Aviation Crisis Management

September 2012

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How an aviation company responds to a crisis not only can affect the outcome of the crisis itself, it can have an enormous impact on the company’s valuable reputation, and even its very survival.

Introduction

A charter jet crashes in a suburban New York neighborhood shortly after take-off. Within minutes unsettling photographs of the incident taken with mobile phone cameras are being uploaded to social media websites. Ten minutes later a New York television station is broadcasting a live video feed up-linked from a passerby’s smartphone. Within half an hour television reporters and camera people are broadcasting from the scene of the crash. Within an hour it is disclosed that the CEO of a popular consumer electronics firm was on board, and news coverage immediately spreads around the world. Later in the day it is revealed that the pilot was in the midst of a family crisis and had been behaving erratically.

This is the type of scenario that aviation executives hope they never have to confront. But these types of situations do occur, and aviation companies must be prepared to respond quickly and effectively. In a wired world with a 24 hour news cycle, bad news travels very fast. How an aviation company responds to a crisis not only can affect the outcome of the crisis itself, it can have an enormous impact on the company’s valuable reputation, and even its very survival. Communicating successfully is crucial if an organization is to survive and recover from a crisis.
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The website of one air charter company points out that clients value on-time performance, a friendly staff, good service, and a clean aircraft, but what matters most is the company’s air safety record. Indeed, many air charter services and other aviation companies tout their superior safety procedures and excellent safety records. “Our safety programs give you peace of mind,” states one operator on its website, while another claims to be the clear choice “if security and safety is your main concern.”

Although a broad array of events can potentially cause damage to an aviation company’s reputation, perhaps none are more critical than those involving air safety issues. Safety is clearly a paramount concern of travelers, and a reputation for attention to safety matters can be key to an aviation company’s success. A serious incident can hurt sales and even contribute to a company’s demise. Consider for example:

- Once an industry giant, the failure of Pan American World Airways was hastened when a bomb exploded on a New York-bound flight over Lockerbie, Scotland, resulting in the death of 270 people. Subsequently, security problems were exposed that led to decreased ticket sales. According to one commentator, “The Pan Am brand became associated with unsafe flying.”
- Flash Airlines, an Egyptian charter airline, folded after one of its aircraft crashed into the Red Sea, killing all crew and passengers. It was later disclosed that inspections by Swiss authorities had revealed safety problems.
- The 1982 crash of Air Florida Flight 90, which struck Washington, DC’s 14th Street Bridge and fell into the Potomac River, was one of the factors contributing to the company declaring bankruptcy and ceasing operations.
- Paramount Aviation Corp., which provided various services to the owner of a helicopter that crashed in New Jersey in 1989, killing three executives of Donald Trump’s Atlantic City operations, contended that the incident ultimately forced it to cease operations in 1992.
While serious accidents can have a devastating impact on an aviation company, lesser events can be equally damaging. Aviation companies can suffer serious repercussions, and may even be put out of business, if they are cited for safety violations. This especially is the case if aircraft are grounded because of safety concerns. An example is a California-based aircraft operation and maintenance company that collapsed when it lost its largest customer, the United States Forest Service, after company aircraft failed safety inspections.9

While less likely to cause an aviation company to fail, a wide variety of other incidents can cause reputation damage that can result in embarrassment to the company and diminished revenues for a period of time. Examples include non-safety related regulatory violations, labor problems, or bizarre or inappropriate actions by a member of a flight crew. In all cases, effective communication can help to keep a bad situation from becoming a reputation disaster. Ineffectual or inappropriate communication, on the other hand, can cause a situation to spiral out of control, potentially causing irreparable damage.

**Crisis Communication Preparation**

Serious aviation events are comparatively rare. That fortunate fact, however, means that when they do occur, it is quite possible that the company will not be adequately prepared to respond. Too often a company has a crisis response plan, but it is little more than a seldom-read chapter buried in an operations manual. Failure to respond quickly and effectively, however, can have dire consequences.
The nature and extent of crisis response varies significantly with the scope and nature of a company’s operations. A major airline operating throughout the world, for example, has very different crisis response needs than a local charter helicopter service. What is necessary for every company, however, is to have a plan to gain control of the situation as quickly as possible. Gaining control not only means effectively and appropriately managing the details of the crisis response itself, it also means controlling the message – assuring that the company is seen by the media and others as the most reliable source of information, and that stakeholders are aware of the company’s actions to competently and, when appropriate, compassionately address the situation.

Of course, the best way to be seen as competently managing a crisis is, in fact, to competently manage it. Crisis management plans must be made, regularly updated, and rehearsed. A crisis management team should be identified and everyone involved must know their roles and responsibilities. Procedures must be in place for rapidly notifying and assembling the team, with provisions made ahead of time for all necessary equipment such as computers, telephones and handheld devices. Consultants and other essential outside resources should be identified in advance.

Even an otherwise well-managed situation, however, can have a bad outcome if communications are not handled properly. It is critical that organizations communicate quickly – and in the right way – with all necessary parties, which can include employees, first responders, airport personnel, the news media, families of the crew and passengers, and investigators. A consistent and coordinated messaging strategy is essential, and a communication plan should be an essential part of the overall crisis response plan.
Elements of a crisis communication plan include:

- **Establish a crisis communication team.** Depending on the size of the organization, a crisis communication team may be comprised of the CEO, the head of public relations, the heads of key operating units, the head of human resources, the safety or security officer, and the corporate counsel. Additionally, a communications manager should be appointed to coordinate communications with first responders, investigators and others needing access to company information.

- **Designate and train a spokesperson.** Often a company’s designated spokesperson is the CEO. Whether the CEO or another senior representative, however, the spokesperson needs coaching in crisis communication. Other employees who likely are to have contact with the media also should have training.

- **Develop an internal communications plan.** Employees typically need to be the first to be notified when a crisis occurs, especially those employees dealing with customers. A robust emergency notification system should be developed and tested. The specific details of the plan will vary by the nature, size and complexity of an organization, but typically begins with collecting all employee contact information.

- **Develop a media strategy.** In the midst of a crisis is rarely the best time to cultivate a relationship with the news media. Ideally, companies will already have built familiarity and an atmosphere of openness and trust with those reporters most likely to cover an event. Often this is an outcome of an effort by the company to reach out to the news media with story ideas and offers to be an expert resource.

- **Identify all external stakeholders and the most appropriate channels for communicating with them.** A company will need to communicate with a broad array of individuals and organizations, each with their own information needs, during a crisis. The different groups – ranging from the news media to investors – should be identified in advance, with an understanding of the type and style of communication each requires along the most appropriate communication channels.
• **Develop a social media policy and communicate it to all employees.** Thanks to social media websites, virtually any employee can become an undesignated company spokesperson, potentially creating a public relations nightmare. Through a company’s social media policy, employees need to be made aware that it is not acceptable to be perceived as representing the company in their social media activities, and that confidential or sensitive information should never be disclosed.

• **Identify specific information items that will essential in a crisis.** In the event of a serious accident, accurate passenger lists of course are essential for passenger airline and charter operations. However, other information is likely to be essential, and plans should include a process for having that information quickly available to the crisis management team. For example, one important piece of information for both cargo and passenger air operations following an accident is a cargo list, which is essential information for the fire and rescue crews. Additionally, up-to-date fact sheets about the organization need to be maintained. This information can be distributed to reporters at press conferences or during interviews.

• **Develop an internet and social media strategy.** It is likely that there will be a surge in traffic on a company’s website during a crisis. The crisis communication team should not only plan how to use the website for communicating its message, but also should enlist its IT department or website developer to be ready to take steps to avoid having the site overloaded. Furthermore, companies should recognize that they need not rely exclusively on the news media to reach the public at large – social media can provide a very effective tool for communicating directly with people. Companies should consider establishing a social media presence for marketing and general public relations purposes, which can be pressed into service in the event of a crisis. They also should consider creating a so-called dark site, a pre-built, non-public website that can be published to the live Web in the event of a crisis.
A crisis communication plan needs to be regularly reviewed and updated. The ways people communicate are evolving at a rapid pace. Only a few years ago, for example, social media played a nominal role in crisis communication. Today it represents both a challenge in controlling the message as well as a powerful channel for reaching stakeholders. Similarly, mobile devices such as smartphone and tablets mean that people have access to information and a wide array of communication channels on a near-continuous basis. Crisis communication plans need to be continuously refined and updated to guarantee that they account for changing technologies and modes of communications.

Crisis communication plans also need to be regularly updated to reflect changes in an organization. Changes in reporting relationships may require new individuals on the crisis communication team. A merger or acquisition can change a company’s risk profile, and consequently its crisis response needs. Not only must plans be reviewed regularly and updated as required, the revised plans must be thoroughly rehearsed.

**Crisis Communication Response**

Hopefully, most companies will never have to put their crisis management programs into action. But if they do, a well-conceived, well-rehearsed program can be the difference between having critical situation unravel with potentially ruinous consequences, and staying in control of events, possibly even enhancing the company’s reputation as a result of its cool-headed management of a crisis.

The company must be certain all communications deliver a strong and consistent message that conveys the right combination of confidence and compassion. The company must been seen as in control of the situation, but also as willing to say it is sorry while not admitting liability. Sincerity is essential.
The speed with which a company must act to avoid a reputational crash can be intimidating for executives unfamiliar with highly volatile situations. It is easy to make mistakes in the heat of the moment. One expert in aviation crisis management relates the story of a senior airline official who, in the aftermath of a serious accident involving one of its aircraft on approach to an airport, announced that the airline was not at fault since it was well known that certain approach aids at the airport were deficient. The attempt to pass the blame backfired when he was questioned as to why the airline continued to operate at an obviously unsafe airport. Companies must balance the need to disseminate information quickly with the need to deliver accurate information in a way that reflects well on the organization. There is a fine line between responding quickly and acting hastily.

Employees are a key part of the communication process, especially those in customer-facing roles. The communications manager should activate the emergency notification system to send information to employees about the crisis, informing them what is being done to address the situation and instructing them as to what they should do and what they can and cannot say.

In the case of an accident occurring in the US or its territories, the investigation is controlled by the National Transportation Safety Board (NTSB), which establishes emergency response standards and which is in charge of communicating facts directly related to the incident. Parties involved in an aviation accident are prohibited from speaking about investigative findings with the news media or the public. They also are prohibited from speculating on the circumstances of an accident and required to not respond to theories, hearsay or rumors. Often there is an inherent conflict between the NTSB’s cautious control of the information flow and a company’s desire to disclose as much information as possible. This inherent conflict adds a layer of complexity to the communication process and must be judiciously managed.
After the initial crisis has passed, there remain a number of items companies should do to further protect – or even enhance – their reputation. If the incident results in injuries or death, experts recommend that an organization at fault act quickly to provide restitution. Not only does quick action have a strong public relations benefit, the longer an organization takes to make restitution, the more expensive the settlement is likely to be. The organization also should strongly affirm that the causes of the crisis have been (or are being) addressed, and that executive management is committed to never letting it happen again.\(^\text{13}\)

Most of the same principles that apply to a large scale crisis also apply to lesser crises, which also can spin out of control and become a public relations nightmare. These include incidents such as disclosure of safety issues or even an unhappy customer with an ax to grind. Thanks to the power of social media, a single disgruntled customer can become a significant disruptive force. Take for example the musician who was angered by the response of a major airline when his guitar was broken in transit. He wrote a song and recorded a music video about the event which “went viral” on YouTube, and became a public relations embarrassment for the airline. The video has been viewed more than 12 million times.

**Conclusion**

Almost every company has a reputation risk exposure and is well advised to think ahead about how it will respond in a crisis. Aviation companies face particularly strong reputation challenges with potentially severe consequences. An aviation accident typically happens suddenly with very little if any advance notice. An accident also is likely to be a newsworthy event in which everyone in the vicinity with a mobile phone becomes a potential news cameraperson. Thanks to social media and the 24 hour news cycle, news of the event can spread very rapidly and likely will be covered for an extended period of time. An aviation company that is not prepared to move quickly to seize control of a crisis situation risks irreparably damaging its reputation, which can threaten the company’s continued viability.
Even a very well managed aviation company with a spotless safety record can suddenly be thrust into crisis mode. Aviation executives certainly hope they never have to set their crisis management plans into motion, but if they must, those with a well-developed, up-to-date, and thoroughly rehearsed plan at least can have the confidence that they are in a strong position to not only manage the crisis successfully, but also to protect the hard-earned and all-valuable reputation of their company.