

## **CORPORATE CRISIS COMMUNICATIONS**

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Office Hours: By appointment  
Meeting: Thursdays, 7:45-9:45 p.m. – September 3-  
December 10, 2009

### **Course Description:**

The course provides an advanced learning opportunity in corporate crisis analysis, response and management, from the perspective of the chief communication officer (CCO). Course participants will assume a CCO perspective to analyze “corporate crisis” situations, understand and create communication strategies designed for best achievable outcomes (BAO). Case studies, guest presentations and participative exercises will be used. The following guide will help provide focus for individual assessment and class discussion.

### **CORPORATE COMMUNICATIONS CRISIS QUESTION GUIDE**

1. Is this a crisis? The class will agree on a common definition of corporate communication crisis. This will help determine further analysis, strategies and plan execution. (DEFINITION)
2. What caused the crisis (CAUSE)?
3. What is the risk to the corporation (RISK)?
4. Which stakeholders are impacted (STAKEHOLDERS)?
5. What is the projected worst-case outcome (WCO)?
6. What is the projected best achievable outcome (BAO)?
7. Which of the following communication strategies are viable (STRATEGIES)?
  - a. Let legal lead
  - b. Put senior executives out front
  - c. Admit accountability/apologize
  - d. Deny guilt/go on offense
  - e. Engage allies/stakeholders
  - f. Aggressive advertising
  - g. Personalized engagement/social media/blogs
  - h. Elevate financial/social/brand values, history, record
8. What is the turning point of this crisis (CLIMAX)?

9. Did the company win, lose or stabilize stakeholder trust (REPUTATION)?
10. What steps did the company take as the result of this crisis (NEW COMMITMENTS)?

*ANALYTICAL CHECK LIST:*

*...Definition...cause...risk...stakeholders...WCO/BAO...strategies...climax...reputation impact...new commitments...*

**Expected Learning Outcomes:**

By the end of this course, you will have:

- An understanding of the framework and tools necessary to develop the expertise and confidence to successfully handle a corporate crisis situation.
- Applied analysis of case studies and scenario challenges to think strategically and make recommendations to solve business challenges through corporate communications.
- Heard directly from senior communications professionals invited to present the “real life” crisis communications challenges they have confronted.
- Participated in a crisis scenario as a member of a corporate team.
- Tracked pre-crisis symptoms in the Pre-crisis Intelligence Project (PIP).

**Required Texts:**

- Three textbooks will be required reading for the course: **Crisis Management: Planning for the Inevitable** by Steven Fink, **The Crisis Counselor: A Step-by-Step Guide to Managing a Business Crisis**, by Jeffrey R. Caponigro, 2008, and **Damage Control: How to Get the Upper Hand When Your Business is Under Attack**, by Eric Dezenhall and John Weber, Penguin Group, New York, paperback, 2008. All three texts are available at [www.Amazon.com](http://www.Amazon.com). You also will be asked to access, read and discuss a number of Harvard Business Review and other articles that will be available on our class e-Connection. (*The choice of e-Connection – Blackboard, wiki, Google Group, etc., -- will be a class decision reached on September 3.*)
- Because the industry environment is constantly changing, all corporate crisis communications participants should be reading *The Washington Post, New York Times, Wall Street Journal, and Financial Times* either as newspapers or online, as well as business publications such as *BusinessWeek, Fortune*, and the

*Economist*. You will also be expected to use online research tools for the Pre-Crisis Intelligence Project (PIP) assignment.

**Expectations of Instructors:**

- You can expect honest answers and feedback to questions.
- You will receive assignments back in a timely basis (next class for most assignments).
- You can email or call and receive a response within 48 hours (usually sooner unless we are traveling); you can schedule in-person meetings at dates and times that work for both of our schedules.
- You will learn in an engaging environment.
- Your success and greater understanding of corporate crisis communications during this course is our goal.

**Attendance:** Attendance and full participation are necessary for success in this class. **If you miss more than two classes, your final grade will drop a half letter grade.** Special circumstances should be discussed with us immediately to receive consideration. In the event you need to miss a class, please notify us by email before the start of the class. It will be your responsibility to get the notes and announcements from one of the other members in the class.

**Summary of Grading:**

Your grade for the semester will be based on your performance in four areas:

1. A paper (3-5 pages) based on your *Pre-Crisis Intelligence Project (PIP)*. The paper will (a) explain the PIP purpose and the procedure you used to detect, log and categorize symptoms (pre-crisis developments) in your assigned PIP category; (b) analyze the findings of your scans over a period of at least 30 days, to detect a trend line of symptoms related to one company or one industry; and (c) apply your findings to predict a possible/probable crisis outcome if the trend line continues. Your paper should point to crisis outcomes that can be addressed by crisis communications strategies, but it is not necessary in this paper to recommend such strategies. (Note that only one paper, which should be submitted at the end of the first 30 days of the PIP, is required for grade; however, this paper may be subsequently revised and re-submitted as many as three times during the course--for example, each 30 days--with the last

- submitted version scored for point value.) This project paper is worth **20 points**.
2. A position paper (5-7 pages) focused on *Best Achievable Outcome (BAO)* that will analyze a crisis case study covered during the course or in the course reading materials (*or, only if approved by faculty, a case presented by one of the class guest speakers*), and will suggest how that historic crisis might have been affected by modern or current circumstances and technologies. To satisfy this assignment for grade, you will select a crisis case study from those covered in class or in assigned texts, briefly analyze the cause, response and communication strategy elements in the selected study; you will then— using your knowledge of current business, political and other relevant conditions, your knowledge of outcomes in crises since the selected crisis, your understanding of the availability, use and impact of current information and outreach channels (*e.g.*, social media), and any other relatable factors—suggest strategies for a BAO if the crisis occurred today. This paper is worth **20 points**.
  3. A position paper (3-5 pages) *or* an analytical graphic (*e.g.*, chart or table) that compares two of the crisis situations presented by guest speakers. The paper or graphic will cite and analyze cause, risk, stakeholders, and other implications in each of the situations; list and analyze the apparent effectiveness of communications strategies in reaching BAOs; identify the turning point or climax; comment on reputation loss or win, as well as on commitments or steps taken as the result of the crisis. This paper or detailed graphic is worth **10 points**.
  4. The final assignment for grade is your *Crisis Communications Plan Presentation*. To satisfy this assignment for grade, you will select one of the following: (A) a crisis situation involving a company or industry that was examined in class (which could be the case study in your *BAO* paper); or (B) research findings and implications of a company or industry developed in your *PIP* paper. You will then prepare and deliver to the class and faculty a 10-minute slide (ppt) presentation, describing cause, risk, stakeholders, and other implications, and recommending to the audience (assumed to be representatives of the company or industry) a clear, focused and robust crisis communications action plan—with specifics on engaging the essential elements of

crisis communications covered in this course. This plan/presentation is worth **50 points**.

- Grading of Final: Presentations will be graded with 50% based on the visual/written presentation; 50% based on the oral presentation, using the following criteria:

*Effectiveness* – the presentation was delivered effectively within the time period required

*Persuasiveness* – the presentation had a “call to action” and your colleagues were moved to agree with your point of view

**Grading Scale, based on 100 points, is as follows:**

A	94-100
A-	90-93.9
B+	88-89.9
B	84-87.9
B-	80-83.9
C	70-79.9
F	69.9 and below

**Submission/Presentation/Grading of Work:** Communications is a “deadline-driven” profession. You are expected to submit work on time and commit the time to making it high quality. Your grade will be determined from written assignments, participation in the pre-crisis diagnostic symptom and tracking project, participation in the mandatory group project, individual presentations and a final project.

**Please bring a hard copy of your assignment to class the night it is due; please send us an electronic version prior to the class.**

Written Work: Please submit all assignments typed in 12-point font, 1.5-spaced using one-inch margins with correct spelling and grammar. Please include your name, assignment title and the date on all written submissions. *Any mistake in proofing, grammar or spelling will result in one-half letter grade lower than the content would merit.*

Written assignments will be graded based on the following criteria:

- *Professionalism* – concise, clearly stated, free of errors.
- *Quality of thinking* – ideas are based on research or best practices; assignment demonstrates solid, strategic thinking.

- *Quality of execution* – in competitive corporate environments, delivering what’s required is different than delivering what’s expected. You have the opportunity to take each assigned “project” and demonstrate star quality.
- *Creativity* – strategies and tactics are thoughtful, targeted, measurable and will reach and engage the target audience to take action
- *Executive Ready* – Your “assignment” is written in a business format for your CEO and other senior executives to review and approve

If you need to miss class: The assignment is due *before* class begins.

**Late work:** If you turn in an assignment late, you will receive one-half letter grade lower for each day it is late. If you have extenuating circumstances or need special accommodations, please let us know *in advance of the due date* and we will try to accommodate your needs.

**Ethics Statement:** As signatories to the Georgetown University Honor Pledge, and as good scholars and citizens, you are expected to uphold academic honesty in all aspects of this course. You are expected to be familiar with the letter and spirit of the Standards of Conduct outlined in the Georgetown Honor System and on the Honor Council website. As faculty members, we are also committed to upholding the Honor System and report all suspected cases of academic dishonesty. For more information, please visit: <http://gervaseprograms.georgetown.edu/hc/index.html>

In addition, please review and understand the PRSA Member Statement of Professional Values and Ethics Pledge ([www.prsa.org](http://www.prsa.org)), IABC Code of Ethics for Professional Communicators (<http://www.iabc.com/about/code.htm>), and Arthur Page Society Principles (<http://www.awpagesociety.com/site/about/pageprinciples/>)

**Academic Resource Center:** If you believe you have a disability, please contact the Academic Resource Center ([arc@georgetown.edu](mailto:arc@georgetown.edu)) for further information. The Center is located in the Leavey Center, Suite 335. The Academic Resource Center is the campus office responsible for reviewing documentation provided by students with disabilities and for determining reasonable accommodations in accordance with the Americans with Disabilities Act (ADA) and University policies.

**Civility Statement:** Class discussions require active listening and participation by all of us. As in a corporate environment, this class will encourage diversity of opinion and require you to be respectful of opinions that might differ from yours. Please turn off all cell phones, iPods, computer games and other distractions during class.

**Georgetown University Honor Pledge:** In pursuit of the high ideals and rigorous standards of academic life, I commit myself to respect and uphold the Georgetown University Honor System: to be honest in any academic endeavor, and to conduct myself honorably, as a responsible member of the Georgetown community, as we live and work together.

### **References:**

- The Crisis Counselor: A Step-by-Step Guide to Managing a Business Crisis, by Jeffrey R. Caponigro, Contemporary Books, Chicago, 2000
- Harvard Business Review on Crisis Management, Harvard Business School Press, Boston, 2000
- Crisis Management: Planning for the Inevitable, by Steven Fink, iUniverse, Inc., Lincoln, NE, paperback, 2002 (Originally published by American Management Association, 1986)
- Damage Control: How to Get the Upper Hand When Your Business is Under Attack, by Eric Dezenhall and John Weber, Penguin Group, New York, paperback, 2008
- Reputation: Realizing Value from the Corporate Image, by Charles J. Fombrun, Harvard Business School Press, Boston, 1996
- Fame and Fortune: How Successful Companies Build Corporate Reputations, by Charles Fombrun and Cees Van Riel, Financial Times/Prentice-Hall, 2004
- Crisis Response, edited by Jack Gottschalk, Gale Research, 1993
- Crisis Communication: A Case Book Approach, by K. Fearn-Banks, Erlbaum Press, 1996.

- Crisis in Organizations: Managing and Communicating in the Heat of Chaos, by Laurence Barton, SouthWestern Publishing Company, 2001
- Strategic Reputation Risk Management, by Judy Larkin, Palgrave Macmillan, 2003
- The Essential Guide to Managing Corporate Crises: A Step-by-Step Handbook for Surviving Major Catastrophes, by Ian Mitroff, Oxford University Press, 1996
- Communicating When Your Company is Under Siege: Surviving Public Crisis, by Marion K. Pinsdorf, Lexington Books, 1987
- The Resilient Enterprise, by Yossi Sheffi, MIT Press, 2005
- Risk Issues and Crisis Management, by Michael Regester and Judy Larkin, Kogan Page, 1997
- Going Green: How to Communicate Your Company's Environmental Commitment, by E. Bruce Harrison, Business One Irwin, 1993

*Composed by faculty, Crisis Communications: E. Bruce Harrison and Judith Muhlberg  
September 2009*

**Corporate Crisis Communications  
Course Outline and Assignments  
Thursdays: 7:45 – 9:45 p.m.  
September 3 – December 10, 2009**

This course will be designed around the framework, tools and best practices to communicate during a corporate crisis. You will be exposed to CCOs and thought leaders. We will also apply readings, case studies and discussions on strategy and leadership to further your knowledge of corporate crisis communications.

Class	Discussion	Reading/Assignments
September 3	<p><b>Course Overview</b> Overview of course, introductions, expectations; group project mandatory attendance date and presentation of final assignments; and e-Connection.</p> <p><b>Introduction to Corporate Crisis Communications</b></p> <ul style="list-style-type: none"> <li>• What is a “crisis” –and what are the leading types and causes of corporate crises?</li> <li>• How do “crises” begin – and how can you track pre-crisis symptoms?</li> <li>• What are the basic crisis management strategies?</li> <li>• What is the corporate crisis communication role?</li> </ul>	<p><u>Confirm:</u></p> <ul style="list-style-type: none"> <li>• Final Presentation date</li> <li>• Confirm Group Project date</li> <li>• e-Connection</li> <li>• Pre-crisis Intelligence Project (PIP)</li> </ul> <p><u>Readings:</u> Chapters 1-3, (‘A Crisis Begins, A Crisis Defined, and Anatomy of a Crisis’) “Crisis Management: Planning for the Inevitable” by Steven Fink</p> <p>“Managing the Crisis You Tried to Prevent,” Harvard Business Review on Crisis Management Norman R. Augustine.</p> <p>“How to Talk Your Way Through a Downturn”, FT 1/29/2009, by Paul Argenti.</p> <p><u>Handouts:</u> Types of crises, causes, symptoms; <i>Tips and Techniques: Crisis Planning and Management</i></p>
September 10	<p><b>Pre-Crisis Phase: Best Practices</b></p> <ul style="list-style-type: none"> <li>• Crisis Management Plan</li> <li>• Crisis Management Team</li> <li>• Spokesperson</li> <li>• Practice Exercise</li> <li>• Pre-drafted Messages</li> </ul> <p>[David Gibbs, Georgetown Library]</p>	<p><u>Readings:</u> Chapters 1 and 4, “The Crisis Counselor: A Step-by-Step Guide to Managing a Business Crisis” by Jeffrey Caponigro</p> <p><u>Handout:</u> Crisis Communications “Cheat Sheet”</p>

September 17	<p><b>Automobile Industry Crisis: An Insider's View from General Motors</b></p> <p>Guest Speaker: Steve Harris, Recently Retired Vice President – Global Communications, General Motors</p>	<p><u>Readings:</u> TBA</p>
September 24	<p><b>The Initial Crisis Response: Best Practices</b></p> <ul style="list-style-type: none"> <li>• Be quick! Have an initial response within the first hour</li> <li>• Be accurate – carefully check all facts.</li> <li>• Be consistent. Keep spokesperson informed and provide key message points.</li> <li>• Make public safety the #1 priority (if appropriate)</li> <li>• Use all available channels.</li> <li>• Provide expression of concern/sympathy for victims. (if appropriate)</li> </ul>	<p><u>Readings:</u> Chapters 18 and 19, ('Lessons of the Exxon Valdez' and 'Do's and Don'ts of Crisis Communications') "Going Green," E. Bruce Harrison</p> <p>Chapters 5 &amp; 6, "The Crisis Counselor"</p> <p>"Crisis Communications: Lessons from 9/11," Harvard Business Review, Dec. 2002, by Paul Argenti.</p>
October 1	<p><b>The Workplace Violence Crisis</b></p> <p>Guest Speaker: Greg Elliott, Senior Vice President – Corporate Human Resources and Administration, Navistar International</p>	<p><u>Readings:</u> Chapters 6, "The Crisis Counselor"</p>
October 8	<p><b>Pre-Crisis Intelligence Project: Update</b></p> <p><b>Communications Strategies: Examining Options to Minimize Risk and Regain Advantage</b></p> <ul style="list-style-type: none"> <li>• Let Legal lead?</li> <li>• Put CEO/senior executives out front?</li> <li>• Admit accountability/apologize?</li> <li>• Deny guilt/go on offensive?</li> <li>• Engage and activate allies/stakeholders?</li> <li>• Aggressive advertising?</li> <li>• Personalized engagement/social media/blogs?</li> <li>• Elevate financial/social/brand values, history and record?</li> </ul>	<p><u>Readings:</u> "Damage Control: How to Get the Upper Hand When Your Business is Under Attack," by Eric Dezenhall and John Weber, Penguin Group, 2008</p>
October 15	<p><b>Projecting the Worst-case Outcome (WCO) and the Best Achievable Outcome (BAO) and understanding the Climax</b></p>	<p><u>Readings:</u> "Damage Control: How to Get the Upper Hand When Your Business is Under Attack," Dezenhall and Weber.</p>

October 22	<b>Engaging with Employees During a Crisis</b> Guest Speaker: Matt Gonring, Senior Consultant, Gagen MacDonald	<u>Readings:</u> Chapter 7, <i>The Crisis Counselor</i>
October 29	<b>Catastrophic and Litigation Communications: Katrina and the Aftermath</b> Guest Speaker: Michael Fernandez, Vice President – Public Affairs, State Farm Insurance	<u>Readings:</u> <i>Pre- and Post-Katrina readings posted on e-Connection.</i>
November 5	<b>Role Playing: “In the Hot Seat” as Your Team Responds to a Crisis Scenario</b>	Group Project: Attendance Mandatory
November 12	<b>Pre-Crisis Intelligence Project: Update</b>  <b>Post-Crisis Phase: Reputation Impacts and New Commitments</b>	<u>Readings:</u> Chapters 11 and 12, “The Crisis Counselor”. Chapter 15 (‘Song of Salmon – Wall Street crisis of 1991’), “Reputation: Realizing Value from the Corporate Image,” by Charles Fombrun
November 19	<b>The Financial Crisis: An Insider’s View from AIG</b>  Guest Speaker: Nick Ashooh, Senior Vice President – Communications, American International Group	<u>Readings:</u> <i>“The Beautiful Machine,” by Robert O’Harrow, Jr. and Brady Dennis, Washington Post 12/29/08</i>
December 3	<b>Final Presentations</b> – 10 minutes each. Paper to be provided to Bruce Harrison and Judith Muhlberg; PPT prepared for class presentation	<u>Readings (Optional):</u> Presentation Zen, Garr Reynolds; also see <a href="http://www.PresentationZen.com">http://www.PresentationZen.com</a>
December 10	<b>Final Presentations</b> – 10 minutes each. Paper to be provided to Bruce Harrison and Judith Muhlberg; PPT prepared for class presentation	<u>Readings (Optional):</u> Presentation Zen, Garr Reynolds, <a href="http://www.PresentationZen.com">http://www.PresentationZen.com</a>

\*Please note that corporate guest speakers will be tapped when they are planning a Washington, D.C. trip for other business, so there could be some shifting of class presentations.

We are looking forward to having you in class!

Judith and Bruce