

Navigating Through Crisis Part 3: Repair Damage

by Ann Taylor

In this third part of a five-part series on crisis management, Ann Taylor, recipient of the Public Relations Society of America's Gold Excalibur Award for Crisis Management, examines successfully navigating through a crisis by repairing the damage.

PLAN NOW FOR THE INEVITABLE

Good leaders want their people to be prepared, care about their impact on their community, and understand that trust is their most valuable asset. Good leaders also understand that positive thinking is not preparation.

In this series, we are preparing for unplanned, even unimaginable, events. Each crisis's individual features—an unplanned event that dramatically raises the visibility and threatens brand reputation—will vary. But every crisis follows expected phases, from pre-crisis, to acute, to resolution and recovery. And there are five steps to navigate through a crisis:

1. Protect trust
2. Accept responsibility
3. Repair damage
4. Learn lessons
5. Bounce forward (not back)

Step 3: Repair Damage

When someone close to us suffers a reputational crisis, finding out about it second-hand can feel like a betrayal. Do they consider us untrustworthy? Why did they try to hide something from us that we would find out anyway? We may imagine worst-case scenarios. Even when we feel compassion, we may gossip with others who share our disappointment. Our relationship may never recover.

ABOUT ANN TAYLOR



Bringing more than 30 years of experience in innovation and leadership, Ann's career has focused on building brands, engaging audiences, and creating consumer preference in real estate and land use. Her newest venture, Wide Ranging + Co., provides brand, PR, and creative services to businesses in responsible land use and the built environment. Contact Ann at: ann@widerangingco.com

ABOUT ELEVATE MARKETING ADVISORS

Elevate Marketing Advisors develops marketing and business development campaigns to invigorate your brand, differentiate your firm, and drive business to your bottom line so you stay focused on design and delivery of your discipline.

We are driven to help people and firms realize their beyond through relationship, advocacy, and an elevated client experience. We do this through a daily commitment to our guiding principles:

- Empower Disruption.
- Reach. Then Reach Higher.
- Make a Difference Every Day.
- Have Fun and Kick Ass!

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Similarly, businesses in the acute phase of crisis may focus so intently on minimizing public fallout that they forget the most important audience: employees, the board, and loyal clients. This close circle needs clear, concise, and consistent information first. Empowered with honest communication and consistent transparency, this circle of trust expands outward. They amplify messages in their own spheres of influence and enhance company credibility when it is needed most.

Neglect this crucial first step during a crisis and the violation fuels morbid speculation. Human nature abhors an information vacuum and rumors rush in, especially when employees feel insecure or frightened. Following employee complaint platforms, like Glassdoor, offers a reality check on how well corporate messaging is absorbed and accepted.

Companies that actively engage clients are more likely to manage the conversation about their brand nimbly during a crisis. Best practices include closely monitoring social media discussions and online reviews to resolve simmering complaints and misunderstandings before they erupt.

As Jay Baer, author of “Hug Your Haters,” says: complaints are not the problem; ignoring them is. Although 80% of companies say they deliver excellent customer service, only 8% of their customers agree. Making it right is worth it. A happy customer tells five fans, an unhappy customer tells 10, a customer who had an issue resolved tells 20.

On April 17, 2018 Southwest Airlines flight 1380 was 32,000 feet above the ground when an engine failed and fragments hit the plane, causing a passenger’s death, eight injuries, and an emergency landing. It was the first death on an American commercial airline in nine years and the first in Southwest’s 50-year history.

In the immediate aftermath, Southwest did three important things:

- 1. Announced it was voluntarily going beyond the FAA requirement and performing ultrasonic inspections on all similar engines in its fleet.***
 - 2. Compensated every passenger on the flight, with no strings attached.***
 - 3. Flooded the channel with the story of its captain, first officer, and cabin crew.***
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Instead of sequestering their flight crew from media during pending litigation, Southwest granted requests from national news programs. The narrative shifted from horror to heroism. Captain Tammie Jo Shults, a decorated former Lt. Commander and one of the first female fighter pilots in the U.S. Navy, became a focal point. Her calm demeanor, competence, and quick action brought the disabled aircraft to a safe emergency landing.

Southwest’s business loss was estimated at \$100 million. Today, the market capitalization of SWA, even with pandemic-related travel cancellations, stands at \$43.5 billion. The impact on Southwest’s brand also can be measured. According to YouGov, an international research data and analytics group headquartered in London:

- On April 1, just before the tragedy: 41 percent of customers surveyed said they’d consider

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flying with Southwest.

- On May 1, just after the accident, the number fell to 31 percent.
- By November 1, seven months afterward: Southwest rated higher than before, at 44 percent.
- Today, almost three years after the crisis, Southwest is at 48 percent on YouGov. Positive impressions outweigh negative almost 7:1

Thankfully, most of us will never face life or death at 32,000 feet. But the lessons of Southwest Flight 1380 hold true for any company whose reputation is on the line in a highly visible failure.

Establish and maintain a reputation for doing the right thing, always. Focus on great customer service, day-in and day-out. This halo of goodwill can cushion the sharpest blows from a failure to live up to expectations. In the darkest times, the smallest light shines brighter. “Look for the helpers,” who are always found in any disaster, as Mister Rogers famously said. While expressing compassion and repairing harm, illuminate the most positive aspect of the story. Make sure people can hear and repeat that narrative. Don’t leave it to chance. Southwest Airlines didn’t.

Coming Next:

Navigating Through Trust Part IV: Learn Lessons