing for most companies to do. This is especially true when science is a core factor of the crisis and the scientific findings are either inconclusive or suspect (or made so by the opposition). Cases in point: Tylenol did not hesitate to take all their products off the shelf; Dow Corning had science on its side, only to lose in court when juries heard emotional stories of shattered lives. Science did not vindicate Dow Corning until 18 years later.

SCIENCE DOES NOT EQUAL PUBLIC TRUST

What makes science so powerful is the method

and knowledge it is built upon. Implicit in this concept is that the findings are backed by data, able to be replicated and, hence, true. We live in a world where the men and women in the white lab coats with superior intellect and reason trump all, right? Wrong.

Defending science-based arguments in the court of public opinion can be a very difficult thing to do, unless the science in question is easy to understand and the findings bulletproof. The problem is that science, like many things in life, is not always clear-cut. There are often differing scientific perspectives on the same issue and different ways to view the findings of the same study. If an antagonist wants to get under a company’s skin, there is no better place to attack than the science itself.

This challenge is particularly vexing for science-based companies. After all, sound science is what they base their very existence on. How could they ever waver or cede any ground when it comes to science, even if the science neither proves nor disproves any causal linkages? What should they do if they have confidence that their science will stand up in a court of law? What should they do if public opinion discounts their science?

From my experience, companies should sound the warning bells when their position rests on complex and somewhat insular science



Smart companies realize the best way to manage a crisis is having a clear path forward.

Science Alone Won't Save You

Science is something to be believed in, observed, respected and sometimes revered. But science, in and of itself, will not help a company successfully manage a crisis.

Successful crisis management always comes down to people. As such, companies must think beyond the science and demonstrate their concern for people—both inside and outside the company. Crisis managers must always make sure to step back and take an objective look at the situation, who it affects and how to communicate to those people in the most appropriate manner.

Some quick tips to remember include:

- Realize that all stakeholders want an answer to one fundamental question: How does this affect me?
- Don't be myopic. Make sure that all viewpoints are brought to the table from the outset, including science, law, business/management and PR/communications.
- Develop and follow a crisis plan that clearly defines key trigger and evaluation points, messaging and notification procedures.
- Don't hide behind the science. Make sure to address the underlying issues in an open, transparent and credible manner.
- Use science to help set and support the context of the discussion, but do not make it the context. Frame the science in a way that is easy for the general public to understand. Visuals help, as appropriate.
- Don't overestimate the power of science to enlighten others.
- Remember that despite your best efforts, logic and fact do not need to be the basis of a compelling opposing viewpoint.
- Don't underestimate the power of face-to-face meetings.
- Understand that emotion is usually the most powerful tool of persuasion in the court of public opinion and the court of law.
- Don't forget to communicate in a caring and compassionate manner.
- Do the right thing always.

that is only meaningful to a handful of experts. Such companies need to make sure that they do not fall prey to a misplaced belief in a black-and-white world where “science will always and automatically prevail.” Such thinking may rule in the lab, but the outside world is not as one-dimensional. The distinction between black and white is rarely clear. All too often, the media, general public and employees fall somewhere in the gray

area between the two ends of the spectrum.

BEYOND THE SCIENCE: EVALUATING THE RISK

There can be comfort in using numbers and science to guide a response strategy. However, it is just as critical to look at the emotional and business sides of the issue. If these other factors are not evaluated and managed in tandem, the

crisis response can become incremental, myopic, reactive and painful.

The key non-science factors that need to be evaluated for their potential impact on a company's reputation, profitability and survival include:

- ▶ **Clarity of picture:** Have the hard questions been asked? Is an outside perspective needed?
- ▶ **Employee trust, morale and productivity:** Will trust and morale erode based on the company's action (or inaction)? Will company decisions impact productivity? Will the action (or inaction) cause some employees to leave the company and/or seek legal recourse?
- ▶ **Escalation of lawsuits/lawyers:** Are anger, dismay or opportunity likely to increase the number of potential "victims" willing to participate in legal action against the company? Will the company's course of action (or inaction) bolster the opposition's case and/or attract others into the situation? What are the realistic costs/benefits/risks of the legal situation?
- ▶ **Escalation of media coverage:** How has the media covered the crisis and company to date? Will the company's action (or inaction) attract more media looking for stories on "corporate malfeasance?" Is the organization prepared to withstand greater media and public visibility and scrutiny?
- ▶ **Corporate reputation:** How will the crisis impact the company's overall business? Will it fuel doubts about corporate integrity and business practices? How must the company

respond to protect its business interests?

- ▶ **Shareholder value:** Will a stubborn defense based on science alone affect shareholder value? Will an escalation of lawsuits and media coverage have a negative effect on shareholder value, at least in the short run?
- ▶ **Gut check:** Is this the time and place to make a stand?

ACTION IS KING

Smart companies realize the best way to manage a crisis is having a clear path forward. They focus any and all related communications on defining "Where we are going from here," and "How our action reinforces our position, credibility, trust and brand."

By their very nature, crises almost always have uncertain outcomes, a degree of blame and accountability and competing influences. There is a natural desire to want to ignore a crisis or to hunker down behind the data. But doing so won't make a crisis go away; it will only exacerbate the situation. There is a time and place for vigorously defending the science and the numbers. And there is the requirement of communicating in an open, honest and transparent manner. But one thing is certain: There is always a need for action. It truly trumps all. **PRN**

Stephen A. Halsey is vice president of Gibbs & Soell Public Relations. He has more than 15 years of experience helping companies address a wide range of incidents, accidents, criminal acts, as well as a host of scientific, environmental, health, safety and legal issues.