16-1 Understanding issues and crises and issue management

A reputation, which takes years to build and maintain, can be damaged as a result of a crisis or issue that an organisation, brand or individual is involved in or associated with. In some cases, the crisis of a rival organisation or competing brand can bring an entire sector under the unwelcome spotlight of media focus by association. However, a PR crisis is not necessarily a dramatic incident such as a ship sinking or other large-scale emergency. A crisis for an organisation or brand could also include a product recall, problems with the supply of a raw material, a system failure, the loss of confidential customer information, the behaviour of employees or the embezzlement of funds.

1 Issues and crises

Issues

Issues tend to develop over time and, typically, are focused on one topic or situation. An issue is most likely to arise from a mismatch in expectations or understanding between an organisation and its **stakeholders**.

If issues are not recognised, evaluated and correctly managed, they can build momentum and become a crisis. Within the PR profession there is an age-old mantra that says 'an issue ignored is a crisis invited'. The point at which an issue becomes a crisis can be called a **tipping point**. The relationship between the two will be discussed in the next section.

Types of issues

Examples of issues for PR may include:

- standard corporate or organisational practices – for example, the bonuses paid to senior managers
- the impacts that products or services may have on individuals, society, the economy, etc. – for example, fast food and its links with obesity
- concerns about new technologies and the unknown impacts of these.

Key terms

Stakeholders – the people or organisations that may have a material, professional, legal or political interest in the activities and performance of an organisation.

Tipping point – the point at which an issue or a number of issues have built up to a level which attracts sudden media attention and reaches the wider public consciousness; the point at which an issue becomes a PR crisis.

Crisis

A crisis is a dramatic or large-scale event, emergency, revelation or situation which is likely to have a negative impact on an organisation, person or brand. A crisis could result in damage to or loss of business and/or reputation. It can be seen as the point at which things will never be quite the same again and you need to accept the need for decisive action and usually abrupt change.

For operational PR purposes it could be defined as when an organisation, brand, company, institution or individual is subjected to the intense, critical and unwelcome spotlight of the media and public as a result of an incident, issue or circumstance that impacts and damages its reputation.

Types of crisis

There are two distinct types of crisis.

1. 'Cobra': strikes without warning. This is a sudden crisis which was completely unexpected.
2. 'Python': creeps up on you. It is a slow-burning issue or set of issues which are left to escalate to become a crisis. If a strategy is in place to identify, monitor and manage issues, the crises which do ultimately arise from the issues should be predictable and quantifiable.

Crises may include but are not limited to:

- accidents or events that harm or kill people
- practices that damage the environment
- negligence, fraud or other illegal actions by an organisation or individuals within it
- revelations around activity or organisational practice perceived as unethical or immoral.

A cobra crisis example can be found in the events surrounding the planned launch of a new car. During a routine pre-launch test, the car turned over and landed on its roof. Unfortunately for the company, journalists witnessed this. The images were beamed around the world. Since the car had already gone through stringent testing, the company initially expressed confidence in it, blaming the tyres. But the damage was done; the pictures told a story. In spite of a refit of tyres and electronic stabilising systems, orders were cancelled and the company came in for much negative coverage.

It may not be comforting to recognise that transport companies, especially airlines, will be aware of the possibilities of unexpected disasters and are likely to have well-prepared strategies and tactics to put into play in such circumstances. But these exist because the companies realise that, however carefully they operate, there is always that threat of a cobra-type crisis.

The python type of crisis usually involves an organisation or person making a poor decision or ignoring protests about an issue which suddenly become public. Executives in such cases will often be dismayed that something which had been happening for some time, perhaps many years, suddenly hits the headlines. This type of crisis illustrates the relationship between issues and crises. It shows that the start of a crisis is often a tipping point, a moment when an issue which may have been running for some time, perhaps with low-level media coverage or with a specific group of activists, suddenly reaches mainstream media and the public consciousness and becomes a PR crisis.

Impacts of crises

Crises will usually have a negative impact on an organisation, person or brand's reputation. This may in turn lead to other losses, such as:

- a loss of trust from stakeholders or customers
- a reduction in sales
- a loss of influence over key decisions.

2 The relationship between issues and crises

A comparison of issues and crises is shown in **Table 16.1.1**. The factors that define issues and crises are different. However, an issue, if left unmonitored, can grow and become a crisis.

Table 16.1.1: *Comparing issues and crises*

Issue	Crisis
Slowly develops, might be predicted	An unforeseen event
Could impact a whole industry or type of product	Most likely to impact a single organisation
Can be identified and managed	General pre-crisis planning may be possible; however, it cannot be tailored to a specific case
Brought to light by interested stakeholders or activists	May attract major and negative media attention

The tipping point

The concept of a tipping point can be illustrated using an example that engulfed an oil company following its decision to dispose of an oil platform at sea. The original disposal strategy was supported by the UK government and other experts, but had also attracted written protests from activists as part of another long-running environmental campaign. The issue continued at a low level until a tipping point occurred, when images of the activists' protests were launched in the mainstream media. This triggered a PR crisis for the oil company, and it grew to include a boycott of many of the company's products and even the firebombing of a petrol station. The impact of the crisis negatively impacted on the oil company's reputation and on its profits.

3 The stages of a crisis

Generally, from an operational PR perspective, a crisis goes through four distinct phases. Each phase can differ in the time it takes to unfold – from seconds to years. However, the fact that a typical crisis follows an established pattern makes planning the process of handling one fairly straightforward.

Stage 1 – the golden hour

The first phase of a crisis is known as the 'golden hour' (although it can be any length of time).

This is the first moment when the story breaks but, crucially, details of the incident are at best sketchy. The term relates to the time when often the organisation was the first to know that an incident had occurred and the world would find out later 'in the hour'. As the news began to break, the media would, in the early stages, speculate to fill the vacuum of 'no news'. This became a major issue with the advent of rolling news stations such as Sky News, CNN and BBC News 24 who could clear their schedules to focus fully on the story, speculating in the studio as more detailed news started to emerge slowly.

Today, due to social media such as Twitter, Flicker, Facebook and bloggers, the golden hour has almost disappeared. It is now often just minutes.

It is vital during this stage to have a crisis management plan that is able to swing into action quickly. It is also imperative during this period to have a **dark site** available which can be switched on to deal with the desire of the media and the public to know more about the product, company or individual.

Key term

Dark site – a micro site or web page created by the PR team giving a framework for useful information and reassurance. It is prepared in advance of a crisis and hidden from the public. When a crisis occurs, the dark site can be launched and is updated with the latest information.

During the golden hour (and indeed throughout the rest of the crisis) the organisation must exercise what is known within the PR profession as the five Cs of crisis communications:

- Concern
- Clarity
- Control
- Confidence
- Competence.

The organisation must ensure that events and the media are not controlling the pace and direction of the story. Many companies retain leading authorities in their industry (professors, analysts, commentators, etc.) or regularly brief trade editors and journalists about their organisation so that should they be used by the media during this period, they will offer accurate and positive information. An organisation's trade body (such as ABTA – Association of British Travel Agents – for a tour operator in crisis) may also be a useful ally in this period.

Stage 2 – unfolding

The unfolding stage (or action stage) is the second stage of a crisis. This is where the story has broken, and the media is alerted and is now reporting, often live, on the incident as it unfolds.

From a PR perspective this is a straightforward period and will often involve the brand or organisation issuing statements, undertaking interviews and, operationally, being watched by the media and the wider world as it deals with the crisis.

In the digital age this stage creates pressures for the organisation at the centre as citizen journalists – often in the thick of the incident themselves – give eyewitness accounts via Twitter, mobile phones, blogs, etc.

Stage 3 – blame

The blame stage begins far more quickly today than it did a few years ago. The media, often fuelled by politicians or lobby groups, will quickly look for the cause of the incident and for something – or someone – to blame.

It is at this stage where the PR professional has to work hardest to put the incident in context, protect the overall reputation of the organisation or brand, and clarify what happened and why. In this stage advocates (supporters and fans of the brand) can be used to spread the message virally, achieving much-valued third-party endorsement. Independent specialists, opinion formers and even opinion leaders can also be vital during this stage.

This stage really culminates in a post-incident/crisis investigation, inquiry and findings. During this period the original incident, its cause and indeed the speculation may remain prominent in any story featuring it.

Stage 4 – inquiry or recovery

The final stage can be the longest and, arguably, the most difficult. It can only really be tackled after stage 3 has been resolved (perhaps through an inquiry).

The inquiry or recovery stage revolves around rebuilding the organisation's reputation – this includes tactics such as familiarisation trips for opinion formers and opinion leaders, media trips to the site of the incident or to ride the train or eat the food. It is imperative that the organisation or brand's advertising reinforces the positive findings of an inquiry (if there are any) while the PR machine seeks third-party re-evaluation.

4 Role of PR professionals in issue and crisis management

Issues and crises can have a negative impact on an organisation and can result in a loss of reputation and business. For this reason, issues need to be dealt with effectively and crises, if they do occur, require management to reduce the impact on a business or organisation and resolve them as quickly as possible.

PR practitioners have an important role to play in identifying potential issues, dealing with issues through communications and managing crises when they do occur.

Importance of the PR professional

To ensure that the leaders of an organisation are not concealing issues that could become crises, it is essential to win the trust and confidence of the decision makers in your organisation or your client's organisation, convincing them that the involvement of PR staff at the first sign of a problem will help prevent it developing further. The PR professional can implement strategies and tactics to handle public exposure quickly, confidently and competently.

Tactically, the role of the PR professional during a crisis is to liaise with the media and opinion formers by:

- issuing media updates (holding statements, news releases, etc.)
- organising a news conference (if required)
- monitoring media coverage – print and broadcast
- monitoring social media coverage
- briefing senior managers/company spokesperson(s)
- facilitating media visits to factory, destination, product, etc.

Portfolio activity 1.1–1.4

Using real-life, in-depth case studies, examples and, if appropriate, evidence from your own organisation:

1. explain what an issue is in terms of PR
2. explain what a crisis is in terms of PR
3. analyse the relationship between an issue and a crisis, and where the tipping points lie
4. analyse the four stages of a crisis relevant to PR.

Professional profile

Sandra Hughes, senior press officer

Sandra Hughes is a senior press officer for one of the UK's largest holiday companies. From focusing on reasonably priced family holidays in Europe, the firm has expanded rapidly within the past ten years to offer breaks that range from two days to two months for singles, honeymooners and pensioners as well as families, and in many places outside Europe, including Egypt, Tunisia, Thailand, Vietnam, South Africa, Kenya and Mexico.

Sandra, who has been with the firm for four years, is part of an eight-strong specialist PR unit (part of a larger corporate communications team) which monitors and manages the reputation of the firm, identifies and advises on how to deal with issues affecting the very varied destinations, develops crisis management plans and helps handle the communications when potential problems arise.

One of her roles is to monitor the media (especially social media) for potential problems. In particular, she tries to identify events that will impact on their customers' experience. Issues she will identify may involve political unrest, economic problems, crime or antisocial behaviour trends, or changing weather patterns. Her excellent research skills, interest in public affairs and environmental issues, together with her good working knowledge of Spanish and French, helped in bringing about her promotion to her more senior role last year. She was recently involved in a more junior role in a crisis communications (CC) team when one of their customers was mugged and left with serious head injuries in Thailand and two other European travellers with another company were killed. The experience, while stressful at the time, encouraged her to ask for more specialist training in dealing with such crises and becoming a regular member of the CC team.

5 Issue management

Link

You may find it useful to look at information on strategies and tactics in Unit 6: Understanding public relations campaign planning and Unit 8: Pitching public relations stories to the media.

Issue management for PR professionals involves recognising an issue at an early stage, developing a strategy and implementing tactics to deal with the issue to try to avert a crisis.

Monitoring media channels

As a PR professional working in issue management, you need to monitor media channels and analyse outputs for activity involving your specific organisation or client, their brands, related or competitor organisations, announcements by stakeholders and more general news about the sector in which your organisation operates.

Media channels you should monitor include:

- television
- print media
- online media
- YouTube
- social media

- blogs
- comments on review sites
- information on encyclopaedia sites such as Wikipedia.

Monitoring online channels

Key term
Analytics – identifying patterns in data.

It is vital that you monitor what is being said about your organisation or client online. Free online monitoring and **analytics** tools can be used to collate online activity that relates to particular industries, organisations and brands. Different tools can be used to monitor what is being said on social media sites, and in blogs and comments. The tools use keywords to identify relevant activity and present information to you in a single location.

Wikipedia, the online encyclopaedia, is often used by media outlets as a source for facts, and entries usually appear high up in search engine results. It is therefore essential that an organisation's Wikipedia entry (and that of its market sector and personnel) is actively monitored and that Wikipedia is immediately alerted to any misleading entry or amendment.

Identifying and escalating issues

Issues or potential issues can be identified from internal and external sources. For example:

- a problem about activities within the organisation raised by a member of staff
- an external event impacting activities within the organisation
- the actions or comments of activists
- incorrect information about your organisation or malicious editing of information on a site such as Wikipedia
- news stories or attracting negative comment or questions
- comments or questions highlighting particular activities or circumstances.

If you identify an issue, you need to notify a member of the management team within your organisation or your client contact. You can then work with them to assess the severity of the issue and work up a strategy and communications plan to address it. However, be aware that good PR alone cannot address an issue. There also needs to be a willingness to change practice, especially when an issue stems from the internal operations or practices of an organisation. If a problematic practice continues after an issue has been identified, then PR strategies to address it may be perceived as 'spin' and may make the situation worse as stakeholders and the public may lose trust.

Communication

Internal

It is important that you circulate information about an issue and how it is being dealt with to all employees within your organisation or within a client's organisation. Briefing key members of staff about the approach you are taking to manage the issue is important. The employees of an organisation are its best spokespeople, so it is important that they know what the key message is.

Link

Look back at Unit 7: Communicating effectively in public relations and Unit 8: Pitching public relations stories to the media for more information about internal and external communications.

External

It is also important to communicate identified issues and how you are managing them with relevant external stakeholders. You may use a news release, a message on your website or communications via social media to let people know how you are dealing with an issue. Honesty and transparency are usually the best policy.

Key tactics used to manage issues

When an issue is identified, it is important that PR is used to guide any discourse about it and ensure the organisation's reputation is maintained. The tactics you use to manage an issue can prevent it from becoming a problem or crisis. These include:

- creating media statements and/or holding press conferences to explain a situation and the way it is being addressed
- engaging directly with stakeholders to provide information about the issue and how it is being tackled, and listening to their response
- responding to comments and engaging with stakeholders and the public through social media such as Twitter, blogs and forums
- answering criticisms that appear in social media or comments in an open way, making it clear that you want to address them
- building up an army of advocates from the public and key influencers who know about and support your brand before any issue is identified. When an issue does occur, they can provide a positive voice.

Dealing with hate or spoof sites

Setting up a hate or spoof website gives individuals and groups, who feel a company has done something wrong, a platform to air their discontent to a very wide audience. This can seriously damage reputation and revenues.

A corporate hate site or spoof site is a real PR issue and it is very difficult to deal with this without drawing attention to the issue. It may be possible to raise a legal challenge but this can be costly and may fail. The best way to tackle it is to manage your online presence carefully and try to prevent hate sites from becoming an issue.

Checklist

To reduce the risk of hate or spoof websites, ensure the following.

- ✓ Buy the domain names that could be used for spoof or hate sites if they are not already taken so that others cannot use them, for example, www.ihate<organisation>.com and www.<organisation>sucks.com.
- ✓ Optimise the position of your organisation's website in search engine results.
- ✓ Maintain other online presences for your organisation so that these push hate sites lower in search engine results.
- ✓ Approach the hate site creator in a calm and respectful manner to address any issues they have and ask them to stop.
- ✓ Tell your side of the story. Other stakeholders may respond well when they see that your organisation is seeking to resolve issues. For example, McDonald's site 'Make up your own mind' has been a strategy deployed successfully to combat hate site McSpotlight.

Other useful techniques for identifying and managing issues

Timing

Be aware that if a certain issue, sector, policy, service or organisation suddenly attracts more than usual public or media attention, then something that looked initially like a minor irritation has the potential to develop into a crisis. For example, if one premier league footballer is found to act inappropriately, others in the same team may come under scrutiny; if a company paying volunteers in drug tests faces controversy, similar companies are likely to be approached by journalists or pressure groups.

Good judgement

Judging which is a small, insignificant problem and which is a potential disaster is learned largely from experience. It is what defines the different levels of responsibility for those in PR.

Streamlined internal communications

In spite of emails, intranets and smart phones, many conversations still start with: 'Ah, no one told me that!' Developing a system that allows quick decisions to be made by the most relevant people is vital. A system involving 22 people having to approve every dot and comma is unacceptable.

Good relations developed over time

Both internally and externally, PR practitioners thrive through their contacts and the strength of their contacts books.

Good intelligence

Developing systems so that you know as early as possible of events or decisions that are likely to affect your organisation, clients or sector is a core discipline.

Rapid reaction

Responding to issues quickly enables you to limit any damage which may be caused by them.

Steady nerves and good manners

How you react to any queries about potential problems can dictate what happens next. This may be described as 'spin' and you should never lie or distort the facts. However, the importance of dealing with all external audiences confidentially and competently cannot be overemphasised. This is often a challenge, as there will be those – especially journalists – who will try to provoke you into taking a defensive response. If you have a well-prepared brief, you should have the confidence to deal with all questions, however they are delivered, calmly and politely.

Coordination of response

One of the worst scenarios for any organisation or client is when different people say different things. This indicates to most external audiences, especially journalists, that there is a problem. Internal and external question and answer papers, a decision on who speaks on behalf of an organisation or client and a realistic approach to the likely questions are all essential.

Portfolio activity

2.1, 2.2, 2.3

Show that you understand how PR professionals manage issues to avert a crisis by answering the following questions. Use relevant examples to demonstrate your understanding.

1. Explain how you would monitor media channels to identify issues.
2. Discuss the process you could use to escalate issues where appropriate.
3. Analyse the PR tactics used to manage different issues. You could select case study examples of tactics used to tackle issues and analyse whether the tactics were successful.

Further reading

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