

## An integrated crisis communication framework for strategic crisis communication with the media: A case study on a financial services provider

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### Abstract:

In order for organisations to survive in an ever-changing milieu in the current business environment, sufficient crisis communication and management practices need to be in place to ensure organisational survival. Despite the latter, organisational crises are often inefficiently managed which could be ascribed to the lack of managing crises *strategically* (Kash & Darling 1998:180). This article explores the lack of strategic crisis communication processes to ensure effective crisis communication with the media as stakeholder group. It is argued that the media is one of the main influences of public opinion (Pollard & Hotho 2006:725), thereby emphasising the need for accurate distribution of information. Furthermore, the study will focus specifically on the *financial* industry, as it is believed that this industry is more sensitive and thus more prone towards media reporting as financial services providers manage people's money (Squier 2009). A strategic crisis communication process with the media is therefore proposed, facilitated through an *integrated crisis communication framework*, which focuses on a combination of Integrated Communication (IC) literature with emphasis on Grunig's theory of communication excellence to build *sustainable media relationships* through *two-way communication*; and proposing a crisis communication process that has *proactive, reactive* and *post-evaluative crisis communication stages*, thereby moving away from crisis communication as a predominant reactive function.

**Keywords:** crisis communication, crisis management, strategic communication, integrated communication, stakeholder relationship building, excellence theory

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## INTRODUCTION

Crises refer to occurrences that threaten the *strategic* objectives of an organisation, and in essence, the future existence of such an organisation (Fearn-Banks 2007:8). Although Chong (2004:43) argues that crisis management should form part of the strategic management process, Pollard and Hotho (2006:726) argue this rarely happens because some managers regard crisis management as an insignificant activity. Ashby and Diacon (2000:7) emphasise the importance to integrate crisis management in the strategic management process which is echoed by Verwey, Crystal and Bloom (2002:33) who contend that “any crisis that develops into a life-threatening or image-threatening event, is most certainly a matter of failure of the corporate structure and processes, and is ultimately the responsibility of the chief executive and directors.” Furthermore, Pollard and Hotho (2006:731) argue that because the media has the power to shape the public opinion of an organisation, sufficient communication and relationships with the media is of essence.

The purpose of this study is to develop a theoretical framework which was tested against a case study in practice. This was done through a theoretical exploration of the importance of *strategic* communication to ensure effective crisis communication with the media. An integrated crisis communication (ICC) framework based on the integrated communication (IC) principles and Grunig’s theory of communication excellence is proposed based on the premises that both recognise communication as a strategic function; and the importance of stakeholder relationship building through two-way communication. For the purpose of this study, an organisational crisis from a strategic perspective is defined as a *disruptive, non-routine event that threatens the strategic objective of the organisation, and which requires strategic input to successfully prevent, manage and resolve such occurrences to avoid irreparable damage to the organisational reputation and, as a result, the possible demise of the organisation.*

## **RATIONALE BEHIND STUDY**

Reasons why organisational crises are not sufficiently managed include, amongst others, the fragmented nature of crisis literature, the lack of crisis preparedness or proactive crisis management, the reactive nature of crisis management, the inability to resolve issues before they develop into crises, and the lack of strategic management of a crisis.

The focus of this study is specifically on the lack of strategic management to predict and manage various crisis issues and dilemmas beyond the organisations' operating control (Kash & Darling 1998:179).

An exploratory case study approach focusing on the top ten South African financial services providers during 2008 is applied. The financial industry has been selected because it is a sensitive industry that is often scrutinised, as people entrust their money to these institutions (De Lange 2008; Van Tonder 2008) or as stated by Wu (2003:14), "The financial sector is like the oil in an engine. Without oil, the economic engine will function defectively, if at all."

## **STRATEGIC CRISIS COMMUNICATION**

Strategic crisis communication is contextualised in terms of the main issues indicated below.

### **The reciprocal relationship between crisis management and crisis communication**

*Crisis management* is defined as the process whereby strategies are planned and applied to avoid or alter the possible impact of crisis events on an organisation (Stocker 1997:189); forms a vital part of strategic management and planning (Chong 2004:43; Fearn-Banks 2007:9); provides systematic

response to crisis occurrences (Darling 1994:4); and communication to various stakeholders, including the media (Ferguson 1999:16; MacLiam 2006:31). On the other hand, *crisis communication* involves a set of relationships with various stakeholders within a constantly changing environment and necessitates *effective communication* for maintaining these relationships (Fishman 1999:348) and is not seen as a reactive element upon the occurrence of a crisis, but as an integral function throughout the crisis management process. This viewpoint is based on Grunig, Grunig and Dozier's (2002:146) statement that "communication with potential publics is needed before decisions are made by strategic decision makers, when publics have formed but not created issues or crises, and during issue and crisis stages" which is further affirmed by Fearn-Banks (2007:9) who states that crisis communication is the interaction between an organisation and its stakeholders before, during and after a crisis.

Because many crisis and communication theorists argue that good media relations is a *continuous* task (Skinner von Essen & Mersham 2005:8; Pollard & Hotho 2006:731; Hoggan 1991:3), not a reactive effort only when publicity is required, it is argued that media relations prior to a crisis will benefit and assist an organisation in resolving a crisis. From a strategic point of view, it is hence argued that crisis communication from an IC perspective should prevail before, during and after a crisis to encapsulate the entire crisis management process with proactive, reactive and post-evaluative crisis management stages to enhance a *reciprocal* relationship between crisis management and crisis communication.

### **A proactive, reactive and post-evaluative crisis communication process**

Pollard and Hotho (2006:726), Preble (1997:770) and Booth (1993:62-63) argue that a *strategic management process* possesses planning, implementation and evaluative phases and Kash and Darling (1998:180) claim that "successful organisations are characterised by the ability to adapt by

recognising important environmental factors, analysing them, evaluating their impact and reacting to them. The art of strategic planning (as it relates to crisis management) involves all of the above activities. The right strategy, in general, provides for preventative measures, and treatment and resolution efforts”. This study contends that in order to facilitate strategic crisis management, the crisis management process should include these phases and subsequently refers to it as proactive, reactive and post-evaluative stages of a strategic management process, specifically the *strategic crisis communication process*.

Hence, these crisis communication stages will be discussed in the following sub-sections.

### ***The proactive crisis communication stage***

Proactive crisis communication “suggests openness to, and cooperation with the publics before an issue matures into a crisis” which represents two-way symmetrical communication, an important element of IC, in order to build strategic stakeholder relationships and lessen the risk of a crisis emerging and if its surface, the organisation will have a better chance of being perceived as innocent (Gonzalez-Herrero & Pratt 1996:85). In order to be proactive during crisis situations, “communication programmes need to be strategically and continually retooled” to meet fluctuating environmental and organisational demands (Fall 2004:247). This means that organisations that implement proactive crisis communication, will experience crises of shorter duration and decisions will also be better received and more sensible (Maynard 1993:54); it will assist the organisation to control and resolve a crisis (Kash & Darling 1998:100); it can assist the organisation to reduce response time and may prevent possible mistakes that could emerge during the organisation’s response to a crisis (Benoit & Pang 2008:252); and it can assist the organisation to avoid the crisis altogether (Bloom:2008a). Heath and Millar (2004:6) further state that proactive crisis communication fulfils two important functions: firstly it searches for possible crises and reduces the

probability that it will emerge; and secondly it prepares key stakeholders for a crisis in order to ensure the crisis will be controlled when it takes place.

### ***The reactive crisis communications stage***

Reactive crisis communication refers to the formulation of messages to key stakeholder groups, acquiring third-party support, communicating internally and managing rumours (Diers 2007:8) during a crisis.

According to Bloom (2008a), the first hour after a crisis occurs is the *golden hour* in which an organisation has the best opportunity to address the issue prior to negative media reporting. The organisation has to respond immediately, accept responsibility, restore credibility, go the extra mile, be tolerant and display empathy when experiencing a crisis (Vermeulen 2003:12), and display prompt reaction to avoid the development of rumours (Diers 2007:17; Bloom 2008a).

### ***The post-evaluative crisis communication stage***

According to Dougherty (1992:69), the interaction with the media after a crisis, also referred to as post-evaluative crisis communication, has to be evaluated. Some of the questions that have to be answered are: Which strategies worked and which strategies failed? How much coverage did the crisis receive? Was the reporting favourable towards the organisation? Were rumours or inaccurate information published?

Post-evaluative crisis communication which highlights the importance of two-way symmetrical communication, inter alia refers to the importance of *listening* to stakeholders (Ulmer, Sellnow and Seegar, 2007:39) because effective communication is not a one-way process, and after a crisis,

organisations should provide information to stakeholders and schedule time to listen to their concerns and to answer their questions. Benoit and Pang (2008:245) further argue that if an organisation is falsely accused of wrongdoing, the organisation must use *communication* to repair the misperception.

### **Sustainable stakeholder relationship building**

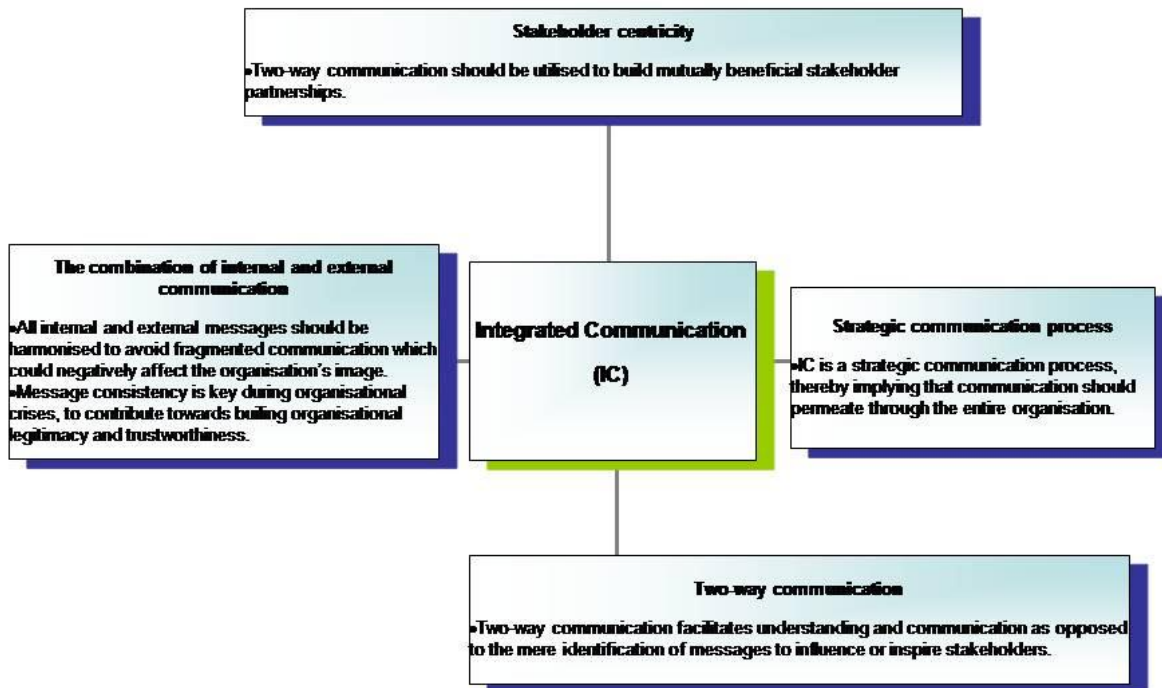
The need for sustainable strategic relationship building as part of the strategic management process is highlighted by Grunig *et al.* (2002:2) who state that organisations face numerous demands from internal and external stakeholders, and therefore rely on communication experts to interact and build relationships with stakeholders. In order to do this, communication should not be a one-way process (Wright 2001:18): opportunities for *dialogue* and *feedback* have to be created in order to strengthen stakeholder relationships. Therefore, it is evident that *two-way symmetrical communication* should be applied, which is defined by Grunig *et al.* (2002:15) as the attempt to align the interest of an organisation with its stakeholders and the utilisation of communication as an essential instrument to *manage conflict* with stakeholders. Consequently, applying strategic two-way symmetrical communication as a *continuous* process will assist an organisation in managing and resolving organisational crises.

### **Integrated Communication (IC) for strategic crisis communication**

The importance of communication as a *strategic* function is inevitable, as communication is the connection between strategy and desirable outcomes (Grates 1995:16). Furthermore, Grunig *et al.* (2002:274) similarly argue that “communication professionals need to rise to the occasion and assume a more strategic role. They need to integrate the various marketing and communication support functions.” For the purpose of this study, the need for *strategic* crisis communication will

be addressed through the application of IC. IC can be defined as “the strategic management process of organisationally controlling or influencing all messages and encouraging purposeful data-driven dialogue to create and nourish long-term profitable relationships with stakeholders” (Duncan 2002:8; Niemann 2005:30).

Consequently, the four key IC characteristics indicated in Figure 1 guided this research, namely: stakeholder centricity; the combination of internal and external communication; the facilitation of two-way communication; and a strategic communication process.



**Figure 1: The key characteristics of IC**

These characteristics are interrelated and it is contended that a stakeholder focus will initiate dialogue between the organisation and its various stakeholders, while a strategic management



process implies that the communication process must permeate through the entire organisation, thereby building on the concept of internal and external communication integration.

## **GRUNIG'S THEORY OF COMMUNICATION EXCELLENCE**

Various crisis communication theories have been evaluated for the purpose of this study, including the stakeholder theory (Freeman 1984), the situational theory of publics (Grunig & Repper 1992), the chaos theory (Murphy 1996), the image restoration theory (Benoit 1997) and the situational crisis communication theory (SCCT) (Coombs 2004). Although these theories all focus on establishing effective communication in crisis situations, strategic depth was lacking because of a predominant reactive crisis communication approach.

Grunig's (1992:3-28) excellence theory, developed in 1984, was selected for the purpose of the study as it not only facilitates strategic communication, but also underlines the importance of utilising two-way communication to build sustainable relationships with stakeholders, thereby empowering communication as a management function which can facilitate *strategic* crisis communication through an IC perspective that is stakeholder centric.

### **Defining the excellence theory**

The excellence theory (Grunig 1992), evolved from the search to determine how public relations should be practiced and the communication function be organised in order to contribute to *organisational success* and also highlights the *monetary value* of public relations to the organisation as public relations holds monetary value when it aligns the organisation's goals with the prospects of strategic constituencies (Grunig, Grunig & Ehling 1992:86). Furthermore, sustainable relationships with strategic constituencies, contribute towards organisational *effectiveness* if the

public relations manager is a member of the *dominant coalition* (a group of individuals who has the power to set organisational direction) of the organisation where he or she has the ability to shape organisational objectives (Grunig *et al.* 1992:86).

### **Applying the excellence theory to IC and crisis literature**

Fearn-Banks (1996:11; 2002:15; 2007:54) and Marra (1992:38) recognise the applicability of the excellence theory to crisis communication and management. According to Fearn-Banks (2007:55), organisations are forced to practice two-way symmetrical communication in crisis situations, although most often organisations engage in asymmetrical, one-way communication practices. Marra (1992:38) argues that sustainable stakeholder relationship building prior to a crisis as a key quality of the excellence theory, will assist the organisation to manage a crisis effectively. The absence of interrelationships creates conflict which significantly increases during crisis situations. Marra (1992:39) therefore maintained that “excellent crisis communication is an organisation’s ability to produce or maintain positive or neutral relationships with key publics” and developed four hypotheses in an attempt to develop a crisis public relations model which is in line with the propositions of the excellence theory. These hypotheses highlighted the following ideas: *Sustainable stakeholder relationships* are necessary to minimise financial, emotional or perceptual damage to the organisation; organisations that employ *two-way symmetrical crisis communication* will suffer less financial, emotional or perceptual damage; organisations that instil *continuous* risk communication and create *proactive* crisis management plans will have stronger stakeholder relationships and, again, will suffer less financial, emotional or perceptual damage and organisations that have communication ideologies that encourage and support proactive crisis management and two-way symmetrical crisis communication will suffer less financial, emotional or perceptual damage. In addition Fearn-Banks (2007:59) stated that an organisation that implements an open and honest policy with stakeholders and the news media, facilitated through two-way

communication, will suffer less financial, emotional and perceptual damage than one with a closed policy.

Based on these premises, the predominant characteristics of the excellence theory developed by Grunig (1992:1-28) and further expanded by Grunig *et al.* (2002:8-18), are subsequently outlined in **Table 1**, with reference to the applicability of each characteristic to crisis literature. As the study aims to address *strategic* crisis communication through *IC*, it was also necessary to highlight the link with the excellence theory. The purpose of the following table is therefore to display how the excellence theory encapsulates the key concepts of this study, namely crisis communication and the facilitation of a strategic crisis communication process through *IC*. By doing so, the table simultaneously illustrates the inter-relationship between *IC* and *excellence theory*.

**Table 1: Applying the key characteristics of the excellence theory to IC and crisis literature**

Excellence theory characteristic	Description	Applicability to crisis literature	Overlap and applicability to IC
<b>Programme level</b>			
1. Managed strategically	Communication programmes should be based on <i>research and environmental scanning</i> . Diverse techniques are applied instead of habitual techniques.	Accentuates proactive crisis management through research and environmental scanning to determine the vulnerability and likelihood of the organisation to experience a crisis and ensure early detection and resolution of issues before it results into crises. Research on past crisis experiences can assist the organisation to plan for and manage future difficulties.	IC is strategic in nature, contributing to the strategic thinking processes of the organisation, contributes the <i>early detection of issues</i> and the application of <i>research</i> in order to understand the cause of the problem.
<b>Departmental level</b>			
2. A single or integrated department	To facilitate the strategic management of public relations, to the overall strategic organisational objectives, organisations must implement an <i>IC</i> department for all PR activities, or develop a method to coordinate programmes of various departments.	Emphasises the importance of an integrated crisis communication plan which integrates internal and external messages driven by the strategic objective of the organisation. IC can develop strategic relationships with the media, an integral element of pre-crisis planning.	Integration between PR and marketing communication.
3. Separate function from marketing	The function should not be integrated with other departments whose core focus is not on communication, therefore, PR should not be a subsidiary to other departments.	The value of crisis communication is more evident if communication is utilised as a fully-fledged management function, not a support function for each department. The likelihood of a continuous, integrated crisis management plan could be higher, as the organisation realises the worth of (crisis) communication.	This characteristic contrasts the principle of IC that proposes that all communication should be managed by an integrated agency, but places emphasis on <i>cross functional planning and monitoring</i> . The focus is not on the integration of marketing and public relations functions, but the ability of these functions to complement each other by an integrated relationship.
4. Direct reporting to senior management	The public relations manager should report directly to senior managers who are part of the dominant coalition.	A direct reporting relationship will ensure faster acceptance and implementation of the crisis management and communication plan as well as management's acceptance of the importance of crisis management as a continuous process.	IC is a strategic management process, thereby implying that communication should permeate through the entire organisation, which means that communication is driven by the <i>strategic intent of the organisation as a whole</i> and not by the communication or marketing department's individual strategy. Therefore, the head of communication should have a direct reporting relationship with the dominant coalition.
5. Two-way symmetrical communication model	This model attempts to balance the interest of the organisation with the interests of stakeholders. Symmetrical communicators are loyal to the organisation and to the public they serve. Two-way symmetrical communication will result in better relationship building.	Two-way symmetrical communication at departmental level will facilitate sustainable relationships internally which will serve as a platform to develop a strategic crisis communication plan to interact with external stakeholders and the media which is inevitable for pre-crisis management.	IC focuses on communicating <i>with</i> stakeholders, not <i>to</i> them. Dialogue will ensure that the stakeholders are active, interactive and equal participants of a continuing communication process.
6. Senior PR person in the managerial role	There are four PR roles, namely manager, senior advisor, technician and media liaison, with the manager and technician roles being most prevalent. PR has to fulfil the manager role.	If communication is regarded as a management function, the crisis communicator will receive immediate buy-in from senior management on the importance of crisis management and allow for effective communication with the media.	As the strategic objective in IC drives all communication messages, communication has to fulfill

<b>Organisational level</b>			
7. Two-way symmetrical worldview and two-way symmetrical communication	Public relations should serve the interests of both the organisation and the key publics.	Balancing the interests of the organisation with key publics will enable the organisation to effectively manage and resolve conflict.	IC supports the two-way symmetrical model of communication in order to facilitate understanding and communication as opposed to merely identifying messages in order to influence or inspire stakeholders.
8. PR manager has power in dominant coalition	Communicators must build partnerships with the dominant coalition in order for them to value the communicator's input prior to decision making.	When communicators have a partnership with the dominant coalition, it is most likely that the crisis strategy suggested by the crisis communicator will be accepted rather than management employing ignorant solutions for crises.	On organisational level, IC proposes CEO/Stakeholder integration implying that the mission of the organisation should be continuously communicated to the lower levels of the organisation and a simultaneous awareness of communication on top management level. The CEO is therefore regarded as the organisational integration initiator.
9. Participative organisational culture	A participative rather than an authoritarian organisation culture should be employed which favours innovation and is adaptive to new ideas.	A participative organisational culture is inevitable for effective crisis management, as a sound internal organisational climate and understanding of the crisis will result in effective crisis communication action.	IC proposes that internal and external messages should be integrated in order to avoid fragmented messages be achieved through a sound internal organisational climate facilitated by an organisational culture that pulls employees together as one collective entity to achieve the organisational mission.
10. Symmetrical internal communication structure	Organisations should practice symmetrical internal communication which supports the participative culture of the organisation through knowledge sharing and cooperation among employees.	A sound internal organisational climate is necessary in order to successfully address a crisis. Two-way communication should be utilised internally in order to keep employees abreast of new developments during a crisis and to sustain the participative culture.	Message fragmentation is avoided through the integration of internal and external messages, which requires a symmetrical internal communication structure.
11. Organic organisational structure	The traditional mechanistic view of the organisation is replaced with a less bureaucratic, organic structure. Employees have easy access to top management, who welcomes input from staff.	Crisis communicators require easy access to top management in order to ensure the effective execution of the crisis management plan.	As IC plans are in line with the strategic objectives of the organisation, an open door relationship between the IC department and top management is essential. The mechanistic organisational structure will therefore not suffice.
12. The organisation operates in a complex, volatile environment	Modern organisations operate in a volatile environment and have to be flexible in order to survive.	This volatile environment brings about change and uncertainty, which is also characteristic of an organisational crisis. Organisations must employ strategic crisis management plans to effectively manage change and uncertainty brought about by organisational crises.	IC proposes the idea of the <i>renaissance communicator</i> , which is based on the notion that, due to constant environmental changes, there is a need for a different approach to communication in order to instil strategic organisational communication. The IC model proposes <i>environmental integration</i> which implies that the organisation is functioning in an open system which needs to adapt to survive.

## THE EVALUATION OF CRISIS MANAGEMENT AND COMMUNICATION PROCESSES

This evaluation focused on categorising selected crisis management and communication processes based on the primary components of a strategic management process. From this viewpoint, it is evident that strategy formulation can be aligned with proactive action, strategy implementation with reactive action, and strategy evaluation as post-action. Consequently, the crisis processes were categorised as either a predominant proactive, reactive, post-crisis management or a process in which all three stages were applied.

Based on an evaluation of various existing models it became evident that most of the processes resembled all three stages, with some processes being predominantly focused on the proactive or reactive crisis management stage. One concern was that none of the processes focused on the post-evaluative stage. The processes that were regarded as strategic (thereby applying all three stages) merely exhibited a strategic framework, but lacked strategic depth. Furthermore, the processes failed to portray that crisis communication should be applied within each stage. Consequently it was clear that the reciprocal relationship between crisis management and crisis communication was absent.

Subsequently, it was found that Gonzalez-Herrero and Pratt's (1996:89-101) integrated symmetrical process of crisis communication was the most applicable to this study as it portrayed the crisis management process as having proactive, reactive and post-evaluative stages in which *crisis communication* was evident in each stage, thereby supporting the utilisation of two-way communication, but unfortunately not recognising the importance of relationship building. This approach was hence refined and adapted through the incorporation of IC and excellence theory principles resulting in an *integrated crisis communication* framework.

## RESEARCH METHODOLOGY

An exploratory, qualitative case study approach was applied to determine whether crisis management and crisis communication processes are practiced strategically in order to contribute towards effective crisis communication with the media.

The target population included financial organisations within South Africa, while the sampling frame comprised the top 10 financial organisations in South Africa obtained from Financial Mail's review of South Africa's top listed organisations (based on financial performance) for 2008. It included financial organisations from various sectors of the financial industry, including the banking, investment and insurance sectors which is collectively referred to as '*financial services providers*'. The organisations that formed part of the selection, in ranking order, were Sanlam, Standard Bank Group, Old Mutual Plc, FirstRand, Absa Group, Nedbank, Liberty Holdings, Liberty Group, Investec and Investec Plc (Lünsche 2008:29-30). Each of these organisations' communication and marketing departments was contacted in order to construct a realised *sample* based on the feedback obtained.

The sampling method was *purposive* with the focus on the top ten *financial* institutions in South Africa due to the industry's vulnerability to crises and to specifically conduct an interview and focus group discussion with participants that work in the *communication* departments and are responsible for developing and implementing crisis communication and management plans within the organisation; as well as *convenient* based on the accessibility and availability of the institutions to participate in the study.

The realised convenient sample was the Absa group's group marketing and corporate affairs department.

Triangulation through an explorative one-on-one interview and focus group was utilised as data collection methods. Firstly, a semi-structured questionnaire was used in the interview with the Acting Manager: Chief Executive Communication for the Absa group with the aim to evaluate whether Absa's crisis communication processes were strategic and what measures, if any, were utilised to build sustainable stakeholder techniques. Secondly, a focus group was conducted to specifically measure Absa's crisis communication processes with the media. The focus group comprised seven senior communication managers situated in Absa's Group Marketing and Communication department. Thirdly, Absa's draft crisis communication plan was also evaluated to support arguments.

## **FINDINGS FROM THE CASE STUDY**

This section focuses on the general insights obtained from the case study, the key insights obtained from data collection.

### **General insights**

The data collected confirmed the main argument that the financial industry operates in a more sensitive environment in comparison to other industries, as financial institutions manage their clients' money. This is in line with Clark, Thrift and Tickell (2004:294) and Squier's (2009) arguments that the modern consumer is also more educated and the media is always nearby to report on organisational negligence, which leaves little room for mistakes. These results, inter alia, highlighted the necessity of sufficient crisis communication processes within a financial environment.



## **Key insights**

### ***Strategic communication***

It was argued that the proposed proactive, reactive and post evaluative crisis communication stages represent the planning, implementation and evaluation actions of a *strategic management process*. However, the participants did not indicate that strategy has anything to do with planning, implementation or evaluation, but rather a matter of *utilising resources optimally in order to maximise return*. Furthermore, it was indicated that strategic crisis communication was regarded as a necessity to implement strategy to give advice on the outcomes of business decisions, as opposed to merely implementing top management decisions and serving a technical function. From this it can be argued that the boundary spanning role, as highlighted in the literature, was evident, which means that by having strategic crisis communicators to communicate answers initiated by themselves to the media, consistent and accurate responses will be ensured. It was also found that communicators work closely with stakeholders during a crisis, and that their insights were key determinants on various business decisions during a crisis to advise top management of the necessary actions to be taken during a crisis. Based on this, it can be argued that the focus should be less on the various levels necessary to implement a strategic crisis communication plan, and more on the strategic advisory role that (crisis) communicators play on each level.

### ***The crisis communication process***

Although the crisis communication actions in Absa's draft crisis communication plan could be categorised according to the proposed crisis communication stages (although not presented as such), the participants regarded crisis communication as an independent process and not a key element of the crisis management process which did not support the viewpoint that a reciprocal relationship

between crisis communication and crisis management should exist. Furthermore, participants viewed crisis communication as a *reactive* function and that planning and avoiding crises will never be the organisational agenda; the focus will always be on *positioning* Absa in the best possible manner. The actions that form part of proactive crisis communication, highlighted as, among others, risk communication, stakeholder relationship building and media liaison in order to create cooperation and openness with stakeholders prior to a crisis, were indeed regarded as elements that form part of either reputation management or issues management. Additionally, there seems to be a contradiction in what the communication practitioners believe and what is stipulated in the crisis communication plan (as the plan does present an integrated structure), probably because the plan has not yet been formally implemented, or was developed by an external crisis communication specialist with a different outlook than the communication managers on the ideal crisis communication plan for Absa. Based on this it is argued that proactive crisis communication should to be rephrased in future to better define the two-way communication actions that have to be implemented prior to a crisis to ensure sufficient crisis management, specifically because the actions encapsulated by this phrase should not only be implemented for crisis communication only, but also for IC for sustainable stakeholder relationship building in general.

Participants placed less emphasis on post-evaluative crisis communication as opposed to reactive and proactive crisis measures, and indicated that it was only shared with top management no forum to share knowledge and to restore relationships was present. Although limited, the draft crisis communication plan did propose follow-up measures to some extent.

### **Crisis communication with the media**

The participants stated that obtaining all the facts and having a single spokesperson as the most important elements of successful crisis communication with the media. The participants regarded

*two-way communication* as a matter of course and not as a *stakeholder relationship building* tool. Despite this, the participants indicated that Absa has valuable two-way communication tools that are utilised to build relationships between the various business units and the media, such as media roundtables and forums. Furthermore, they said that although sustainable media relationships are essential to ensure sufficient communication during a crisis situation, it depends on the ethics and integrity of the journalist and publication to determine what will be reported on in a crisis.

In the literature review it was argued that two-way crisis communication with the media is the preferred approach, but that it is not always possible due to the confidentiality of information, as the media is not the only stakeholder to consider during a crisis. It was further argued that in order to decrease the risk of false reporting, the organisation's spokesperson should always be available for comments and provide information on the latest developments of the crisis, and to communicate with journalists after a crisis to stipulate what will be done to avoid similar occurrences in future. The results of the study indicated that in reality one cannot always control what will be reported in a crisis, despite following this relationship building recipe. The focus group participants argued that the core focus in a crisis should not be on two-way communication with all stakeholders, but rather on how to resolve the crisis, although they agreed that the value thereof should be evident at a proactive crisis communication level.

### ***IC variables***

It was argued that IC variables necessary for crisis communication are organisational mission marketing; a combination of internal and external communication; and the utilisation of cross functional departmental expertise. It was also argued that an organic organisational structure to generate a participative internal climate and purposeful interactivity is regarded as ideal, but not essential for crisis communication. Some participants did indicate that an IC department will

contribute towards strategic communication practices, but others felt that it will only ensure more structured communication messages during a crisis. It was agreed that the success of IC depends upon the employees' willingness to work together and that two-way communication, a key variable of the excellence theory, was not consciously utilised to build sustainable stakeholder relationships (an IC element), but was regarded as a matter of course.

### ***Excellence theory variables***

With regards to excellence theory variables, the participants supported the viewpoint of conducting research proactively and post-evaluatively to a crisis. However, they stated that proactive research will not necessarily assist the organisation to manage (reactive) a crisis more effectively and that post evaluation could assist the organisation to make the necessary adjustments to the crisis plan in order to ensure more sufficient crisis communication in future. A further variable of the excellence theory supported by the participants was access to top management. Some participants argued that in order to make a crisis communication plan strategic it has to be elevated to top management level. However, the predominant viewpoint was that communication should be practiced strategically through communication practitioners that give top management advice on the outcomes of their business decisions. Furthermore, it was also confirmed that all the variables of the excellence theory and IC do not have equal merit on each stage of a crisis as stipulated in the results of the one-on-one questionnaire. Consequently, it is evident that an excellence and IC mindset still need to be instilled within the communication department, and be supported by the organisation as a whole in order to facilitate strategic and efficient crisis communication. It is realised that by institutionalising IC principles within the communication department, the elements necessary to ensure a strategic crisis communication process could be evident.

In summary, to answer the research sub-problem of determining whether Absa's crisis communication plan can be proactively, reactively and post-evaluatively applied and categorised as part of the crisis management process to contribute towards strategic crisis communication with the media, the following insights have been obtained: Firstly, respondents from Absa indicated that they do not regard crisis communication as a function that encapsulates the crisis management process, rather as a reactive function upon the occurrence of a crisis. However, important preparation and evaluation actions that have to be implemented to ensure sufficient crisis communication reactively were realised, but these actions were regarded as part of risk management or issues management. Secondly, it was agreed that the variables of IC and the excellence theory need to be evident to ensure a strategic crisis communication plan, together with a process that has proactive, reactive and post-evaluative crisis communication stages.

From the above findings, four key insights underlined the proposed integrated crisis communication framework (although not always necessarily supported by the participants): A strategic crisis communication plan should have proactive, reactive and post-evaluative crisis communication stages; the advisory role of crisis communication should be emphasised during each stage of crisis communication to contribute towards practicing crisis communication strategically; proactive crisis communication should be rephrased to *integrated crisis communication* to highlight that, upon the implementation of IC principles, proactive crisis communication measures will by default be evident; and excellence theory variables need to be practiced alongside IC variables, as it became evident that these concepts overlap.

## **AN INTEGRATED CRISIS COMMUNICATION FRAMEWORK FOR STRATEGIC CRISIS COMMUNICATION WITH THE MEDIA**

In this section, Integrated Crisis Communication (ICC) will be defined followed by a proposal for an Integrated Crisis Communication (ICC) framework, which is developed against the four key insights as discussed in the previous section.

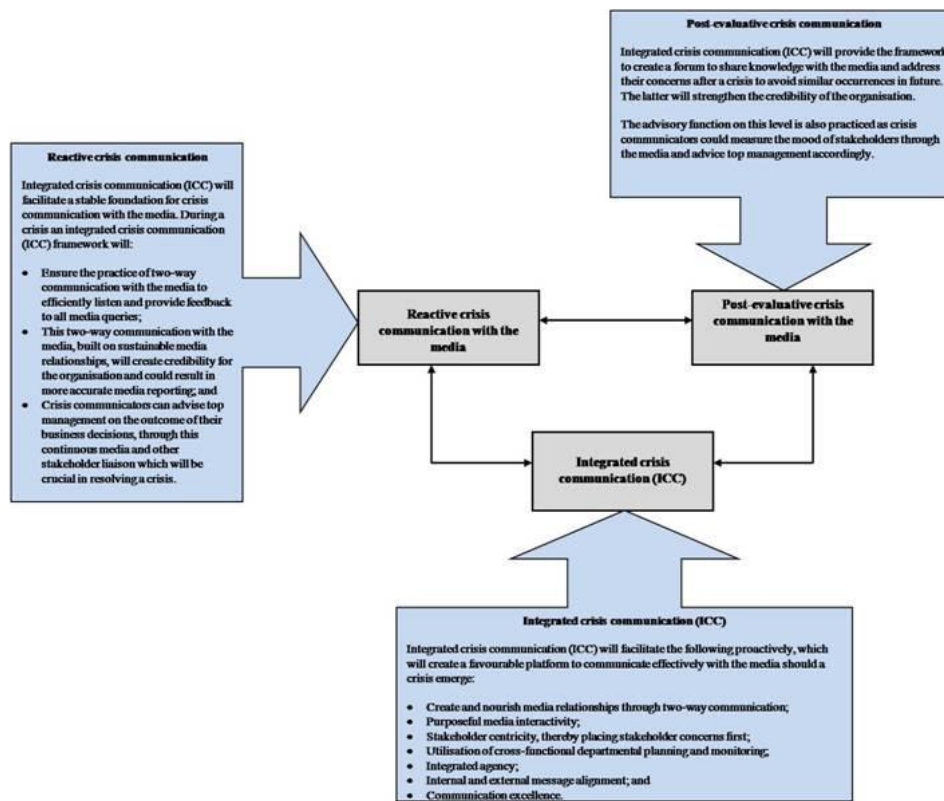
### **Towards a definition of Integrated Crisis Communication (ICC)**

The definition proposed for integrated crisis communication follows on the definition of IC proposed in the literature review and is adapted to address strategic stakeholder relationship building with the *media* as stakeholder group during a *crisis*, as follows:

*An IC process in which two-way communication is utilised to build sustainable media relationships which will serve as the platform for purposeful dialogue between the media and the organisation before, during and after a crisis.*

### **The integrated crisis communication framework**

Based on the four key insights of this study, an ICC framework to facilitate strategic crisis communication with the media is proposed in Figure 2.



**Figure 2: An integrated crisis communication framework for strategic crisis communication with the media**

From Figure 2 it is evident that an ICC framework is a process that should have proactive, reactive and post-evaluative stages. Although the proactive crisis communication stage is not regarded as a separate stage, the implementation of ICC serves as the foundation for effective reactive and post-evaluative crisis communication with the media, and thereby fulfils the necessary proactive crisis communication measures. ICC should always be practiced within the organisation to contribute towards effective communication with all stakeholders, while the reactive crisis communication stage, followed by post-evaluative crisis communication stage, will only be practiced upon a crisis occurrence. ICC focuses on building and maintaining sustainable media relationships which could

therefore also serve as a prevention and preparation function to communicate effectively with the media during a crisis.

As the research problem focused on exploring crisis communication processes' lack of strategy to contribute towards effective crisis communication with the media, it is vital to highlight the ICC framework's facilitation towards a *strategic* crisis communication process. Besides the application of IC principles, which is seen as the key facilitator of a strategic crisis communication process, it can further be achieved through: the proposition of a crisis communication structure with proactive, reactive and post-evaluative crisis communication stages, which correlate with the stages of a strategic management plan; the promotion of stakeholder relationship building through two-way communication, since organisations rely on the goodwill of stakeholders for survival, which highlights the necessity of stakeholder relationship building on strategic level; and the facilitation of the advisory role of crisis communication in which crisis communicators assist top management on the outcome of their business decisions.

## **LIMITATIONS AND CONTRIBUTIONS OF THE ICC FRAMEWORK**

The main limitation is probably the question of generalisability as Absa is not an accurate representation of all successful South African financial services providers. However, the scope of qualitative research is limited, and a sample in qualitative research is not meant to be a representation of the population, but rather a generalisation to theory. Regardless of the latter, the purpose of utilising a case study was specifically to compare *theory* and *practice* and can serve as a benchmark for future research through the proposal of an integrated crisis communication *framework* as guideline to instil effective crisis communication with the media.



The main contribution of this study is the promotion of a *strategic crisis communication* process through predominantly focusing on stakeholder relationship building through two-way communication which were absent and/or limited in existing literature. However, other vital elements that need to be considered to contribute towards this strategic process, such as the alignment of the crisis communication strategy with the overall communication and organisational strategy, have not been addressed.

In addition, this study signified the need that crisis communication should have a reciprocal relationship with crisis management; thereby emphasising that crisis communication is not only a reactive process but that two-way crisis communication has to be practiced before, during and after a crisis. A unique coherence and complementary relationship between IC and the excellence theory variables was identified, emphasising the proposition of ICC to facilitate *strategic* crisis communication with the media and the importance to build sustainable stakeholder relationships in general.

## **CONCLUSION**

This article focused on determining whether crisis communication processes, in theory and in practice, are strategic and contribute towards effective crisis communication with the media. This problem was addressed through exploring existing literature and conducting a case study at Absa bank through a three-fold data collection approach consisting of a case study, focus group and an evaluation of a draft crisis communication plan.

As the study focused on the perspective of the organisation in crises scenarios, future research can explore the viewpoint of the media on how an organisational crisis should be managed. Similarly, the focus could also be on the perspective of any other stakeholder group on a crisis, such as

employees. The research proposed an ICC approach; thereby focusing, among others, on the crisis communication process translated into proactive, reactive and post evaluative crisis communication stages. Future research can address the lack of post-evaluative crisis communication specifically through the installation of a two-way crisis communication forum, or solely focusing on ICC as a proactive crisis measure. Furthermore, the value of stakeholder relationship building through two-way communication and the value of relationships with the media during a crisis could also be measured.

It is concluded that the ICC framework will not only assist in managing and resolving a crisis effectively, but will also ensure sustainable stakeholder relationship building within the organisation as a whole.

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