Crisis Management—You Never Have Enough Time. Preparation is Everything.

Tim O'Leary, Senior Director, Crisis Communication, Witt O'Brien's



Crisis Management Priorities

An organization's approach to crisis management should be based on principles of prudent overreaction, assessment and de-escalation. Within this framework, the following priorities apply:

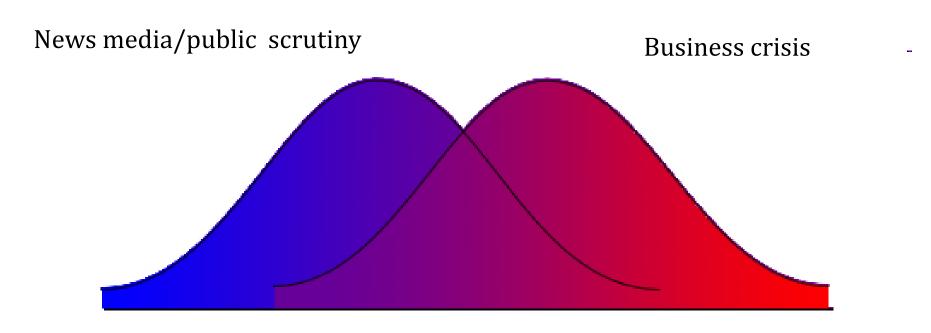
- Minimize harm to people (e.g., employees, responders, and public).
- Minimize environmental impact.
- Protect the company's assets and private property.
- Protect the company's reputation.
- Maintain the ability to provide services to clients .
- Re-establish business continuity.
- Learn to prevent re-occurrences.

" A lie is half-way around the world before truth can get its shoes on."

-Attributed to Samuel Clemens



"Crisis" Drivers



1.21 Gigawatts? 1.21 Gigawatts? WITT|O'BRIEN'S Great Scott!





"If I only had more time to get:"

- A complete listing of stakeholders, uploaded and ready to go.
- A way to communicate with my stakeholders during a crisis.
- Answers to questions I know will be asked.
- Clarity between roles and responsibilities of the CMT and IMT and Unified Command (wish we had done that exercise).
- A website already prepared for crisis communications.
- Prepared and approved external messages.
- Above all, a trained Crisis Management team who doesn't get bogged down in the details but focuses on reputation and getting us back in business.



Rule Number One





Your initial response has an expiration date—the longer you take in mounting an effective response the more work you are loading onto your crisis management team.

What Does A CMT Do?

- Deals primarily with reputational implication of incident—no outrage, no crisis.
- Deal with broader business continuity efforts.
- Communicates with:
 - Public.
 - Internal company.
 - Government officials.
 - IR/Finance.
 - News media.
 - Specific public stakeholder groups.

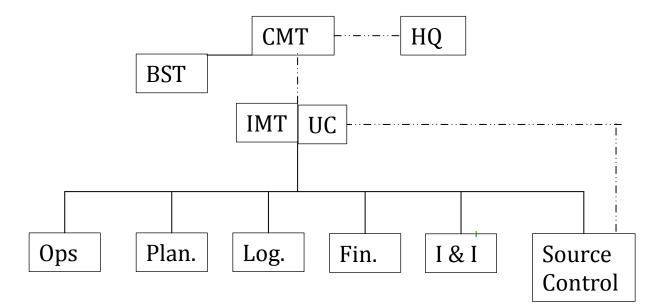
What Does A CMT Do?

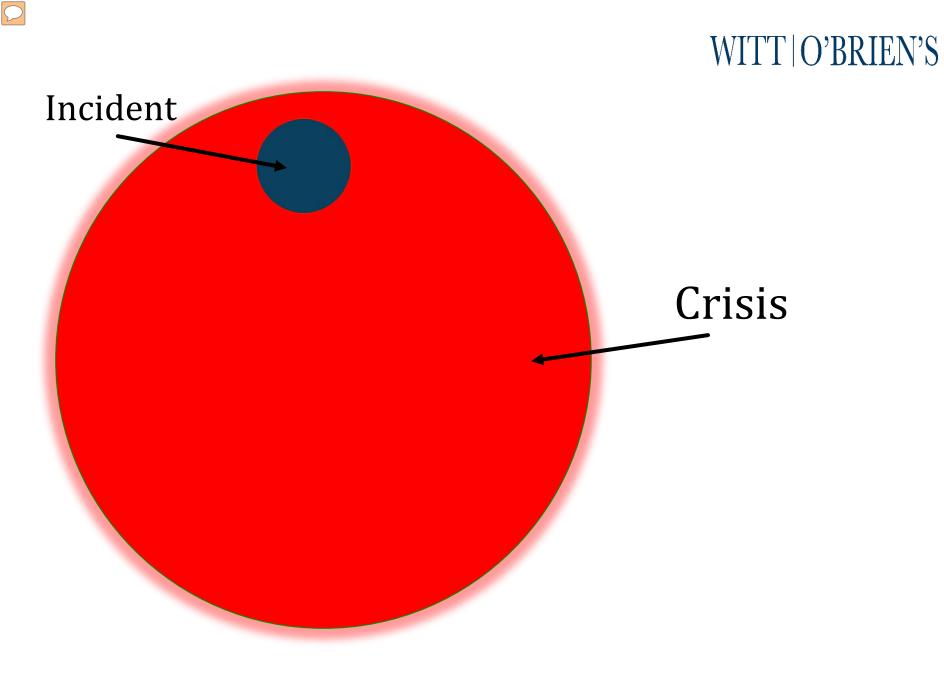
- Detects the early signs of a crisis.
- Pre-identifies situations that may lead to a crisis.
- Identifies problem areas.
- Helps the organization come out of tough times and also prepare it for the future.
- Crisis Management Team members may include:
 - Heads of departments.
 - Chief executive officer and people closely associated with him/her.

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- Board of directors.
- Media Advisors.
- Human Resource Representatives.
- The role of Crisis Management Team is to analyze the situation and formulate actions to save the organization's reputation and standing in the industry and community and return the company to an operating status.

Crisis Management Team Relationships





Crisis Management Process

Crisis Response Lifecycle:

- Phase I Acknowledgement
- Phase II Assessment
- Phase III Issue Management (Loop)
- Phase IV Disengagement (Controlled)

Response Priorities

- **People-** Protect public and responders.
- **Environment**-Prevent, Protect and Restore damage.

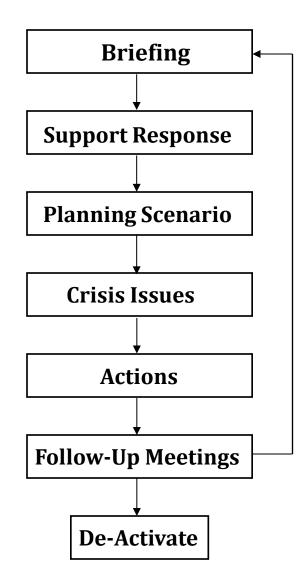
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- Assets-Protect assets and public.
- **Reputation**-Build trust through right actions and effective communications.

Crisis Escalation

<u>Determine event severity by levels:</u>

- L1 Minor Emergency. Internal response only. Can be handled by on-duty staff. Potential local news coverage.
- L2 Major emergency involving >\$500,000 in potential damage. Additional staff may be needed. Potential for regional news interest.
- L3 Crisis threatening financial and/or operating resources of the Business Unit or company, involves significant environmental damage; may impact community over an indefinite period, or has *potential* for national/international news interest.



Get Facts, Understand Magnitude.

Immediate Needs.

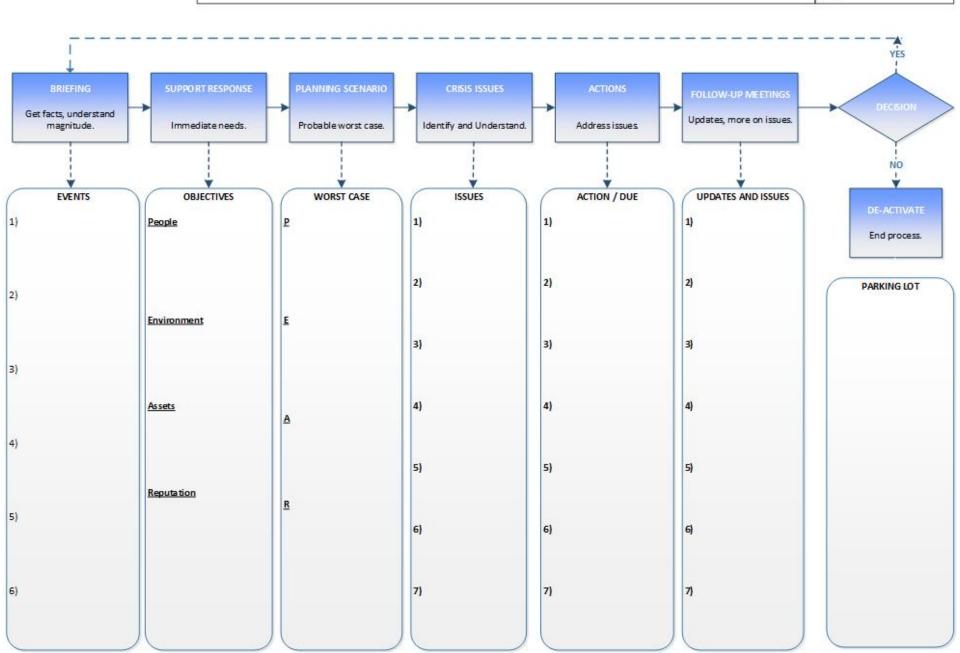
Probable Worst Case Assumptions.

Identify and Understand.

Address Issues.

Updates, More on Issues.

CRISIS MANAGEMENT FLOWCHART



For Those Who Believe In The Unconditional Benefits of Past Experience, Please Consider This Pearl of Wisdom:

"But in all my experience, I have never been in any accident...of any sort worth talking about. I have seen but one vessel in distress in all my years at sea. I never saw a wreck and never have been wrecked nor was I in any predicament that threatened to end in disaster of any sort."

E.J. Smith, 1907, Captain, RMS Titanic





A black swan is a highly improbable event with three principal characteristics: It is unpredictable; it carries a massive impact; and, after the fact, we concoct an explanation that makes it appear less random, and more predictable, than it was.

Post-Incident Review

Review of emergency and crisis management effectiveness should take place following an emergency or crisis. This review is organized by the Incident Commander, Crisis Manager, and Crisis Leader to the extent each was involved.

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Post-crisis review includes the following general topics, as well as others specific to the event:

- How well did the emergency/crisis plan address the event?
- Are additional procedures needed?
- Is additional training needed?
- Are additional resources needed?
- Did the team adequately address internal consequences and issues?
- Did we adequately address external consequences and issues?
- Were our actions consistent with industry standards and company policies?

Post-Incident Review

- Did the various emergency and crisis management organizations perform as expected and were they properly integrated?
- Were there any specific errors in strategy or tactics?
- What would we do differently if the same incident occurred again?

The goal of these reviews is not to find fault with individual performance, but to assess the overall system and to identify actions that can be taken to improve future performance.

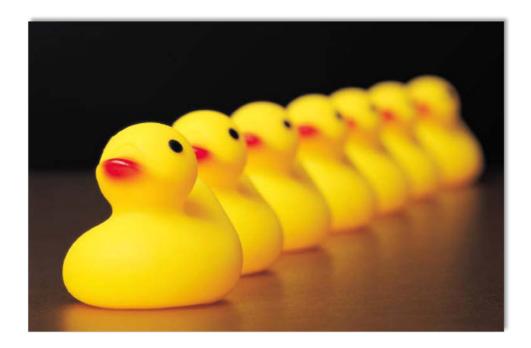
Public Engagement



Public Engagement







Seven Cardinal Rules of Crisis Communications

"When people are upset, they don't care what you know until they know you care."

-Will Rogers

- Accept and involve the public as a legitimate partner,
- Listen to your audience,
- Be honest, frank and open,
- Coordinate and collaborate with other credible sources.
- Meet the needs of the media and the affected stakeholders.
- Speak clearly and with compassion.
- Plan carefully and evaluate performance.

Communications Priorities

• Priority is on public safety/ Information and direction where action can save lives or minimize impact.

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- Communicate quickly and directly to earn trust.
- Communicate long after media interest has waned to manage reputation.
- Rumor control—IMMEDIATELY correct false reporting and rumors in community.
- Use all available communications channels including public meetings, social media, email, text...
- Encourage and support public questions and suggestions.



The following draft messages are designed to expedite the flow of external information by providing pre-approved statements that can be quickly inserted into a press release or used in verbal interaction with reporters or other stakeholders.

VERSION 1: OPERATIONAL INCIDENT

- Like our community, we are deeply concerned that this accident occurred.
- Protecting people, wildlife and the environment are always our highest priorities.
- We are working in close coordination with a variety of local, state and federal agencies including (list top 2 federal or state agencies here) to respond to this incident and ensure maximum protection of people, the environment, and others who are assisting in the response.
- While the cause of the incident is to be investigated, we will cooperate fully with outside agencies to determine the cause and will make all needed corrections to prevent any re-occurrence.
- We are committed to fully mitigating the problem and to ensuring that this type of incident does not happen again.

VERSION 2: EMPLOYEE OR CONTRACTOR INJURIES

Protecting the health and safety of our employees and contractors is always our highest priority.

We continuously strive for a safe, accident free work environment.

Our personnel are highly trained to avoid accidents and injuries and to operate in the safest possible manner, and to respond promptly and professionally in the event of an unanticipated incident such as this one.

- We deeply regret to announce that (number) XYZ employees / contractors were injured in an incident that occurred today at our (name / location of facility).
- The extent of the injuries is not yet known.
- The injured parties sustained (brief mention of type / extent of injuries).
- Those persons injured were treated on-site and did not require additional medical treatment or hospitalization. Those injured were transported to a local hospital by (mode of transport) where they are now being treated.
- Our thoughts and prayers are with our co-workers and their families and we will take every step to ensure that they are given the highest quality care.
- The names of those persons injured will be released at a later time after we have had a chance to speak personally with their closest family members.

Following an extensive investigation into the cause of the accident / incident we will work with all of our personnel to take every possible step to ensure that such an accident does not happen again.

Draft Message Map Stakeholder: Roman Senate and People (SPQR) Question/concern: Caesar, how did it go in Gaul for you? WITT | O'BRIEN'S

Key Message 1 Key Message 2 Key message 3 I came (Veni) I saw (Vidi) I conquered (Vici) Supporting fact 1-1 Supporting fact 2-1 Supporting fact 3-1 The journey was long and hard The enemy armies were large We engaged them immediately Supporting fact 1-2 Supporting fact 2-2 Supporting fact 3-2 We suffered heavy losses along They were well armed and Our legions fought bravely equipped the way Supporting fact 1-3 Supporting fact 2-3 Supporting fact 3-3 Despite the difficulties, we They were well positioned The enemy is defeated arrived safely

Draft Message Map Stakeholder: General Public Question/concern: How contagious is smallpox?

Key Message 1	Key Message 2	Key message 3
Smallpox spreads slowly compared to the measles or flu	This allows time for us to trace contacts and vaccinate those people who have come in contact	Vaccination within 3 to 4 days of contact will generally prevent the disease
Supporting fact 1-1	Supporting fact 2-1	Supporting fact 3-1
People are only infectious when the rash appears and they are ill	The incubation period for the disease is 10-14 days	People who have never been vaccinated are the most important ones to vaccinate
Supporting fact 1-2	Supporting fact 2-2	Supporting fact 3-2
It requires hours of face to face contact	Resources for finding people are available	Adults who were vaccinated may still have some immunity to smallpox
Supporting fact 1-3	Supporting fact 2-3	Supporting fact 3-3
There are no asymptomatic carriers	Finding people who have been exposed and vaccinated them is the successful approach	Adequate vaccine is on hand and the supply is increasing

Crisis Communication Planning Basics

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- In the event of an incident, gather factual information
 - Don't speculate or offer opinions. This only fuels rumors and perpetuates bad information.
- Create a fact sheet connected with the incident.
- List the names and titles of key people, and as much factual information as possible, such as publicly-known details about the incident. Update the fact sheet as new information becomes available.
- Spokespersons should be media trained, speak with the media only on the record and coordinate all interviews through the person responsible for communications.

Well Fact Sheet

- Well name/number_____
- Is well shut in? Yes/No
- NRC #_____
- Location: Block #_____.
- Nearest land bears _____at ____miles.
- How many other wells does the production platform serve?______.
- Wellhead location: above surface _____ Subsurface (depth)._____.
- Well owners _____%____. ___%____.
- Activity before incident: drilling_____, Maintenance_____. Plugging and abandoning_____Completion_____Production____.

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- Well age_____.
- Year well measured last:_____ and it produced:
 - ____MCF gas
 - ____bbls oil
 - ____bbls condensate
 - ____bbls salt water

Well Fact Sheet

- Worst Case discharge in accordance with permit_____.
- BOP Status: closed/open/unknown
- BOP Manufacturer_____
- Cement contractor_____
- Drilling contractor_____
- Is well connected to a pipeline/vessel. n/a.
- Are the connecting pipelines to the platform shut-in?
- When will the relief well be drilled?
- How long to drill relief well?

In a Crisis...

- Basic questions the media will ask:
 - What happened?
 - Why?
 - Who is going to pay for this?
 - What are you going to do about it and when?
 - What does it cost/who is hurt/affected?
 - Will you compensate (third parties)?

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1. What is your name and title? 2. What are you job responsibilities? 3. What are your qualifications? 4. Can you tell us what happened? 5. When did it happen? 6. Where did it happen? 7. Who was harmed? 8. How many people were harmed? 9. Are those that were harmed getting help? 10. How certain are you about this information? 11. How are those who were harmed getting help? 12. Is the situation under control? 13. How certain are you that the situation is under control? 14. Is there any immediate danger? 15. What is being done in response to what happened? 16. Who is in charge? 17. What can we expect next? 18. What are you advising people to do? 19. How long will it be before the situation returns to normal? 20. What help has been requested or offered from others? 21. What responses have you received? 22. Can you be specific about the types of harm that occurred? 23. What are the names of those that were harmed? 24. Can we talk to them? 25. How much damage occurred? 26. What other damage may have occurred? 27. How certain are you about damages? 28. How much damage do you expect? 29. What are you doing now? 30. Who else is involved in the response? 31. Why did this happen? 32. What was the cause? 33. Did you have any forewarning that this might happen? 34. Why wasn't this prevented from happening? 35. What else can go wrong? 36. If you are not sure of the cause, what is your best guess? 37. Who caused this to happen? 38. Who is to blame? 39. Could this have been avoided? 40. Do you think those involved handled the situation well enough? 41. When did your response to this begin?

42. When were you notified that something had happened? 43. Who is conducting the investigation? 44. What are you going to do after the investigation? 45. What have you found out so far? 46. Why was more not done to prevent this from happening? 47. What is your personal opinion?48. What are you telling your own family? 49. Are all those involved in agreement? 50. Are people over reacting? 51. Which laws are applicable? 52. Has anyone broken the law? 53. How certain are you about whether laws have been broken? 54. Has anyone made mistakes? 55. How certain are you that mistakes have not been made? 56. Have you told us everything you know? 57. What are you not telling us? 58. What effects will this have on the people involved? 59. What precautionary measures were taken? 60. Do you accept responsibility for what happened? 61. Has this ever happened before? 62. Can this happen elsewhere? 63. What is the worst case scenario? 64. What lessons were learned? 65. Were those lessons implemented? 66. What can be done to prevent this from happening again? 67. What would you like to say to those that have been harmed and to their families? 68. Is there any continuing danger? 69. Are people out of danger? Are people safe? 70. Will there be inconvenience to employees or to the public? 71. How much will all this cost? 72. Are you able and willing to pay the costs? 73. Who else will pay the costs? 74. When will we find out more? 75. What steps need to be taken to avoid a similar event? 76. Have these steps already been taken? If not, why not? 77. What does this all mean?

Social Media



The Narrative—Who Gets To Control It?





Thank You. Questions?