



FORTIFYING TRUST IN A CRISIS

Kellie Cummings explains how effective crisis communications and continuity planning can actually deepen customer relationships and strengthen brand integrity in a crisis event

To sustain trust in traumatic times, organisations need to thoroughly assess the risks of eroding trust. When people feel most vulnerable, they will always remember those who came to their aid and those who didn't. For crisis communicators, fortifying trust requires a strategy that demonstrates empathy and anticipates customers' emotional needs.

On 30 October 2012, before Hurricane Sandy made landfall, several large financial institutions emailed customers living in the storm's path and proactively extended waivers for late loan payments along with additional services. Almost uniformly, large banks contacted their customers during this period. This action not only allowed devastated residents to focus on more critical issues in the storm's aftermath, it also alleviated their need to contact the bank independently and request waivers or additional forms of help.

For the first time in years, people had a tangible reason to trust a financial services company and the industry benefitted from an outpouring of positive media coverage. However, a few large financial companies failed to fortify trust amidst this tidal wave of goodwill, and customers and the media took notice. In effect, the leading banks had established a new standard in trust communications, and those that operated on an outdated set of expectations had suddenly fallen below standard.

“To fortify trust, businesses must prioritise customers' emotional experience and respond accordingly”

Trust rules of thumb

According to psychology researcher Jeffrey A Simpson: “Trust involves the juxtaposition of people's loftiest hopes and aspirations with their deepest worries and fears.” Simpson also believes that while trust forms an essential thread in all relationships, there is a paucity of research that explains precisely how and why trust is extended or destroyed. Therefore, trust experts walk a fine line between over-promising and failing to help businesses implement sustainable strategies. Here are a few things we know for sure:

It is not always possible to restore trust

An organisation's or a leader's ability to restore trust actually depends on the reason why trust was fractured in the first place. Trust fractures fall into two specific categories: competency-based failures and morally-based failures.

Mistakes ascribed to incompetency are, for the most part, forgivable. People tend to pardon leaders and companies for making mistakes due to a lack of knowledge or understanding. However, failures that are ascribed to a person's fundamental character or an organisation's culture are not likely to be forgiven.

When former BP chief Tony Hayward infamously said that he'd like to have his life back after 11 men had died on his company's oil rig and while thousands more were out of work, he ignited outrage. Actions that demonstrate apathy in the face of others' suffering are perceived as a lack of moral character, which isn't generally pardoned. Hayward's leadership stumbles also severely damaged the company's reputation, despite billions spent in compensation claims and millions more spent on advertising.

Power imbalances compromise trust

Disasters often create a division between one group of people who are adversely affected and another group who are not. Those who feel more vulnerable become increasingly sceptical of those who are perceived as having more power. When those who are in a position of relative power fail to demonstrate empathy for others, they can ignite distrust. This occurred during the financial crisis.

According to Sharon McMillen Cannon, Ph.D., of The University of North Carolina at Chapel Hill: "Wherever you observe a difference in power, those in power can send poorly executed behavioural messages to those with less power. During the financial crisis, the messages of people perceived as powerful within financial institutions sent 'micro-messages' that created mistrust in the public."

Communicating trust requires active listening

According to researchers John Fleming, Ph.D and Jim Asplund of Gallup, organisations often fail to prioritise their customers' emotional needs. As a result, companies communicate in a manner that erodes trust with customers. "Feelings are facts," these researchers claim. To fortify trust, businesses must prioritise customers' emotional experiences and communicate accordingly – even if this requires a company to address issues that seem relatively unimportant.

“Upholding trust amidst prolonged uncertainty is no easy task and it requires a collaborative leadership style that fosters true partnerships with all stakeholders”



How to fortify trust amidst turmoil

These best practices for crisis communications and continuity planning are designed to actually deepen relationships with customers and strengthen brand integrity during a period of uncertainty and crisis.

Plan to surpass expectations

In 2004, the worst high-rise building fire in the history of Chicago engulfed the corporate headquarters of LeSalle Bank (acquired by Bank of America in 2007). Due to the company's thorough and exacting continuity planning, all critical operations were restored by the next business day. Customers, for the most part, did not experience any disruption.

As a result, LeSalle Bank benefitted from tremendous public and customer goodwill after the fire. Without negative news to report, the media also celebrated the bank's remarkable success in preserving customer confidence amidst a catastrophe.

The company had spent years establishing strong vendor relationships and connections with Chicago's fire and police departments. "You should not be exchanging business cards during a crisis," explains Mr. Brian Tishuk the executive director of ChicagoFirst, a coalition of financial firms.

Enable employees to rise to the occasion

A large and prolonged crisis will produce situations that no one thoroughly anticipated. To meet customers' changing needs and maintain internal agility, companies must initiate unconventional communications processes. The Push-Pull-Engage model enables this type of organisational agility.

Push communications constitute a standard crisis communications plan and represent all urgent messages pushed out to stakeholders, including the press. Pull communications support unconventional work patterns that employees develop to solve immediate needs. Sometimes this requires contacting a subject matter expert or simply accessing logistical information.

The third type of communications, Engage, is where most organisations fall short. Engage communications allow employees to ask questions of any sort and receive a guaranteed answer within a short period of time. This listening device is essential for upholding trust with customers *and* employees in periods of uncertainty specifically because management cannot fully anticipate employees' needs.





“Listening is the bedrock of trust. When you listen to people you show them that you care and you demonstrate a willingness to understand”

When General Motors went into bankruptcy in 2009, the company established a section of their intranet that responded within 24 hours to all employee questions. “Do we come to work after the date of bankruptcy?” was one of the many unforeseen questions that management fielded through this portal.

Engage communications are a company’s agility muscle in a crisis. Additionally, by supporting employees, companies can engender trust internally while enabling employees to strengthen confidence with customers.

Promote transparency with customers and the media

When LeSalle Bank realised that the media wanted to capture employees’ experiences during the crisis, the public relations team contacted a select group of employees and presented them to the media. This helped the company control the story while promoting transparency.

Debra Hersman, the US National Transportation Safety Board (NTSB) chairman, said that during the Asiana Airlines crisis it was extremely difficult to position the NTSB as the most credible information source, partly because the first tweets occurred within seconds of the crash. Nonetheless, Hersman advises companies to conduct their first press conference as soon as reasonably possible. Before flying out to investigate the incident, she held the first press conference on the tarmac and informed the public of what the NTSB had already learned and what their priorities were upon landing in San Francisco.

Show people that you care

When it comes to building trust, words have limited value. Non-verbal communications, however, are extremely memorable. Consequently, outreach planning is an essential aspect of trust communications in a crisis. According to the 2013 Cone Communications Disaster Relief Trend Tracker, 87% of worldwide consumers expect companies to play a role in disaster response.

In the past, the public expected large companies to donate money. Now, people expect companies to donate their time, expertise and strategic capabilities. Furthermore, as the trend toward urbanisation accelerates, an increasing number of businesses may find that their offices lie in close proximity to people affected by a crisis. It is essential, therefore, for companies to think about these issues from the standpoint of trust during scenario planning.

Establish a sense of responsibility that is not tied to culpability

Although crisis planning is still a discipline of mitigating legal, financial and reputational liabilities, it is also about leadership. Specifically, it’s about ethical leadership that embraces responsibility without liability.



**CONTINUITY
SYSTEMS LTD**

Helping organisations
prepare for the unexpected

www.continuity.co.uk

In the case of Hurricane Sandy, businesses had a responsibility to help vulnerable people, even though they did not cause the event. As extreme weather events, acts of terrorism, and massive economic crises continue to create uncertainty, businesses must independently define their scope of responsibility – before the next massive event.

Create distinct plans for incidents and recovery periods

A crisis event is a brief period of urgency when fear is extremely high. People depend on leaders to provide life-saving information and to tell them how to protect their families in a crisis. Leaders must build confidence by communicating with accuracy, transparency and speed.

During a recovery, particularly a long recovery, people don’t want to be told what to do; they want to be heard and understood. Hurricane Sandy’s recovery began on the morning after the storm, and in some cases, it continues today. Upholding trust amidst prolonged uncertainty is no easy task and it requires a collaborative leadership style that fosters true partnerships with all stakeholders.

Always prioritise people

Internally, this means that your leadership must over-communicate because it is the only way to extinguish the grapevine. Externally, you must also over-communicate while respecting customers’ channel of choice, which is often social media.

In both cases, remember that it is easier to distribute your messages than it is to respond to their concerns. Listening is the bedrock of trust. When you listen to people you show them that you care and you demonstrate a willingness to understand. As the late Steven Covey said, “Seek first to understand. Then to be understood.”

KELLIE CUMMINGS

Kellie Cummings is a speaker, author and business consultant

www.kelliecummings.com

@kellcumings