

CRISIS COMMUNICATIONS FOR UTILITIES®



WHAT CAN UTILITY COMMUNICATORS DO, TODAY, TO BECOME BETTER CRISIS COMMUNICATORS?

From wildfires in California and Hawaii to hurricanes in Florida, and sweltering heat, ice storms, boil-water notices, tornadoes, and extended service outages everywhere in between, utilities have had to communicate about many crises (or near crises) in recent years.

That's why EEC sat down with **Thomas Fladung, managing partner at Hennes Communications**, a leading crisis communications firm, to assess the current state of utility crisis communications.

In our conversation, Tom spelled out the need for every utility to have a crisis communications plan and what that plan should include, among other topics. Here we have included excerpts from our Q&A session. Some portions have been edited for brevity.



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Q: *Do utilities need a crisis communications plan?*

Yes! Communications often are the last thing that an organization thinks about *during* a crisis, which underscores the importance of having **a plan built before your utility experiences a crisis.** It is possible to be prepared, and to rehearse your communications plan before there is a crisis, whether it is an extended outage, an operational breakdown, or employee misdeed.



On the subject of crisis communications, *Forbes* magazine recently reported on a survey of 243 U.S. business leaders. Only about half (49%) said their company had a formal crisis communications plan. Nearly three in 10 (28%) said they have an informal or undocumented crisis communications plan, which I assume means they don't have a plan. And the rest, about one-quarter, said they weren't sure. So roughly half responded in ways that suggest they don't have a crisis communications plan!

"If you want to survive a crisis, have a plan."

Of the 49% who said their organizations had a formal crisis communications plan, 98% of organizations that had to activate their crisis communications plan said it was effective. Three-quarters (77%) of those said it was "very effective."

If you want to survive a crisis, have a plan. If you want to come through a crisis with your reputation intact or even improved, practice your crisis communications plan. If you have a plan that's been sitting on a shelf, take it out and update it.

Q: *What should a crisis communications plan include?*

At a high level, the crisis communications plan must:

- ◆ **Identify your crisis communications team**, so that all the communicators know their role when a crisis hits.
- ◆ **Assign team members to the various utility areas** such as Operations, Safety, Human Resources and Legal.
- ◆ **Identify backups** because when a crisis hits, one member of your team may be on vacation and unreachable. Make sure you have current cell numbers and social media passwords.
- ◆ **Include crisis-response messages** that are approved by the CEO, HR, Legal, and other leadership team members. If you see looming challenges ahead for your utility, prepare initial messages in advance of the crisis.
- ◆ **Describe what your organization will say**, when it will be said, how it will be said, who will be the face and voice of the organization, and to whom the messages will be addressed.

FOUR-STEP PLAN TO PREPARE FOR A CRISIS:

- ⇒ *Use Peacetime Wisely*
- ⇒ *Practice Your Plan*
- ⇒ *Be Proactive*
- ⇒ *Always Be Educating*



Q: How can utilities prepare for a crisis?

Use peacetime wisely. When there's not a crisis at hand, educate your customers, your employees, and all your other stakeholders about what your utility does, how you do it, and why you do it.

Practice and update your plan periodically. Don't just create a plan and file it away for when the crisis occurs. Professional athletes train to build muscle memory. Utilities need to do the same. Update the plan at least once a year, or after there has been a leadership change or significant organizational change.

Be proactive — always be educating. Create a bank of goodwill by communicating regularly with your most important stakeholders about how the utility is working to address important community issues.

Q: What should a utility do when a crisis hits?



When a crisis first hits, your leaders may not know exactly how to fix the crisis, but they should say, in a straightforward and non-technical way, here's the problem, here's what we're doing to figure it out, and here's what we're doing to make sure it doesn't happen again.

Don't allow outsiders to define your crisis. Utilities should be the first to break their own news, whether it is good or bad. If the news is bad, rip off the Band-aid in an early stage of a crisis.

"Don't allow outsiders to define your crisis."

Why? Because you need **to control the narrative by telling your story**. It's not a reporter breaking the news, it's not a whistleblower, it's not an activist on Facebook. If you get your story out first, and it's the truth and it's effectively told, you have a much better chance of being believed.

Q: How has social media changed crisis communications?

How we communicate has changed profoundly. The system of fact checking and editing that was developed over decades by news organizations has now largely gone away. We are living through the first era of truly instant communication where literally anyone can be an influencer or a journalist, for better or worse.

All this has put reputations, earned over years, more at risk of being damaged in hours or even minutes. And that means it's more important than ever to tell your own story continuously through social media channels.

Time after time, we see crises start because someone in an organization posts something on social media that they shouldn't have.

Consider these "pros and cons" as you incorporate social media into your crisis communications plan.

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PROS:

- ◆ Instant communications with an array of news and information sources that are just a click away
- ◆ Anyone can be an influencer or journalist
- ◆ Information can get out quickly to large numbers of people especially during a crisis
- ◆ Platforms are easily used to communicate frequently and consistently to your stakeholders

CONS:

- ◆ Fact checking and editing of content have largely gone away
- ◆ Reliability of information is largely left up to the news consumer
- ◆ Loss of control of your content leading to possible negative outcomes
- ◆ Social media posts are "evergreen" (they never go away.) Years-earlier posts can damage reputations of individuals and companies.

Q. Can our utility 'spin' its way out of a crisis?

No. "Spin," or shading the truth, is the first cousin of lying. People see through it, some sooner than others. And now, you have a different problem, in addition to the original problem.

If your utility doesn't communicate truthfully about the original problem, outsiders, some of whom may dislike your organization, will fill in the blanks with (sometimes questionable) facts and color commentary.

In the court of public opinion, utilities are on the defense. That's a basic fact of life. That's why utilities need to be as transparent as humanly possible here, and try not to do the natural thing, which is to duck responsibility and hope no one notices. **They will always notice.**

"Spin,' or shading the truth, is the first cousin of lying."

Q. What if the crisis is not the utility's fault?

People draw the line at different places when it comes to placing blame for a crisis.

When an organization itself creates the conditions for a crisis, the challenge is greatest. Good people can make mistakes, good organizations can do bad things, and there are some bad players in every industry.



Sometimes, a utility is not at fault for a crisis, such as weather-related extended outages or cybersecurity breaches. Although a weather-related outage or cybersecurity breach might not be your utility's fault, **how you respond is critical.**

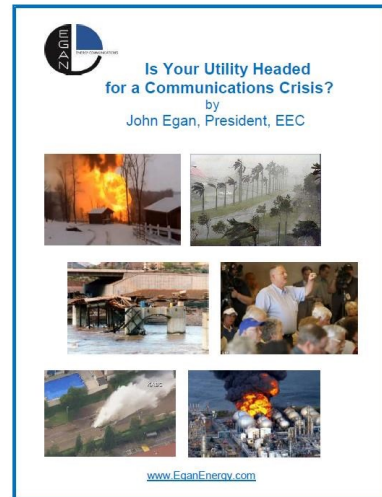
This is one more reason your utility must have an updated and practiced communications plan, one built around the four-step plan we outline on page 3.

Is Your Utility Headed for a Communications Crisis?

For utilities, some communications crises stem from unpredictable external events like severe weather. Others are self-inflicted wounds that derive from internal organizational issues. Skillful communicators may be able to contain crises once they erupt.

But wouldn't it be better — less painful, less costly, easier — to try to prevent them? **Many communications crises can be prevented with careful planning and purposeful action.** Sometimes luck plays a role. But have you ever noticed that well-prepared utilities seem to get “lucky” a lot, while less-prepared utilities can't seem to catch a break? You can start today on “the road to luck” by taking [this self-assessment](#).

You can also check out some additional resources on crisis communications on the [EEC website](#).



Next Steps

Interested in preventing your next communications crisis? After completing the checklist, feel free to contact John Egan for a free, confidential, 30-minute assessment of your results. We might be able to help you prevent a communications crisis.

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