

Reputation Protection: Avoiding Brand Implosion

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From Tiger Woods, to Toyota, to BP, to Wright County Egg, each crisis in 2010 seemed to top the other. Tylenol stands for best-in-class company values, decision making, brand management and recovery; while BP, Tiger, Wright County and Toyota represent the gravest risk of brand implosion, failure to anticipate calamities, and the media piling-on effect. These crises are “teaching moments” for any food industry company to understand reputation management, crisis anticipation, response and recovery.

Reputation management applies to a broad range of crisis scenarios. Crises generally fall into two categories: those in which life and property are at immediate risk from disasters such as accidents, earthquakes, fires, hurricanes or explosions; and those in which a company, organization or individual has its brand or public standing at stake from criminal or civil charges, allegations of negligence or wrong doing, product defects or social media rumors and innuendo.

Every food industry company should proactively develop a Reputation Protection Model RPM©, a methodology that goes beyond preparation and response; it adds a lens that views *crisis preparation as an investment* in an organization’s long term reputation in the eyes of its most important stakeholders.

The Three Stages of Crisis:

1. BSH – Before the Crisis, aka Before Stuff Happens

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2. HBL – During the Crisis, aka Hell Breaks Loose
3. RRR – After the Crisis, aka Repair Reassess Reputation

The BSH time is the time to prepare: Appoint the crisis team, monitor potential issues, set aside resources and physical assets for a war room, ask questions about possible doomsday events, run simulations and *repeat the process*. Crisis simulations are not just fire drills, or stress testing. BSH also requires a level of candor and openness to discuss the worst case scenarios. BSH can help *bad news from becoming worse*.

HBL is the crux of the crisis maelstrom — and is driven by calm and speed. HBL works best with a tested crisis plan, strong antennae to gather information, rapid response and effective teamwork. In today's 24/7 Internet world, a crisis spreads across time zones and communications platforms before you know about it.

Medical emergency response personnel call this “the golden hour.” The golden hour doesn't mean that success in treating a patient is determined only in the first five minutes. But once the patient is stabilized there is time to develop the most effective response.

During HBL, it's essential to have a war room — a central place for the crisis team to share information and enable critical discussions. Use white boards, flip charts and computer screens so that all parties involved will have access to information in real time.

Transition from HBL to RRR can be as short as a few hours or several weeks. This year's BP spill is an unfortunate example of inordinate time from inception of the crisis to transition to RRR.

RRR — Repair, Reassess, Reputation — is the most overlooked step and perhaps the most important part of the RPM. It's human nature that once the immediate danger has passed to revert to business as usual. A focused period of time to fix problems that caused the crisis and developing systems and procedures to prevent a future occurrence is a valuable investment. If a faulty process caused cross contamination of foods on an assembly line, it's worth the time to correct the problem permanently, and not put on a temporary band aid.

The Reputation Protection Model RPM © is the lens that impacts crisis preparation and response. In former days, companies just concerned themselves with running efficiently. Now it means proactively building and maintaining key relationships — letting others know about your plans, community service programs, safety record, charitable efforts and awards for Best Places to Work. These efforts build credibility among media, customers and stakeholders.

RPM during the crisis may take a back seat to the tactical measures of getting a situation under control. The BP ads featuring local Gulf Coast claims adjusters, however, is an example of RPM actions. RPM following a crisis is about restoring faith and trust in the organization.

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The Internet

The Internet changes everything, from how a crisis starts, to Internet-only crises, to how to manage through the internet and the perils and upsides of twitter, blogs and whatever comes next. The Internet basically means that we're forever globally wired 24/7, 365.

There is no hiding, no escaping; everything is instant, searchable and scalable. In addition, the Internet creates whole new types of crises - viral rumor mills, hacking and IT breakdowns. Companies should have a Web lens for planning, response and recovery.

Look In The Mirror

Utilize the Mirror Principle, which states that an organization must hold up the looking glass to its own issues and culture. For example, at one consumer goods company with a low-profile CEO and few operations in high-risk countries, kidnap insurance is not a big issue; at a competitor with a high profile CEO and a global footprint, this type of policy is definitely a priority.

Bottom line: learn lessons from others, use the current bumper crop of unfortunate events to look at risks, review or create crisis plans and consider the reputation aspects of any short or long term public crisis.

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