

**THE CASE FOR DEVELOPING AND IMPLEMENTING PROACTIVE CRISIS  
MANAGEMENT PLANNING AT CARROLL COLLEGE**

**Submitted in partial fulfillment of the Requirements for Graduation  
with Honors in the Department of Communication Studies**

**Carroll College, Helena Montana**

**Kurt Louis Foeller**

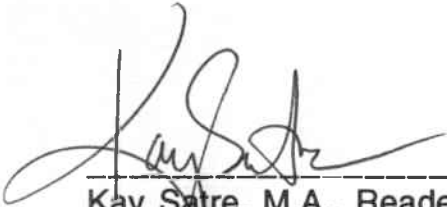
**April 20, 1993**



## SIGNATURE PAGE

This thesis for honors recognition has been approved for the Department of Communication.

  
-----  
Brent Northup, M.A., Thesis Director 5/7/93  
Assistant Professor of Communication Studies date

  
-----  
Kay Satre, M.A., Reader 5-7-93  
Assistant Professor of English date

  
-----  
Peggy Stebbins, B.S., Reader 5-7-93  
Director of Public Relations date

## **ACKNOWLEDGEMENTS**

I would like to thank my parents, Ronald and Margurite Foeller, for enabling me to pursue a baccalaureate degree at Carroll College.

I would also like to thank my Honors Thesis readers, Brent Northup, Peggy Stebbins, and Kay Satre for all the hard work and the time they spent assisting me with this project.

# TABLE OF CONTENTS

<b>INTRODUCTION.....</b>	<b>1</b>
<b>CHAPTER ONE</b>	
<b>CRISIS AND CRISIS MANAGEMENT.....</b>	<b>5</b>
Historical and Theoretical Foundations.....	5
Characteristics of Organizational Crises.....	7
The Six Types of Crises.....	9
Anatomy of a Crisis.....	14
<b>CHAPTER TWO</b>	
<b>EFFECTIVE COMMUNICATION WITH     AN ORGANIZATION'S PUBLICS.....</b>	<b>20</b>
Publics and Public Relations.....	20
Grunig's Four Communication Models.....	22
Communicating with Publics During a Crisis.....	26
<b>CHAPTER THREE</b>	
<b>CRISIS FORECASTING.....</b>	<b>28</b>
Determining the Potential Impact of a Crisis.....	31
Determining the Probability.....	32
Crisis Intervention.....	33

## **CHAPTER FOUR**

<b>CRISIS MANAGEMENT PLANNING AT CARROLL COLLEGE.....</b>	<b>36</b>
Conducting a Public Relations Audit.....	37
Devising Crisis Management Plans.....	42
Implementing Crisis Management Plans.....	48

## **APPENDICES**

Appendix A: Sample Crisis Management Plan.....	50
Appendix B: Publics of Carroll College.....	52
Appendix C: Sample Crisis Management Team.....	53
Appendix D: Sample Crisis Forecasting Exercise.....	54

## INTRODUCTION

It is early in the morning at a men's dormitory on a college campus. The residents are in a quiet slumber after a typical weeknight of fun. Suddenly, the calm is shattered by two shotgun blasts and the sound of someone running down the hall for the nearest exit. Two freshmen lay bleeding on the floor.

Someone calls 911, campus security, and then the college administrators. Everyone wants answers. Hundreds of students wait anxiously near the scene.

The media will soon arrive and probably won't leave until the troubling questions are answered: Who did it? Who is dead? How did someone bring a gun into the dorm without anyone knowing, or did they know and do nothing about it?

People are outraged and want to know all the circumstances.

The clock is ticking.

The college must take action.

Is there a plan to handle this crisis?

On May 15, 1990, this scenario actually occurred at Montana State University in Bozeman, Montana. These were the first murders in the history of the college. No one could believe such a disaster could happen (Associated Press, 1990).

Three days later, a deranged gunman walked onto the campus of Carroll College. He drew a .44 caliber revolver and shot two employees of the Marriott Food Service in the Upper Commons, killing one. Again, it was the first murder in the history of the college (Associated Press, 1990).

Although these disasters may seem extraordinary, organizational crises are on the rise and occurring more frequently (Mitroff, Pauchant and Shirvastava, 1989; Udwadia and Mitroff, 1991). No organization is immune to crisis any more (Fink, 1986). There are many crises that an organization may encounter, varying in cause, degree of violence, type and level of damage. Any poorly managed crisis has the potential of causing serious organizational damage ranging from lost money to a damaged reputation.

The increased incidence of organizational crises has given rise to the newly developed field of crisis management, a field dedicated to analyzing and predicting such crises. Fink (1986) defines crisis management as, "the art of removing much of the risk and uncertainty to allow you to achieve more control over your own destiny (p. 15)."

Crisis management researchers are slowly learning how to predict the unpredictable -- to manage even the worst crisis. At times, these researchers have been able to objectively explain, predict, and control the dynamics of organizational crisis.

More organizations than ever before are organizing task forces and writing plans to prepare for crises (Stanton, 1989). There are proven ways to prevent crises from occurring. Also, newly developed methods of crisis communication and damage control have proven effective in limiting the possible negative effects crises may have on organizations.

Carroll College can definitely profit from the research in crisis management. Besides the campus shooting, Carroll also experienced a catastrophic train explosion in February, 1989; a

fiscal crisis in March, 1990; and unfavorable media coverage in January, 1992.

The Carroll administration had no crisis management plans to handle these events. Each of the crises put the college in a precarious situation, requiring fast thinking and action to insure recovery and to control the damage. It is fortunate that Carroll survived these crises as well as it did, but one day the college may not be so lucky. Because Carroll College has no organized plans to handle most crises, it has adopted a reactive strategy by default, meaning the college often develops plans for dealing with crises *after* they occur, rather than *before* they occur.

Proactive crisis management planning -- preparing for crisis in advance -- could limit the negative effects significantly (Fink, 1986). The more prepared an organization is for crisis, the better the chances for full recovery. Proactive planning includes:

- identifying the types of crises that may occur in an organization
- predicting the type and level of damage that potential crises will cause
- writing a crisis management plan
- designating a crisis management team with necessary authorization to monitor potential or actual crises

An organization that uses proactive crisis management strategies spends less time in a state of confusion, has less problems in the aftermath, communicates better with its publics, and capitalizes on opportunities that crises may bring (Fink, 1986).

This paper will support the need to adopt a proactive crisis management strategy at Carroll College by discussing research on crisis management, and relating that research to Carroll's organizational structure.

Chapter One will define organizational crisis and discuss the concept of crisis management. Included will be a breakdown of the six types of crises that may occur at Carroll College as well as an analysis of typical stages in the development of an organizational crisis.

Chapter Two will examine the best ways to communicate with Carroll's publics during an organizational crisis.

Chapter Three will analyze crisis forecasting as a means of assessing the potential damage to an organization.

Chapter Four will discuss the role of management structure needed for proactive crisis management planning, including specific recommendations on how Carroll can begin the process.

Proactive crisis management planning is relatively straight forward. It involves making efforts to predict and preempt crises before they actually erupt, and formulating detailed plans to handle crises when they occur.

Changing from a reactive to a proactive crisis management strategy at Carroll College will require some changes in current management strategies and reallocation of some of the college's resources. But since organizational crises are increasing in frequency and severity, now is the best time to adopt a proactive strategy.

Eventually, such a plan may save the college from extinction.

## **CHAPTER 1: CRISIS AND CRISIS MANAGEMENT**

Recent tragedies at Carroll have proved that no organization, not even a small Catholic college in Montana, is immune from crisis. Crises like those experienced at Carroll highlight the need for proactive crisis management planning.

Before such a plan can be developed, it is important to answer four basic questions about crisis management:

- 1) What are the historical and theoretical foundations of crisis management?
- 2) How can organizational crisis be defined?
- 3) What types of crisis can occur?
- 4) Are there predictable stages through which organizational crises progress?

By answering these questions, we will gain a deeper understanding of the complexities of organizational crisis and crisis management.

### **Historical and Theoretical Foundations of Crisis Management**

Fink (1986) said crisis management "is the art of removing much of the risk and uncertainty to allow you to achieve more control over your own destiny (p. 15)." This is not a new concept -- businesses have attempted to remove risk and to control their destinies for centuries. According to Stuller (1988), American companies have been experiencing business-threatening crises since the beginning of the 20th Century. However, the actual field of

"crisis management" was started only 14 years ago after the Three Mile Island nuclear plant meltdown incident near Harrisburg, Pennsylvania, in 1979. Although there were no deaths, the disaster turned out to be a long succession of communication failures -- before, during, and after the incident. As a result, the whole incident fell under intense public scrutiny. In the aftermath, analysts began to seek practical business strategies to control damage during a crisis (Stuller, 1988). The incident at Three Mile Island was an example of the worst possible business scenario coming true.

Just three years later, another worst-case scenario arose at Johnson & Johnson, but thanks to advanced planning and quick action, damages were controlled. A few bottles of the corporation's product Tylenol were poisoned with cyanide. Even though the threat had the potential of driving the brand into extinction, Johnson & Johnson was ready for the crisis and made a miraculous recovery (Newsom, Scott, & Turk, 1989). Albert Tortella, a leading crisis consultant of Burson-Marsteller, said that Johnson & Johnson's Tylenol product tampering case "put 'crisis management' in the books forever (Stuller, 1988, p. 51)." The corporation showed that a debilitating crisis could be contained if handled correctly.

After 1982, the field of crisis management received much attention. Stuller (1988) said that the media began actively using the term 'crisis management' after the Tylenol incident, especially in the area of business communications. Stuller said articles in business trade journals reported that businesses were developing crisis management teams and conducting practice drills to prepare

for crises. Researchers found, after studying hundreds of cases, that there are ways to prevent organizational crises from occurring and proven ways to lessen the damage if they do occur.

### **Characteristics of Organizational Crisis**

The Random House College Dictionary (1984) defines *crisis* as "A stage in a sequence of events at which the trend of all future events is determined, a turning point. . . a condition of instability, as in social, economic, or political affairs, leading to decisive change (p. 317)."

When trying to define *organizational crisis*, specific characteristics should be explained. Although there is no widely accepted definition of organizational crisis, many crisis management researchers have identified distinct characteristics that separate it from other types of crisis. Each characteristic contains elements of truth that will lead to a comprehensive understanding of organizational crises.

Udwadia & Mitroff (1991) prepared a comprehensive list of characteristics that organizational crises possess. They said that organizational crises:

- are low probability events that contain surprise
- occur in time spans that are relatively short
- affect the organizational mind in tangible (e.g. profit, personnel) and intangible ways (e.g. emotional stress, morale)

- affect a variety of constituencies both internal and external to the organization, therefore demanding responses both internally and externally

Two other research teams found that the news media has a major effect on organizational crisis -- they decide when one occurs. Nimmo & Combs (1985) observed that an organizational crisis has occurred when "the press reports say that it is or is not occurring (p. 12)." Stuller (1988) also believes that crises do not occur until media reports put "heat on the company (p. 46)." The fact that a crisis can be identified by other parties outside of an organization is a key point. Forces outside an organization can influence whether or not an event becomes a crisis.

Another means of describing organizational crisis is in terms of consequences. Fink (1986) found that, in Chinese culture, the symbol for crisis combines two words, "wei-ji," representing "danger" and "opportunity" (p. 1). Translated to an organizational setting, this implies that there are positive and negative consequences implicit in every crisis. Fink's (1986) business-oriented definition of organizational crisis covers negative consequences. He says organizational crises are situations which risk:

- escalating in intensity
- falling under close media or government scrutiny
- interfering with the normal operations of business
- jeopardizing the positive public image presently enjoyed by a company and its officers
- damaging a company's bottom line in any way

On the other hand, Gerald Meyers (1986) argues that organizational crisis is frequently a positive force that stimulates change. Therefore, he associates the word with positive consequences. "Crises present opportunities as well as challenges, opportunities that are not available at any other time (p. 28)." Meyers has identified several positive outcomes that result from crises:

- change is accelerated
- latent problems are faced
- people can be changed
- new strategies evolve
- heroes are born
- early warning systems develop
- new competitive edges appear

Meyers says that organizational crisis can bring the competitive vision back to an organization, which insures its ability to survive.

Each of the above researchers have put different emphases on their understandings about when an organizational crisis occurs and its potential consequences. Rather than choosing one definition, the most useful approach to crisis management involves realizing that each definition offers key insights into the complexity of organizational crisis.

### **The Six Types of Crisis**

Carroll College has experienced four crises in the past four years, each with different initial causes and effects on the institution. They include: the Montana Rail Link (MRL) train car

explosion on February 2, 1989; the campus shooting by John Allis on May 18, 1990; the budget cuts resulting in lay-offs in February, 1991; and an unfavorable media coverage incident in January, 1992. Each of these crises had different characteristics that demonstrate several distinct categories of organizational crisis.

According to Newsom et al. (1989), crises can be described and categorized, and usually predicted. She says there are six distinct categories of crisis.

There are two broad dimensions to consider when classifying organizational crisis -- effects and causes. When determining the effects of crises, they are physically violent or physically nonviolent:

- 1) *physically violent* -- the catastrophic loss of life or property in a cataclysmic sense.
- 2) *physically nonviolent* -- a crisis that causes sudden upheaval, but damages, if any, are delayed.

According to Newsom et al. (1989), after determining if a crisis is violent or nonviolent, then cause can be attributed. An organizational crisis may be:

- 1) *intentional* -- a deliberate act by a single person or group
- 2) *unintentional* -- accidental acts by humans
- 3) *an act of nature* -- forces of nature beyond human control

Newsom's crisis typology model is formed when the two types and three causes of crises are combined to form six possible categories of organizational crisis (see Figure 1.1, p. 11).

Using his model, we can classify the types of crises that Carroll College has experienced or may experience in the future.

Each crisis differed in many ways, including the cause, situation characteristics, media involvement, and the type of damages incurred.

FIGURE 1.1		NEWSOM'S CRISIS TYPOLOGY	
	<u>Violent</u>		<u>Nonviolent</u>
<u>Act of Nature</u>	Earthquakes, forest fires		droughts, epidemics
<u>Intentional</u>	Acts of terrorism, including product tampering when these result in loss of life or destruction of property		Bomb and product tampering threats, hostile takeovers, insider trading, malicious rumors and malfeasance
<u>Unintentional</u>	Explosions, fires, leaks, other accidents		Process or product problems with delayed consequences, stock market crashes, business failure

### Violent Intentional Crises

This type of crisis includes acts of terrorism which result in the immediate loss of life. The campus shooting of 1990 falls into this category. In May, 1990, John Allis shot two Marriott employees in the Upper Commons in a random act of violence, leaving Emma Peshke critically wounded and Sharon Hance dead. The crisis was violent because the shootings resulted in the immediate loss of life. Since the gunman's actions were deliberate, the crisis was considered an intentional act. Other violent intentional crises Carroll may experience are acts of terrorism, vandalism, suicide, and assault.

### Violent Unintentional Crises

Violent unintentional crises usually involve accidents, such as fires, leaks, or explosions resulting in property loss or immediate death (Newsom et al., 1989). The MRL train explosion on February 2, 1989, falls in this category. During a routine engine change near the Continental Divide, 10 miles west of campus, more than 45 railroad cars escaped from the operators and rolled nine miles. Between 17 and 21 cars derailed near the campus. Chemicals leaked, causing a major explosion (Dennison, 1989). The disaster caused millions of dollars in structural damage and property loss. No lives were lost, but the effects on the Carroll community were staggering. The explosion forced the immediate evacuation of the campus residents and the closures of Guadalupe Hall and the P.E. Center for the entire semester. Every building on campus suffered structural damage and many campus residents reported property losses. The explosion also caused classes to be canceled and the semester schedule to be reorganized.

Other violent unintentional crises that may occur at Carroll include car accidents, fires, chemical spills, or destruction of property which cause immediate or cataclysmic loss of life or property.

### Violent Acts of Nature

Although Carroll has not experienced this type of crisis in the past four years, the earthquake that struck the college in 1935 would fall in this category. This violent disaster caused severe structural damage to the college in a matter of minutes. Another

crisis in this category that Carroll could experience is a severe weather storm which could cause immediate death or catastrophic property damage.

#### Nonviolent Intentional Crises

Although Carroll has not experienced a crisis of this category, an example would be if an arsonist made a *threat* to bomb the Corrette Library on campus. Even if no physical damage were done, there would still be cause for alarm and upheaval. Another example would be malicious rumors or other information that threatened the image of Carroll.

#### Nonviolent Unintentional Crises

In February, 1991, the Carroll administration announced that across-the-board budget cuts would be made including lay-offs, salary cuts and freezes, hiring freezes, and operating budget cuts. These measures were necessary to insure the college's survival but members of the Carroll community experienced periods of depression, low employee morale, and intra-organizational conflict.

In January, 1992, Carroll College Dean of Students Fr. Dan Shea was involved in an incident of unfavorable media coverage. He told a free-lance reporter a seemingly harmless joke poking fun at the people of Butte, Montana. The joke turned into a financial crisis when the writer reported it to a local newspaper. In the following days, some of Carroll's Butte benefactors withdrew financial support and an apology had to be made through the media.

### Nonviolent Acts of Nature

Carroll College has not experienced a crisis of this type in its history, but an example of a future nonviolent act of nature crisis would be a plague or virus that reached epidemic proportions. Even if lives were lost during a plague, the crisis would be still considered nonviolent because the deaths would not be "immediate" compared to the violent act of nature crisis category.

In the later stages of the crisis management process, Carroll could use these six crisis classifications to predict what types of crises could occur, what their causes could be, and what kinds of effects the crisis would have on the college.

### **Anatomy of a Crisis**

After the field of crisis management began, researchers tried to find similarities between crises that organizations had experienced. One such commonality was that crises had distinct stages. There are several models which describe crisis, usually using a before-during-and-after format (Fink, 1986; Meyers, 1986; Mitroff, et al., 1988). Fink's model (1986) traces a crisis through four separate phases: the prodromal crisis stage, the acute crisis stage, the chronic crisis stage, and the crisis resolution stage.

### The Prodromal Crisis Stage

Also called the pre-crisis stage, The Prodromal Crisis Stage is the warning stage. Fink says this phase is the real turning point for all crises. The goal of crisis management is to quickly gain control and decide upon a method of response that will insure the fastest

resolution. If prodromes (turning points) are missed by an organization, a crisis develops faster and the consequences are usually more severe. There are three types of prodromes:

- ones that are easily seen and taken care of
- those that cannot be foreseen
- crises that are obvious, but nothing is done about them to stop crisis escalation

An "easily-seen" prodrome would be, for example, a national decline in the number of incoming traditional-age college freshmen planning to attend college over the next five years. This occurrence could turn into an enrollment crisis if the college were not prepared. But Carroll could take precautions in advance -- before enrollment drops -- to increase its marketing and recruiting efforts to avoid a decline in enrollment.

In other crises, however, prodromes cannot be so easily recognized in advance. An example of a situation involving a "hidden" prodrome was the MRL train car explosion. There was little possibility that Carroll could have discovered any warning signs before the explosion occurred.

The third type of prodrome usually develops into the worst crisis -- one that is seen, but not attended to. Fink (1986) said that these types usually suffer from intense media scrutiny. An example of this would be the Space Shuttle disaster of 1987. A postmortem analysis revealed several memos written to high-ranking officials saying that if an O-ring problem was not fixed, an explosion would occur. Unfortunately, this particular prodrome was not addressed in time (Udwadia & Mitroff, 1991).

Fink (1986) stresses that crisis management planning should be focused on the Prodromal Stage. He says it is crucial to "fix" prodromes in the early stages because a crisis is so much easier to manage in this stage. Even in situations where nothing can be done about a recognized prodrome, for whatever reason, just knowing about it will help prepare the organization for the next crisis phase. Preparedness is the key to solving any crisis and containing damages.

Fink (1986) discovered that organizational crises do not usually just erupt, but instead have a trail of early warning signs. Mitroff et al., (1988) also believe this is true and assert that if organizations could learn to read the warning signs and attend to them more effectively, they could avert many crises.

Although anyone can look back at events leading to a crisis and see why everything occurred, the real challenge lies in perceiving problem areas before they occur. Fink (1986) says an organization is practicing true crisis management when efforts are made to address prodromal situations. Unfortunately, not all prodromes can be solved before they progress into actual crises.

Fink says that, even if a prodrome escapes notice or cannot be contained, effective crisis management can still be achieved in the later stages of the crisis.

### The Acute Crisis Stage

When prodromes are not addressed, for whatever reason, eventually the Acute Crisis Stage begins. If the prodromal phase alerts management that there is a potential problem, the acute stage

tells them the problem has actually occurred. Fink describes this as "the point of no return (1986, p. 22)," and one, some, or all of an organization's publics realize what is occurring. But it is wrong to think that a crisis begins or ends at this stage -- NASA's crisis did not begin with the explosion of the Space Shuttle Challenger, nor did it end after the remains were recovered.

The Acute Crisis Stage arises when the obvious crisis finally comes to the surface and ends when the fire is put out. Because the time in between usually doesn't last too long, this stage is usually the shortest and most intense. The key task in the Acute Crisis Stage is to control the crisis as much as possible and to attempt to lessen the possible consequences. Fink says there are two factors that determine the severity of the Acute Crisis Stage: the potential speed and intensity. These factors can be anticipated during the Prodromal Stage.

"Speed" refers to the time it takes for the crisis to develop, and "intensity" means how it affects the organization. If Carroll had been able to anticipate the intensity and speed of the MRL explosion, the college could have handled the situation even better than it did. Fink (1986) says:

With proper advance planning, you may choose when and where you want it (the crisis) to erupt, giving yourself not only time to prepare, but more ability to control the flow, the speed, the direction, and the duration of the crisis (p. 22).

In the case of the MRL incident, advance planning could have allowed faster evacuation of the Campus residents and a more effective crisis communication system for the Carroll community.

### The Chronic Crisis Stage

Consultants might call the Chronic Crisis Stage a postmortem. Fink says this stage is usually the longest, but the length of this stage depends on the crisis management strategies used and on the sum of the events in the two previous stages. Essentially, the task of this stage is to find answers and communicate them to the publics who want to know. This stage may be a time for applause and congratulations for a well-handled crisis where losses are contained and benefits and opportunities are obvious. On the other hand, the organization's publics may collect information through investigations and analyses to successfully attribute blame. The police, media, and the government may become involved. Sometimes charges may need to be filed and employees fired.

Fink (1986) says this is the longest in duration of the four phases of crisis. However, it can last much longer due to inadequate crisis management planning. In 1986, Fink surveyed the nation's top executive officers of the Fortune 500. He found that those companies without a crisis management plan remained in the Chronic Stage two and a half times longer than companies with a plan. Proactive managers can also use this stage for further crisis planning since lots of information is readily available. When investigations are finished and proper actions have been taken, the last stage of a crisis begins.

## The Crisis Resolution Stage

The emergence of this phase is really the whole purpose of crisis management -- to make the organization function "normally" once again. Fink says the goal of this stage is to resume normal operating procedures and to implement what has been learned through the crisis that was just experienced.

According to Fink (1986), a well managed crisis ideally has only two phases: the Prodromal and the Crisis Resolution stages. Fink describes this two-stage process as optimal, because it would not include the damages and stress that the Acute and Chronic stages usually bring. He says the best crisis management occurs when prodromes are discovered and handled in a timely manner so the organization can resume normal business functioning without experiencing the two middle phases. In this process, it would be easy for an organization to transform prodromes into "opportunities," which is a key concept to understand. Fink believes that proactive crisis management planning not only prepares an organization for the worst, but the process also helps its employees find opportunities to capitalize upon.

## **CHAPTER TWO: EFFECTIVE CRISIS COMMUNICATION WITH AN ORGANIZATION'S PUBLICS**

In the previous chapter, Udwadia & Mitroff (1991) suggested that crises affect constituencies both internal and external to an organization. Organizations thus must respond to both groups in order to manage the crisis. All researchers agree that an organization must communicate effectively with all of its publics during a crisis.

When a crisis occurs, an organization's publics will want to know how the crisis will affect them. If communications are handled poorly, an organization could easily damage the relationships with its publics, and ultimately, its bottom line (Bernstein, 1987).

This chapter will discuss the challenges of communicating with publics during an organizational crisis and suggest ways to communicate effectively with diverse publics. But before such strategies can be devised, it is necessary to understand some basic concepts surrounding the general process of communication with an organization's publics during non-crisis times.

### **Publics and Public Relations**

Newsom et al., (1989) define a public as, "any group of people tied together, however loosely, by some common bond of interest or concern (p. 73)." Within these 'groups' are two subdivisions: internal publics and external publics (see Appendix B, p. 52). Internal publics are the people or groups most closely related to the

organization -- those who are a part of the functioning organization or share institutional identity. At Carroll College, the Board of Trustees, administration, faculty, staff, and students are examples of internal publics.

External publics include a broader variety of people. They are all of the groups or persons outside of the organization who are *affected by* the organization, or those who have the *potential to affect* the organization. Among Carroll's external publics are: the families of students, financial institutions, philanthropists, the media, alumni, the Catholic Church, prospective students and their families, the Helena community, accrediting institutions, a variety of suppliers, special interest groups, and the government.

When an organization makes a decision which affects a public, that public becomes an active participant in the organization and will want detailed information on how the decision will affect them. According to J. Grunig & L. Grunig (1991), publics "activate" 1) when a relationship exists between a public and an organization, and 2) when a public experiences "consequences":

Publics arise from situations in which organizations have consequences on people who were not involved in making the decisions that lead to the consequences -- people such as employees, members of a community, or environmentalists (p. 264).

Put more simply, publics become active when an organization's actions affect another person or group, or when publics activate themselves in ways that affect the organization. For example, if the Carroll College administration decided to raise tuition, many of

Carroll's publics would be affected. Some of these publics (e.g. students) might activate to determine exactly how the increase will affect them. If current Carroll students decided the increases were unrealistic, they might decide to leave Carroll College. Such action would have definite negative effects on the college.

In both of these crises, the role of public relations is crucial. Public relations practitioners could instigate communication between the administration and the affected publics with hopes of developing an understanding between the two parties. According to J. Grunig & L. Grunig (1991), the real function of public relations is to manage communication between an organization's management and its publics by serving as an intermediary between the two parties.

### **Grunig's Communication Models of Public Relations**

During any communication crisis, public relations practitioners should develop a strategy to foster communication between the organization and its publics. What is the best way to manage communication problems? Which strategy is used depends on the situation, the organization, and the affected publics. Grunig argues that there are four fundamental approaches to public relations (1984). When an organization faces a crisis, its responses will, by necessity, be governed by one of the four models or a combination of them. Grunig's four models of public relations are:

- 1) press agency
- 2) public information
- 3) two-way asymmetrical

#### 4) two-way symmetrical

Each of these models differ in many ways, including purpose of communication, communication model, and nature of research.

#### Press Agency Model

This is a one-way communication model where an organization sends a message to an audience. If an organization uses the press agency model, it uses communications to distribute propaganda -- especially in the mass media (Grunig & Hunt, 1984). When using this type of communication, truth is not "essential." Instead, the organization uses whatever method that will induce the "correct response" from the publics.

#### Public Information Model

The public information model is another one-way method of disseminating information. However, it differs from press agency because it requires truthful communication. In this model, organizations use "journalists in residence" to give relatively truthful, but only positive, information through mass media and controlled media such as newsletters, press releases, and advertising (Grunig & Hunt, 1984). Communicators who use press agency or public information focus on creating a positive organizational image with publics. In crisis situations, this model is not effective, because negative information must usually be disseminated to the publics. If an organization withholds negative information during a crisis, it may have even more disastrous

effects in the near future -- especially if another public distributes the information (Fink, 1986).

### The Two-Way Asymmetrical Model

This is a two-way model of communication, meaning the organization receives feedback from its publics. It is a more strategic approach because the communicator evaluates the response from the publics. An organization that uses the two-way asymmetrical model listens to publics, but for the self-serving purpose of devising better strategies to influence those publics.

### The Two-Way Symmetrical Model

This model is not biased toward the organization, but rather seeks to listen to publics in order to serve them and the company simultaneously with equal concern. Based on research, this model uses communication to manage conflict and improve understanding between an organization and its publics.

Although the two-way symmetrical model is not as widely practiced as the other three, Grunig suggests that this "listening based" model is more beneficial to an organization for several reasons. First, this model of communication solves problems openly and honestly by involving publics in the communication process instead of making them receptors of information. Second, the two-way symmetrical model is conducive to managing conflict rather than escalating conflict between the parties (J. Grunig & L. Grunig, 1991). Finally, the two-way symmetrical model is more ethical

than the other three models because it is based on cooperation rather than manipulation.

Grunig's public relations models can be illustrated by applying them to a potential Carroll crisis, such as a tuition increase. Eventually, the administration must notify each public that is affected by the decision to increase tuition.

If Carroll were to use the press agency model to communicate the increase, it would try to manipulate its publics with false information. If the college uses the public information model, the administration would tell publics the truth, but "manage" the truth by discussing only the positive benefits that the tuition increase might bring.

If the two-way asymmetrical model were used, the college would research the needs of the publics with the intent to "scientifically persuade" them to respond appropriately (Grunig & Hunt, 1984). For example, if the Carroll administration found the publics wanted the college's image to be more prestigious among private colleges in the U.S., the administration would focus its tuition increase campaign on the intent to develop more prestige. Through the two-way asymmetrical model, the Carroll administration would be more concerned with effectively marketing the tuition increase rather than meeting the needs of the publics.

If the Carroll administration used the two-way symmetrical model of communication, the focus would be on negotiating with the publics to meet their needs while achieving organizational goals simultaneously. The administration would take public concerns into account and would be open, if necessary, to retracting their decision

to increase tuition. The goal of the two-way symmetrical model, in this case, would be to research the needs of each public and attempt to integrate them into the decision-making process. Although the Carroll administration may have to incorporate some of these needs into their final decision, collaborating with publics early in the decision-making process may prevent a crisis in the future.

Clearly, the best communication system for Carroll College is the two-way symmetrical model. Based on honesty, openness, and trust, the model is highly conducive to effective public relations on an everyday basis. The two-way symmetrical model is also the most appropriate model to use when a crisis occurs.

### **Communicating with Publics in a Crisis**

When an organizational crisis occurs, communication patterns between an organization and its publics often change as communication channels are affected (Newsom et al., 1989). Each public will want information on how the crisis will affect them. Meanwhile, managers are most likely absorbed in handling the crisis and may forget the importance of providing a steady flow of information.

As described in Chapter One, crises create stress and pose threats to an organization. Amidst the pandemonium, lines of authority become blurred and some employees may become confused about their role in the event. In times like these, Grunig's two-way symmetrical model of communication is even more difficult to implement. Unfortunately, this is when Grunig's model is needed

most. "An organization's communication climate has a great impact on how management handles crisis (Newsom et al., 1989)."

Because there is such a high demand for information from an organization when a crisis occurs, publics will go to great lengths to get the information. This poses a serious threat to the organization: the story must be told by someone, and if the organization does not tell it, another party will (Newsom et al., 1989). When uninformed publics are left to tell the story, rumors can develop and important facts may be left out or altered, which could snowball into major problems later. For example, the media has a responsibility to provide their audiences with information, and will attempt to tell the story with what little information they have (Fink, 1986).

Newsom et al. (1989), offer a simple solution to avoid misinformation and rumors: "The best way to combat rumors is to restrict the need for them in the first place by keeping people promptly informed by maintaining good two-way communication (p. 440)." The key words in this quote are "promptly" and "two-way communication."

The two-way model of communication is not only the most ethical, but also the most effective of Grunig's four models of communication to use for all public relations efforts. What is left to determine at an organization such as Carroll College is *how* to implement this model.

## CHAPTER THREE: CRISIS FORECASTING

Chapter One categorized organizational crises and described their progression through four stages. Chapter Two discussed publics and their role in an organizational crisis. The next step is to identify possible crises the college may encounter in the near future and to decide which ones for which to plan.

Since each Carroll College crisis will differ in cause and type, it is necessary to determine the severity of each crisis. Logically, planning for some crises should take priority over others, but how can crises be ranked or prioritized? To determine which crises are of primary, secondary, or limited importance, they must be rated on a set of criteria.

Stephen Fink (1986) developed a rating system which provides such criteria. The system revolves around two variables:

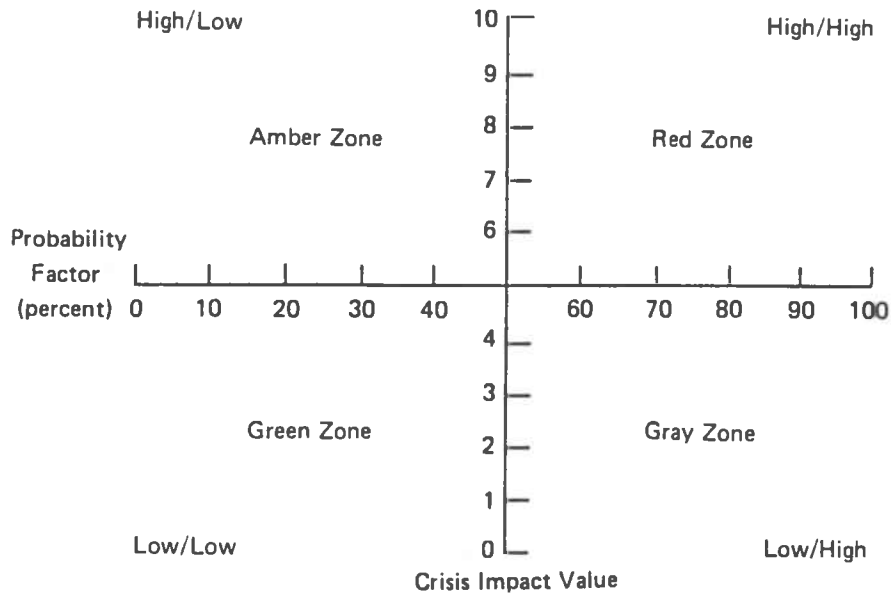
- 1) the potential impact on an organization
- 2) the probability that the crisis will occur

Fink's Crisis Barometer assists an organization in prioritizing potential crises (see Figure 2.1, page 29). Fink's four-quadrant model plots the potential impact on the Y axis and the probability on the X axis. The point where these values intersect locates the crisis in one of four quadrants.

The quadrant in which a particular crisis is located determines its importance to the organization. The Red Zone includes crises that are very likely to occur and have high levels of organizational impact. The Amber Zone includes crises which are unlikely (low probability) but which would have a severe impact. A crisis located

in the Grey Zone would have a high probability of occurrence, but a moderate to low impact on the organization. The Green Zone includes crises that have both a low impact and low probability of occurring.

**Figure 2.1 -- Stephen Fink's Crisis Barometer**



According to Fink, there are two purposes for using a crisis forecasting model. First, an organization can better calculate the likely impact of a certain crisis if it were to occur tomorrow. Second, the organization can determine what measures need to be taken to lessen the severity of the damages during the crisis and/or how to preemptively reduce the chances of the crisis occurring.

When executed correctly, proactive crisis management efforts shift crises from "dangerous" quadrants to ones less threatening, such as the Green Zone (see Appendix D, p. 53).

Fink's crisis forecasting model can benefit Carroll College in two ways:

- 1) Carroll could identify potential crises and rank them in order of importance as they relate to the college's survival.
- 2) Carroll could direct proactive planning to critical areas in order to lessen the probability of crises occurring and to lessen their ultimate impact.

Some critics might argue that predicting future crises is impossible or a waste of time. However, Mitroff et al. (1988), found that most experts believe that the more an organization can anticipate and plan for crises, the more the organization is likely to recover from crises that strike. This is not because crisis management planning is always perfect, but because the process of planning teaches an organization how to cope with crisis.

### **Predicting the Future by Studying the Past**

It is difficult to predict damages that a future crisis may cause. It is also difficult to quantify the chances of a disaster occurring. Therefore, proactive crisis management planning can be somewhat subjective. The best way to "objectify" this planning, according to Fink, is to research past events (1986). Carroll College, for example, could examine its own history to determine which crises have occurred most frequently and the level of impact they caused. If the college anticipates a crisis that it has not

experienced in the past, it can research a similar event that occurred at another college in the United States, and review the damages which occurred there.

### **Determining the Potential Impact of a Crisis**

After identifying the potential crises that can occur at Carroll College, the next task is to use Fink's crisis forecasting model to ascertain the potential impact a crisis could have on the college. To complete this exercise, Fink suggests scoring the answer to each of the following questions from 0 (lowest) to 10 (highest):

- 1) How fast will the crisis escalate in intensity?
- 2) To what extent will the crisis fall under close media or governmental scrutiny?
- 3) How will the crisis interfere with normal operations of business?
- 4) To what extent will the crisis jeopardize the organization's positive public image?
- 5) What effect will the crisis have on the bottom line?

Fink (1986) says that an organization must decide how to assign a numerical value to each category according to its structure. A systematic way to score them is to first establish a set of criteria. For example, on question #5, if a crisis caused Carroll to file for bankruptcy, it would score a 10 in the bottom line category. If a crisis had no effect on the college's bottom line, the crisis would have a score of zero. Finally, the values in the middle can be negotiated between the two extremes.

Once the score for each of the above questions is calculated, then all five scores are added together and divided by five which produces the crisis impact value. Finally, the value is plotted on the grid.

### **Determining the Probability of a Crisis Occurring**

After determining the crisis impact value, the next step is to determine the probability factor -- the chances of a crisis occurring. This exercise can be done by calculating the probability -- expressed as a percentage -- and plotting it on the probability scale.

For example, what are the chances Carroll College will experience another explosion similar to the one in 1989? How about another campus shooting? Just as before, a set of criteria must first be established to rank each potential crisis. Once it is done, that same set of criteria can be used to establish the probability factor for all of the identified potential crises, which increases the objectivity of the planning.

Once the probability factor is determined, it can be coupled with the crisis impact value. The crisis can then be plotted on Fink's crisis forecasting model.

## **Crisis Intervention**

Once an organization's potential crises are plotted on the Crisis Barometer, Carroll can decide which preventative actions to take.

According to Fink (1986) there are many possible preventative methods for each potential crisis. For example, to prevent a violent-intentional crisis, such as a shooting on campus, options include building a fence around the campus with only two entry gates manned by security personnel, setting up an emergency notification system that alerts administrators about strangers on campus, or doing nothing.

Which method should a college choose?

Before any action is taken to prevent a crisis, Fink (1986) says that action should first be rated on two further factors: degree of influence, and cost of intervention. Degree of influence describes the power or control that an organization has to prevent a crisis from happening. Sometimes an organization has the influence necessary to prevent a crisis from occurring. Other times, an organization can only hope to deal effectively with the aftermath.

Cost of intervention means the actual price an organization would pay for the programs or actions taken to prevent a crisis or the actual cost of the crisis to the organization if no precautions are taken.

To help illustrate these two factors, let us anticipate a fire in St. Charles Hall. Carroll has a considerable degree of influence on this particular crisis because there are many ways to prevent a fire. These methods include: developing policies for possession, storage,

and handling of flammable materials; maintaining fire code standards; and conducting fire drills. The cost of intervention -- the money and time it would take to complete the above procedures -- could be weighed against the cost of doing nothing until a fire occurs. Doing nothing, in this example, would be the cost of the unnecessary damages resulting from preventative action that was taken. These damages could include: loss of lives, property damage, lawsuits, and fines.

Determining the degree of influence and the cost of intervention aids in selecting a method of crisis intervention. Fink argues that crises located in the Red Zone must be prevented at all costs because an organization's survival is at stake. The real challenge lies in deciding how to handle crises located in the Gray and Amber Zones because they either have a low chance of happening or a low impact on the organization. The decision may become clearer when an organization determines how much power it has to stop the crisis and calculates the cost of such preventative action.

Ultimately, the goal of crisis forecasting and crisis intervention is to identify, predict, measure the impact, and control future crises to insure the survival and prosperity of the organization.

Carroll College can use Fink's Crisis Barometer to classify potential crises according to their level of impact and probability of occurrence. After this process, the college can decide what means will be necessary to lessen the damages or to prevent the crisis from occurring. With each crisis, the college must determine its degree of influence over the potential crisis, list options of

intervention for each crisis and their cost, and then take the necessary preventative actions.

## **CHAPTER FOUR: CRISIS MANAGEMENT PLANNING AT CARROLL COLLEGE**

Organizations with crisis management plans in place are better able to anticipate and prevent crises before they occur and are better able to minimize damage from their affects after they occur (Fink, 1986). Carroll College is no exception. Although the college has survived four recent crises, it has done so without comprehensive crisis management plans. With crises becoming more common and financial solvency becoming more important than ever, it makes sense for Carroll to devise and implement proactive crisis management plans.

In this chapter, the three necessary steps to implement crisis management planning at Carroll College will be outlined. They are:

- 1) Conduct a public relations audit.
- 2) Devise appropriate crisis management plans.
- 3) Implement the crisis management plans.

It is necessary to conduct an organizational public relations audit to determine the readiness of Carroll College to put reliable crisis management planning into place. Readiness coincides with an open organizational communication system, such as Grunig's two-way symmetrical model as discussed in Chapter Two.

With a fully open communication system as an ideal, we can look to Bob Carrell's theory of responsible management behavior (Newsom et al., 1989) to help assess Carroll's current management behavior. By completing this exercise, the college can assess its communication environment and make necessary adaptations to

implement and maintain a two-way symmetrical model of communication.

Assuming an open structure, Carroll College can then devise and implement reliable proactive crisis management plans. For our purposes, the ideal way to develop such planning is with David Marriott's process of crisis communication planning (1993), which will be discussed in the last section of this chapter.

### **Conducting a Public Relations Audit**

When conducting a public relations audit, two areas of management behavior must be analyzed:

- 1) the type of communication model the organization uses
- 2) the position of public relations in the organizational hierarchy

Grunig & Hunt (1984) argue convincingly that the ideal method of public relations is the two-way symmetrical model. Is Carroll College currently using this model? Bob Carrell's management theory can help us answer this question (see Figure 4.1, p. 38). His theory will serve as a diagnostic tool to examine the different management styles organizations can use for public relations and crisis communication. This model can also be used to assess the management behavior of Carroll College and to provide insight on how to move closer to the ideal management behavior necessary for reliable, effective crisis management planning.

According to Carrell, the tendency management has toward an open or closed communication has a definitive impact on how an organization will respond in a crisis (Newsom et al., 1989).

Figure 4.1 -- Bob Carrell's theory of responsible management behavior

	ON-GOING			CRISIS - TRIGGERING EVENT	SITUATIONAL			
	Assessment of Environment	Development of Crisis Management/Communication Plan	Pro-Action		Activate Crisis Communication Plan	Arrest Triggering Event	Recovery	Evaluation
<b>RESPONSIBLE MANAGEMENT BEHAVIOR LEVEL 4 (+ +)*</b>	<ul style="list-style-type: none"> <li>Prudent evaluation of all categories of potential crises</li> <li>Evaluates risks</li> <li>Considers, prepares strategies and plans to prevent, minimize impact of crisis</li> <li>Management is optimistic, confident, open-minded and aggressive</li> </ul>	<ul style="list-style-type: none"> <li>Identify management team</li> <li>Assign specific duties</li> <li>Designate one person only to convey information to internal and external audiences</li> <li>Train spokesperson, other members of crisis team</li> <li>Plan viewed as positive way of meeting private and public responsibilities</li> <li>Plan reviewed and revised regularly</li> </ul>	<ul style="list-style-type: none"> <li>Implements, within capacity to do so, policies and strategies to prevent or minimize impact of crisis</li> <li>Lobbies for government public support for changes in laws and regulations</li> <li>Aggressive, pro-active communication program to prepare audiences for crisis</li> <li>Believes in principle of inoculation</li> </ul>	<ul style="list-style-type: none"> <li>Spokesperson takes charge of communication function</li> <li>Timely, consistent, candid information to internal and external audiences</li> <li>Conveys information vital to public safety</li> <li>Allays fears</li> <li>Stifles rumors by supplying appropriate, factual information</li> </ul>	<ul style="list-style-type: none"> <li>Inspires wholesome exchange of information with internal and external audiences</li> <li>Seeks support as necessary</li> <li>Makes adjustments in policies and strategies to arrest crisis</li> </ul>	<ul style="list-style-type: none"> <li>Makes changes in policies and strategies to enhance recovery</li> <li>Makes slight (if any) changes in organizational structure or personnel</li> <li>Chances of recovery and turnaround are good</li> </ul>	<ul style="list-style-type: none"> <li>Evaluates causes of recent crisis, responses to it, and outcomes</li> <li>Reviews, revises crisis management communication plan for future use in light of recent experience</li> </ul>	
<b>RESPONSIBLE MANAGEMENT BEHAVIOR LEVEL 3 (+)*</b>	<ul style="list-style-type: none"> <li>Evaluates some potential crisis categories, ignores others</li> <li>Planning is spotty, myopic</li> <li>Control systems questionable</li> <li>Wants to prevent/minimize potential crisis but not fully committed to doing everything they can</li> <li>Management often complacent</li> </ul>	<ul style="list-style-type: none"> <li>Communication function regarded as defensive necessity</li> <li>Communicates only as much and as often as required by internal and external pressure</li> <li>Does some training but not much follow-up to keep plan current</li> </ul>	<ul style="list-style-type: none"> <li>Selective implementation of policies/strategies designed to prevent minimize impact of crisis, but could do more</li> <li>Sporadic participant in lobbying programs</li> <li>Little, if any, commitment to communication program to educate, prepare audiences for crisis</li> </ul>	<ul style="list-style-type: none"> <li>Posturing messages with little substance</li> <li>Face-saving approach</li> <li>Rumors and propaganda often go unchallenged or uncorrected</li> <li>Group think creeps in</li> <li>Grudgingly admits crisis but often denies culpability</li> <li>Offers plausible excuses</li> </ul>	<ul style="list-style-type: none"> <li>Exchanges only limited information with internal and external audiences</li> <li>Fears ridicule</li> <li>Makes policy and strategy changes only sufficient to arrest crisis, no more</li> <li>Audiences view organization with skepticism</li> </ul>	<ul style="list-style-type: none"> <li>May make changes in policies and strategies, but usually these are very few</li> <li>May make some changes in personnel but organizational changes are rare</li> <li>Chances of recovery and turnaround are fair</li> </ul>	<ul style="list-style-type: none"> <li>May change crisis management communication plan, but changes often not taken very seriously</li> </ul>	
<b>RESPONSIBLE MANAGEMENT BEHAVIOR LEVEL 2 (-)*</b>	<ul style="list-style-type: none"> <li>Lip service to planning and preparation for crises</li> <li>Management more concerned with sustaining power/status</li> <li>Lacks sense of public responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Group think is common</li> <li>Plan fully protectionist</li> <li>Short-term solutions to long-term problems</li> <li>Plan rarely reviewed and updated</li> <li>Little or no training</li> </ul>	<ul style="list-style-type: none"> <li>Does only what is demanded by law</li> </ul>	<ul style="list-style-type: none"> <li>Often denies crisis exists</li> <li>Rarely admits culpability</li> <li>Places blame on others</li> <li>Feelings of invulnerability are common</li> </ul>	<ul style="list-style-type: none"> <li>Bunker mentality</li> <li>Digs in and is often recalcitrant, inflexible</li> <li>Communication channels are plugged up</li> </ul>	<ul style="list-style-type: none"> <li>Reluctant to make changes in policies and strategies when changes made, usually are to conform to new public policies</li> <li>In-fighting increases</li> <li>Loss of confidence in leadership</li> <li>Low morale</li> <li>Loss of public confidence</li> </ul>	<ul style="list-style-type: none"> <li>Existing plan remains unchanged</li> <li>Rarely changes made in top management or in policies or strategies</li> </ul>	
<b>RESPONSIBLE MANAGEMENT BEHAVIOR LEVEL 1 (- -)*</b>	<ul style="list-style-type: none"> <li>Unable or refuses to recognize potential crises</li> <li>Can't or won't develop a crisis plan</li> </ul>	<ul style="list-style-type: none"> <li>Crisis management/communication plan does not exist</li> </ul>	<ul style="list-style-type: none"> <li>Grudgingly does what is demanded by law</li> </ul>	<ul style="list-style-type: none"> <li>Self-postulating as victim of circumstances, incompetent personnel</li> </ul>	<ul style="list-style-type: none"> <li>Ostrich syndrome</li> <li>Admits nothing</li> <li>Does nothing more than is absolutely necessary</li> <li>Relies on short memory of audiences</li> </ul>	<ul style="list-style-type: none"> <li>Searches for persons to be offered publicly as sacrificial lambs</li> <li>Changes in policies and strategies are only those mandated by law</li> <li>Chances for recovery are very poor</li> </ul>	<ul style="list-style-type: none"> <li>Organization may collapse</li> <li>Replacement of top and some middle management is probable</li> <li>Restructuring is common</li> </ul>	

\* (+ +) = Open; (+) = Mostly Open; (-) = Mostly Closed; (- -) = Closed

Although Carrell advocates using Responsible Management Behavior Level Four for on-going crisis management planning and handling actual crises, many organizations do not "behave" at this level. The first step in assessing an organization's management behavior is to examine Carrell's Four Levels of Management Behavior to give the correct method to view Carroll's system. The college will then be in a better position to assess its management behavior.

#### Responsible Management Behavior: Level One

Organizations at this level refuse to develop crisis communication plans. If they did develop any proactive plans, it would be because it was required by law. When crises occur in Level One organizations, they deny any problems that arise and look for other parties to blame. As a result, the organization may collapse because it may not solve the crisis in time. This level is the least effective managerial behavior, according to Carrell, because the communication system is closed. Clearly, Level One organizations assume an enormous amount of risk because they lack the communication environment needed to survive crises.

#### Responsible Management Behavior: Level Two

This level is characterized by a "mostly closed" communication system. These organizations try to function with a token amount of crisis management planning. Management at this level lacks a sense of responsibility to its publics, making few proactive plans. The organization may provide short-term solutions to long-term planning, and basically does nothing to prepare for crises. If a crisis

arose, the management would rarely admit the organization did anything wrong. In fact, exhibiting Level Two behavior during a crisis can cause conflict between an organization and its publics resulting in a lowered reputation and low organizational morale.

#### Responsible Management Behavior: Level Three

Management at this level is usually complacent, evaluating *some* potential crisis categories, but not all. The organization wants to prevent potential crises, but is not willing to follow through with the planning because they believe that communication is only a defensive necessity that results from pressure the organization receives from its publics. If a crisis did strike, management would make an effort to resolve the crisis but would not handle it as honestly or effectively as Level Four.

#### Responsible Management Behavior: Level Four

This is the most favorable level, according to Carrell, because it practices the most proactive, open communication system. At this level, management "implements, within its capacity to do so, policies and strategies to prevent or minimize the impact of crises... (with an) aggressive proactive communication plan to prepare audiences for crisis (Newsom et al., 1989, p. 436)." If a crisis did arise, management would have the necessary plans to quickly resolve it and make necessary changes to be even more prepared in the future.

Organizations displaying Level Four management behavior provide a supportive climate for implementing a two-way

symmetrical system of public relations. Thus, the establishment of Level Four management behavior encourages a two-way symmetrical system.

A two-way system cannot exist without the proper management attitude toward practicing public relations. Thus, the second part of the public relations audit is to determine the attitudes of Carroll's management toward public relations.

The first question to ask is whether or not the Carroll administration understand the purpose of public relations. Newsom et al. (1989), insist that the role of public relations must be understood by management in order for public relations to be carried out in a systematic manner.

Assuming the Carroll administration does understand the role of public relations in the organization, the next task is to determine where public relations is in the organizational hierarchy. Crabble & Vibbert (1986) believe that if it lies outside the power structure of the organization, public relations is merely an untapped resource:

Even if an organization is large and its relationships with its environments complex, the organizational hierarchy must be supportive of the role in the future of the organization. Without it, public relations will be an untapped resource (Crabble & Vibbert, 1986, p. 42).

Newsom et al., (1989) have similar beliefs. They say that an organization must invest sufficient power in the public relations function before management can expect to profit from the benefits of the public relations function. Even the most talented public

relations department will be ineffective without proper management support.

### **Devising Crisis Management Plans for Carroll College**

With a two-way symmetrical public relations communication operation in practice, the college would be in position to implement its crisis management plans. There are several theories about how an organization should begin the process of crisis management planning. In general, these theories recommend: 1) the establishment of a crisis communication plan, 2) the selection of a crisis management team, and 3) the selection of spokespeople to provide publics with accurate information (Newsom et al., 1989; Fink, 1986; Bernstein, 1987; Marriott, 1993).

Although the priorities of each phase are debatable, David Marriott, crisis management consultant for Elgin Syferd/DDB Needham, in Seattle, Wash., recommends that an organization such as Carroll College make crisis management plans through the following process (see Appendix A, p. 50):

- 1) Establish a crisis management team.
- 2) Engage in crisis forecasting.
- 3) Assign the roles that each member will have in working toward the solution of the crisis.
- 4) Develop a crisis communication plan.
- 5) Select and train credible spokespeople.

## Selecting the Crisis Management Team

According to Marriott (1993), the primary goal of the crisis management team (CMT) is to prepare for crisis in advance, which will reduce the likelihood of a crisis occurring. The team should also have the capacity to reduce the impact of crises that do occur. The team must be able to work under pressure, make quick decisions, and communicate effectively with an organization's publics to bring the crisis to resolution.

Many experts agree that the CMT should function as a separate unit while the organization's employees carry on with normal business activities (Fink, 1986; Meyers, 1986; Stanton, 1989; Marriott, 1993). If the CMT obstructed normal operations it wouldn't be solving the crisis -- it would be sustaining it (Fink, 1986).

Who should be on this team? The team usually includes members capable of playing the following roles (Bernstein, 1987):

- CMT leader
- security, safety, or risk management
- legal matters
- financial matters
- personnel matters
- medical matters
- technical or operational areas
- public relations
- threat analysis
- outside experts in related fields

Meyers (1986) also agrees that roles similar to these are needed on the CMT but he recommends selecting a *small* group (approximately five) of

creative people with the power to marshal resources. He recommends that organizations do not assemble a larger, ongoing crisis communication committee because such a group would not be effective in a crisis situation. Meyers believes that a CMT can be paralyzed with too many people on the team. Therefore, a CMT works best if it is a small group of core members with an organized support staff on stand-by to assist when needed.

Contrary to what some may believe, the CMT does not have to be the organization's top officers. Marriott (1993) recommends focusing on abilities of the individuals instead of the positions they hold.

Most crisis management teams include some people who do not hold the highest positions. Quite often, top managers do not have the technical skills that the team needs, or would serve the organization better by maintaining the everyday functions while other people worked on the crisis (1993).

No matter who is selected, Marriott suggests selecting two alternates for each member in case of absences because ". . .there is rarely a time where all of the team members are present to solve a crisis. Most likely, there will be at least one who will be unavailable (1993)." (See Appendix C, p. 53 for a hypothetical CMT for Carroll College).

## Assigning Roles and Preparing Crisis Tools

Once the CMT members are chosen, they must accomplish three major tasks:

- 1) Assign the roles each team member will play in a crisis situation.
- 2) Conduct a crisis assessment audit.
- 3) Set priorities for crisis management planning.

Assigning roles on the CMT. To assign the roles for each member of the CMT, the group must decide which tasks must be accomplished in a crisis situation, then choose which CMT member will carry out each function. For example, if the CMT decides that media relations is an important function, the team would assign the task to the team's public relations expert. The CMT also would determine what resources could be arranged in advance to help that person complete the media relations task quickly and smoothly. In this case, the public relations expert would need to arrange many resources in advance. These might include telephones, a word processor or typewriter, and support staff to help with clerical duties. The public relations expert should also assemble in advance, fact sheets, employee profiles, campus photographs, or anything else that would be needed in a crisis (Newsom et al., 1989).

The crisis assessment audit. After tasks are assigned, the CMT must determine which potential crises deserve the most attention. Fink's Crisis Barometer is ideal for this assessment (see Chapter Three and Appendix D, p. 54). Through this exercise, the CMT

will be able to determine which potential crises need the most attention.

Setting priorities in crisis planning. With the Crisis Barometer exercise complete, the college is now in position to set priorities for crisis planning. Potential crises can now be ranked and categorized by type according to Fink's model. As described in Chapter Three, the goal of this assessment is to determine what preventative measures can be taken to reduce either the probability of the crisis occurring, or at least its impact if it did occur.

#### Developing a Crisis Communication Plan

Once the CMT members are chosen and the roles are assigned, the next step is to devise a plan that will assist the team -- and the rest of the organization -- in resolving the crises that cannot be prevented through the process of crisis forecasting. This plan does not have to be comprehensive -- it should just facilitate fast and efficient notification of the CMT and other key players, who will in turn, notify the rest of the public (Marriott, 1993).

Clearly, there are some publics that must be notified before others. To assist in this determination, Bernstein (1987) suggests dividing publics into four groups to aid in the communication process:

- 1) those who must respond (emergency services and the CMT)
- 2) those who must comment (organization officials, people involved)
- 3) those with a special need to know (next of kin if death occurs)

#### 4) the news media

Another aspect of the crisis communication plan involves determining how each public should be contacted. Werner (1990) advocates notifying publics through a "message action plan." This type of plan includes creating a list of all an organization's publics (see Appendix B, p. 52), formulating a basic message each would need to hear, and determining the best means of communication (e.g. telephone, formal letter, public speech).

This type of message action plan could be applied to notifying the publics of Carroll College. For example, if there were a shooting on campus, the ambulance, police, and CMT would be immediately notified by the fastest means possible (e.g. telephone, word of mouth). Other publics, however, would likely be notified by other means of communication such as formal letters or through the media (Werner, 1990).

#### Choosing Spokespeople

One of the most important parts of dealing with a crisis is designating a single spokesperson who has sole authority and responsibility to communicate with publics during a crisis. According to Newsom et al., (1989) the spokesperson sets the tone for the organization in handling a crisis by sending an honest, consistent message to the affected publics. Many researchers advise that each spokesperson be formally trained (Fink, 1986; Meyers, 1986; Newsom et al., 1989; Marriott, 1993) because he or she must be able to speak effectively to all publics -- including potentially hostile media -- in difficult situations.

The spokesperson may or may not be the top official of an organization. There are two criteria used to select the spokesperson: credibility and knowledge (Newsom et al., 1989). The spokesperson should have credibility with all the publics he or she is speaking to and also have the most current knowledge of the crisis and be able to explain all its implications.

In certain organizations, a single spokesperson will not suffice. Carroll College is a good example. If there were an academic crisis, the logical spokesperson would be the Academic Dean. But if there were a crisis in the sports program, the Athletic Director may be the most knowledgeable and credible source. Because of the variety of purposes the college serves, it would be best to designate alternative spokespeople to prepare for crises. If two spokespeople are needed to comment on a single crisis, it is extremely important that each presents exactly the same information (Newsom et al., 1989). (See Appendix C, p. 53 for a hypothetical list of Carroll's spokespeople.)

### **Implementing the Crisis Management Plans**

Throughout the course of this paper, an argument has been made to adopt a proactive crisis management planning strategy at Carroll College. A blueprint has been suggested to aid the administration in implementing such planning.

Research overwhelmingly indicates that organizational crises are on the rise, and no organization is immune from crisis. All crises can be prevented or at least contained with proactive crisis

management planning. Since Carroll College does not have proactive plans in place, it is vulnerable to future crises.

Now is the time for the administration to make a decision: implement a proactive crisis management strategy or take the chance that one day a crisis will drive the college into major difficulties that it may not be able to overcome.

If Carroll College implemented these outlined proactive crisis management plans, it could provide the college and all its publics with assurance that it is doing all it can to prepare for organizational crisis. Also, Carroll College will be able to communicate effectively in even the worst situations.

## **APPENDIX A: SAMPLE CRISIS MANAGEMENT PLANNING PROCEDURE**

### **Phase One: The Public Relations Audit**

- Determine management attitudes and behaviors toward public relations (see page 37).
- Determine the position of public relations in the organizational hierarchy (see page 41).
- Set goals and establish methods to implement a two-way symmetrical model of public relations.

### **Phase Two: Develop Proactive Crisis Management Planning**

- Designate a Crisis Management Team and alternates (see page 43).
- Determine Carroll's most probable and most severe crises through crisis forecasting (see page 28).
- Assign roles for each member (see page 45).
- Determine the resources each member needs to carry out his or her function (see page 45).
- Develop a crisis communication plan for the team (see page 46).
- Designate and train spokespeople (see page 47).
- Conduct a drill to test the crisis management plans.

### **Phase Three: On-going Crisis Management Activities**

- Maintain open communication system at Carroll College.
- Review crisis management plans a bi-annually, make adaptations as needed.
- Re-test crisis management plans.
- Provide additional training for team members and spokespeople.

## **APPENDIX B: THE PUBLICS OF CARROLL COLLEGE**

### **Internal Publics**

Board of Trustees  
Administration  
Faculty  
Staff  
Students  
Catholic Church

### **External Publics**

Local, regional, and national news media  
Alumni and their families  
Financial institutions of Carroll College  
Local, state and federal government  
Philanthropists  
Carroll's volunteers and sponsors  
Families of administration, faculty, staff and students  
The Helena community  
Suppliers of Carroll College  
Accrediting Institutions  
Prospective students and their parents  
Activist and special interest groups

## **APPENDIX C: A HYPOTHETICAL CRISIS MANAGEMENT TEAM FOR CARROLL COLLEGE**

### **TEAM MEMBERS**

Dr. Jeffrey Baker, Vice President of Academics and Academic Dean

- team leader
- legal matters
- personnel matters

Lynn Etchart, Vice President for Business Affairs

- risk management and insurance
- financial matters

Rev. Daniel Shea, Vice President for Student Affairs and Dean of Students

- medical matters
- campus safety
- technical and operational areas of the college

Peggy Stebbins, Director of Public Relations

- public relations
- media relations

Brent Northup, Assistant Professor, Communication Studies

- crisis management consultant

Beth Wilson, Assistant Professor, Accounting, Business and Economics

- general business and personnel consultation

### **SPOKESPEOPLE**

Dr. Matthew J. Quinn, President

Tom McCarvel, Vice President for Institutional Advancement

Bob Petrino, Athletic Director

## APPENDIX D: A SAMPLE CRISIS FORECASTING EXERCISE

The following is a crisis forecasting exercise using Fink's Crisis Barometer as described in Chapter Three (p. 28).

When a crisis management team forms, one of the first tasks they must accomplish is to determine which potential crises at Carroll College deserve the most attention, and which ones are of less importance. A way to simplify this process is by using Stephen Fink's Crisis Barometer (1986).

To aid Carroll College in the crisis forecasting process, two hypothetical crises will be plotted on Fink's Crisis Barometer, using his judging criteria (see page 31) to determine the Crisis Impact Value and the Probability Factor.

*Note: the evaluations of each of these crises are merely opinions of the author, not the opinion of the Carroll administration.*

### Potential Crisis #1

A Carroll Student is shot and killed on campus by another student who was known to be in possession of a handgun several days prior to the shooting. Hours after the incident, Carroll's public's realize that the incident could have been prevented. The media and local authorities believe that Carroll acted negligently.

#### Crisis Impact Value:

Escalation of intensity:	8
Media or government scrutiny:	9
Interference with normal operations of business:	6
Jeopardize organization's positive image:	7
Damage to the bottom line:	5
	-----
	35

Crisis Impact Value:	7 (35/5)
Probability Factor:	10%
Coordinates:	(1,7)
Quadrant:	Amber (see p. 57)

Rationale. Based on the shooting at Carroll in May, 1990, and other similar shooting incidents on college campuses around the United States, this type of crisis escalates quickly and is extremely intense.

In the above scenario, Carroll would be heavily scrutinized by the media and local investigators. This is based on the assumption that the college would be viewed as negligent for not taking preventative action -- disarming the assailant immediately when he was known to be in possession of a gun -- before he shot a student. Unfavorable media coverage and hostile investigations would result.

The shooting incident would have a major effect on the normal operations of business, because the Carroll community would have to solve the crisis quickly, make funeral and mourning arrangements, and cooperate with authorities.

The incident would have a drastic effect on Carroll College's image not only because a shooting occurred on the campus, but because "Carroll did not do anything to stop it." Many people, including prospective students, who once believed the college was a "safe" institution may now believe Carroll is unsafe or negligent.

All of the above factors would translate into damage to Carroll's bottom line. Enrollment would decline, some of the college's current and potential benefactors may decide against donating money to the college. Also, some groups and members of the Helena community may decide not to support the college.

#### Probability Factor

The 10 percent probability of such a crisis occurring is based on the assumption that a campus shooting incident would occur once in ten years.

## Potential Crisis #2

The Carroll College administration announces a \$1,000 increase in tuition and expenses effective the beginning of the next academic year. While most students have accepted the increase, a small group of them are upset.

### Crisis Impact Value

Escalation of intensity:	4
Media or government scrutiny:	0
Interference with normal operations of business:	2
Jeopardize organization's positive image:	2
Damage to the bottom line:	2
	-----
	10

Crisis Impact Value:	2 (10/5)
Probability Factor:	60%
Coordinates:	(2, 6 )
Quadrant:	Grey (see p. 57)

Rationale. This situation would have a low to moderate escalation in intensity because students would be dismayed with the tuition increase and the Carroll community would become tense for a few weeks. However, this increase would not be as intense as the shooting crisis in the first example.

This crisis would most likely be free from media and government scrutiny, assuming the tuition increase was made to meet the inflating costs of higher education and not to support illegal activities.

A \$1,000 tuition increase would rarely interfere with the normal operations of business because it should be expected by the students and administration. As the costs of higher education escalate, so will tuition. This is a reality experienced by most privately funded colleges in the nation.

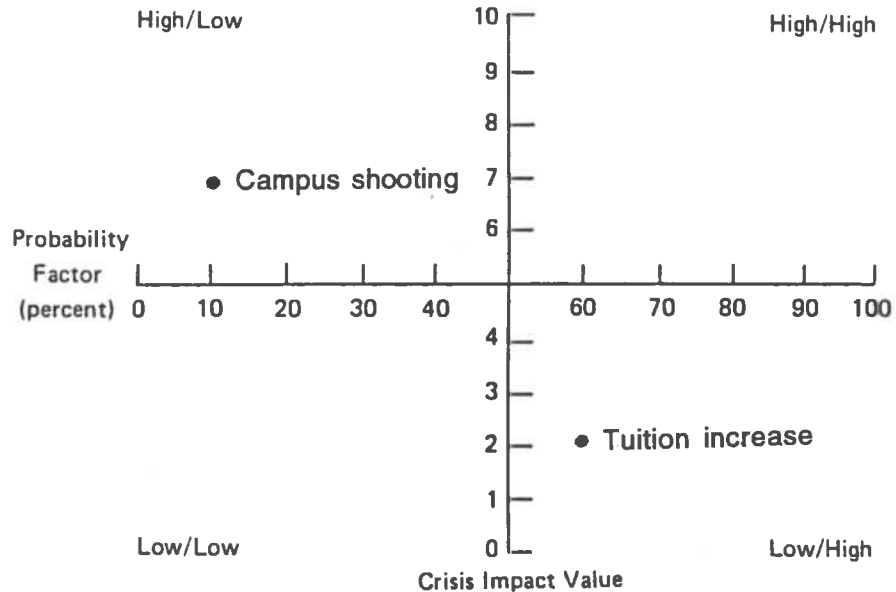
The image of Carroll may be damaged for a short period of time because of the students' dismay. But this issue would affect only a small group of Carroll's publics and the rest of them would most likely be indifferent.

A tuition increase would have a low if any effect on Carroll's bottom line. The increased revenues would most likely offset the number of students who did not enroll the following semester because they could no longer afford to attend Carroll.

Probability Factor

A \$1,000 increase would have a high probability of occurring in the future simply because the costs of higher education are on the rise across the nation. As operating expenses increase, tuition will most likely increase proportionately. Therefore, the probability of such an event in the next year is 60 percent.

**Crisis Barometer of Carroll College**



## REFERENCES

- Associated Press. (1990, December). Campus killings top story of 1990. Billings Gazette.
- Bernstein, A. B. (1987). The Emergency Public Relations Manual. Highland Park: PASE Inc.
- Crabble, R. E. & Vibbert, S. L. (1986). Public Relations as Communication Management. Edina: Bellwether Press.
- Dennison, M. (1989, February). Fire out, danger over. Montana Standard.
- Dillenschneider, R. L. & Forrestal D. J. (1990). The Dartnell Public Relations Handbook. Chicago: Dartnell.
- Fink, S. (1986). Crisis Management: Planning for the Inevitable. New York: AMACOM.
- Grunig, J. E. & Hunt, T. (1984). Managing Public Relations. New York: CBS College Publishing.
- Grunig, J. E. & Grunig, L. A. (1991). Conceptual differences in public relations and marketing: the case of health care organizations. Public Relations Review. 17, 257-258.
- Meyers, G. C. (1986). When It Hits the Fan. Boston: Houghton Mifflin Company.
- Marriott, D. (personal communication, March 21, 1993).
- Mitroff, I. I., Pauchant, T.C., & Shirvastava, P. The structure of man-made organizational crises. Technological Forecasting and Social Change. 33, 83-107.
- Newsom, D. Scott, A. & Turk, J. V. (1989). This is PR. Belmont: Wadsworth Publishing.

- Nimmo, D. & Combs, J. E. (1985). Nightly Horrors: Crisis Coverage by Television Network News. Knoxville: Univeristy of Tennessee Press.
- Shirvastava, P. & Siomkos, G. (1989). Disaster containment strategies. Journal of Business Strategy, 10, 26-30.
- Stuller, J. (1988). When the crisis doctor calls. Across the Board, 25, 45-51.
- Udwadia, F .E., & Mitroff, I. I. (1991). Crisis management and the organizational mind. Technological Forecasting and Social Change, 40, 33-52.
- Werner, L. R. (1990). When crisis strikes use a message action plan. Public Relations Journal, 40, 30-31.

## FOR ADDITIONAL READING

- Bowes, D. B. (1991). Sudden departures: coping with the unexpected loss of a company's key manager requires preparation. Nation's Business, 79, 44-45.
- Cooper, D. A. (1992). CEO must weigh legal and public relations approaches. Public Relations Journal, 48, 40-41.
- D'Avani R. A. & MacMillan, I. C. (1990). Crisis and the content of managerial communications: a study of the focus of attention of top managers in surviving and failing firms. Administrative Science Quarterly, 35, 634-657.
- Driggs, W. (1990). Intercepting interlopers. Public Relations Journal, 40, 40-41.
- Fisher, L. & Briggs, W. (1989). Communicating with employees during a time of tragedy. Communication World, 6, 32-35.
- Guillebeau, J. (1989). Crisis management: a case study in the killing of an employee. Public Relations Quarterly, 34, 19-21.
- Meng, M. (1992). Early identification aids issues management. Public Relations Journal, 48, 22-23.
- Mitroff, I. I. (1988). Crisis management: cutting through the confusion. Sloan Management Review, 28, 15-23.
- Mitroff, I. I. (1989). Programming for crisis control. Security Management, 33, 75-79.
- Pauchant, T. C. & Shirvastava, P. (1989). Crisis, disaster, catastrophe, are you ready? Security Management, 33, 101-107.
- Seymour, M. (1991). Crafting a crisis communications plan. Directors and Boards, 15, 26-29.

Truitt, R. H. & Kelley, S. S. (1989). Battling a crisis in advance.  
Public Relations Quarterly, 34, 6-8.