

Crisis communication: An insurance against reputation damage

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Accidents, labor disruptions, financial crisis, news stories, class actions, etc. A multiplicity of more or less serious reasons may lead to negative media coverage for a company, whatever its branch of activity, its size, its location and its reputation.

The risk is even higher now because, with the advent of digital technologies and new media, anyone who possesses a smartphone can become a field reporter capable, through social media, of giving national or even international visibility to an event that would otherwise have remained ignored or, at worst, confined to a local scope. This is an additional reason why crisis communication should not be reduced to the mere ability to speak to the media. As crucial as it may be, this stage is in fact only the final step of a substantive work process designed to make the action of speaking out fully effective.

Concrete risks vs. virtual risks

As journalists – in particular those at 24-hour news channels – work within ultra-tight deadlines when it comes to crisis communication, the first challenge that must be taken up is that of time. In order to be in tune with the media as soon as a crisis breaks out, anticipating risks that may catch their interest is a key factor. While in most cases companies can identify the risk associated with their own business (industrial accidents, labor disruptions, business disputes, etc.), the same is not true for risks that are more virtual in nature. These include what can be referred to as “contagion risk”, as recently illustrated by the Volkswagen defeat device software case that entailed adverse consequences for all European car manufacturers.

Smaller companies are equally affected by this problem, as exemplified by the so-called horse meat scandal where frozen meals supplied by a French SMB called *Spanghero* and advertised as containing beef were found to contain horse meat... This heaped opprobrium on an entire agro-food chain.

Telescoping with the news is another form of risk that must be taken into account. A perfect example is the so-called Maryflo case. It was not until one hundred women workers started marching in the streets of the French city of Rennes to protect against bullying from their supervisor at the time a best-seller on workplace harassment was published that the whole press, even the Guardian and the Wall Street Journal, picked up the issue. The fact that this story happened almost 20 years ago, i.e. before six thousand tweets per second spread over the Internet, makes it only a more telling example.

More recently, the regular publication of alarming studies constitute a permanent threat for businesses, including for those that operate on a market that is *a priori* uneventful: Who would have been suspicious about a color pencil before the French consumer magazine *UFC, Que Choisir ?* denounced the presence of endocrine disrupters, carcinogenic, toxic or allergenic compounds in school supplies commonly found in children's schoolbags? Nonetheless, this information hit the headlines of the most respected newspapers and all TV channels that did not hesitate to disclose the name of the relevant brands. There are numerous examples that clearly show that any company concerned with the need to conceive efficient crisis communication strategies must extend the scope of their risk mapping beyond the traditional boundaries of such an exercise. To achieve this goal, relying on an external expert is often helpful.

A transversal approach

Mapping the risks... but also identifying all parties involved: Authorities, administrations, elected officials, sub-contractors, trade-unions, employees, etc. The press is not the only one to speak to and it is sometimes necessary to address other actors before it. Therefore, it is highly recommended to clearly determine who to turn to, in what order of priority – depending on the nature of the crisis – and what words to use. Within companies, this work requires a cross-functional approach that goes beyond the mere Communication Department since the crisis is likely to originate from, or to require the mobilization of, all functions of the company: Finance, Human resources, Quality, Sales, etc. not to forget of course the Legal function as there are very few crisis, whatever their magnitude, that do not have any legal implications.

Detecting weak warning signs, drawing lessons from the observation of the behavior of companies struck by a crisis, monitoring media and social networks, implementing a logistics structure (crisis room, lines of arguments, press distribution list, directory of involved parties, etc.) are as many elements to be included on the checklist of actions and planning tools for crisis communication.

The weight of words

Making one's voice heard among a myriad of speakers, who are all the more numerous and influential as the issue is sensitive, is far from easy, especially when some of those speakers, in particular NGOs, are more credible in the eyes of the media and the public opinion than businesses. Hence the need to master the techniques that are specific to each communication channel, starting with social media (using twitter does not mean dividing a press release in several parts to meet the 140 character limit per tweet!). In any event, statements, whether oral or written, must be issued rapidly after the crisis breaks out in order to "set the tone" and avoid the spread of erroneous, if not hostile, information. The ability to act fast and appropriately is decisive in any media crisis. This means that in an evolving crisis scenario companies must not wait to know every single detail before communicating. Yet, communication must strictly focus on hard facts to avoid placing oneself in the disastrous position of having to deny previously released information.

The wording must be accurate (where, when, what, how), informative, easy to understand for all (in-house jargon and overly technical words should be banned), committed and dynamic (using such a phrase as "*we are doing everything possible to...*" is much more reassuring than "*we are endeavoring to...*").

In most circumstances, the company will have to use one or several spokesperson(s), depending on the issue(s) at stake. This is a role that should not be taken lightly because the one who holds this position has *de facto* a delegation of authority to speak to the media and this delegation of authority, even though not legally binding, results in the employer being bound towards the public by the words of its spokesperson(s). As such, it is essential that any potential spokesperson be first identified and regularly trained. Within a corporate group, the selection of potential spokespersons must extend to industrial sites, i.e. the place where journalists will rush to if an accident occurs.

Legal implications

There are commonly legal implications to be taken into account when a crisis breaks out and such implications are even inevitable wherever there are casualties or damages to the environment. Since the adoption of the so-called "Hamon Law" that introduced into French law the possibility of bringing group actions in connection with consumer disputes, the legal implications in themselves can become a crisis factor. This is the reason why a lawyer should be involved as early as the anticipation stage to approve the documentation and lines of arguments from a legal point of view. Similarly, during the crisis itself, his/her approval on the wording will be a valuable help: As the saying goes, anything that is written down and said can

be used against the issuing company. In situations that receive extensive media coverage, the presence of a lawyer in the crisis team – or at the very least – a permanent interaction between the lawyer and the crisis team members should be considered. Wherever purely legal matters are to be discussed, the lawyer can also serve as a spokesperson of the company that he/she represents and defends.

As the above shows, crisis communication requires the mobilization of many resources and the involvement of many actors. Mastering the art of crisis communication serves as an insurance on an intangible but so valuable corporate asset, i.e. reputation. In some cases, it can even turn out to be a life insurance.

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