

The balanced perspective of turning a crisis into an opportunity

 By [Janine Hills](#)

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A company that weathers a crisis well, understands that adversity is a concealed opportunity for growth or change.

If we look at the broader definition of crisis, it means any situation that is threatening or could threaten to seriously interrupt business, significantly damage reputation or negatively impact the bottom line.

Every organisation is vulnerable to a crisis, and if we consider how lasting it can be as in the cases of Fukushima Dai-ichi and BP Deepwater, we should certainly use any means possible to first prepare, and second try to prevent, but should a crisis occur, be able to handle it well considering all aspects.

However, in some cases like the two aforementioned, a crisis doesn't necessarily end based upon how well it was handled.

For instance, in the case of Fukushima Dai-ichi, no one can even mention nuclear energy today without the incident being put forward as a warning against nuclear power, even though it was caused by an earthquake tsunami and not nuclear reactors.

The ensuing tsunami crippled the site, stopped the Fukushima I backup diesel generators, and caused a station blackout. The subsequent lack of cooling led to explosions and meltdowns at the Fukushima I facility - with problems at three of the six reactors with spent fuel pools in one of the six - which would not have happened if not for the tsunami.

The 2010 BP Deepwater Horizon oil spill disaster in the Gulf of Mexico caused dangerous after effects to more than a dozen animal species from dolphins to oysters, and even now, four years later, 14 species showed symptoms of oil exposure according to a recent report from the National Wildlife Federation (NWF).

So where are the opportunities for growth in these two cases?

Today, all old, new and planned nuclear facilities and power plants across the world update, or draft their nuclear safety policies describing specific preventive actions learned from Fukushima to be implemented by staff, licensees and affected stakeholders. This enhanced emergency preparedness, improved regulatory oversight and crisis communication capabilities in the entire industry.

The BP Deepwater oil spill showed scientists they need to get better at raising funds for on-the-ground research sooner after environmental disasters so they can better measure its impact. It also showed a need to create a better way for

academic scientists, government agencies and oil and gas industry officials to work together.

Jane Lubchenco, head of the National Oceanic and Atmospheric Administration who was a marine ecologist at the time of the spill recently said about lessons learned, "Building relationships, creating trust, creating understanding to different perspectives and different cultures is really critical, so mechanisms to do that are highly desirable."

Being in the crisis management sphere for the past 15 years, I've learned to view any crisis as an opportunity for growth.

Dealing with a crisis

Catastrophes come into our businesses, no matter how we may try to avoid them. They are troubling and unwanted experiences that shock us out of our comfort zones.

Typically, a crisis results in some type of loss or change. The very nature of a crisis is antithetical to our core values of certainty and predictability. The crisis literally removes the margins that have cocooned us.

During a crisis, we typically find ourselves wanting desperately to get back inside the comfort of the known, but the crisis prohibits this option. There's no going back, and that's where the opportunity lies, as fundamental levels of growth and change only tend to occur during adversity.

Crisis in the Webster's Dictionary is defined as a crucial or decisive point or situation - a turning point. The opportunity is in the turning point, but towards where are we turning?

Depending on the crisis, it could be the opportunity for the entire organisation to undertake new thoughts and implement additional measures which the crisis situation has revealed. It could even be a quest to change market direction, implement new production, manufacturing or distribution approaches, attract new talent or reinvest in the company.

Prepare before

In my experience though, I found real opportunities for transformative change lay in preparing beforehand for any crisis. A well-managed crisis response, paired with an effective recovery program, will leave stakeholders with a favourable impression and renewed confidence.

Often when I review existing crisis management and preventative plans while conducting vulnerability audits, I found most organisations fail to address the many communications issues related to disaster response.

Without adequate internal and external communications, using the best-possible channels to reach each stakeholder group, operational response will break down - stakeholders won't know what's happening and quickly become confused, angry, and negatively reactive.

This is where I found critical, to lead the situation with heart instead of head, and to act with empathy, understanding and trust, is what makes the deciding difference in diffusing it completely, as opposed to merely dealing with it.

One of the major elements in a crisis surely remains in effective communications. Some of the major themes that should be addressed in the communications section of the crisis plan should at the very least include: a responsive crisis communications team; legal counsel; and a pre-screened and exceptionally well-trained spokespersons with the right skills.

Not only are spokespersons needed for internal and external media communications, but for all types and forms including on-camera and at public meetings. You really don't want to make decisions about so many different types of spokespersons while under fire, so organisations should prepare such a person(s) in advance.

Intelligence gathering is an essential component of both crisis prevention and crisis response. Knowing what's being said

about you in all media, by your employees, customers, and other stakeholders often allow you to catch a negative trend that, if unchecked, could turn into a crisis. Moreover, monitoring feedback from all stakeholders during a crisis situation allows you to accurately adapt your strategy and tactics.

While full message development must await the outbreak of an actual crisis, holding statement messages designed for use immediately after a crisis breaks, can be developed in advance to be used for a wide variety of scenarios to which the organisation is perceived to be vulnerable, based on the assessment conducted in the crisis plan.

Learning from a crisis

There are still a heap of other measures to consider, too much to mention in this one article, but what's most significant is, after the crisis, the most important question to ask is, "What did we learn from this, and how can we turn it into an opportunity for change or growth?"

Vuma Reputation Management has developed a formal process for accomplishing this, but even a solid in-house brainstorming session can do the job.

As a closing thought, most companies think, "It won't happen to us." Think again. In the past years I've saw some of the most respected companies going through some sort of crisis.

The difference is, they are prepared with a fully developed crisis response and communications plan in place, and they know how to diffuse the situation quickly and efficiently.

Demand for advance preparation has increased dramatically in recent years. However, a large percentage of businesses remain either completely unprepared or significantly under-prepared.

Don't wait for a crisis to happen, it might be too late. Rather choose to be part of the prepared minority. Your stakeholders will deeply appreciate it.

ABOUT JANINE HILLS

Janine Hills is founder and CEO of Vuma Reputation Management and a leader in the field of reputation management, specialising in building organisational reputation from the inside out. Hills and her team have earned the respect of top leaders in the private and public sectors with in-depth knowledge of the telecoms, financial services, mining, power generation, government, engineering and mobile technology sectors.

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