

# Week 3. Crisis Communication Theories II

23 January 2017

# Questions



# Exercise (I)

1. Choose one of the theories explained in class last week (**apologia** or **IRT**) and think how it can be used in the analysis of the Carrefour crisis.
  - Questions you can ask yourself...
    - Which strategies described in the theory would work for this crisis?
    - Which strategies would not work for this crisis?
    - Who are the main stakeholders and how does this matter when using the theory?
    - How is image (reputation or social legitimacy) being attacked?

# Carrefour objectives

- #1 – Correct misinformation about Carrefour’s support for Tibet.
- #2 – Show Carrefour’s support for the Beijing Olympics.
- #3 – Reduce media attention on the situation at Carrefour.

(Based on Coombs 2012, p. 152-171)

# Exercise (II)

1. Based on Carrefour's objectives, think about strategies that can be employed and which tactics you would use.
  - Be ready to present them to the class.
  - Remember...
    - Strategies are theoretical constructions that can support the goals and objectives of an organisation.
    - Tactics are specific actions that can, based on strategies, contribute to achieving the goals and objectives of an organisation.

# Exercise (II)

- The Chinese government
  - **Goal** – to end negative international media coverage of the Olympics that focused on anti-French protests
  - **Objective** – to convince Chinese citizens to express patriotism in a way different than boycotts.
  - **Strategy** – use **transcendence** to place patriotic response in a new context
    - Tactic 1: delete references to boycott online;
    - Tactic 2: release of statement by the government.

# Carrefour Objective #1

- Correct misinformation about Carrefour support for Tibet
  - Strategy (apologia)– opinion/knowledge dissociation
  - Strategy (IRT) – denial
    - Tactic #1: release statement by CEO and VP;
    - Tactic #2: publish explanatory adds on newspapers;
    - Tactic #3: media appearances and interviews;

(Based on Coombs 2012, p. 152-171)

# Carrefour Objective #2

- Show Carrefour's support for the Beijing Olympics
  - Strategy a: Bolstering of China's success;
  - Strategy b: Expression of regret;
  - Strategy c: Dissociation;
    - Tactic #1: have employees wear red t-shirts;
    - Tactic #2: release statement by CEO and VP;
    - Tactic #3: media appearances and interviews;

(Based on Coombs 2012, p. 152-171)

# Carrefour Objective #3

- Reduce media attention on the situation at Carrefour
  - Strategy a: Minimization;
  - Strategy b: Compensation;
    - Tactic #1: cancel May 1<sup>st</sup> sale event;
    - Tactic #2: release statement by CEO and VP;
    - Tactic #3: provide discounts and coupons;

(Based on Coombs 2012, p. 152-171)

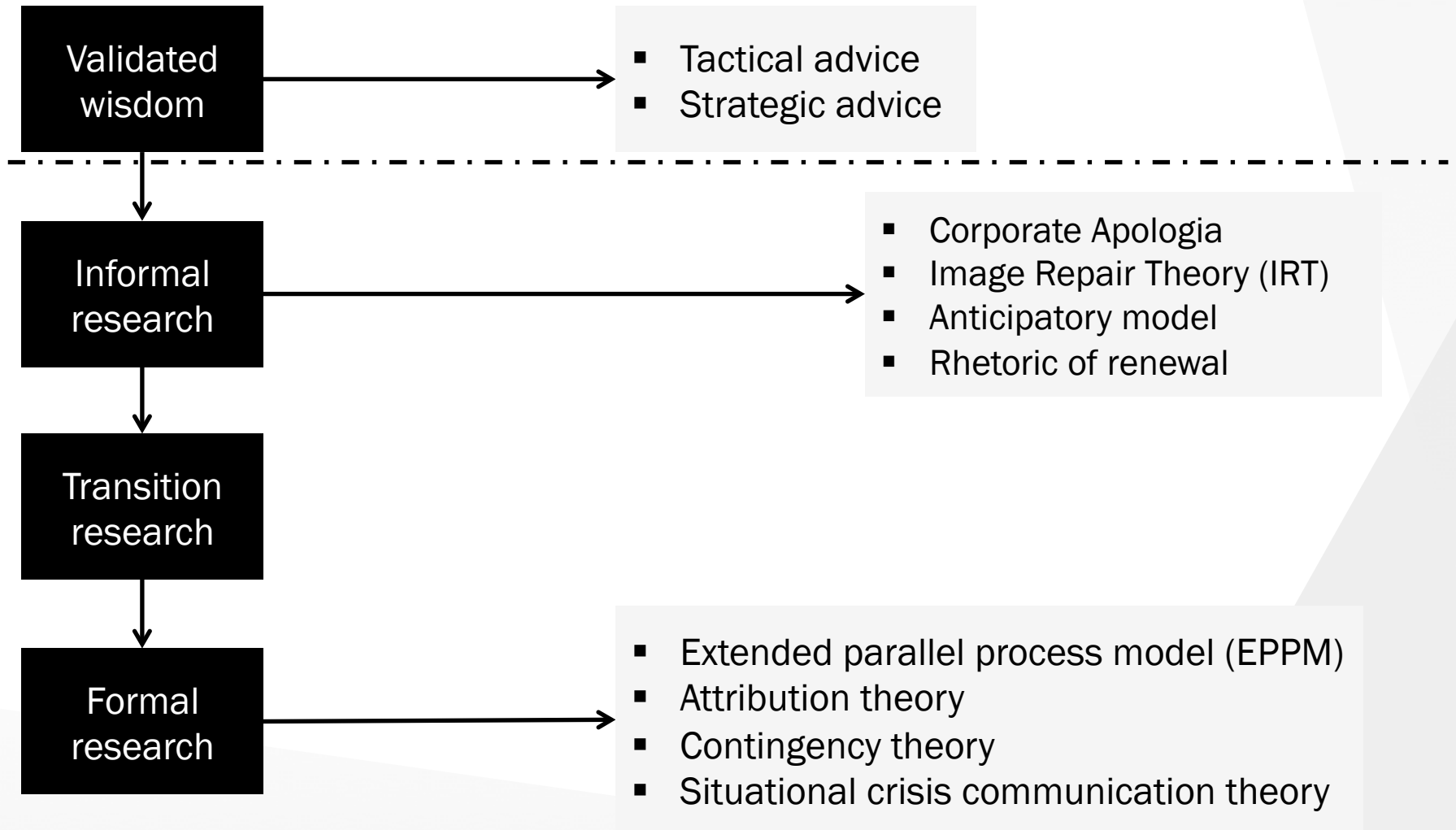
# Carrefour evaluation

- **Globalization and coupled-crises** - Carrefour was drawn into the crisis because it was French. The company did not do any wrongdoing, but it was accused of it. Despite being very localised, it still had a French imprint.
- **Importance of previous image** – Carrefour enjoyed a good reputation, that was not tarnished by the events.

# Today's learning goals

1. Be familiar with the main concepts and applicability of the following theories:
  1. Situation Crisis Communication Theory
  2. Contingency Theory
  3. Rhetoric of Renewal
2. Understand how to apply theories to cases.
3. Become familiar with the case study method.

# Evolution crisis communication research



# Situational Crisis Communication Theory (SCCT)

- SCCT is an **audience-centred** theory which is based on **evidence**. It uses empirical methods to understand the best selection of crisis response strategies.
- According to SCCT, **situation influences crisis responses**. Situational factors show which strategies will be more effective to protect organizational assets.

# Situational Crisis Communication Theory (SCCT)

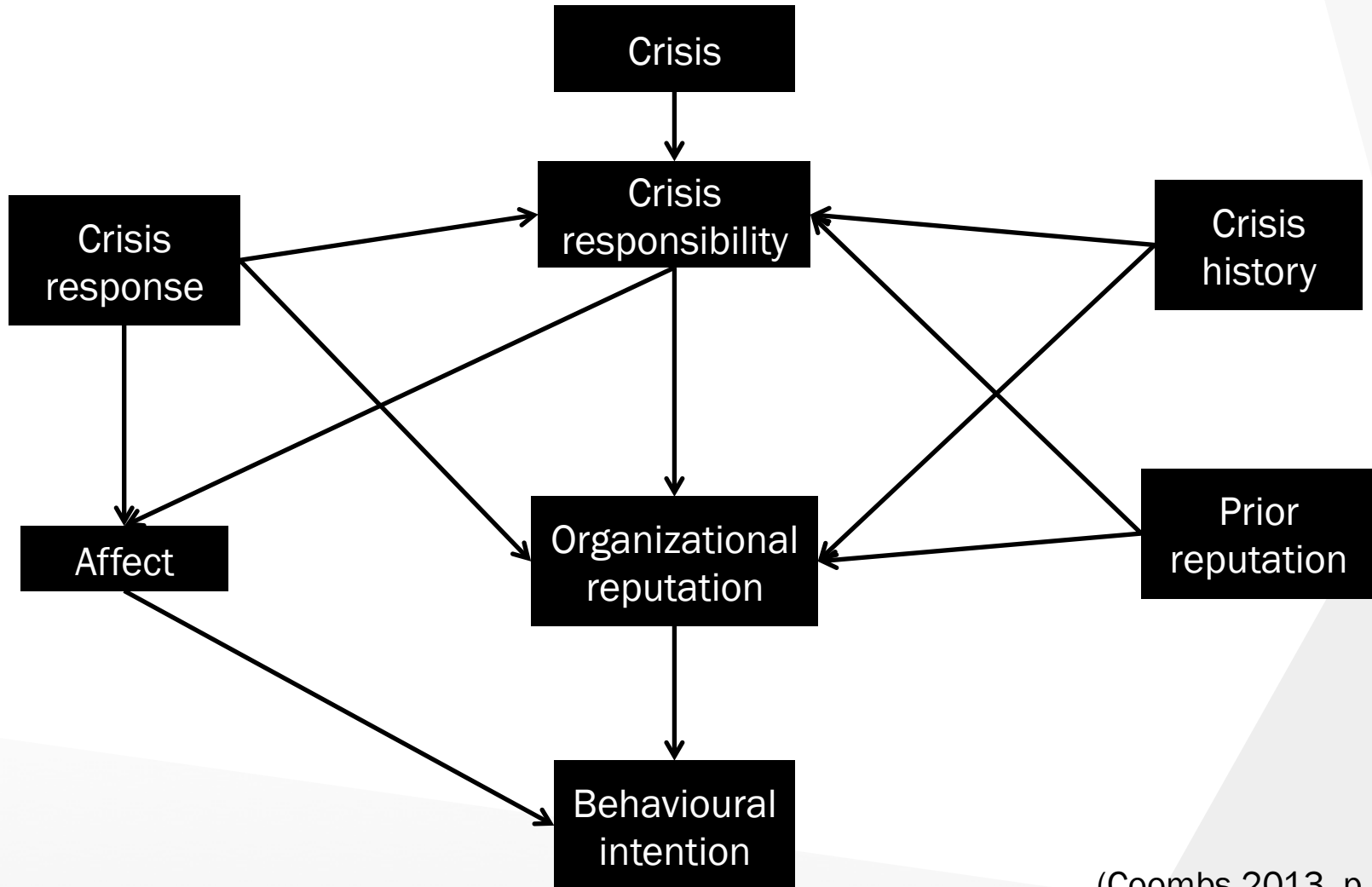
- According to SSCT, there is a **connection between crisis types and responses**. It uses **attribution theory** to develop the connection.
  - According to attribution theory, people search for causes of negative events and select the causal attribution that seems most satisfying.
  - Attributions occur naturally and people make them based on little evidence. Crises trigger attributions.
  - People view those involved in a negative event more negatively if they are responsible for it.

# Situational Crisis Communication Theory (SCCT)

- Crises are combinations of factors that shape attributions of responsibility. Crisis managers select appropriate strategies for maximizing reputational protection by anticipating how people make attributions.
- Three variables affect attributions:
  - Crisis Type
  - Crisis History
  - Performance History

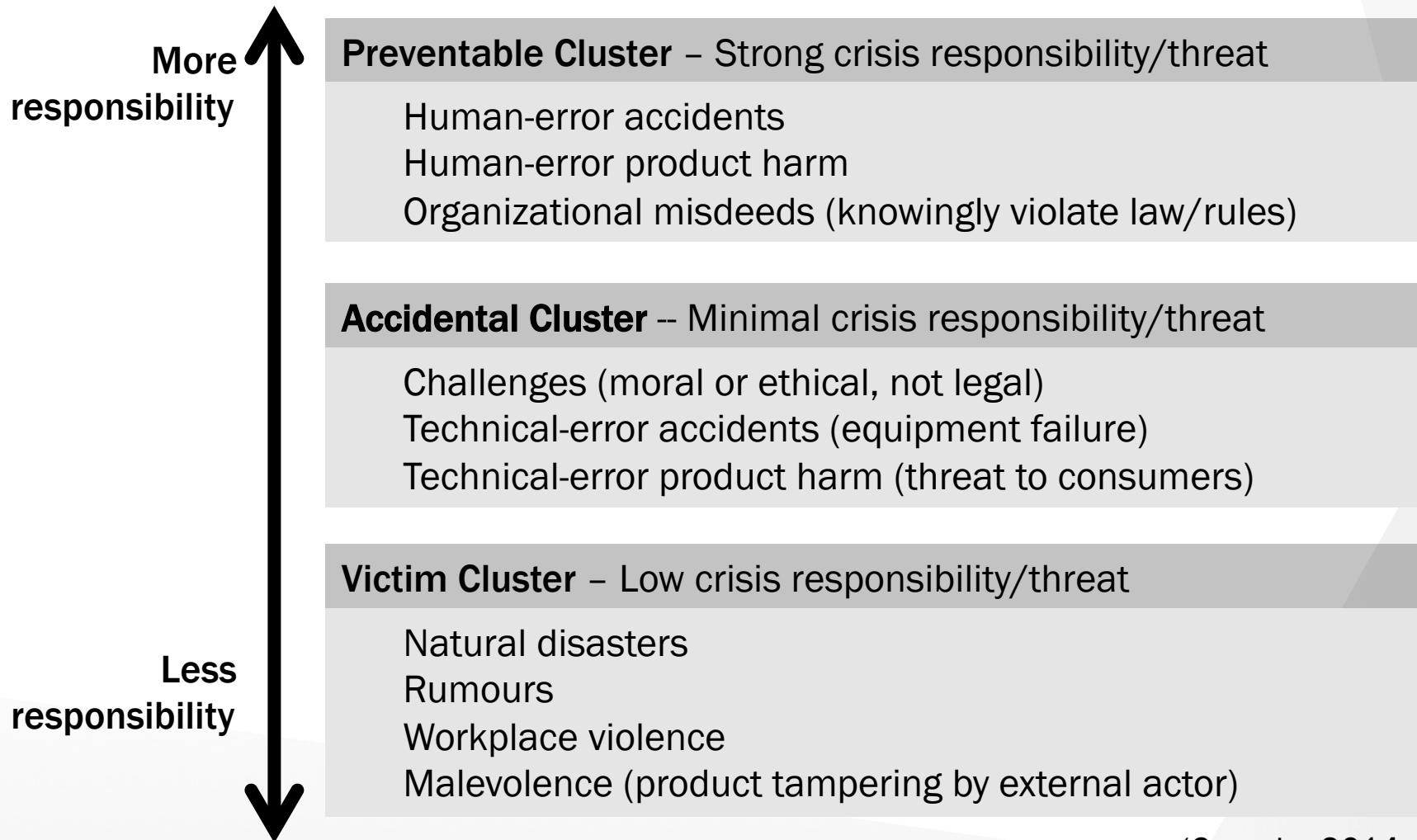
Intensifiers

# Situational Crisis Communication Theory (SCCT)



(Coombs 2013, p. 266)

# SCCT – Categories & types of crises



(Coombs 2014, p. 17)

# SCCT – Crisis Response Strategies

<b>Denial</b>	<b>Diminishment</b>	<b>Rebuilding</b>	<b>Bolstering</b>
Attacking the accuser	Excusing	Compensation	Reminding
Denial	Justification	Apology	Ingratiation
Scapegoating			Victimage

(Coombs 2014, p. 17)

# SCCT –Strategies

## Denial

- **Denial:** “managers claim that no crisis occurred.”
- **Attack the accuser:** “managers confront the person or group that claims the organization is in a crisis.”
- **Scapegoat:** “managers blame some outside person or group for the crisis.”

(Coombs 2013, p. 266)

# SCCT –Strategies

## Diminish

- **Excuse:** “managers minimize the organization’s responsibility by denying any intent to do harm and/or claiming an inability to control events that led to the crisis.”
- **Justification:** “managers minimize the perceived damage caused by the crisis.”

(Coombs 2013, p. 266)

# SCCT –Strategies

## Rebuild

- **Compensation:** “managers offer money or other gifts to victims.”
- **Apology:** “managers accept responsibility for the crisis and ask stakeholders to forgive them.”

(Coombs 2013, p. 266)

# SCCT –Strategies

## Bolstering

- **Reminder:** “managers tell stakeholders about past good works of the organization.”
- **Ingratiation:** “managers thank stakeholders and/or praise stakeholders for their help during the crisis.”
- **Victimage:** “managers remind stakeholders that the organization is a victim of the crisis as well.”

(Coombs 2013, p. 266)

# SCCT – Recommendations

1. “Informing and adjusting information should be the initial response for a crisis that has victims or potential victims.”
2. “The base response is effective for victim and accidental crises with no intensifying factors.”
3. “Diminish crisis response strategies can be used for accidental crises with no intensifying factors.”
4. “Rebuild crisis response strategies should be used for intentional crises and accidental crises that have intensifying factors.”

# SCCT – Recommendations

5. “Denial crisis response strategies should be reserved for rumor and challenge crises.”
6. “The victimage crisis response strategy can be used with the base response for victim crises.”
7. “The reminder crisis response strategy may be useful when an organization has past good works but risks creating the impression of the organization as egocentric. Reminder is not recommended when attributions of crisis responsibility are strong.”
8. “The ingratiation crisis response strategy can be used anytime stakeholders have helped in addressing the crisis.”

# Pros and Cons of SCCT

- Pro

- It is based on experimental research and supported by quantitative data.
- It is flexible and can be applied to a multiple set of contexts.

- Cons

- SCCT is primarily focused on studies on reputation.

# Contingency Theory

- Contingency theory is a **grand theory of PR**—it tries to explain how organisations manage conflict with stakeholders.
- Organisations take a **stance** in the conflict. Stance refers to how the organisation responds to conflict and it can be placed on a continuum that goes from **advocacy** to **accommodation**.

# Contingency Theory

an organization argues for its own interests

Advocacy

an organization makes concessions to other parties

Accommodation



External Factors

Predisposed variables

Internal factors

Situational variables

## AA: Action-based Accommodations:

- To yield to the public's demands.
- To agree to follow what the public proposed.
- To accept the public's propositions.
- To agree with the public on future action or procedure.
- To agree to try the solutions suggested by the public.

## QRA: Qualified-Rhetoric-mixed Accommodations:

- To express regret or apologize to the public.
- To collaborate with the public in order to solve the problem at hand.
- To change my own position toward that of the public.
- To make concessions with the public.
- To admit wrongdoing.

# Contingency Theory

- The stance will depend on the factors affecting the conflict.
- The goal is to understand **how factors influence the communicative strategies** (stance).
- It is a complex theory, because it tries to explain the relationships between all the factors.

# Contingency Theory - Factors

- There are 87 variables (factors) that help predict what stance fits best each context. They can be grouped in 11 categories:

- |   |          |
|---|----------|
| <ul style="list-style-type: none"><li>– <i>Organization characteristics</i></li><li>– <i>Public relations department characteristics</i></li><li>– <i>Characteristics of top management</i></li><li>– <i>Internal threats</i></li><li>– <i>Individual characteristics</i></li><li>– <i>Relationship characteristics</i></li></ul> | Internal |
| <ul style="list-style-type: none"><li>– <i>Threats</i></li><li>– <i>Industry environment</i></li><li>– <i>General political/social environment/external culture</i></li><li>– <i>The external public</i></li><li>– <i>Issue under question</i></li></ul>  | External |

# Contingency Theory - Factors

## Internal variables

- Organization characteristics
  - Open or closed culture
  - Dispersed widely geographically or centralized
  - Level of technology the organization uses to produce its product or service
  - Homogeneity or heterogeneity of officials involved
  - Age of the organization/value placed on tradition
  - Speed of growth in the knowledge level the organization uses
  - Economic stability of the organization
  - Existence or non-existence of issues management officials or program
  - Organization's past experiences with the public
  - Distribution of decision making power
  - Formalization: number of roles or codes defining and limiting the job
  - Stratification/hierarchy of positions
  - Existence or influence of legal department
  - Business exposure
  - Corporate culture
- Public relations department characteristics
  - Number of practitioners total and number of college degrees
  - Type of past training: trained in PR or ex-journalists, marketing, etc.
  - Location of PR department in hierarchy: independent or under marketing umbrella/ experiencing encroachment of marketing/persuasive mentality
  - Representation in the dominant coalition
  - Experience level of PR practitioners in dealing with crisis
  - General communication competency of department
  - Autonomy of department
  - Physical placement of department in building (near CEO and other decision makers or not)
  - Staff trained in research methods
  - Amount of funding available for dealing with external publics
  - Amount of time allowed to use dealing with external publics
  - Gender: percentage of female upper-level staff/managers
  - Potential of department to practice various models of public relations
- Characteristics of dominant coalition (top management)
  - Political values: conservative or liberal/open or closed to change
  - Management style: domineering or laid-back
  - General altruism level
  - Support and understanding of PR
  - Frequency of external contact with publics
  - Departmental perception of the organization's external environment
  - Calculation of potential rewards or losses using different strategies with external publics
  - Degree of line manager involvement in external affairs
- Internal threats (how much is at stake in the situation)
  - Economic loss or gain from implementing various stances
  - Marring of employees' or stockholders' perceptions of the company
  - Marring of the personal reputations of the company decision makers
- Relationship characteristics
  - Level of trust between organization and external public
  - Dependency of parties involved
  - Ideological barriers between organization and public
- Individual characteristics (public relations practitioners, domestic coalition, and line managers)
  - Training in diplomacy, marketing, journalism, engineering, etc.
  - Personal ethics

- Tolerance or ability to deal with uncertainty
- Comfort level with conflict or dissonance
- Comfort level with change
- Ability to recognize potential and existing problems
- Extent to openness to innovation
- Extent to which individual can grasp other's worldview
- Personality: dogmatic, authoritarian
- Communication competency
- Cognitive complexity: ability to handle complex problems
- Predisposition toward negotiations
- Predisposition toward altruism
- How individuals receive, process, and use information and influence
- Familiarity with external public or its representative
- Like external public or its representative
- Gender: female versus male

## External variables

- Threats
  - Litigation
  - Government regulation
  - Potentially damaging publicity
  - Scarring of company's reputation in business community and in the general public
  - Legitimizing activists' claims
- Industry environment
  - Changing (dynamic) or static
  - Number of competitors/ level of competition
  - Richness or leanness of resources in the environment
- General political/social environment/external culture
  - Degree of political support of business
  - Degree of social support of business
- The external public (group, individual, etc.)
  - Size and/or number of members
  - Degree of source credibility/powerful members or connections
  - Past successes or failures of groups to evoke change
  - Amount of advocacy practiced by the organization
  - Level of commitment/involvement of members
  - Whether the group has public relations counselors or not
  - Public's perception of group: reasonable or radical
  - Level of media coverage the public has received in past
  - Whether representatives of the public know or like representatives of the organization
  - Whether representatives of the organization know or like representatives from the public
  - Public's willingness to dilute its cause/request/claim
  - Moves and countermoves
  - Relative power of organization
  - Relative power of public
- Issue under question
  - Size
  - Stake
  - Complexity

(Pang, Jin, Cameron 2010, p. 545)

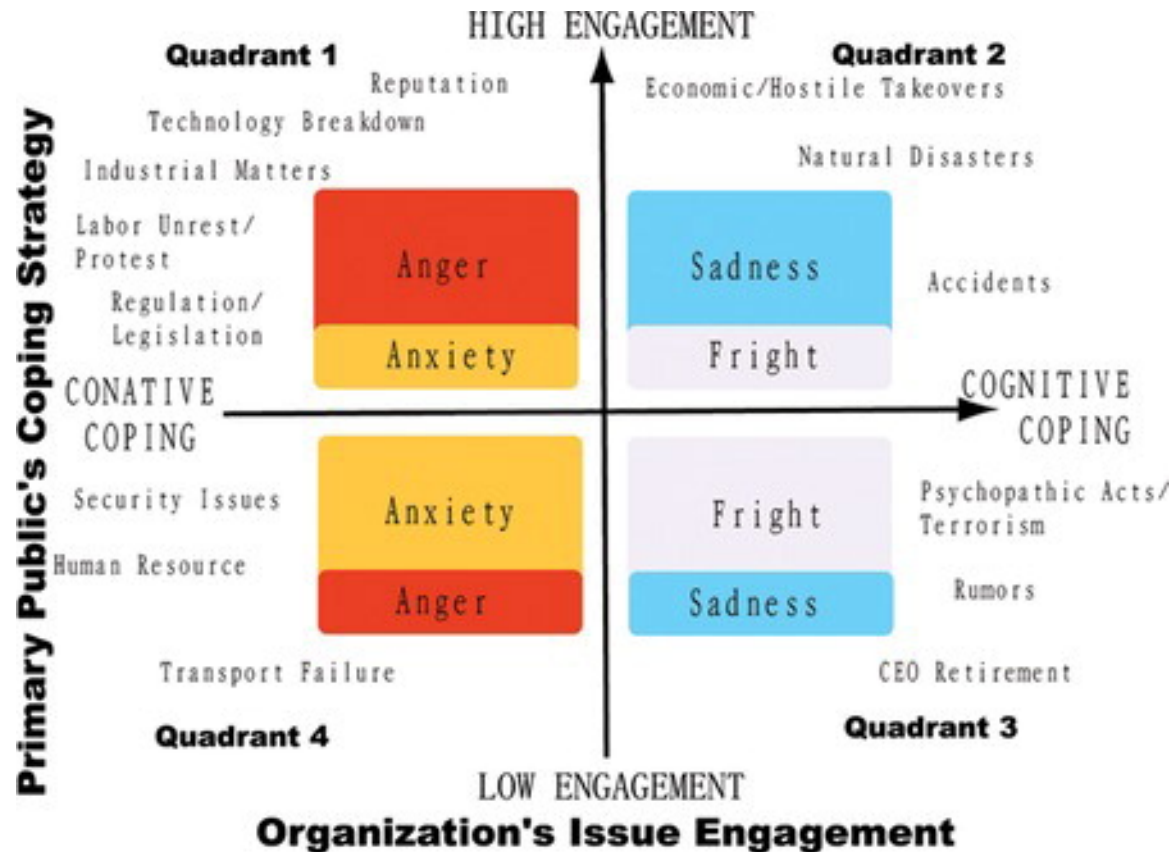
# Contingency Theory

- Contingency Theory can be applied to crisis communication, because when there is a crisis, usually there is conflict between an organization and stakeholders.
- Stances are in many ways similar to the strategies described by SCCT and IRT.
- Two applied models have been developed from contingency theory: **integrated crisis mapping (ICM)** and **threat appraisal model**.

# Integrated Crisis Mapping (ICM)

- ICM focuses on the impact of emotion or affect during crisis communication and management.
- It takes into account how stakeholders cope with crises and how organisations react.
- Research has shown that anxiety is the most frequent emotion followed by anger.

# Integrated Crisis Mapping (ICM)

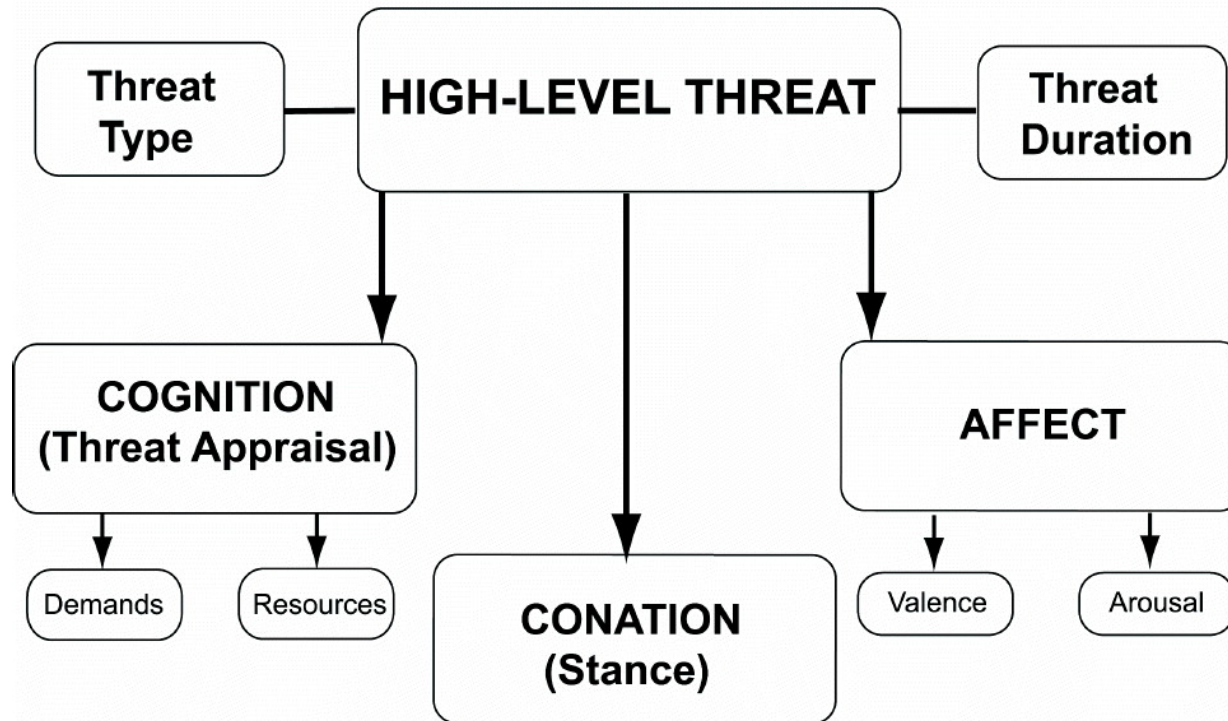


(Jin, Pang, & Cameron, 2007)

# Threat Appraisal Model

- The model focuses on the impact that threat has on crisis communication managers and how this affects the stance of an organisation.
- Research has shown that long-term threats were considered more severe, required more organisational resources, created more negative emotions and would be more likely to lead to accommodation.

# Threat Appraisal Model



(Jin, Pang, & Cameron, 2005)

# Pros and Cons Contingency Theory

- Pro

- It is a very comprehensive theory that takes into account all possible factors.
- It has been empirically tested and can be applied to multiple situations.

- Cons

- It is a complex grand theory, that might not be suitable for certain types of crisis.

# Post-crisis theories

- The dominant theories in crisis communication are those that look at image/reputation repair/restoration. These theories are focused on the crisis event.
- Theories dealing with **post-crisis** are concerned with the **future** and what can be done to embrace the crisis as an **opportunity** for growth.

# Discourse (rhetoric) of Renewal

- Ulmer, Seeger and Sellnow proposed the discourse of renewal (DoR, sometimes called rhetoric of renewal) as a theory to focus on the future of an organisation after a crisis.
- Through DoR, organisations learn and grow from the crisis. The emphasis is on helping victims and **projecting a positive view of the future.**

# Discourse (rhetoric) of Renewal

- DoR uses discourse (a set of words, a structure of statements, a particular framing) that helps communication managers **structure reality** and create an **optimistic future** for the organisation.
- “The discourse of renewal extends **beyond image restoration** to a post-crisis **innovation and adaptation** of the organisation.”

(Ulmer, Seeger, Sellnow 2007, p. 132)

# Discourse (rhetoric) of Renewal

- The DoR is characterised by...
  - **Focusing on opportunities** instead of challenges and being optimistic instead of pessimistic.
  - Being **prospective** (looking at the future) instead of retrospective (focusing on the past).
  - Being **natural and provisional** and not strategic (i.e. organisations should automatically employ it and not use it specifically for a goal)
  - Being **leader-based** (i.e. the discourse must be part of how the leader sees the organisation).

# Discourse (rhetoric) of Renewal

- The DoR has specific conditions that must be met if it is to be used by crisis managers
  - The crisis needs to be **conducive to renewal** (very destructive crises are more prone to renewal).
  - The organisation must have a **positive pre-crisis relationship with stakeholders and high pre-crisis ethical standards**.
  - The organisation must have the **willingness to engage** in corrective crisis communication and to embrace change.
  - **Private organisations** are more likely to embrace renewal than public enterprises.

# Read more: theories and models

## ▪ EPPM

- Witte, K. (1994). Fear control and danger control: A test of the extended parallel process model (EPPM). *Communication Monographs*, 61(2), 113–134.  
<https://doi.org/10.1080/03637759409376328>

## ▪ Corporate Apologia

- Hearit, K. M. (1995). “Mistakes were made”: Organizations, apologia, and crises of social legitimacy. *Communication Studies*, 46(1–2), 1–17.  
<https://doi.org/10.1080/10510979509368435>

## ▪ Image Repair Theory (IRT)

- Benoit, W. L. (2013). Image Repair Theory and Corporate Reputation. In C. E. Carroll (Ed.), *The Handbook of Communication and Corporate Reputation* (pp. 213–221). Blackwell Publishing Ltd. Retrieved from  
<http://onlinelibrary.wiley.com.ezproxy.cityu.edu.hk/doi/10.1002/9781118335529.ch19/summary>

## ▪ Situational Crisis Communication Theory (SCCT)

- Coombs, T. (2013). Situational Theory of Crisis: Situational Crisis Communication Theory and Corporate Reputation. In C. E. Carroll (Ed.), *The Handbook of Communication and Corporate Reputation* (pp. 262–278). Blackwell Publishing Ltd. Retrieved from  
<http://onlinelibrary.wiley.com.ezproxy.cityu.edu.hk/doi/10.1002/9781118335529.ch23/summary>

# Read more: theories and models

## ▪ Complexity Theory

- Murphy, P. (2000). Symmetry, contingency, complexity: Accommodating uncertainty in public relations theory. *Public Relations Review*, 26(4), 447–462. [https://doi.org/10.1016/S0363-8111\(00\)00058-8](https://doi.org/10.1016/S0363-8111(00)00058-8)

## ▪ Contingency Theory

- Pang, A., Jin, Y., & Cameron, G. T. (2010). Contingency Theory of Strategic Conflict Management: Directions for the Practice of Crisis Communication from a Decade of Theory Development, Discovery, and Dialogue. In W. T. Coombsessor & S. J. Holladayessor (Eds.), *The Handbook of Crisis Communication* (pp. 527–549). Wiley-Blackwell. Retrieved from <http://onlinelibrary.wiley.com.ezproxy.cityu.edu.hk/doi/10.1002/9781444314885.ch26/summary>

## ▪ Rhetoric Arena

- Frandsen, F., & Johansen, W. (2010). Crisis Communication, Complexity, and the Cartoon Affair: A Case Study. In W. T. Coombsessor & S. J. Holladayessor (Eds.), *The Handbook of Crisis Communication* (pp. 425–448). Wiley-Blackwell. Retrieved from <http://onlinelibrary.wiley.com.ezproxy.cityu.edu.hk/doi/10.1002/9781444314885.ch21/summary>

## ▪ Discourse of renewal

- Ulmer, R. R., Seeger, M. W., & Sellnow, T. L. (2007). Post-crisis communication and renewal: Expanding the parameters of post-crisis discourse. *Public Relations Review*, 33(2), 130–134. <https://doi.org/10.1016/j.pubrev.2006.11.015>

# Analysing cases

Group number: [ ]

Case Study: [ ]

**Case Introduction** (provide a brief summary of the case, specify the key actors and their stake in the case, the period of the crisis and the crisis communication concerns). [Up to 750 characters]

**Literature Review** (look for scholarly works—books, book chapters, journal articles— and journalistic works—newspaper articles, magazine articles, blogs—that discuss and analyze the case and briefly summarize their findings). [Up to 1,500 characters]

**Evaluation** (Specify the goal and objective(s) of the crisis team and assess the success of the strategies and tactics used to achieve these objectives). [Up to 1,000 characters]

**Theoretical Analysis** (Choose a theory discussed in class and use it to analyze the strategies and tactics of the organization during the crisis event). [Up to 2,500 characters]

**Recommendations** (Based on your analysis, provide four recommendations on how the response to the crisis could be improved). [Up to 1,000 characters]

# Steps in a Case Study Analysis

1. Carefully read and takes notes on the case.
2. Identify the central crisis communication concerns.
3. Determine the objective(s) of the crisis team.
4. Use theories and principles to evaluate the response to the crisis.
5. Use theories and principles to develop solutions for the crisis communication concerns.

(Coombs 2014, p. 4)

# Case Study Outline

## 1. Introduction

1. Locate the case geographically and historically.
2. Describe the most important elements of the crisis.

## 2. Literature Review

1. Locate what other have written about the case.
2. Summarize their findings.

# Findings Academic References

- You can use Google Scholar.

- You can use library databases.

([http://www.cityu.edu.hk/lib/eres/database/subject/db\\_comm.htm](http://www.cityu.edu.hk/lib/eres/database/subject/db_comm.htm))

- EBSCOhost – Communication and Media
- CNKI
- Scopus
- SpringerLink

# Case Study Outline

## 3. Evaluation

1. Identify the goal, objective(s) of the organisation.
2. Assess how strategies and tactics helped achieved the objective(s).

## 4. Theory application

1. Select a theory.
2. Use the concepts and principles of the theory to analyse the strategies and tactics.

# Case Study Outline

## 5. Recommendations

5. Examine the tactics employed by the organisation during the crisis event.
6. Propose alternative actions that could be taken.

# Textbook case: Exxon Valdez Oil Spill

**IN THE WAKE OF THE EXXON VALDEZ**

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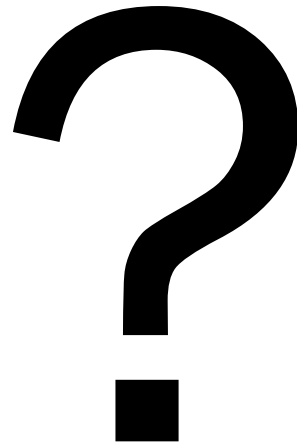
<https://youtu.be/VaRdUHrUnBs>

# Textbook case: Exxon Valdez Oil Spill

- The results of the in-class exercise are in the link below:

<https://www.mentimeter.com/s/ec857188367185dfe8d966c3e7928500/3f6a151ea837>

# Questions



鸡年吉祥