

UNIT 11: CRISIS MANAGEMENT

Objectives

At the end of the chapter, you should be able to:

- 1) Know the importance of crisis management in any organisation.
- 2) Understand the need of a crisis management team during communication crisis.

Learning outcomes

In this chapter, students need to know the importance of crisis management & the role the team plays during any communication crisis. Crisis management in the face of a current, real crisis includes identifying the real nature of a current crisis, intervening to minimise damage & recovering from the damage to public image & assure stakeholders/ public that recovery is underway.

Definitions

- 1) Crisis: Defined as disasters that occur either naturally/ caused by human's carelessness/ mistakes.
- 2) Product recall: An act of offering refunds/ exchanges to customers who had purchased the contaminated goods / defective products

Notes

- 1) Communication Crisis
 - PR situation: Critical situations in which PR has to operate. Much of the problem solving in PR has to do with converting 4 negative states into more positive ones.
 - Once a crisis occurs, the organisation is suddenly a target for the media (who are acting on behalf of the public to find out the answers to the important questions about their own safety).
 - Many crisis cannot be avoided, but responding to the situation effectively/ quickly may limit the negative impact the company suffers.
 - Therefore, any organisation should set up a permanent crisis management team.
- 2) Crisis Management
 - A crisis management team might comprise the managing director, PR Manager, safety officer & personnel officer.
 - Teams need to be small so that there is easy communication.
 - There are 2 types of crisis; likely & unlikely.
 - Members of the crisis management team should be trained in how to handle media interviews & press conferences.
 - Methods:
 - (a) establish a toll-free hotline to answer consumer questions.
 - (b) Offer refunds/ exchanges to customers who had purchased the contaminated goods.

Basic Reading

Jefkins, F. & Yadin, D. (1998). **Frameworks: Public Relations (5th Edition)**. Bell & Bain Ltd.: Glasgow, Pg. 221-224 (please refer to Chapter 22)

Additional Reading

Kitchen, P.J. (1999). **Public Relations: Principles and Practice**. International Thomson Business Press: Croatia

Seitel, F.P. (1998). **The Practice of Public Relations (International Edition)**. Prentice-Hall: New Jersey

Essay Questions

- 1) Why is a crisis management team necessary?
- 2) What is meant by 'likely' & 'unlikely' crises?
- 3) What is meant by product recall?