MercuryAI Summary of Project: PRWeek CrisisCom
Live Labs Online Focus Group: Overall Summary
April 12, 2023, 11:30AM ET

Summary

Managing through a crisis is an essential aspect of running any business or organization. In times of crisis, managing a company's reputation can be a daunting task, requiring a cross-disciplinary team focused on managing reputation risk, scenario planning, and preparing for rapid response. This team should be networked and connected across the organization and have the ear of senior management and a seat at the table.

To manage through a crisis, it is essential to have a designated team of experts solely focused on reputation risk management, scenario planning, and preparing for rapid response. The team should have designated experts who have outstanding media firefighters, good strategic planning capability, gravitas, and judgment to partner with the general counsel's office, risk, and compliance. The team should have credibility with media influencers and the trust of the senior management of the company.

Before the crisis, it is essential to have processes in place to identify who should be involved and what their role is. It is also essential to know who is at the front edge of the reputation risk management exercise. The team should network with the right people from a media relations standpoint and communication standpoint. Research is critical in managing a crisis. It helps to identify the audiences that need to be addressed, understand what the employees, customers, and consumers are thinking.

During non-crisis times, it is helpful to monitor consumer sentiment, which helps inform the team's decision-making during a crisis. The sentiment monitoring can be done through media monitoring organizations or customer feedback systems. Having a preemptive approach and being ready with a base level of information helps in managing a crisis effectively.

The first step in managing a crisis is to identify the best people or group of people to work with in the legal universe. The individuals identified should have a reasonable level of risk tolerance and be able to work collaboratively with the communication and other relevant teams. Building relationships with these individuals before a crisis occurs is vital in developing an effective response strategy.

The second step involves making a clear fact-based assessment of the situation. This assessment will help determine the best course of action to take.

The third step is to partner with government and enforcement agencies worldwide to ensure that the platform is not used for any illegal activities. Risk and compliance teams are essential components of managing crises and building trust with customers and governments.

The fourth step is to develop a cross-disciplinary team with all relevant parties, including legal, HR, and the C-suite, before a crisis occurs. This team should be assembled before the crisis happens to ensure that everyone is familiar with each other's roles and responsibilities. In addition, it is helpful to have an external expert as a sounding board to provide an independent perspective on the situation.

The fifth step involves determining the impact of the crisis on the brand perception versus the actual actions that someone is willing to take. The sentiment monitoring and data analytics will provide information on what people are expecting from the company and whether they are likely to take any action against the company.

In conclusion, managing through a crisis is essential to protect a company's reputation and minimize damage. The steps involved in managing a crisis include identifying the best people to work with in the legal universe, making a clear fact-based assessment of the situation, partnering with government and enforcement agencies, developing a cross-disciplinary team, and determining the impact of the crisis on the brand perception versus the actual actions someone is willing to take. Research and data analytics are critical in informing the team's decision-making and response strategy.

Most important issues discussed during the focus group discussion, ranked in order of priority:

1. Building relationships with the right people in the legal universe before a crisis occurs.
2. Making a clear fact-based assessment of the situation.
3. Partnering with government and enforcement agencies worldwide to ensure that the platform is not used for any illegal activities.
4. Developing a cross-disciplinary team with all relevant parties before a crisis occurs.
5. Determining the impact of the crisis on the brand perception versus the actual actions that someone is willing to take.
6. Having a preemptive approach and being ready with a base level of information to manage crises effectively.
7. Monitoring consumer sentiment during non-crisis times.
8. Identifying the best people or group of people to work with in the legal universe.
9. The importance of research in managing a crisis.
10. Having an external expert as a sounding board to provide an independent perspective on the situation.

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<u>In-Depth Review</u>

Crisis communications professionals play a critical role in managing reputation risk during a crisis, and their expertise is essential in developing an effective cross-disciplinary response team. This team should be composed of experts from various departments within the organization who are trained to be good issue spotters and to manage reputation risk proactively. These experts should have a seat at the table and the ear of senior management, so they can effectively manage reputation risk by scenario planning and preparing for rapid response.

One key component of building an effective cross-disciplinary team is trust. It takes time to build relationships with executives and other key stakeholders, so that when a crisis occurs, they trust the counsel of the crisis management team. Trust also means that the team is empowered to make decisions quickly, without waiting for approval from higher-ups, which is critical during a crisis when time is of the essence.

Another important factor in building a successful cross-disciplinary response team is data analysis. With the rapid response methodologies available today, teams can launch surveys in hours, and quickly analyze responses to understand what people are thinking and how they are reacting to a crisis. By using data insights to validate decision-making and fight against the emotion of Slack or other internal communication channels, the team can be more effective in managing reputation risk and crisis communications.

However, building an effective cross-disciplinary response team is not without its challenges. One of the most significant challenges is defining what constitutes a crisis. Just because a top official receives a few negative Tweets or Slack messages, for example, does not necessarily mean that it warrants an entire campaign. It is essential to have a clear understanding of what is considered a crisis so that the team can respond effectively.

Another challenge is dealing with legal teams that are opposed to what the communications team wants to do. It is critical to identify, before a crisis occurs, which legal professionals are reasonable and have a reasonable level of risk tolerance. They should be involved in the development of crisis response plans, and their input should be considered as the crisis unfolds.

Building Relationships: According to Sarah, crisis communications professionals need to build relationships with the people who will be able to help during a crisis.

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This includes identifying the people ahead of time who will be able to work with the organization. Building these relationships will help the organization to quickly respond to a crisis.

Risk and Compliance: Franz emphasized the importance of being plugged into the risk and compliance team so that the crisis communications team can get early indications of where there may be a fraud complaint or a concern. The risk and compliance team is a very important component of how to build trust with customers and with governments. The team works with governments and enforcement all over the world to be sure that the platform is not used for anything that's illegal.

Data and Analytics: Jordan talked about how data and analytics can be used effectively to manage a cross-disciplinary team and advance the argument for what the reputation team is advising. The team can be monitoring consumer sentiment to see what matters most to people and what sorts of issues need to be addressed. Data can be used to inform the teams that build reputation in non-crisis times. When a crisis occurs, the team can launch consumer research to discern if it is a crisis and whether they need to respond immediately or wait to see how it develops.

Preemptive Approach: According to Jordan, the team can take a preemptive approach where they can be monitoring consumer sentiment to see what matters most to people and what sorts of issues need to be addressed. This approach helps the team to be ready and to have everybody armed with a base level of information on just what people are expecting from them.

Response Team: Sarah advised that crisis communications professionals need to talk to their response team before they need them to respond to anything. This will help the team to identify the real power players and the people who get the issues. She also advised that it is helpful to get in front of the group of people with some of the lower level crises. This gives people a voice and lets the team suss out who will be able to help during a crisis.

Agency Support: Sarah said that agency support is required during a major crisis. However, during non-crisis times, it is difficult to have agency representatives at the table with internal partners from legal, HR, and the C-suite. It is too many people in the room, and they are not known or trusted.

Managing Crises with Sister Companies: Franz said that PayPal treats all the brands within its community of brands as equally important to the overarching goal of protecting the reputation of the company. The team is very aware of the particular reputation of each brand. With respect to siblings, the team has partnerships with many companies, and they will often coordinate across teams. If there are issues where they need to work together, they will work together.

"Will This Blow Over?" Question: According to Jordan, data can be used to measure sentiment and figure out who will be affected by the issue at hand. It is important to understand the impact on brand perception versus the actual actions that somebody is willing to take. This will help the team to take a decision on how to respond to the crisis.

Ranked list of important issues discussed:

1. Building a cross-disciplinary response team is essential for managing reputation risk during a crisis.
2. Trust is critical for effective crisis communications.
3. Data analysis is an important tool for managing reputation risk and crisis communications.
4. Defining what constitutes a crisis is challenging but essential.
5. Communicating with legal teams is critical to managing reputation risk and crisis communications.