CRISIS MANAGEMENT





TRAINING DELIVERABLES

- No two crisis are the same
- The fundamental governance in managing a crisis, however remains:
 - what is required
 - who is to do it
 - when to do it
 - what needs to be done
 - how to do it





ABBREVIATION

FOR EMERGENCY RESPONSE

For Head-Quarters

EC : Emergency Coordinator

IMT : Incident Management Team

(Emergency Coordinator Team)

ECC : Emergency Control Centre

For Worksites / Workstation

EM : Emergency Manager (Worksite)

OSC : On-Scene Commander

ERT : Emergency Response Team

SERT: Site Emergency Response Team

For Off-sites

Flying Squad

FOR CRISIS MANAGEMENT

CM : Crisis Manager

CMT : Crisis Management TeamCMC : Crisis Management Centre

GENERAL

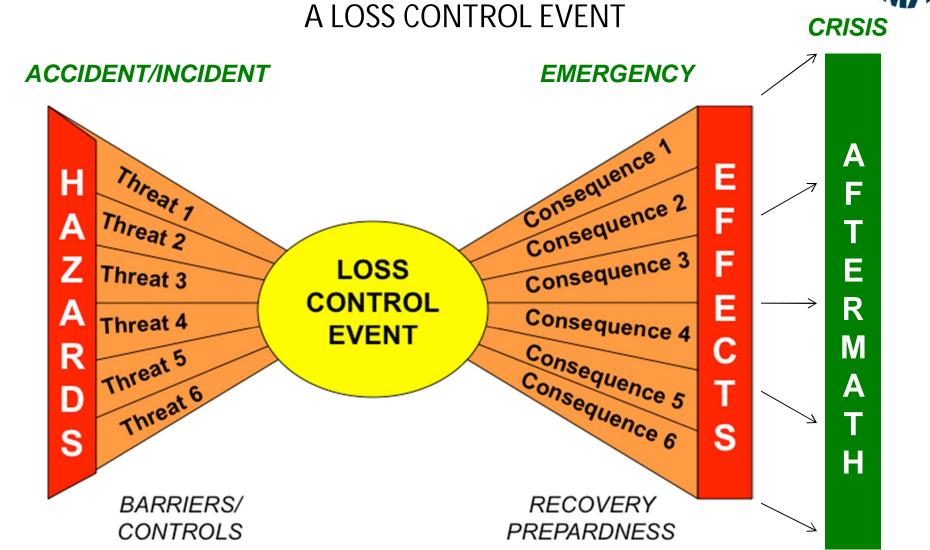
HSE: Health Safety & Environment EMAG: Emergency Mutual-Aid Group





CRISIS MANAGEMENT - PRINCIPLES & PHILOSOPHY



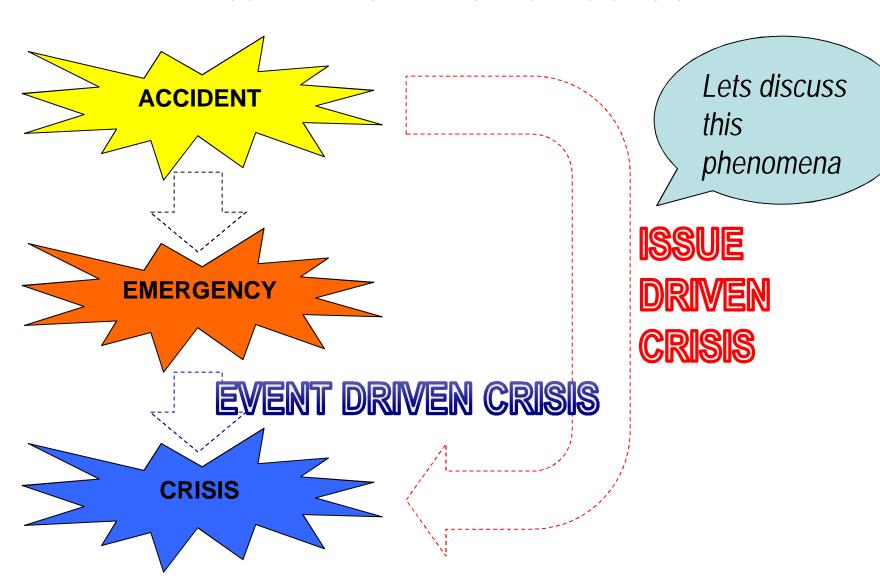


NEWS & PERCEPTION





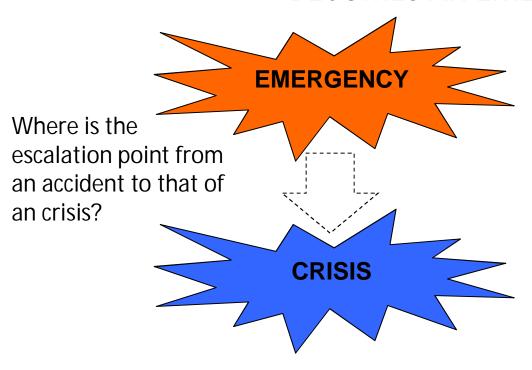
ACCIDENT VS EMERGENCY VS CRISIS







WHEN DOES AN ACCIDENT BECOMES AN EMERGENCY?



DEFINITION OF A CRISIS

A Crisis is an event, or a series of events, that falls outside normal business contingency and emergency response arrangements managed by the business and which has the potential to:

- Represent a widespread risk to the company staffs
- OR seriously damage the reputation of the company
- OR its financial bottom line





CRISIS MANAGEMENT CHARTER HIERARCHY OF MANAGEMENT



- 1. Minimise Harm to people
- 2. Minimising Impact to Environment
- 3. Protection of Group's Reputation
- 4. Re-establishing Business (Continuity)
- 5. Minimising Public Exposures and Liabilities
- 6. Learning To Prevent Reoccurrence

Why is this important?

Forms a clear guiding pillar to Crisis Management Team (CMT) members when situation gets challenged, with team under pressure to respond, and outside influence dictates... priorities sometimes becomes not so obvious.







CRISIS MANAGEMENT TEAM (CMT) - ORGANISATION



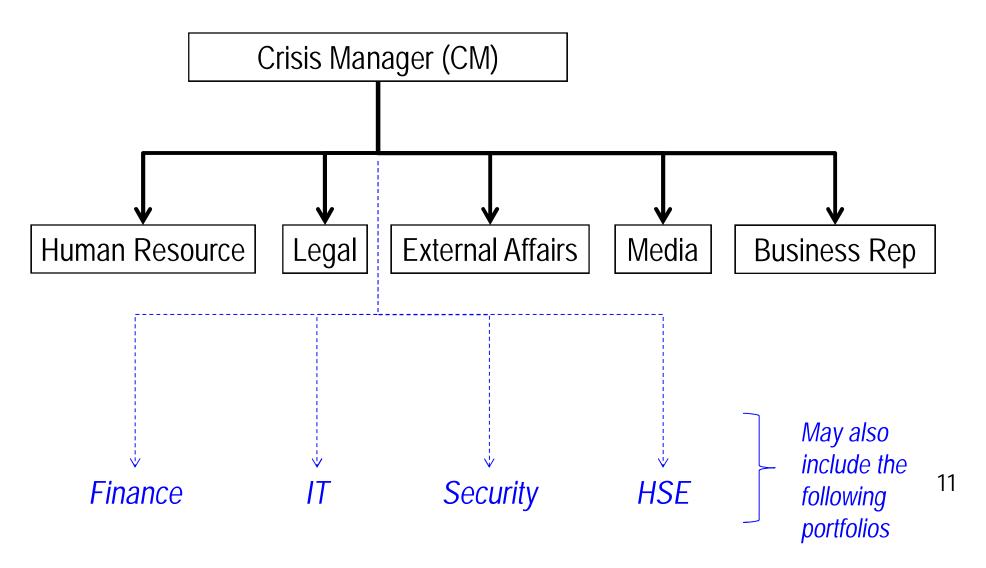


- Unlike Emergency Response Team (ERT) members, the Crisis Management Team
 (CMT) members do not usually go on duty rosters. Crisis are usually few and far
 apart and there is usually more time before an event or activity be declared a
 Crisis.
- Members of the CMT would usually have an alternate substitute, which is trained, conversant and competent member of the CMT.





TYPICAL CMT ORGANISATION







CRISIS MANAGER (CM)

Authority:

The CM is accorded with absolute authority to make full company representation, on behalf of the Company in a Crisis situation.

Man Specification

Chairman and/or Senior Director. This person would usually have the following attributes:

- Able to work under high stress
- A good overall perspective of company's business
- Good and proven leadership (man-management) qualities

Roles & Responsibilities

- To confirm and declare a Crisis.
- •To activated the Crisis Management Centre (CMC) and call in the Crisis Management Team (CMT).
- •To manage the CMT in strategising a coordinated response to manage the Crisis.
- Owner of the CMC
- Owner of the Crisis Plans and Procedures
- Responsible for the effectiveness of the CMT members (vis-à-vis training, competency and responsiveness)





BUSINESS REPRESENTATIVE - Roles & Responsibilities

- Provide information on business response and impact
- Provide clear information on geo-political, potential social snd business context of the Crisis
- Identify and advises on medium and long-term business issues arising from the Crisis
- Liaise with business support team

<u>HUMAN RESOURCE</u> - Roles & Responsibilities

- Establish contact with people directly or indirectly affected by the Crisis
- Ensure appropriate and effective implementation of HR response strategy
- Assess need for specialist help
- Identify and advises on medium and long-term issues relating to staff, contractors or communities affected by the Crisis
- Ensure necessary financial arrangement/disbursements (if any) Liaise with HR Directors of JV-partners/Contractors/Clients, as appropriate





LEGAL - Roles & Responsibilities

- Determine immediate legal liabilities, risk, exposures and issues, and develop defensive strategy
- Retain an overview of the current legal strategy
- Advise legislative exposures and potential legal/insurance liabilities
- Identify and communicate internal and external legal advisers
- Vet and advise all outgoing information proof-read and sign-off all media statements where there is particular sensitivities over liabilities
- Establish protocols for sharing confidential or privileged documents/information
- Prepare and brief all interviewees who are to be interviewed by external bodies





EXTERNAL AFFAIRS - Roles & Responsibilities

- Develop key messages and positions
- Co-ordinate and arrange for all 3rd. party briefing events (including visits to/by senior government & community appointees)
- Develop external stakeholders communication plan
- Develop internal communication plan
- Monitor media (radio, TV, internet, etc) for external stakeholders reactions
- Identify and advises on medium and long-term reputation risk, trigger-points, and scenarios
- Identify and assess reputation consequences
- Produce status reports





CMT – MEDIA

MEDIA - Roles & Responsibilities

- Develop and implement national & international media relation strategy
- Ensure effective and consistent media protocol and response
- Manage all media interface (inclusive of all outgoing information)
- Advise CMT of any media related issues (perceived, potential and actual)
- Develop appropriate key media messages for media release (inclusive of all outgoing messages)
- Advise on content, and frequency of media release
- Coordinate all press conference, briefing, interviews and 3rd party briefing events (eg. local politicians/government leaders/community appointees)





TRAINING





CRISIS MANAGEMENT TEAM (CMT) TRAINING

- Induction on CMT roles & responsibilities
- Familiarisation of Crisis Management Centre (CMC) infrastructure and equipment
- Induction on the Crisis Plans and Procedure and Checklist
- Participate in at least one Crisis Management Training (desktop) exercise per year.
- Media & TV skills





CRISIS MANAGEMENT PRINCIPLES

- Ensure adequate and proactive management focus on issue/incident/emergency
- Alert Crisis Management Team (CMT) members early of potential Crisis
- Ensure clear leadership, hence ownership.
- Ensure clear objectives and all CMT members are working towards this objectives
- Ensure CMT members roles and responsibilities are clearly defined
- Established clear communication protocol (how, where, when, who) and best/reliable available sources of information on the situation
- Identify all possible escalation triggers and mitigation options
- Assess potential financial and reputation impact of 'worst-case' and develop contingency plans
- Be proactive on communication material and have them ready
- Identify and have trained spokesman ready
- Ensure effective and efficient sharing of key information with CMT members and relevant personnel





CRISIS PREPAREDNESS

- Crisis plans are tested, in-place must be in place and are reviewed minimum, annually
- CMT members understands and is conversant with the Crisis Plans and Procedures and checklist.
- CMT members knows roles and responsibilities; and accountabilities are clear and tested
- CMT and their designates are trained, competent and are confident to undertake task assigned
- Crisis Management Centre (CMC) is owned, maintained and fit-for-purpose.
- Crisis triggers are clearly identified and triggering protocol established and tested.





ISSUE DRIVEN CRISIS

Factors that can turn an issue into a crisis:

- <u>Perception</u> by others that we are not taking enough responsibility/action to address an issue
- Weak relationship with stakeholders (lack of trust and/or two way communication)
- The effectiveness of NGOs or others in mobilising opinion against the company
- The topicality of the issue in the media and/or linkages with other high profile issues
- The number and type of people affected
- Visual impact, which can generate a swift, strong and widespread emotional reaction
- A low reputation 'credit'





PREVENTION OF ISSUE DRIVEN CRISIS

- Run business responsibly and safely and demonstrate this responsible care, publically
- Stick to good business principles
- Listen and respond to stakeholders issues and concerns, transparently
- Ability to recognise and anticipate what and where the issues that could transform into a Crisis
- Ability to act fast, and take decisive action whilst there is time to influence external perceptions.



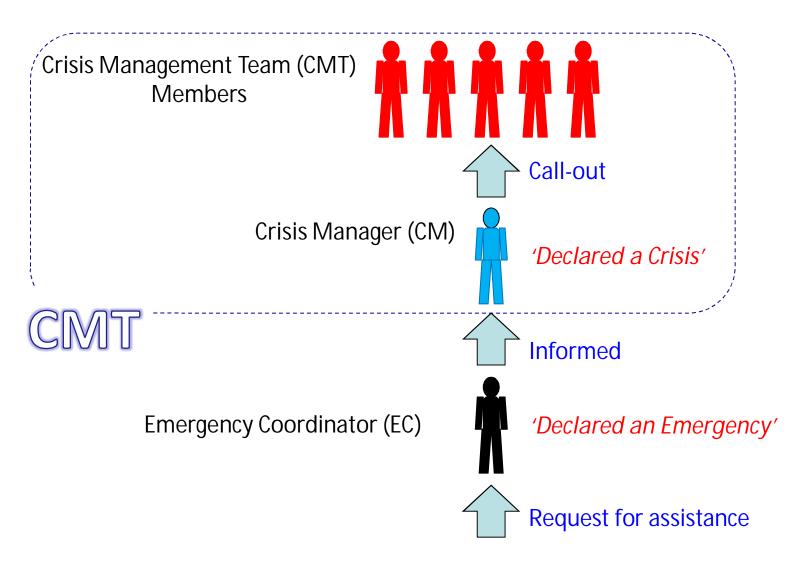


CALL-OUTS AND CRISIS MANAGEMENT CENTER ACTIVATION





EVENT DRIVEN CRISIS CALL-OUTS







EMERGENCY RESPONSE PHASES

National Crisis

Government

Crisis

Management

Crisis Mgt Team

Directors

Emergency Coordination Emergency Response Team

Senior Line Mgt

Accident/Incident Management



Site Emergency Response Team

Site Mgt





EMERGENCY RESPONSE FLOW

The Team

CMT: Crisis Management Team

Roles of CMT

To provide resource, service and technical support to the organisation in Media & Perception Management

The Leader

CMT is headed by Crisis Manager (CM)

The Place

CMC: Crisis Management Centre

The Team

ERT: Emergency Co-ordination Team

Roles of ERT

To provide resource, service and technical support to SERT

The Leader

ERT is headed by an appointed Emergency Co-ordinator (EC)

The Place

 ${\sf ECC: Emergency\,Co\text{-}ordination\,Centre}$

The Team

SECT: Site Emergency Co-ordination Team

Roles of SECT

To provide frontline response for the mitigation of emergencies at the site of the incident

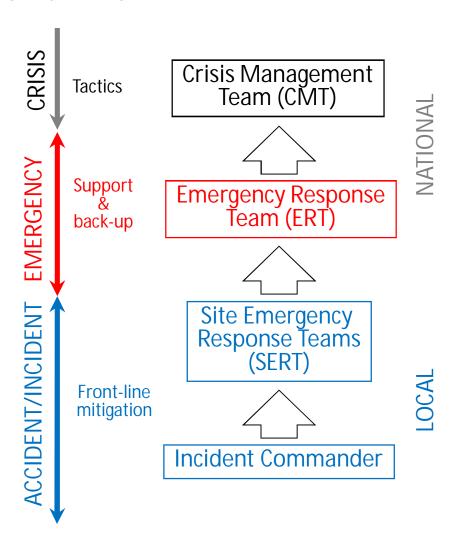
The Leader

SERT is headed by an appointed Emergency

Co-ordinator (EC)

The Place

Incident Site







CRISIS MANAGEMENT CENTRE (CMC) LAYOUT & EQUIPMENT





CRISIS MANAGEMENT CENTRE (CMC)

ROOM FACILITY - IT & Communication equipment:

- One touch telephone dialling facilities to major media and National Crisis Government Agencies.
- Video conferencing facilities
- Interview
- PC's (access to internet)
- Television linkage
- Fax & photocopy machines





SUCCESS FACTORS





CRITICAL SUCCESS FACTORS IN A CRISIS *LETS DISCUSS*

- Strong leadership
- Quick decision making
- Proactive action on behalf of any people affected
- Proactive action to mitigate any environmental impact
- Clear, proactive and continuous communication with external stakeholders
- Clear roles and accountabilities for individual crisis team members
- Well trained and exercised teams
- Good stakeholder relationships
- Proactive and fast communication with the media; effective spokespeople
- Not being afraid to say "sorry" (bit do seek legal advice to avoid risk of inadvertently admitting liability)





BAHAVIOURAL REMINDERS IN A CRISIS LETS DISCUSS

The success in responding to a crisis depends on effective leadership, decision-making, clear accountabilities and team-work.

All crisis team member should therefore be mindful of the following behavioral guidelines :

- Remember we all share the same objectives in a crisis: i.e, to safeguard life and the environment and protect our reputation. An Enterprise First approach is therefore essential
- Crisis Team discussion should focus on the big pictures, the key issues and key action. The detail should be worked offline outside the room
- Take personal accountability your fellow team members should know what action you are taking responsibility for
- If you think important issues being missed speak up, even if it is outside you immediate responsibility
- Ensure those carrying out the action on you behalf are well briefed and kept appropriately updated





BAHAVIOURAL REMINDERS IN A CRISIS LETS DISCUSS

- Keep an external perspective how are stakeholders reacting? Are our massages being heard? Have we identified all the individuals we need to contact?
- Remember the importance of fast, accurate internal communication at local, national and cross-regional level
- Be aware that all written and electronic communication could became public
- Recognise you will have to take decisions without all the desired information
- Use you initiative to fine solution to problems be proactive not passive, positive not negative
- Be flexible and pragmatic help others when you can
- Ensure your alternate is aware of the situation an on standby to take over from you as necessary





EFFECTIVE COMMUNITY LIAISON LETS DISCUSS

Local community 'fence-line' grievances can easily escalate into crisis. The following guidelines should be borne in mine when considering how to respond to local stakeholder concerns:

- Find out early on what all sections of the community think and feel about an issue
 don't make assumption. Listen
- Wherever possible act quickly while there is still time to influence people's perception
- Remember, perception is reality what people think and fear is, for them, a fact, whether or not we believe their understanding of an issue is flawed or their fear is unfounded
- Publicly recognise that the community has a right to feel concerned or aggrieved and work hard to find solutions





EFFECTIVE COMMUNITY LIAISON LETS DISCUSS

- Wherever feasible, take on board community suggestions and publicly demonstrate that they have influenced your action and thinking. This means that we have to be prepared to change our minds
- Find independent expert or opinion leaders who can help redress the balance of illinformed negative public opinion
- Recognise when an issue might escalate into a crisis and ensure adequate resources are focused on the problem and senior management a aware Consider the worse case and give careful consideration to feasible option to resolve the problem ahead of time
- Don't allow internal disagreements to delay action
- Never stop engaging even if you feel that you are not succeeding start with those who are most constructive and willing to talk





EFFECTIVE COMMUNITY LIAISON LETS DISCUSS

- Consider changing the public face of the issue for you a new spokesperson might give an opportunity for a fresh start
- Remain visible in the community negative perceptions often soften with personal contact
- Organise face-to-face, one-to-one or small meetings wherever possible. And ensure that your representatives a well-prepared
- Integrate legal advice, potential impact on reputation and social performance expertise in determining the course of action.





HANDLING THE MEDIA IN THE CRISIS LETS DISCUSS

- Media can heavily influence the perceptions of a wide range of influential external stakeholders. It is therefore essential to communicate quickly and continually with the media during the crisis.
- A holding statement should statement should be issued within one hour and regular updates should be provided thereafter.
- Spokespeople should be made available and interview requests and media briefings should be arranged quickly as possible.
- Media statements should be signed off by the crisis team leader and should not be 'wordsmithed' by committee.
- Legal clearance must be quick.
- Key massages should be short and clear and spokespeople should be rehearsed wherever possible.





HANDLING THE MEDIA IN THE CRISIS *LETS DISCUSS*

- In the immediate aftermath of an even-driven crisis, journalists' question will inevitably focus on the topics below: answers should therefore be prepared as quickly as possible.
 - What happened and what caused it?
 - Who is effected?
 - Who is blame? (don't be drawn on this always refer to the independent inquiry)
 - What are you doing about it and when?
 - What does it cost?
 - Has it happened before; what is your safety record?





HANDLING THE MEDIA IN THE CRISIS *LETS DISCUSS*

AND REMEMBER...

- •Be clear on the facts; don't speculate or guess answers to question
- Consult other involved external patties (e.g., emergency service press officers)
- Ensure internal consistency of massage to all media (i.e. nationally and internationally)
- •Be proactive with new information
- •Keep the flow of information constant, even if you don't have much to say
- Return all call and response to information requests
- Update website material at leas once a day
- Correct misinformation, rumours and mistakes
- Monitor the media coverage and share it quickly internally
- Avoid being evasive, defensive or aggressive with the media
- •Don't apportion blame, focus what shell is doing to resolve the situation and refer to the independent inquiry





HANDLING THE MEDIA IN THE CRISIS LETS DISCUSS

AND REMEMBER...

- •When developing key massages remember the '3 Cs' rule:
 - Concern
 express and demonstrate (through actions) concern for anyone affected
 - Commitment demonstrate we are doing what we can to resolve the situation as quickly as possible
 - Control demonstrate the situation is being treated as a top priority.





MANAGING TELECONFERENCES LETS DISCUSS

In most crisis situations it may be necessary for two or more crisis teams to work together virtually via telephone (or video) conference calls. Remember:

- The crisis team leader should ideally be in the same location as the majority of the crisis team
- Make it quite clear at the outset who is leading, who is on the call and where everyone is located
- Establish an agenda at the start of the call (e.g. current status, reaction of stakeholders and media, update and actions and objectives and discussion key of issues)
- Ensure that everyone understands which teams are in place and what their respective roles and responsibilities are
- Confirm action and responsibilities before close of call, and follow up with e-mail confirmation





MANAGING TELECONFERENCES LETS DISCUSS

- Keep a long of actions and tasks which have been assigned and check progress at regular intervals
- Establish a regular pattern of teleconferences and make sure everyone knows when they are and what is expected
- Keep your points short and avoid repetition
- Avoid lengthy discussion on detail unless they are essential focus on the big picture and discuss the detail with relevant individuals in a separate call.





INFORMATION MANAGEMENT LETS DISCUSS

Accurate and timely recording of information over the course of a crisis plays a vital role in providing an audit trail of decisions made and actions taken. This is vital in cases where legal action could arise as a result of the crisis.

The legal member of the Crisis Team is responsible for reminding people of the need for an audit trail and advising on how legal privilege can be maintained.

Bear in mind the following:

- •All documents (including emails) relating to an incident could become subject to compulsory disclosure
- Mindful of the above, ensure documents created in response to the incident are filed and kept
- •Whenever possible consult legal advice before the creation or circulation of potentially sensitive documents





INFORMATION MANAGEMENT LETS DISCUSS

- Communication to and from Lawyers may be exempt from disclosure through Legal Privilege, but this could be lost if documents are circulated beyond those who actually need them for the purposes of litigation
- Speculation and opinion must be avoided wherever possible
- Be aware that any admissions of liability orally or in writing could jepordise our claims against a third party.





STATUS REPORT – TEMPLATE

Information about the nature, extent and impact of a crisis as well as the actions being taken to address should be collated in regular status reports. This ensure timely, consistent and comprehensive updates are provided to all internal audiences. Ensure status report are numbered and issued ideally at the same time each day.





Summary Status Report/Checklist	
Produce By (Name/Designation/Location) : Circulation Details (Time & Date) : Circulation List (Names) :	
CURRENT STATUS	NOTES
Situation Snapshot People – e.g. fatalities/injuries/missing Environment – e.g. fire/chemical spill/other Property – e.g. damage to Company/Others Potential for escalation	
Operational Response Plant shut down/evacuated/other Emergency Service on/off scene State of or prospects for business continuity Environmental response	





CURRENT STATUS	NOTES
Media Extent and nature of national and local media interest Broadcast interviews conducted/planned/refused Key messages:	
Family Response Number of families contacted and still to contact Information from police re: informing of fatalities Care/counselling/financial assist offered Contact between Company rep & families	
External Stakeholders (local and national) List of key stakeholders	





GUIDES & PROMPTERS





FIRST ACTIONS (1-2 HOURS)

TO BE USED BY CRISIS MANAGER (CM)

- Establish the known facts as quickly as possible
- Decide who need to be informed and involved internally
- Organise conference call / initial meeting for Crisis Management Team (CMT)
- Ensure participation of Country Chairperson(s)
- Be clear who is leading the call/meeting
- Identify and allocate immediate priorities and action be clear who is doing what
- Ask whether anyone needs to be immediately informed or involved externally
- Do a quick assessment for the potential for escalation / worse case
- Ensure Group Media is aware and a holding statement is signed off quickly
- Establish time and location of next meeting or conference call





NEXT ACTIONS (2-8 HOURS) ASSUMING SITUATION IS SERIOUS

- Mobilise Crisis Management Team (CMT) members
- Activate Crisis Management Centre (CMC)
- Identify what extra support may be necessary
- Brief CMT members and support teams
- Identify priority actions and ensure tasks are delegated to individuals
- Assess the situation more carefully. For example:
 - What is the effect on people: staff/public/contractors?
 - What is the extent of damage to the environment?
 - Is the situation company specific?
 - Is company in operational control of managing the response?
 - Can it be linked to other companies or industry issues?
 - What parts of the company's group are affected?





NEXT ACTIONS (2-8 HOURS) ASSUMING SITUATION IS SERIOUS

- What type of crisis are we dealing with: operational (e.g. oil spill, explosion, emission); rumour/speculation (media led); or illegal conduct (led by government or authorities)?
- Is the incident/issue contained or escalating?
- What are the potential triggers for escalation
- What is the likely extent of media coverage?
- What is the oompany and/or group financial impact?
- Are significant liability claims?
- Does company have criminal liability?
- Is there major third party liability?
- Does the response require substantial Group resources?





ON-GOING ACTIONS

- Request briefings from Emergency Response Team (ERT) and/or Site Emergency Response Teams (SERT) on incident development and issues arising
- Develop medium to long-term strategies to anticipate and mitigate issues arising
- Ensure strategies are known and understood by all parts of the crisis organisation
- Request regular updates on media activity and review media/communications strategy
- Review validity of escalation scenarios and response options
- Check status of Crisis Management Team actions
- Review "parked" issues (if any) Establish meeting/briefing schedule
- Plan ongoing resourcing arrangements for all teams





THE FACTS

- How reliable is the information?
- Are there good communication link with the site and/or Business?
- Are the authorities inhibiting or preventing information gathering?
- Is there an adequate flow of information to the Crisis Management Team (CMT)?
- Have regular reporting procedures been agreed?
- Do we need to liaise with national authorities (possibly multiple countries)?
- Do we need to liaise with JV partners?
- What is the legal position on continuing operations (e.g. need to shut down similar or connected operations pending incident investigation)?





THE RESPONSE

- Is the response adequate?
- Is there appropriate Emergency Response and SERT on-site incident management?
- Are there appropriate company's resources focused on the problem?
- Should Group resources (i.e. other Businesses or service organisations) be deployed to help?
- Is there a need for specialist external assistance?
- Is there a need for senior management representation on scene?
- Is a good local spokes person(s) identified? Are key massages consistent?
- Are all local, regional or national stakeholders being contacted/managed appropriately?
- Are there adequate communication resources in place?





INFORMATION

ARE AFFECTED PARTIES INFORMED?

- Employees
- Other parts of the business group
- Neighbours at the location involved or at similar locations
- Customers (short-term loss of supply, long-term switch to other suppliers, permanent ban on product), suppliers and/or contractors
- Media (local, national, international)
- Government(s), regulators or legislators (local, national, international)
- Industry (oil, chemicals, others), and/or other multinationals.
- Non-government organisations (e.g. pressure groups)
- General public (local, national, international)
- Financial community (investment community, shareholders, insurance)
- Joint venture partners



END OF PRESENTATION

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