

It Takes a Superhero to Manage an **ASSOCIATION CRISIS**



By Rick Oppenheim, APR, CPRC, RB Oppenheim Associates

Look, up in the sky. It's a bird. It's a plane.
No, it's your association's executive director.

Okay, maybe you haven't seen your CEO burst out of a phone booth, sling a web, or respond to a spotlight projected on a cloud, but that doesn't make him or her any less heroic—or imply that he or she won't be ready to don that cape or cowl when circumstances command it.

True, most associations do not generally have to deal with evil or crazed supervillains bent on taking over the world (or Gotham City). But, sooner or later, they will be confronted

by a situation that has the potential to destroy their organization or the reputation, credibility or livelihood of the members they serve.

THINK IT CAN'T HAPPEN TO YOU?

Think again.

Product tampering in 1982 caused Johnson & Johnson to pull Tylenol from store shelves, provoked widespread panic and led to massive

changes in packaging for OTC and prescription medications. Think pharmacists were affected?

The impact of the 9/11 World Trade Center disaster is still being felt by the hospitality, travel and attractions industries.

The 2007 collapse of the I-35 bridge over the Mississippi River in Minneapolis shined a spotlight on a number of industries including engineers, transportation builders and cities.

Bernie Madoff's massive Ponzi scheme that defrauded thousands of investors of billions of dollars ended with his arrest a little over a year ago—yet reputable financial advisors and securities consultants are still feeling the pain.

"SOONER OR LATER, ASSOCIATIONS WILL BE CONFRONTED BY A SITUATION THAT HAS THE POTENTIAL TO DESTROY THEIR ORGANIZATION OR THE REPUTATION..."

And, the economic meltdown that began in 2008 has tarnished the reputations of a slew of industry segments and professionals, from bankers to mortgage brokers to Realtors to builders.

HITTING CLOSER TO HOME

The common thread in these scenarios? They each were catastrophic events beyond the control of affected industries whose credibility was tarnished by impressional transference. Translation: one bad apple spoiled the bunch.

Dan Buker, JD, MS, and executive director of the Florida Dental Association knows the expression well. It was just a few months after becoming FDA's executive director more than 20 years ago that he was confronted with the case of University of Florida student Kimberly Bergalis, who was believed to have been infected with AIDS by her West Palm Beach dentist, Dr. David Acer, and triggered an epidemic of fear, a media onslaught and an attack on the dental profession.

TSAE's 1991 president Kathy Anderson, CAE, and CEO of the Florida Institute of CPAs understands it too. Back in 2001 when she was running the South Carolina Association of CPAs, a chain of events led to the collapse of Enron and Worldcom, and triggered a financial and economic disaster in which one of world's largest

25 RULES FOR WHEN THE CRISIS HITS

1. Act promptly! (If you delay, it looks like you're hiding something.)
2. Determine if it's REALLY a crisis.
 - a. Loss of life or serious injuries.
 - b. Damage to reputation.
 - c. Loss of confidence or questions of competence.
 - d. Implications of wrongdoing or breaking of laws.
 - e. Legal liability.
 - f. Financial losses.
 - g. Media interest.
3. Determine depth/impact. (How deep does the damage go?)
4. Gather all possible information.
5. Verify all information (no matter how reliable the source).
6. Review your crisis management/communications plan (revise to fit circumstances).
7. Take appropriate corrective action.
8. Alert team and select (or confirm) team leader.
9. Establish contact with appropriate emergency authorities (police, fire, rescue).
10. Establish protocols.
11. Establish a "central information center."
12. Identify lead spokesperson.
13. Create key messages and talking points (and be sure all communication is consistent—that everyone is giving the same messages).
14. Prepare materials and handouts.
15. Determine whether to be proactive or reactive (whether to initiate media contact or let them come to you). Consider pros and cons of both: if you come out and admit problem—and the solution you are taking—you appear conscientious, concerned and trustworthy, but open the door to getting attacked; if you wait until the story sees the light of day, it may look like you were hiding or dodging. Will the story get out on its own? Weigh the opportunities and the threats carefully.
16. Inform relevant regulatory boards.
17. Enlist help of others (i.e., secure third-party allies, "objective" groups who will speak positively about you; friends and supporters whom you've already been cultivating).
18. Log all media calls, follow up as promised—never say "no comment"—STAY ON MESSAGE.
19. Monitor media coverage.
20. Document all activities.
21. Remain available and accessible at all times.
22. Schedule daily meetings of crisis team.
23. Keep cool—stay in control.
24. Get the crisis behind you as quickly as possible.
25. Conduct a post-crisis audit; when the dust settles, conduct a debriefing with your crisis team to evaluate performance, outcome and effectiveness—then take what you've learned and revise the plan to make it even better for when the next crisis hits!

CPA firms, Arthur Andersen, was deemed complicit and all CPA firms' practices and reputations were put under the microscope.

Jan Scheff, CMP, and executive director of the Independent Funeral Directors of Florida, also has first-hand knowledge. In 2002, soon after concluding her term as TSAE president,

"YOU MAY NOT BE ABLE TO STOP IT, BUT YOU CAN—AND MUST—BE PREPARED FOR IT."

she had to be a strong and positive voice for death care after a northwest Georgia crematorium was indicted for stacking up hundreds of bodies rather than cremating them and put a horrific spotlight on an entire industry.

For Carol Westmoreland, executive director of the Florida Redevelopment Association, it meant summoning up all her powers to ensure the survival of her members' local redevelopment projects when "eminent domain" became an evil term thanks to a stubborn resident of New London, Conn., her victorious case before the U.S. Supreme Court and a lot of sensationalized reporting.

WHAT IS A CRISIS?

The common thread is that each of these TSAE members faced unpredictable disasters whose origins were far beyond their own spheres of influence or control.

An organizational crisis is any act committed by internal or external sources that results in a disruption to business or service, a threat to life or limb, financial harm and/or injury to reputation. Generally, crises emanate from one of three categories: man-made, accidents or acts of nature.

In most cases, a crisis emerges suddenly and will come at you "faster than a speeding bullet and more powerful than a locomotive." You may not be able to stop it, but you can—and must—be prepared for it.

HAVE A PLAN

While most smart associations have a business plan that covers areas such as membership growth, services, fundraising, financial management, marketing and communications, they often omit a critical element: crisis management.

There are 10 essential components to a crisis plan:

1. Potential crisis scenarios
2. Target audiences (internal and external)
3. Communication strategies, tactics and tools
4. The crisis team
5. Leadership contact list
6. Protocols and processes
7. Key messages and talking points
8. Spokespersons (and media training)
9. External resources (services and suppliers that may be needed for effective and fast response)
10. Media monitoring (for news reports, industry blogs and social media postings)

Once your plan is assembled, be sure it doesn't just collect dust on a shelf in your office. It's essential that it be reviewed, practiced and rehearsed by your association's staff, officers and board—initially and at least annually (and especially when your officers and board change).

POWER UP

"When the Kimberly Bergalis news story broke, I was at my first annual meeting just after becoming

FDA's executive director," said Buker. "We were besieged with media people and had no spokesperson. I've always believed a member of the profession should speak to the press, but that wasn't possible. There was no time to meet with the board, pick a spokesperson, take a position and prepare messages. I had no choice but to jump in."

His fledgling effort was successful, but an important lesson was learned. Soon after, the FDA established a formal Spokesperson Program that continues today and includes identification and training of FDA spokespersons, talking points on all known issues the media are likely to inquire about and outside resources that can be called upon if needed.

Anderson learned similar lessons from the Enron collapse. "This was a situation where a lot of people lost money, companies imploded and CPAs and auditors were being blamed. We had to remind people that integrity and objectivity are the cornerstones of our profession and they should not brand all by the misdeeds of a few."

The key to Anderson's successfully overcoming the Enron crisis—as well as Scheff restoring the reputation of Florida's funeral directors and Westmoreland rebuilding the credibility of Florida's redevelopment movement—was proactively and aggressively communicating carefully-crafted messages that were used consistently in an array of venues and forums.

But, more, it took the understanding that the responsibility for their associations' survival in a crisis situation begins and ends with them. They learned the importance of being alert and ready. Of having a plan. Of having a well-trained leadership team. Of having a bank of resources.

And, if all else fails, they also keep a cape and a cowl in their desk drawers. ●

Rick Oppenheim, APR, CPRC, is CEO and senior counselor at RB Oppenheim Associates, a Tallahassee-based public relations, advertising and marketing communications firm celebrating its 25th anniversary this year. Rick has been a member of TSAE since 1981.