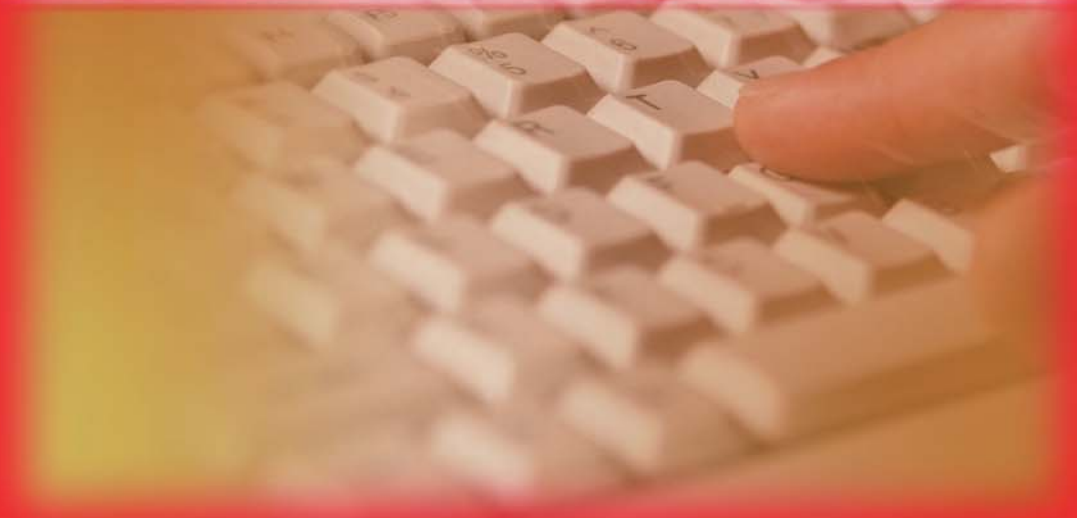




CRISIS COMMUNICATIONS

A PLANNING GUIDE FOR ARTBA MEMBERS



THE AMERICAN ROAD & TRANSPORTATION BUILDERS ASSOCIATION

Founded in 1902, ARTBA is a 5,000-member national federation of private firms, public agencies and associations with a primary goal of advocating strong federal investment in transportation infrastructure.

ARTBA is the only national organization headquartered in Washington D.C. that exclusively represents the collective interests of all sectors of the U.S. transportation construction industry before the White House, Congress, federal agencies, media and the public. The U.S. transportation construction industry that ARTBA represents generates more than \$200 billion in domestic activity annually and provides employment for more than 2.5 million Americans.

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Crisis Communications: A Planning Guide for ARTBA Members

Crisis: “A turning point in the course of anything; a decisive or crucial time. Also a time of great danger or trouble, whose outcome decides whether possible bad consequences will follow.”

Webster’s Dictionary

INTRODUCTION

Your company is working on a highway construction project outside of town when you suddenly receive a phone call from the site supervisor. One of your company trucks has been involved in an accident at the site. Your employee and several passing motorists have been injured and traffic is backed up for miles. Is your company prepared for this crisis? All company senior executives and risk managers should be able to answer the following questions concerning crisis management:

- *Is your company prepared to effectively intervene and promptly respond to bad publicity, labor unrest, environmental and safety incidents, and threats against key employees, subcontractors or their families?*
- *Are senior executives prepared to effectively lead the firm to a positive resolution following a crisis?*
- *Does your company’s existing plan respond to several kinds of potentially damaging events?*

A company that can predict and plan for a crisis stands a far better chance of capitalizing on that opportunity than a company that allows the crisis to sneak up without any preparation. A company’s crisis communication strategy should respond to any crisis affecting the viability of its business. All transportation construction businesses need an effective crisis response plan and trained employees ready to execute the plan. When a crisis hits, there isn’t time to plan.

In the following pages, ARTBA provides some broad guidelines for communicating during a crisis. The purpose of the guide is to help leaders at ARTBA member firms understand the principles of crisis communication, prepare a crisis communication plan and get started when handling a crisis.

We have tried to keep the guide simple, recognizing that complex plans often end up on the bookshelf gathering dust. It provides general direction because each crisis is different and no plan can anticipate every eventuality. We think the information will help in your crisis communications planning. We only hope that there will be seldom occasion to use it!



CRISIS COMMUNICATIONS

OBJECTIVE:

- Protect general public, employees, shareholders, reputation and other constituencies affected by the situation.

COMPANY GOALS:

- To be recognized and respected for its timely response and responsible actions.
- Obtain accurate and balanced understanding, particularly in the news media.
- To coordinate actions and reaffirm relationships with local officials and community leaders.

CRISIS DEFINITION

For practical purposes, a crisis is a situation that runs the risk of: 1) harming employees/public/environment; 2) falling under close media or government scrutiny; 3) interfering with normal operations of business; 4) escalating in intensity; 5) jeopardizing the positive public image presently enjoyed by a company; and 6) damaging a company's bottom line.

COMMON CHARACTERISTICS:

Each crisis will be unique and different. But, most major crises yield similar characteristics:

- 1. SURPRISE.** A company can never be certain when and where a crisis will occur. But, a good plan will be useful in any situation.
- 2. PANIC.** A certain amount is inevitable. Adequate planning can minimize levels of panic.
- 3. FAST MOVING CHAIN OF EVENTS.** The early stages of a crisis are often chaotic and confusing. A quick reaction and response are critical; being prepared helps control the situation.
- 4. MEDIA SPOTLIGHT.** You can bet on the fact the media will be on the scene quickly. Public opinion is often formed by what's seen, read and heard in the media. A company's initial response to media inquiries can have a tremendous impact on public perception of the situation.
- 5. LACK OF INFORMATION.** This creates uncertainty, but you should communicate anyway. The media does not have the time nor require a great deal of information early on in a crisis. While it is very important to be aware of legal implications, you should try to pass on any relevant information about the crisis as quickly as you can and update reporters as appropriate.

6. INVOLVEMENT OF LOCAL OFFICIALS. A crisis will always concern elected and public safety officials. A smart communications plan strongly considers important government audiences at every level.

7. INTERNAL CONFUSION. This is likely. Whether it hinders response and impedes the flow of information depends on the level of preparation for the crisis.

8. EMPLOYEES. They are your greatest asset – don't keep them in the dark. Putting informed employees into action can be helpful.

TYPES OF CRISES

There are several possible crises that could affect businesses involved in transportation construction:

PROCESS FAILURES - accidents involving employees and public, environmental damage, illegal activities by employees.

EXTERNAL ATTACKS - targeting by politicians, special interest groups (ie. extreme environmentalists, uninformed or hostile citizens/media), and acts of nature.

CRISIS REALITIES

- 1.** The odds increase that a company will face a crisis as it expands and markets its products and services, whether locally, nationally or internationally.
- 2.** No company can ever prevent all crises from occurring.
- 3.** Crisis planning is the most overlooked aspect of crisis prevention. It's easy to identify a crisis that could disrupt a company; the real challenge is planning and preparing for one.
- 4.** Each crisis is unique. Use this crisis plan as a roadmap. While no plan will suffice for every crisis, the prescription for dealing efficiently with a crisis is similar in every case.
- 5.** An untested plan is an unworkable plan. A company must conduct annual drills to test and improve its crisis management abilities.
- 6.** The news media will play a key role in determining the outcome of a crisis.

**BEFORE THE
CRISIS HITS**

While it is important to have a plan in place should a crisis occur, there are also several things your company should already be doing along the way, including:

- Getting to know the local government officials and elected leaders.
- Educating them about your company's mission and commitment to the community.
- Inviting them to your company headquarters or job site.
- Taking steps to cultivate and maintain relationships with local print and broadcast media.

Your company's standing in the community will be tested should a crisis occur. You will quickly learn the value of having developed relationships with government officials, elected leaders and the news media. These common sense tips are also "good business" practices.

**INEVITABLE
QUESTIONS
DURING A
CRISIS****1. What happened?**

This question may be the most difficult one to answer. Initially, the hard and fast information may be difficult to obtain. It's important to respond in a timely manner, but assess the situation fully - including the legal implications - before making any public statements.

2. Who is at fault?

It's human nature to "point the finger" at someone when something goes wrong and this will often be the first question asked by the media when the story breaks. Do not place or shift blame. Emphasize the company's commitment to the highest safety/business standards, etc. and that you are doing everything possible to find the cause of the crisis.

3. How serious is the situation?

Alarmist assessments of the crisis may already have been given by eyewitnesses or "sources" close to the problem. Designated company spokesmen should promptly counter damaging and inaccurate publicity.

4. What are you doing to restore the situation to normal?

This will often be either answered relatively easily or it may take some time before it is clear what is required. This is often the most important question for those directly affected by the crisis. Those affected will be looking for some reassurance and some amends. They will also be looking for some company guarantee that everything possible will be done to prevent a future occurrence.

**OBSTACLES TO
EFFECTIVE
CRISIS
COMMUNICATIONS**

POOR DISTRIBUTION OF THE PLAN. Some companies develop a reasonable crisis plan, but they distribute it only to a select group of individuals who would have responsibilities in crisis events. Usually, it ends up on the coffee table – the plan is never tested. As a result, many employees are unaware of the plan and resources are inaccessible when the crisis hits.

FEAR. Under the best of circumstances, public speaking can be unnerving for many people. Communicating during a crisis can create an adrenaline rush. Testing the plan can significantly reduce fear and build confidence. Testing also reveals weaknesses that can be fixed while affirming the plan's strengths.

TEAM MEMBERS HAVE LIMITED KNOWLEDGE. There is a tendency to appoint members to a crisis communications team based on their status and position in the company. It may be wiser to empower employees with the right knowledge and skills.

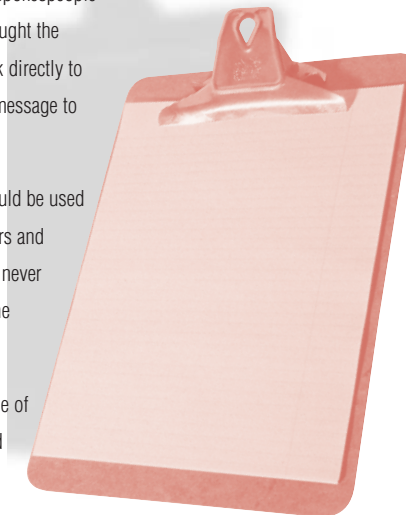
LACK OF SPOKESPEOPLE FOR THE MEDIA. It is critical to designate potential spokespeople in advance of a crisis and provide them with formal media training. They should be taught the basic rules of crisis communications, remain calm and don't overreact to events, speak directly to the core constituencies, explain what you are doing and why, be consistent with your message to all constituencies and be truthful.

LEGAL IMPLICATIONS. Sometimes a company is hesitant to say something that could be used in court. During a crisis, you will have as much help as you need from company lawyers and communications professionals. They can help guide you. The liability concern should never stop a company from taking responsible actions and communicating those actions to the public. Anticipate what legal liabilities there might be and how to address them.

DESIGNATED RESOURCES ARE UNAVAILABLE AND UNTESTED. In the middle of a crisis, how do you know that your backup communications will perform properly and that you can reach the right people if the crisis occurs after hours or on the weekend? The only way to answer this question is to conduct a mock crisis.

PROBLEM ISN'T SOLVED YET. Initially, people affected by a crisis are most interested in what is being done to solve the problem. The final outcome of the crisis may or may not be known immediately. Don't wait for a solution before you begin to communicate.

DESIRE TO ASSEMBLE ALL THE FACTS QUICKLY. A crisis usually involves a rapid flow of events. There are times when information might arrive like a flood. There are also times when there is not enough information to communicate. In both cases, you may feel like you should sort everything out before communicating with the public. Reporters cannot wait. Don't expect them to or they will ask eyewitnesses. If you don't know, say so – with the promise to provide information as soon as possible.



CREATING THE CRISIS COMMUNICATIONS PLAN

Successful crisis communications results from planning, training and practicing. Here are some crisis communication planning steps to keep in mind:

DESIGNATE A CRISIS COMMUNICATIONS TEAM to develop your plan and ensure the written plan is rehearsed and updated once a year. Distribute the plan to the right people, assign responsibilities to each team member, and ensure each member has a backup. Also be sure the plan includes the names, phone, fax and e-mail addresses for the team.

CONDUCT SCENARIO-BASED TRAINING. Scenario-based training should be conducted to ensure familiarity with roles and preparedness for abnormal conditions. Training will identify any problems in a plan that can be addressed before the crisis hits.

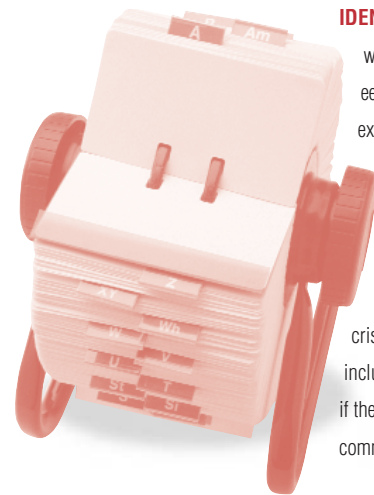
IDENTIFY AND PRIORITIZE KEY AUDIENCES. These are the audiences a company must or would want to communicate with during a crisis. A typical list of audiences could be: employees, the community, government authorities, suppliers, vendors, subcontractors, technical experts, etc. Contact those with the greatest need to know first. The news media is a way to reach your key audiences. (You should also maintain master lists with the names, phone and fax numbers for all officials that you will need to contact in a crisis situation).

DEVELOP INTERNAL AND EXTERNAL COMMUNICATIONS SUPPORT NETWORKS.

Consider using specially designated telephone lines or communication services during a crisis. Ensure switchboard operators know how to reach crisis team members 24 hours a day, including weekends and holidays. Crisis team members need to know in advance where to report if the need arises. As part of each project, identify and communicate to team members the crisis command location for each construction site.

PREPARE FOR THE MEDIA. Cooperating with the media is second only to employee and public/community safety. How well prepared you are to meet the media's needs will determine your success in handling the crisis. (See additional information about the media on pages 7&10).

PRACTICE, PRACTICE, PRACTICE. Test the plan annually. Rehearsing will result in greater success if you ever need to activate your crisis plan. Have someone write a worst case scenario and test how you would respond. While a crisis may last for several days, a drill need not last more than 2-3 hours. Following the rehearsal, assess and correct any part of the plan that did not work well.



MEDIA RELATIONS

As noted previously, it is important to be prepared for the media. Here are some additional things to keep in mind:

1. DESIGNATE AND TRAIN PRIMARY SPOKESPEOPLE AND BACKUPS. Media training is a critical skill for a company's communications leaders as the ability to handle the media can greatly impact crisis communications goals.

Credibility is a spokesperson's most important attribute. Positive impressions are created by people who project confidence and concern and who remain calm. Further, they must have the ability to communicate simple, concise messages in non-technical language.

2. IDENTIFY ALTERNATIVE SITES THAT THE MEDIA COULD USE DURING A CRISIS AND THE REQUIREMENTS OF SUCH SITES (PHONES, ELECTRICAL OUTLETS, ETC).

Prepare standby statements/fact sheets/visuals, etc. about the company. This information can save reporters valuable time. Also consider making information available to the media on the company website. The Internet is an easily accessible medium 24 hours a day.

3. PREPARE FOR INTERVIEWS. Reporters are taught to ask whom, what, where, when, why and how. Prepare accordingly. (You should have on file a list of the names, phone and fax numbers for your local print, radio and television news outlets). If you don't have an answer to a question, admit it and explain why, or tell the reporter you will try to get the answer.

Remember the news media is the filter through which you persuade your real audiences that you are doing everything possible to solve the problem.

Provide answers in 10-20 second "sound bites" that include *your* objectives, key messages/actions. That's about how long you'll be on the air when the story appears.

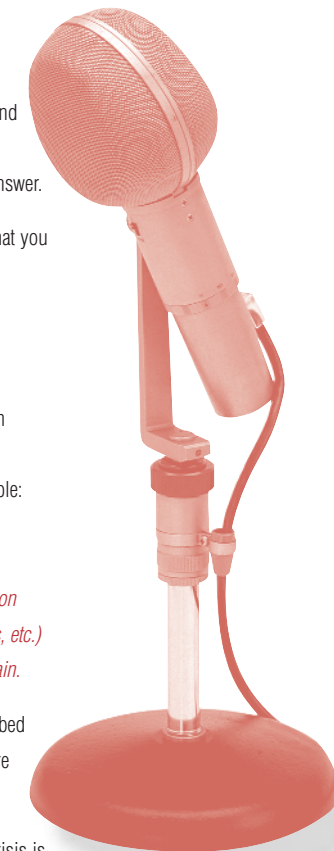
Use the bridging technique in interviews. This technique uses a phrase that moves you from defense to offense — to *your* objectives and key messages. When you're asked a question, answer it — being factual and brief — and then "bridge" to your objective. Here's an example:

Q. *What caused the accident?*

A. *We don't know the exact cause yet, but we'll be conducting a thorough investigation promptly. In the meantime, we want to express our sympathy to (victims' families, etc.) and state our commitment to making sure an accident like this never happens again.*

In a few seconds, you have answered the question (satisfying the reporter's need), and described the company's actions (satisfying your need). Taking every opportunity to bridge helps ensure that the one sound bite that gets used/quoted meets your objective.

4. REHEARSE. A company that rehearses its crisis plan is far more successful when the crisis is real. Following the drill, debrief with all participants. The objective is to correct whatever part of the plan didn't work.



CRISIS COMMUNICATIONS GUIDE CHECKLIST

PRE-CRISIS ACTIVITIES

Anticipate:

- Identify crisis communications team members and a designated backup for each.
- Ensure that designated communications professional(s) and a legal representative are represented on any crisis team.
- Identify worst case scenarios and ensure a crisis communications plan is written to manage key vulnerabilities.
- Identify key internal and external audiences, develop contact sheets for each and revise sheets at least annually.
- Ensure current collateral materials are on-hand for use if needed (corporate fact sheets, etc.).
- Ensure potential spokespersons receive formal media training.
- Build solid working relationships with reporters who cover your company on an on-going basis.
- Identify a crisis management team center and a media briefing center, and their necessary contents in case needed (e.g., multiple phone lines, lectern with microphone, audio/video equipment, fax, computers and printers).
- Test your crisis communications plan using a "worst case" scenario. Assess findings and revise plan as needed.

ACTIVITIES DURING AND AFTER CRISIS

Assemble Crisis Communications Team:

- Team meets in designated crisis center.
- Appoint one team leader.
- Assign specific role(s) to each team member.
- Begin gathering facts, assessing the situation.
- Notify CEO and other appropriate managers.
- Ensure standby statement(s) and Q&As are developed/cleared with speed.
- Prepare a contact sheet for reaching team members and backups 24 hours a day.

Identify Key Audiences/Prepare Contact Sheets:

- Coordinate flow of information to key audiences in order of the greatest need to know. Here is a typical list:
 - Local authorities/emergency responders (medical, fire, law enforcement)
 - Senior management
 - Switchboard operators
 - Employees
 - Key media
 - Government authorities at all levels (agencies and elected/appointed officials)
 - Financial community/shareholders
 - Community leaders
 - Vendors/suppliers/subcontractors
- Determine best vehicle for reaching each audience (phone, fax, mail, etc.).

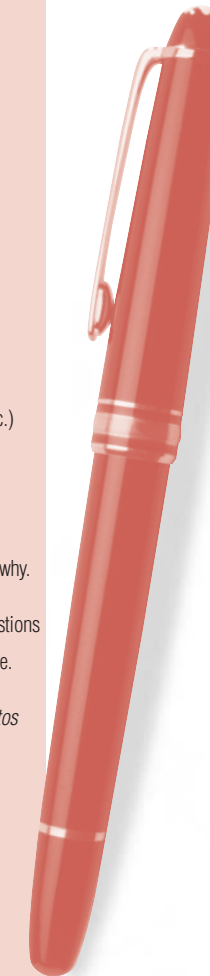
Prepare For the Media:

- Determine who should respond, to whom, how (faxed statement, press conference, etc.) and what they should say.
- Train primary spokespersons and backups.
- Use facts gathered to prepare brief answers to the obvious: who, what, where, when, how and why.
- Develop communications objective and the 2-3 key messages to deliver regardless of questions asked, i.e., use every opportunity to "bridge" to your message points and keep them simple.
- Prepare appropriate visuals if needed and not already available (*quickly shoot B-roll/photos or let media shoot their own footage if possible/safe*).
- Track all media calls and monitor resulting coverage, correct any key errors promptly.

Capture and Share Learnings:

- Conduct post-crisis research if deemed appropriate.
- Following any crisis, crisis management team debriefs, prepares and broadly shares a learnings document.

NOTE: This is provided as a model for use in developing localized plans. Ensuring your plans are in writing will help achieve success if and when put to the test.



DO'S AND DON'TS WHEN THE MEDIA CALLS

DO'S

- Develop ongoing media relationships before a media crisis occurs.
- Be prepared.
- Get all of the facts from the beginning; stay-up-to-date.
- Tell the truth. If you don't know the answer to a question, tell the reporter that you'll find out.
- Be accessible and communicate with speed.
- Make the correct spokespersons available.
- Empathize and show concern even if facts show you are at fault.
- Provide visuals when appropriate.

DON'TS

- Never say: "No comment."
- Never lie. It will be your death sentence with the reporter. Your credibility is all you have.
- Don't duck responsibility or shift blame.
- Don't speculate about the cause, liabilities or outcomes. A more appropriate response is: "I don't know, but I'll let you know the moment I do."
- Don't talk "off the record." Assume anything you say will be used.
- Don't use industry jargon or acronyms. Your message won't resonate with the public. Speak simply and concisely.
- Don't give an "exclusive" to any reporter. You'll be wise to "level the playing field" by giving all interested reporters the same information.
- Don't attempt humor during a crisis interview. It sends the wrong message and can backfire.
- Don't permit rumors or incorrect information to go unchallenged.
- Don't be forced into an immediate interview. You have every right to ask for a few minutes to gather the necessary information and organize your thoughts.



GUIDELINES FOR DIFFERENT CRISES

Each crisis will have its own set of circumstances, but here are some suggestions for two common crises facing the transportation construction industry: accidents or demonstrations.

ACCIDENTS

Situation:

An accident causing injury or death has occurred at a company construction site.

Actions:

- Contact appropriate internal and external emergency personnel.
- Get name of injured employees and/or citizens. The company's most senior manager available should contact families of a victim in person if it is possible. Work with local safety officials regarding notification to family of any injured non-employees.
- Have a sample press release ready (for use until situation and any injuries can be assessed):

"At (time) today (date), (state nature of accident if possible) occurred at (state location). At this time, the specifics are not known, but a more detailed statement will be issued shortly.

The company is conducting a thorough investigation of this incident."
- Prepare a similar communication to the company's employees:

"We regret to announce that (state nature of accident) occurred today at our (location) at approximately (time) today.

At this stage, specific information is not known, but more details will be shared as soon as possible. If you receive any media inquiries, please forward them promptly to (name) at (phone number)."
- Brief the switchboard operator(s).
- Consider timing of a local press conference.
- Contact all appropriate government and safety officials.
- Contact media.

GUIDELINES FOR DIFFERENT CRISES

DEMONSTRATIONS

Situation:

An organization is planning a demonstration against your company or one of your projects.

Actions:

- Identify and assess the issues associated with the demonstration.
- Identify spokespeople and key messages to be registered in all communications.
- Identify key audiences (employees, union leaders, community leaders, vendors/suppliers/sub-contractors and the best means for communicating with each).
- Monitor situation and issue updates to the media as appropriate.
- Have sample press and employee statements prepared.

"At (time) today (date), (state nature of demonstration, if possible) occurred at (location). The company has met with/has offered to meet with the demonstrators to no avail."

Then provide company's key message points.

Conclusion:

It is unlikely that most companies will experience a crisis. However, developing a plan and having it in place can make all the difference in the world. The information in this planning guide should get you started. As a senior executive or manager in your company, you should identify your most likely risks, create a plan, communicate the contents of the plan to the appropriate people, train the right people on implementing the plan, and practice, practice, practice!

Don't forget that crisis management – planning for a crisis – is the art of removing much of the risk and uncertainty to allow you to protect the public and your employees, while securing your company's reputation and the future success of your business.

Martin Stoller & Ted Pfeiffer, professors at Northwestern University, came up with the following list of things not to do in a crisis. A list of things not to do is easy to compose. Each of these is extrapolated from steps taken during actual crises and it may help put things in perspective.

CRISIS MANAGEMENT IN PERSPECTIVE

TOP TEN THINGS NOT TO DO IN A CRISIS

10. Do not use a cellular phone to do anything except order a pizza.
9. Do not tell your outside law firm, *"The ____ has hit the fan. Send over everyone you've got!"*
8. Do not call a press conference to announce that you will not be holding a press conference.
7. Do not launch a manhunt for imaginary duplicate keys to the icebox (Only applies if you're Humphrey Bogart.)
6. Do not tell NBC Nightly News, "It's not as much oil as it sounds."
5. Do not issue a directive advising your pilots to *"fly around the rain."*
4. Do not order bottled water for your office while the town's water supply is being disinfected.
3. Do not begin any sentence with the words, *"If anyone can provide me with irrefutable proof that we..."*
2. Do not go near a golf cart until at least six months after the acquittal.
1. Don't panic.

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