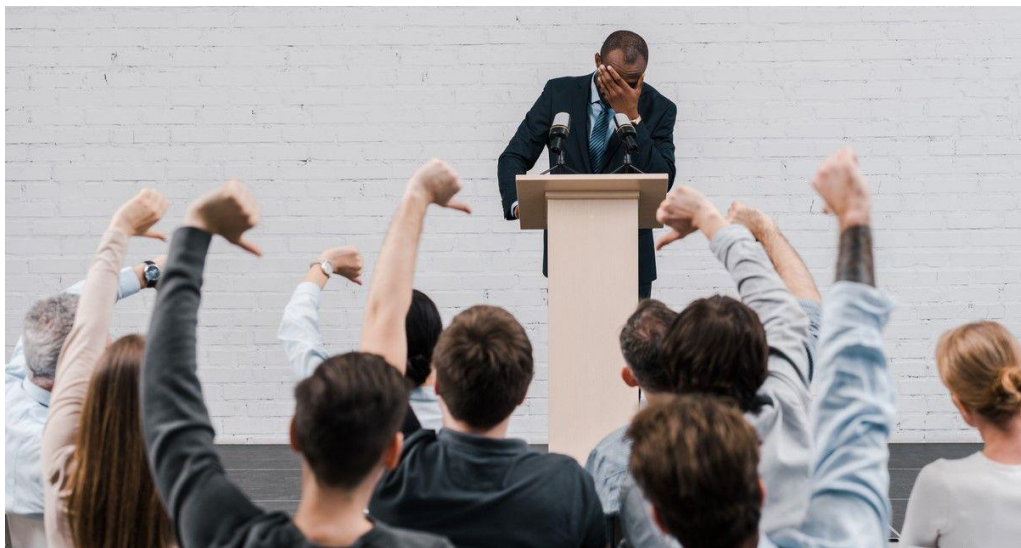




## Why Energy Companies Should Practice Their Crisis Communications Plan©

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*Credit: iStock*

We're less than two months into 2020, but already we have seen multiple examples of terrible crisis communications: the Iowa Democratic Presidential Caucus and Major League Baseball's cheating scandal. Both were belly flops into the deep end of the crisis communications pool.

Neither of these organizations are energy companies (though there have been no shortage of crises there either), so I can't assume they would have come across my prior blog posts on crisis communications, such as [here](#), [here](#), [here](#) and [here](#).

If those organizations had read those blog posts, or they had done any rudimentary research on crisis communications, they'd be saving upwards of \$500 per hour in consulting fees. Lawyer fees? Well, let's say they start at something close to \$1,000 per hour, and quickly escalate.

## FBI Raid Taught Energy Company About Crisis Communications



*Credit: MLGW*

These recent failures in crisis communications reminded me of an energy company, Memphis Light, Gas & Water (MLGW), that went through a particularly [nasty crisis](#) some years ago. They rated their performance as a disaster. But unlike many organizations, who would try to forget the debacle and hope lightning would not strike twice in the same place, MLGW instituted **regular crisis communications drills**, to sharpen participants' ability to operate in a pressured environment when time is of the essence.

I interviewed with Glen Thomas, at the time MLGW's supervisor of media relations, about the lessons learned from its near-death PR experience, which involved a raid of its headquarters by the Federal Bureau of Investigation and other law-enforcement agencies.

Glen said organizations needed to have a humble public persona, admit when it's wrong and show the public what it's doing to fix the problem. All true, to be sure, but then he recommended utility communicators hone their crisis communications skills with a weekly exercise using a different real-world scenario. **Real-world practice, Glen recommended, is the only way to keep your skills sharp.**

I don't know if the adage "practice makes perfect" is true, but in MLGW's case, practice certainly made the organization better prepared to handle future crises.

In a prior [blog](#), I summarized the crisis communications advice of Bruce Hennes, a crisis communications veteran who runs [Hennes Communications](#): He said:

- The truth always comes out
- Lies ruin reputations

- Don't deny the obvious
- People scan headlines, they don't read articles
- Avoid media filters by getting your side of the story out first, and
- Understand that telling stories, rather than gathering facts, is a reporter's main job description

## Iowa Caucus: Silence Undermines Credibility

This month's Iowa Democratic Presidential Caucus was either a tragedy or a farce, depending on your political viewpoint. By now, most people who were interested have been able to learn about the [ill-fated app](#) that was not adequately tested, which delayed reporting of the results for weeks and raised legitimate questions about the accuracy of the delegate count.



*Credit: Associated Press*

The technology failure was bad enough, but it was compounded by the ham-handed way the Iowa Democratic Party communicated (or, rather, didn't) during the crisis. The silence created by the party's refusal to brief the news media about the app's problems led to rumors that the system had been compromised by a malevolent actor.

An article in *The New York Times* details the [systemic and cascading problems](#) that overwhelmed the technology, the process, the people, and, ultimately, the entire caucus.

In a recent *Forbes* post, Chet Wade, a former energy communicator, offered a [detailed critique](#) of the party's crisis communications failures. The trade publication *Campaigns & Elections* offered its own [analysis](#), which was equally harsh. A third source, *PR News*, largely [agreed](#). Another article in that online news source said that while most companies have a crisis communications plan, [over 4 in 10](#) don't update or practice it.

Let's hope that the meltdown in Iowa convinced energy companies that having a crisis communications plan is only half the battle. **It needs to be practiced regularly.**

**What could the Iowa Democratic Party have done?** Rather than retreat from the news media on the night of the caucus, it should have flooded the zone by making multiple senior officials available to the news media the minute the polls closed on February 3. That's especially true because the party knew hours if not days before the caucus that the software was buggy.

Even if they couldn't definitively answer all of the media's questions, having senior officials patiently answer the news media's questions would at least allow them to swat down rumors that malevolent actors had compromised the system. That would have been the ultimate "nothing to see here" response.

This is Crisis Communications 101: When a crisis hits, senior officials must be visibly present to supply whatever information they can. Eventually, the news media will get tired of asking these officials variants of the same questions — providing the officials answer them forthrightly. "I don't know" is an acceptable answer when a crisis is unfolding. You should not speculate. But you need to share what you know as soon as you know it.

## MLB Sign-Stealing Scandal: Astros and MLB Both Strike Out



*Credit: Major League Baseball*

I need to start by acknowledging I am a huge fan of the New York Yankees baseball team. When news broke last November that the Houston Astros had engaged in a widespread, systematic, player-driven campaign to electronically steal opposing pitchers' signs, my first thought was, "So *that's* how they went from worst to first — by cheating!"

For those readers who are not baseball fans, here's a short recap of the [scandal](#): In mid-January, Major League Baseball concluded that in 2017 the Houston Astros had set up a player-driven system to steal opposing pitchers' signals and convey them to the dugout, and then to the batters, with an elaborate system involving TV cameras, private digital networks and team employees banging on garbage cans.

Hitting against Major League pitching often is called the most difficult feat in sports, but it is a lot easier if you know what the next pitch will be!



*Houston Astros former manager A.J. Hinch*

MLB suspended the Astros manager (left) and general manager, and the team fired both without delay. The Astros apparently will be allowed to keep their now-asterisked 2017 World Series title.

Though MLB and the Astros deserve kudos for swift action once corruption was uncovered, they lost whatever goodwill they created when they allowed the players to [dodge questions](#) about the scandals for several weeks after the league put out its report. One Astros player, meeting with fans in a team-sponsored event, said he just wanted to put that behind him and concentrate on the 2020 season.

It looks like no one in the Astros organization was adequately prepared to face the music, if not the media, for several weeks after the MLB issued its report in mid-January. Careful preparation, well as practice, are essential for organizations and individuals seeking to put a crisis behind them.

Then, a month later, in mid-February, as Spring Training was beginning, the Astros wheeled out the owner and two players from the 2017 team to face the media. It was a textbook disaster: insincere, inept and ineffective. Check out these clips:

<https://youtu.be/XIEJX1x0bHw>

<https://youtu.be/xc3qhDqSqv4>

Separately, MLB Commissioner Rob Manfred took his turn before the cameras and his performance was, if anything, worse. He said he decided not to take back the 2017 World Series trophy from the Astros, saying, “The idea of an asterisk or asking for a piece of metal back seems like a futile act. People will always know that something was different about the 2017 season.”

The commissioner explained his reasoning in this interview with ESPN:

<http://www.espn.com/video/clip?id=28715162>

Perhaps it would have helped if anyone involved in the cheating, coverup and MLB punishment, such as it was, had pulled out and practiced their crisis communications plans? If those poor performances were turned in *after* practice, it's clear the team and the league need to find new crisis communications consultants!

MLB and the Astros got it half right: They responded quickly, which is good. The terms of the plea bargain MLB reached with players precluded individual punishment in exchange for telling the league the truth about the scandal.

As this *Wall Street Journal* article makes clear, the sign-stealing scandal has a lot of unanswered questions, and it is [not going away](#). The league's investigation of a second team that won a World Series, the Boston Red Sox in 2018, is yet to be released.

In the wake of MLB's near-complete failure to discipline a team for cheating, and the weak evasions and [wooden, scripted apologies](#) from the Astros owner and players who cheated, now some MLB pitchers are considering [their own brand of punishment](#):

Intentionally throwing at Astros batters. That's a whole new problem that never would have arisen had MLB and the Astros imposed meaningful discipline on those who had corrupted the game and followed that with better crisis communications after the corruption was unearthed.

**As you can see from these examples of serious crises in certain organizations, the failure to act and communicate quickly and with integrity creates fresh sets of new problems for an organization.**

One of Hennes Communications' [six tips for crisis communications](#) is to not deny the obvious. Also, the guilty parties need to fully 'fess up before they can make amends.

As Hennes Communications likes to say, "unlike the court of law, the court of public opinion is always in session." See you at the ballpark!

## **Preventing (or Recovering) from Your Next Crisis**

Regardless of their industry, companies can prevent crises by ensuring employees practice the Golden Rule: Do unto others as you would have them do unto you.

But for those companies that fall short, here's the roadmap to I shared at an energy industry conference:

- Tell the truth — all of it — and don't slow-walk it
- Pick one story and stick with it
- Exercise message discipline
- Pick a credible spokesperson
- Provide them with good messages
- Get it out fast!
- Don't defend the indefensible
- Practice your crisis communications plan!