

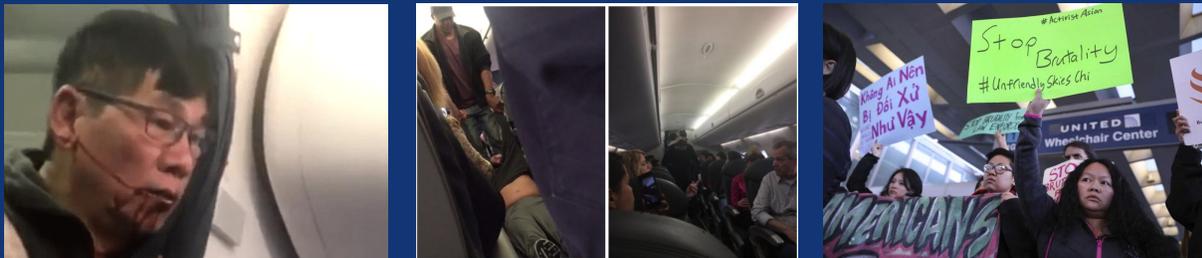


by Virgil Scudder
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When employees of a unit of United Airlines had a passenger violently thrown off a plane in Chicago to make room for an airline employee, it created a firestorm that not only worsened the airline's already battered reputation for customer service but also showed that United was ill prepared to respond effectively to a crisis. Too many other companies are in the same boat.

In a situation like this line employees make the initial decisions but top management has to manage the fallout.

Too often in such circumstances a company's leadership responds in a manner that is insensitive, uncaring, and oblivious to the public's response to what it says and does. United CEO Oscar Munoz immediately compounded United's problem with a statement that supported the crew, saying they followed proper procedures, while condemning the passenger. Meanwhile, millions of people around the world were aghast at videos of the treatment of the bloodied passenger.



A key lesson here is that standard procedure doesn't fit every situation. Circumstances sometimes require that rules be bent or broken. Employees need to know that management will back them up if they make an informed decision to "go against the book" to serve a company's broader interests.

For top management instant effective response is essential. As someone who has coached and advised corporations in crisis readiness and response for over 30 years, I can attest that actions and statements made in the first minutes and hours will influence how an organization is perceived for months or years. It's important to get it right the first time. Anyone who doubts the impact of poor crisis handling need only ask what comes to mind when someone says "Exxon Valdez" or "Three Mile Island," a reference to crises that were mishandled decades ago. It's noteworthy that no one died or was seriously injured in either incident, contrary to what surveys indicate a sizeable portion of the population believes.

Perhaps learning from United's example, American Airlines took a wiser course in quickly suspending one of its flight attendants who jerked a stroller out of a mother's hands and invited another passenger to "hit me."

These crises differ in nature from the ones at Wells Fargo and Volkswagen where high level management was complicit in making decisions and setting policies that led to criminal action.

Unfortunately, few large companies have a crisis readiness program that is, in itself, in a state of readiness. That leaves the others vulnerable to a crisis greatly worsened by mishandling.

Two things will generally dictate immediate employee decisions in a crisis: training and culture. Culture comes down from the top; management sends signals as to what is acceptable and what is not. At United Airlines, the culture has clearly not been, “The customer comes first.” The Chicago incident affected more than the Kentucky doctor who was roughed up. Other passengers on the flight had to be frightened or traumatized by what took place. That should have, and apparently did not, factor into both the on-site decision making and the top management response. United took several days to offer them a full apology and compensation for what they endured.

There are several steps that leaders of other companies can take to minimize the likelihood of a United-type local incident that explodes into a costly and damaging crisis. Here are some suggestions.

- Top management of all companies of any size should be put through an intense crisis readiness program. It should simulate one or more events that could happen and require them to make instant decisions on how to handle them.
- A crisis management counselor or firm should be put on retainer and consulted immediately at any instance of negative news that requires a response.
- Employee training programs should include a segment on crisis handling with emphasis on how to keep a small problem from becoming a big one.
- All employees who deal with the public should be given a billfold-size card that outlines “dos” and “don’ts” in a potentially confrontational situation.
- All staffers should have ready access to the phone number of a senior manager to call for advice when things start to get out of hand.

Top management and line workers don’t go to work expecting a crisis. They don’t expect a fire either but they have fire extinguishers and fire drills. Fires are rare. So are crises. But businesses need to be prepared for both.

Too many are not.