Managing a Crisis with Effective Communication

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Your organization's main business is transporting people daily from all walks of life

Crisis?

You reduce your connections by 2% for the time between now and late Oct. Cost ~ SGD 30m

These connections might otherwise have suffered delays

New regulations made it difficult for you to schedule staff so that those connections can be serviced properly

You are world famous for your punctuality and your affordability (compared with competing modes of transportation)

400 000 people are affected

Your organization' main business is transporting people from all walks of life.

Your passengers talk about nothing but the cancelled connections

Everyone knows someone who is affected

Your market value drops by 5% in 5 hours

Heineken
Heineken
Heineken
Heineken

家乐福
Carrefour

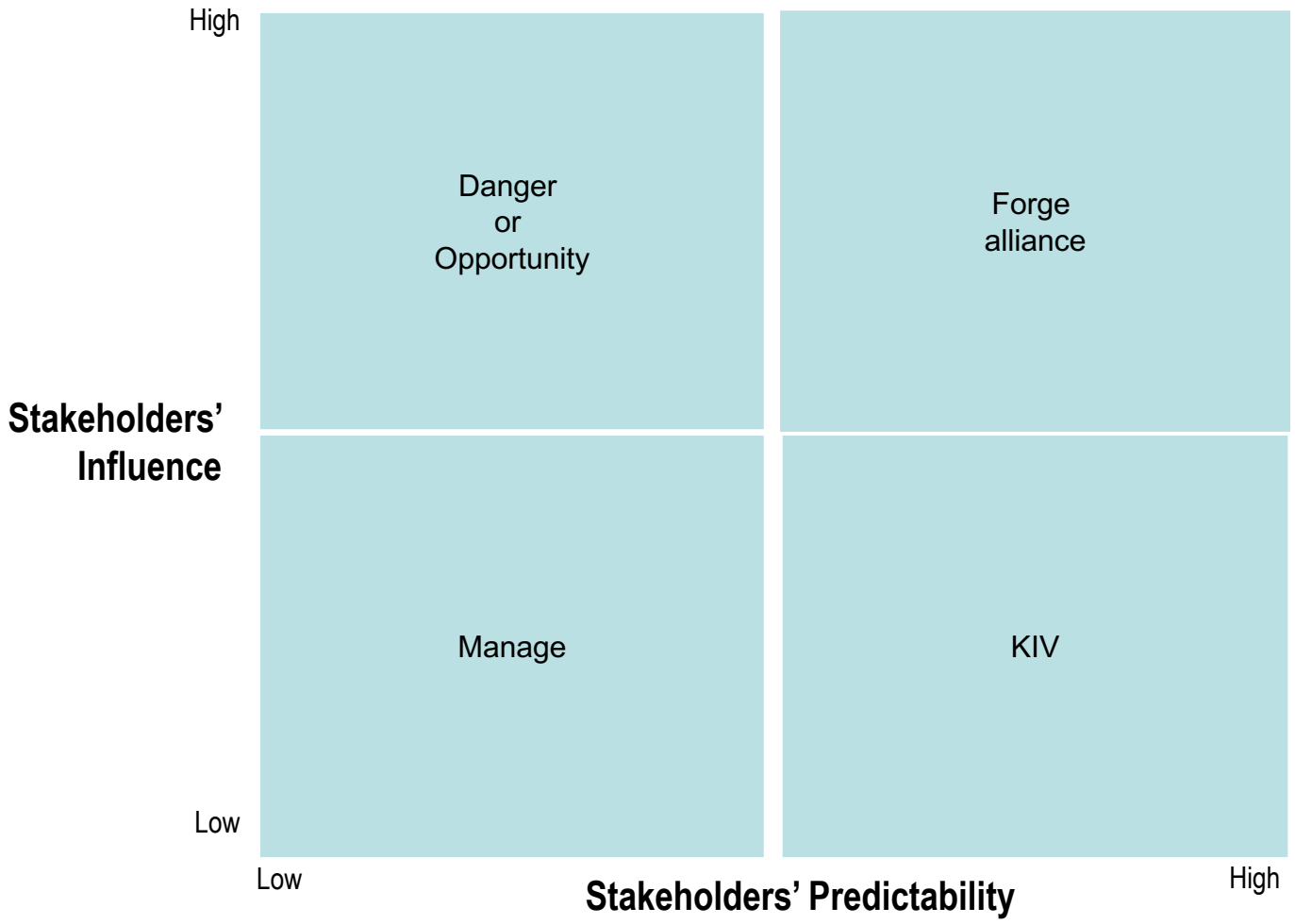
5月1日

不去

家乐福

https://www.youtube.com/watch?v=FpnAWNcq8zs

Post-Traditional Crises


High
Low
Stakeholders' Influence
Danger or Opportunity
Forge alliance
Manage
KIV
Low
High
Stakeholders' Predictability

Top 10 business risks by region in 2017: Asia Pacific

Top 10 business risks			2016 Rank	Trend
1	Business interruption (incl. supply chain disruption, and vulnerability)	42%	1 (56%)	-
2	Market developments (volatility, intensified competition/new entrants, M&A, market stagnation, market fluctuation)	32%	2 (55%)	-
3	Natural catastrophes (e.g. storm, flood, earthquake)	29%	3 (36%)	-
4	Cyber incidents (cyber crime, IT failure, data breaches, etc.)	26%	5 (32%)	▲
5	Fire, explosion	22%	8 (20%)	▲
5	Macroeconomic developments (austerity programs, commodity price increase, deflation, inflation)	22%	4 (35%)	▼
7	Changes in legislation and regulation (goverment change, economic sanctions, protectionism, etc.)	17%	7 (25%)	-
8	Loss of reputation or brand value	14%	6 (26%)	▼
9	New technologies (e.g impact of increasing interconnectivity, nanotechnology, artificial intelligence, 3D printing, drones, etc.)	13%	NEW	▲
10	Human error	10%	NEW	▲

REGIONAL RISK RISERS BI is the major concern for businesses in **Australia** and **Singapore**. Market developments dominate in **China**. Natural catastrophe exposure ranks top in **Hong Kong** and **Japan**.

Source: Allianz Global Corporate & Specialty. Figures represent a percentage of all relevant responses. 141 respondents. More than one risk selected.

Identify crisis type

- @Starbucks i need answers. this new green cup is extremely ugly & gives n anxiety. are these the official holiday cups or just the pre cup? pic.twitter.com/wxvqZ4CjWD— me (@ash_guid)

- **Princess** @Hayley_Elaine34 I really don't like the new green holiday cups a Starbucks... #TeamRedCup

- **#HillarySatan** @RadioAnna @Starbucks Screw you. My coffee should NOT (and does NOT) come with political brainwashing. I dropped @Starbucks li a hot rock

- **me, myself and I** @joslynnslife @Starbucks how did the holiday spirit beco a political agenda?

- **Emily Watkins** @emilyluella"It's an attack on society, political brainwashin a terrible sign of the end of times""Wow what happened?" "Starbucks changed their cups"

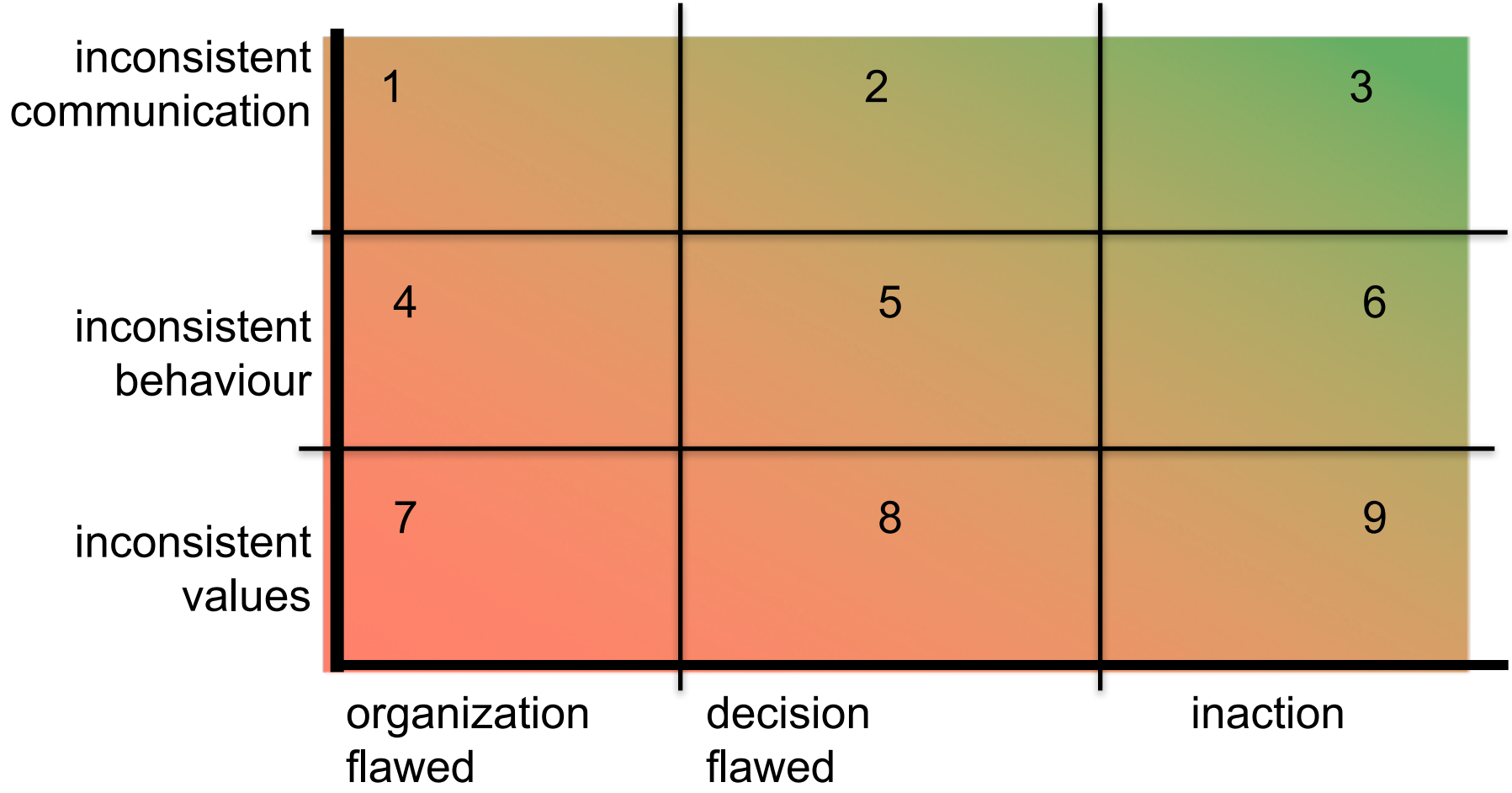
Corporate Communication

Corporate Behaviour

Corporate Values

BIG
IKEA

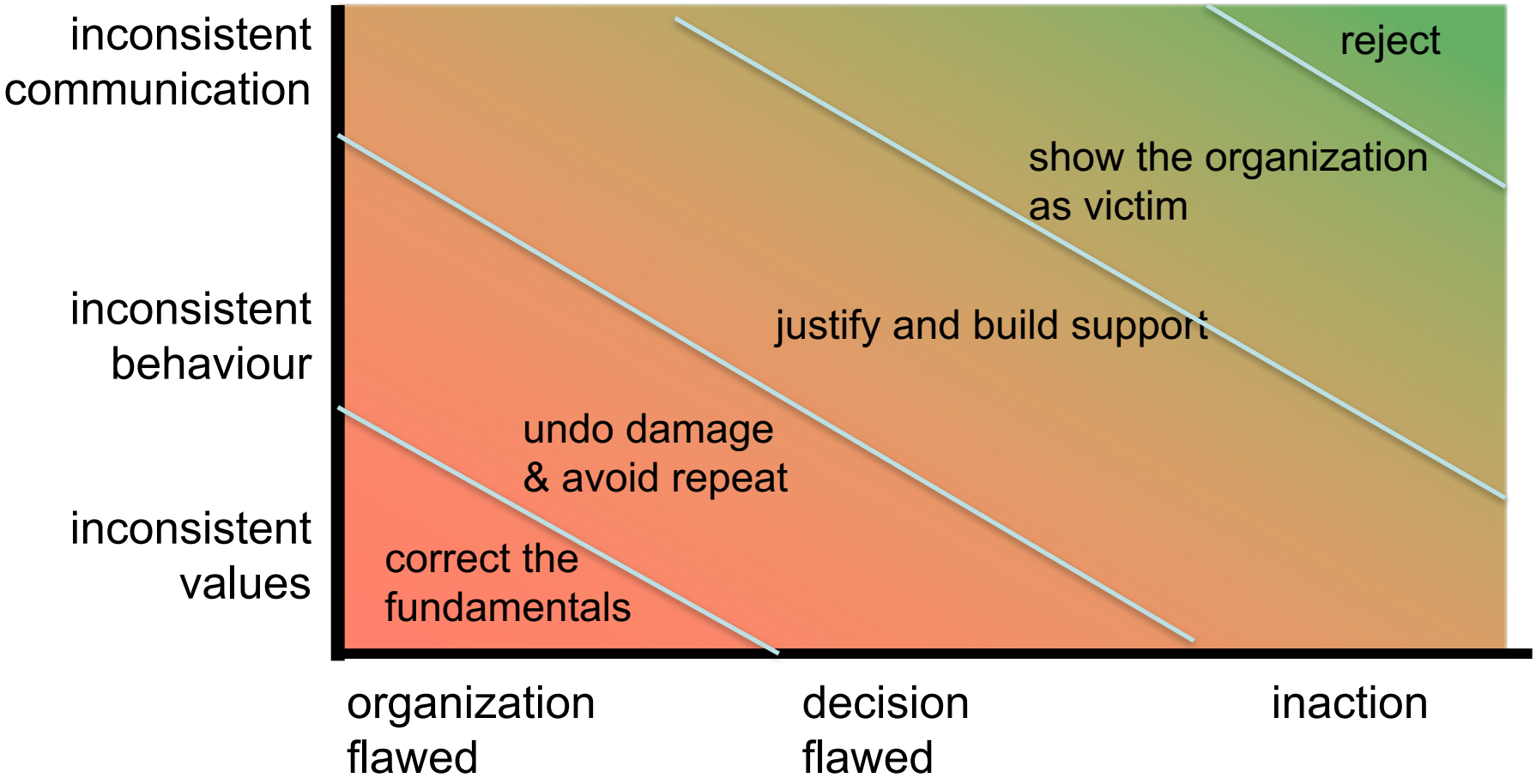
OPPLAND
奥普兰
编号No.
SE02
¥2,799


inconsistent communication
inconsistent behaviour
inconsistent values
1
2
3
4
5
6
7
8
9
organization flawed
decision flawed
inaction

PORNCHAI KITTIWONGSAKUL/AFP/GETTY IMAGES

AirBnB

Decide response type


inconsistent communication
inconsistent behaviour
inconsistent values
reject
show the organization as victim
justify and build support
undo damage & avoid repeat
correct the fundamentals
organization flawed
decision flawed
inaction

INTERNATIONAL BUSINESS

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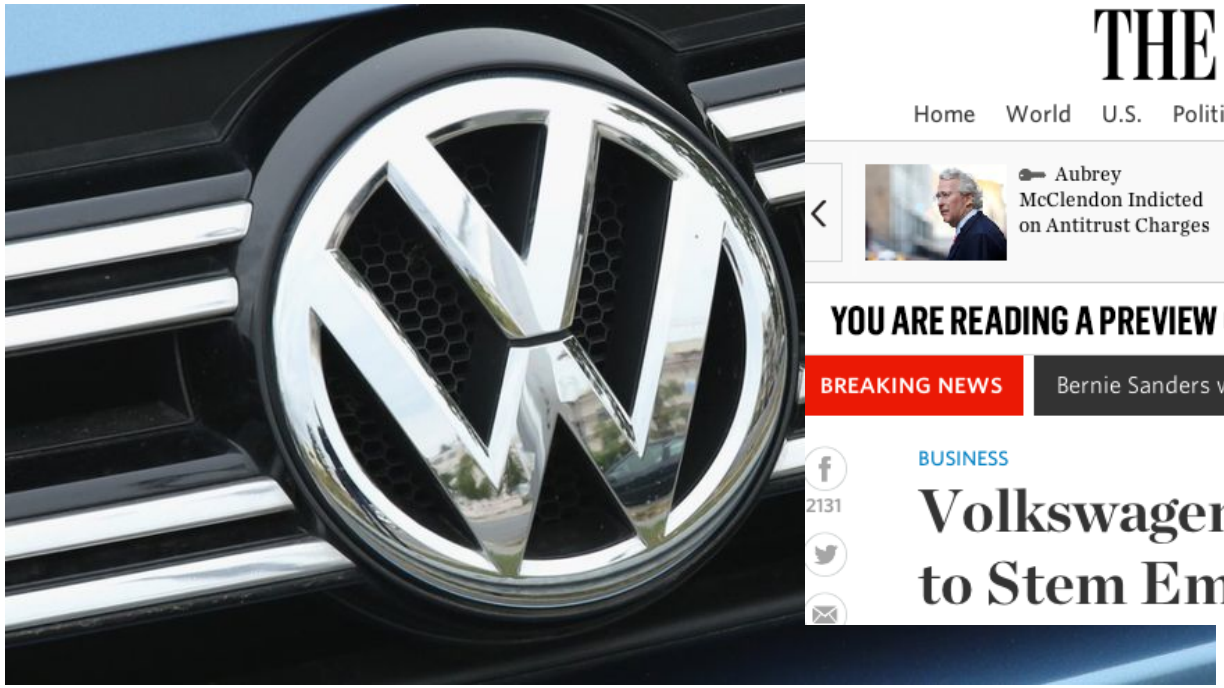
By JACK EWING OCT. 28, 2015



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Volkswagen CEO Resigns as Car Mak to Stem Emissions Scandal

Volkswagen Emissions Scandal Relates to 11 Million Cars

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Samsung hit by fresh child labour claims

By Simon Mundy in Seoul

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Samsung Electronics has been hit by fresh allegations of child workers at a Chinese supplier, a week after the South Korean group assured investors that there was no underage labour involved in making its products.

In the latest undercover report on Samsung and its suppliers' factories, the New York-based group China Labor Watch (CLW) on

justify and build support

Acknowledge and reaffirm main values

Ask for affirmation/investigation from external parties or demonstrate that affirmation has been given

Justify why you're treating this as flawed action or individual case

Explain why you don't know more and how you're going to change that

Start with the bad news

undo damage and avoid repeat

Acknowledge main values and promise to restore

Announce change of operating procedures after input from external parties

Present an alternative or compromise to damaged parties, if possible

Explain why you don't know more and how you're going to change that

Start with the bad news

correct the fundamentals

Reinvent the system/corporation/organization

Acknowledge main values and promise to restore

Invite external parties for system redesign

Explain why it's a system failure and how you are going to change that

Start with the bad news

Thank You