

## >> **Experiences in a crisis room: errors and solutions**

Madrid >> 09 >> 2013

**T**he walls of a crisis room contain the unmistakable scents of fear, uncertainty, frustration or tension. If you cannot perceive them, you are not in a crisis scenario. In this enclosed space, where those who have to deal with the crisis are gathered, there is a wide variety of behaviours, feelings and skills that will lead to success or failure. There are no manuals, nor protocols, not enough tools to overcome the fiercely human factor of management. Napoleon once said: “Men are moved by two levers only: fear and self interest.” Both factors are present during a crisis; is that good news?

Decisions are made because people fear the legal or economic consequences of an event, or the reputational damage. Interest leads them to defend certain viewpoints, to search for alliances, to reach agreements. Due to fear or interest, managers end up trying to protect themselves of the collateral damages of the corporate crisis. This is how every crisis management works: it is always divided between self-defense and the ethical requirements imposed by the codes of good practice.

A direct participation in several crisis scenarios and conducting a large number of drills has allowed us to identify some of the major mistakes caused by the above mentioned factors, which are present in a crisis room. In order to have a better understanding, we distinguish between **organization, management and decision mistakes**.



### **Organization**

Some anarchic situations (that have serious consequences as the crisis goes on) occur due to three factors: an inadequate organization of the crisis' command and management structure, a lack of well-defined protocols (or the lack of knowledge of those protocols), or a lack of proper preparation. Among the most common situations are the following:

- **Undefined or confusing roles.** This happens when the roles of each member of the crisis cabinet are not well-defined. To reduce risks, a hierarchical approach is then followed — the boss makes the decisions—. As a result, both, the analysis and the debate are limited, which is negative as it leads to wasted time. In addition to that, everyone discusses their personal viewpoints, waiting for the leader to give an order. On the other hand, we have the “guerrilla” effect: this happens when everyone tries to take the lead and solve the problem without proper coordination. The Communication manager too often ends up managing the crisis almost alone because the rest of the team has deserted.
- **Encapsulation of the crisis cabinet.** The dynamic crisis situation is very intense and leads to progressive insulation: the amount of pressure and the need to make decisions is so high that the crisis room becomes a sort of “watertight box”: nobody enters or leaves. As a result, the people inside the room lack references and information, which leaves them astonished and almost unable to react to what is happening.
- **Boredom and carelessness.** When a crisis lasts for a long time, or when the problem is apparently solved, the members of the crisis cabinet tend to get distracted, as they feel that there are other priorities that require their attention. The lack of clarity when defining the duties of each member exacerbates even more this factor.

### **Management**

Paraphrasing Francisco de Goya, “the sleep of management produces monsters”. In the case of the crises analyzed in this article, these monsters are mainly three:



- The biggest mistake that can be made in a crisis room is to only scratch the surface of the problem, and to make decisions on this basis. Thinking that what is obvious is necessarily definitive leads to conclusions that will be considered inaccurate very soon, putting the crisis managers in the worst possible scenario —“they are fooling us”—. **Superficiality** is the reflection of fear in a crisis situation, and it leads to urgent action. It is also a consequence of people’s self-protection instinct: they will distort or hide the reality of what has happened to defend their position. The most human reaction can only be fought opening door after door to find out what lies behind, going in depth, identifying all the mistakes, carelessness or negligence that could end up causing a problem. The decision-making process must be done only after all the territory has been explored, and assuming that there might still be something hidden somewhere.
- Trying to solve a problem in a responsible way is undoubtedly a laudable desire, as **improvisation** is the worst possible strategy, because in a crisis context it means offering solutions when there are not enough resources to manage them, or trying to take unfeasible actions. Hiding a problem may uncover others if the pros and cons of the decision have not been correctly taken into consideration.

Let’s see some examples: Offering to replace a product... without having enough stock to actually replace it; or announcing the product recall and not having the proper logistic to do it; promising assistance to the affected people —economic or other— and encounter legal obstacles that do not recommend to do it; announcing a measure to repair the damages...without defining what and who may benefit from the measure, and the delays and conditions related to it.

## CONCLUSIONS

The purpose of this analysis is not to present an exhaustive and irrefutable list of mistakes —there could be other mistakes that are not listed here—, but to analyze in depth (as far as possible) the casuistic that leads to a (bad) crisis management. As stated in a previous study —“Conductas ante las crisis: son personas y temen” (Crisis behaviours: they are people and they have fears), March 2012— the human factor determines the success or failure of the management, and it includes the ability to make less mistakes. Ensuring that these errors do not occur in a crisis situation (and therefore damage the analysis and the decision-making process) must be a priority at the same level as other priorities such as prevention and team training.



>> **Arturo Pinedo** is Partner and Managing Director for Iberia at LLORENTE & CUENCA. He is in charge of the areas of Crisis Communication, Communication and Litigations and Socio-labour Communication. He has 24 years of experience in communication consultancy and 7 as a journalist. He has a degree in journalism from the Universidad Complutense de Madrid and a Masters in Marketing & Communication from IDE CESEM. Before joining LLORENTE & CUENCA in 2005, he was General Manager of ISSUES Communication Consultants and Account Manager at Agencia A. Prior to that, he worked as a journalist in the Cadena SER newsroom for 7 years in the Economy and Labour department.

**d+i** LLORENTE & CUENCA

d+i is the LLORENTE & CUENCA Ideas, Analysis and Trends Centre.

Because we have a new macroeconomic and social script. And communication is not lagging behind. It is progressing.

d+i is a global combination of relations and exchange of knowledge that identifies, focuses and transmits new communication patterns from an independent position.

d+i is a constant flow of ideas moving ahead of new trends in information and business management.

d+i LLORENTE & CUENCA exists because reality is not black or white.

[www.dmasillorenteycuenca.com](http://www.dmasillorenteycuenca.com)