

LEADERSHIP UNDER ATTACK

ESCALATING CRISIS AND REPUTATION CHALLENGES IN THE AGE OF SOCIAL MEDIA

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There is a lot of anger around this country and world, and leadership in general is under increasing, and often indiscriminate, attack. Fueled by competing senses of entitlement and privation since the 2008 financial crisis – as well as a pervasive lack of trust in the institutions they rely upon – consumers, investors, workers, citizens, and students around the world are feeling as if they are no longer getting their due. And the more entitled they feel, the louder their sometimes anonymous protests are getting.

Everyone Has a Platform

Enabled by an Internet that allows trillions of real-time, one-on-one conversations as well as unending one-to-many conversations over social media, everyone has a platform for protest. And they ALL have cell phones with cameras that can post videos to the web in real-time, even when – especially when – those videos do not capture the whole truth.

The Press is Listening

And the press is listening as well as are competitors, customers, and other influencers. Why? Because anger is selling. Righteous indignation is the one thing that cuts through the noise.

The press, disintermediated in news gathering and straight reporting by citizen journalists and news aggregators, is turning more sensationalist by the nanosecond...whether the outlets have traditionally been "yellow" or not.

They need to sell, they need to stay relevant, and they need not to go the way of *Newsweek*, or so many others, and fold. And what can keep them more front and center than "discovering" an "egregious" scandal and creating a crisis from it that they "own"?

Anonymous Sources

All this is compounded by a growing tolerance, even reverence, for anonymous sources. These complainants – free from any fact-checking, or repercussions from their claims – are stirring up mischief around the world.

I am dealing with them in several different situations. They hide behind their literal or figurative Guy Fawkes masks, and lack the courage to stand up and identify themselves. They lack accountability, since it is very hard to verify or dispute their claims. Even the government is encouraging, rewarding anonymous whistleblowers (except where NSA leaks are concerned!) So, anonymous sources are being disproportionately listened to...and their words believed.

Essence of Anger

Why? I think because they capture the essence of anger. Anger against the time-honored institutions and traditions that have let a lot of us down over the past five years. This is felt to be their comeuppance. The problem is, it is indiscriminately meted out.

Regardless of culpability, complainants are lashing out. In fact, often they lash out most fiercely against leaders and organizations who are blameless, while giving more questionable organizations a pass. In the end, it is difficult to tell the bullied from the bullies; the wrong-doers from the wronged.

And, as always, it is nigh on to impossible for the public to discern the objective truth.

So, into this mess walks every leader, and every organization that finds itself under attack.

The trick in surviving and overcoming the attacks is to avoid denial and defensiveness. Rather, leaders and organizations must overcome their protective instincts, and listen closely, listen hard, and listen with empathy, to the charges. Then, they need to decide which ones have merit, which are baseless, and which fall somewhere along the continuum.

Courage

Companies and leaders with real courage and moral center then fix what needs to be fixed, uphold what deserves to be supported, and know when to compromise – when it is expedient to do so.

Crisis Management

My approach to crisis management is to make clients' cases as authentic and compelling as those of their detractors:

- To reaffirm their essence and core beliefs, and know how to express them consistently and compellingly.
- To block and tackle every untruth.
- To forge their messaging with time-honored crisis management principles.
- And to not allow institutions to be silenced...even while they are listening, and learning.
 To not be cowed smartly holding the high ground, when it is theirs.

Reputations hang in the balance. And so one needs to hit the right notes in the right way, almost every time. What does work is a highly attentive campaign of monitoring, responding, and finding one's core and the messages that emanate from it. And then tirelessly getting them out.

Sometimes it TAKES a crisis to see who you really are. And get the word out.

Organizations can use crisis to reaffirm who they are, what they stand for...in deed and word. They can become stronger, finer, more tested, more positively well known. But it is real engagement that is needed. It does not, usually, handle itself.

12 Crisis Management Rules

Over the last 25 years as a crisis manager, I have amassed going on 200 crisis management rules – not all applicable to each situation, of course.

But here are 12 that may be helpful, across the board, for your consideration:

- Just because you may have gotten away with something before or know of others who have – do not assume that you will do so now. Assume that – eventually – all will be known, and design your actions accordingly.
- 2. Control your emotions. Just when your emotions will be going wild, you must conquer them and think strategically and smartly.
- Keep your eyes on the outside. You will be tempted to withdraw into your inner world, but keep focused on the exterior reaction and reality. You'll make better decisions, and it could help privately as well.
- 4. Move quickly to assess the situation and damage, and not only strike the right note publicly, but also start to do the right things.
- 5. Figure out what the right note (or message, tone, words, delivery mechanism) is.
- Never make a public denial when it's a lie there is no better way to be hated.
- 7. Each crisis is different the particulars matter. So never just copy the responses of others, though you can learn from those who have done it well.
- 8. Limit your liability but not your humanity in how you respond to a situation.
- 9. Use the opportunity to reset your moral compass.
- 10. If you must, take your medicine, apologize, make reparations, and then put in lasting, game-changing solutions.
- 11. Become a visible and real part of the solution no matter what it takes.
- 12. Begin to be identified with best cases so that your own "worst case" is forgotten over time.

In this speed-of-electron world, the public can have a short or convenient memory, especially if you have come back from a reputational crisis with honor. Then your task is to rebuild your reputation. And that is best done by becoming the best-in-class in what you do. Imagine having a Harvard Business School case written about you – and become the star of the case: Not only

learn from your crisis, but embody the fix. That is what will be remembered. That is what your legacy will be.

So, is there life after a crisis? Can you keep the value of your brand or rebuild it? Most definitely the answer is yes. But it all really does depend upon how you manage the crisis itself. I have seen some brands not only regain their luster, but go on to shine more brightly. I have seen others lose value and eventually go out of business, or be acquired at a fraction of their value. Reputational risk is a real, bottom-line concern. Getting the right help, doing the right thing, recovering in the right way can all guard the value of your brand, your organization, and your leadership.

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Temin and Company is a reputation and crisis management, strategic marketing, media strategy, and communications coaching consultancy. We work at the Board, Chief Executive, funding, and product levels to create, enhance, and save reputations.

Our clients include some of the world's largest and most well-known corporations, financial institutions, pharmaceutical companies, professional services and law firms, private equity, venture capital and hedge funds and their portfolio companies, high-tech and biotech companies, foundations and universities, as well as politicians, corporate board directors, chairmen and CEOs, sports figures, authors, and scientists.

Examples of our work include: helping to withdraw and then successfully reintroduce a popular drug to the market after a health scare crisis; helping a corporation under fire work successfully with a government regulatory agency; managing the thought leadership and media relations for one of the world's largest executive search firms; coaching 16 global CEOs on communications and reputation-related issues; helping to restructure the marketing and communications efforts of a major information organization; helping to organize Advisory Boards for major bank divisions; positioning and media training national politicians; advising the women's councils of major organizations; and, issuing the investment opinions of a successful investment manager.

Ms. Temin speaks and conducts public and in-house seminars on: "Rebuilding Trust and Confidence in Financial Markets," "Powerful Leadership," "Crisis Management Case Studies," "Resiliency: How To Lead in Difficult Times," "The Role of the Board in Times of Crisis," "How to Move from Tactical to Strategic Leadership," "How to Climb the Corporate Ladder," "Introduction to Integrated Marketing," "Presentation Skills Training," and "How the Media and Business Interact."