Crisis Management in the Social Media Age (April 2019)

No business, regardless of size, is immune from mistakes, accidents, or even crises that can affect day-to-day operations. In extreme cases, these incidents can even threaten the very existence of a company or brand. Although the possibility of such events is not new, the speed at which information travels is ever-increasing. The fact that news can elicit reactions worldwide in a matter of seconds leads to heightened risk and sensitivity when responding to these crises. However, the same social media platforms that amplify and give voice to these reactions also provide the opportunity for quick and constant communications throughout the crisis management process.

One PR management firm suggests that "59% of businesses have experienced a crisis, but only 54% of businesses have a plan in place to deal with them." While preparation is crucial in managing controversy, the types of crises businesses encounter are unforeseen. Whether it is an exploding shoe on a soon-to-be-pro athlete or a data breach affecting millions of customers, a matter of seconds can threaten the short- and long-term health of a company. When these events do occur, quick-thinking and response times are critical to managing an onslaught of online criticism. A consensus among PR firms recommends that two rules be followed throughout the response: be quick and be human.

The need to respond quickly can be a double-edged sword, however. Respond too slowly and a company risks allowing online reaction to shape the story; respond too quickly and risk making statements before all the facts are known. It can be trickier still to assess whether an event requires a response at all. The last thing a company wants is to extend the life of a story that would have otherwise been short-lived. Unfortunately, there is no clearly defined test to determine which problems are likely to stick around and which are temporary wrinkles of the ever-shifting landscape of social media.

When an event does merit an official response, companies sometimes struggle to respond with an appropriate measure of even-handedness and decency. Sometimes, defensiveness or overreaction can bring on additional difficulty. The routine advice to "be human" means trying to establish some empathy with the people affected by the crisis. While some online vitriol is part performance, some reaction comes from sincere offense or hurt. One of the worst things that a company can do is belittle those expressions. Insisting that concerns are unwarranted or that pushback is an overreaction never helps the healing process and can significantly exacerbate the problem.

There are best practices and strategies for what steps to take in the aftermath of a crisis. While many PR firms and crisis management companies offer slight variations on the theme, the general approach involves these steps:

- *Acknowledge*. Ignoring or attempting to cover up a crisis will only make matters worse. Speed and transparency are crucial here. State clearly that the company is aware that an issue has occurred and that information will be provided as it becomes available.

- *Apologize.* Not only is it OK to apologize—it's a must. Even if there is internal debate about whether the company is to blame for the incident, taking some responsibility is easy to do—and when done quickly, can sometimes nip a problem in the bud. On the other hand, apologizing late can be costly.

- *Investigate.* People want assurances that steps will be taken to "get to the bottom" of what has occurred. Letting the public know that an investigation into the incident has already begun can also have the effect of buying some time to develop a full response, if needed.

- *Act.* This final step may be the most important. It's one thing to release a marketing campaign that promises change, it's another to actually enact those changes. People will be looking for evidence of it; and subsequent crises that suggest "business as usual" can really set as wave of negative reactions in motion.

It may be useful to see some of these strategies at work. Nike's swift response to Zion Williamson's shoe explosion closely follows the first three steps and promises the fulfilment of the fourth. On the other hand, in April of 2017, United Airlines waited a day before responding to a customer being dragged off one of its airplanes. By the time the airline issued a statement, the viral video had already been viewed millions of times, and United had to scramble to try to stay ahead of the story.

Classroom Implications

There are a number of useful lessons that students can take away from this topic. Perhaps the most important for their future success is a lesson about what (not) to share on social media. Business leaders can share countless example of well-qualified candidates who were not offered a job after a quick check of their social media accounts. Furthermore, publically posting negative comments about current employers can easily cost people their jobs. Negative posts like these could create a crisis similar to those mentioned above. Students need to ascertain employer policies about use of social media, whether it be a personal or a company account. One way to teach these lessons to students is to link their current use of social media to the kind of problems that companies have had with these platforms.

Most students today are all-too-familiar with the ins and outs of social media. Many of them will have had an experience online that they felt the need to respond to or make amends for. As long as ground rules are set about respect for classmates and what subjects are in-bounds, it can be a very useful exercise to ask them about their strategies for responding to social-media accidents or the online "crises" that they have seen. How did they attempt to put out the fires of their own mistakes? How did their friends respond? These kinds of questions can really help establish a connection between students' lives and the business world they encounter.

I would learn to use these new tools to brand yourself in a positive light rather than turning it into a report card on the quality of your opinion and temperament. What you

choose to not say is just as important as what you do say. It is also a good personal report card on how well you collaborate and communicate. You can't win your way in the board room with intimidation or profanities. It might win the occasional battle but eventually you will sink your brand like the Titanic.