Risk management

- crisis situations
- damage control

6.1 About business Crisis management

Discussion

Mork in small groups. Do the quiz. Then turn to page 118 to check your answers.

What would you do in these crisis situations?

A psychopath puts cyanide in your company's paracetamol capsules; several customers die, and you have to recall 31 million bottles of the product worth over \$100 million.

- a) relaunch the product under a new name
- b) scrap the product and the brand
- c) relaunch the brand with tamper-proof packaging

A customer complains they found a human finger in your company's chilli con carne.

- a) recall the product immediately
- b) pay the customer compensation
- c) deny any responsibility

A host on your company's provocative radio show makes racist remarks.

- a) have him make a public apology, but let him continue to host the show
- b) fire him and cancel the show
- c) fire him, but continue the show with a new, less provocative host

A company which is obviously guilty of wrongdoing asks your PR company to help.

- a) take the contract
- b) refuse the contract
- take the contract, but charge double your normal fee

Reading

- Read the extracts from Dezenhall's book, Damage Control. Answer the questions.
- 1 What did the crises cost:
 - a) a leading cell phone manufacturer b) Merck c) Perrier d) Audi Why does Dezenhall refer to them?
- 2 How does Dezenhall argue these concepts are relevant for crisis survivors?
 - 1 strong leaders
- 4 self knowledge
- 7 guarantees

- 2 climate shifts
- 5 luck
- 8 baby steps

- 3 pain thresholds 6
- 6 feel-good gurus
- 9 the little guy
- 3 According to Dezenhall, how has the way we judge a crisis changed?
- 4 What is the political model of crisis management?
- 5 How does Dezenhall see the media in general and TV in particular?

Listening for gist

2:11 Listen to an interview with Jack French, journalist at *The Spin Monitor*. According to French, is Eric Dezenhall's reputation in the PR industry justified?

Listening for detail

- 2:11 Listen again and answer the questions.
- 1 Explain the meanings and connotations of the following descriptions: a colourful character, the pit bull of public relations, brass-knuckled, Machiavellian.
- 2 As well as PR, what else is Dezenhall known for?
- 3 Did Dezenhall attack or defend the following? The chemicals industry, the precautionary principle, Greenpeace, the Open Access movement, Exxon Mobile, the Publishers' Association.
- 4 What does French tell us about Qorvis Communications and Sitrick & Co.?
- 5 How successful is Dezenhall's damage control strategy, according to French?
- What two reasons does French give to explain Dezenhall's discretion about his work on behalf of his firm's clients?

research

Glossary

feel-good guru

canard

pit bull whistle-blower

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Search for the keywords bad crisis management. Share your stories and vote for the best example of how not to handle a crisis.

Discussion

- [5] In small groups, discuss the questions.
- 1 *In our culture, whoever attacks, wins, whoever defends, loses.* Is this a sad indictment of American culture, a more global phenomenon, or a misleading exaggeration?
- 2 Do you think there are circumstances in which PR firms should defend companies that pollute the environment, exploit workers or market defective products?