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ONLINE CRISIS MANAGEMENT

By
Mauru Rushwaya

A Thesis

Submitted in partial fulfillment of the requirements of the
Master of Arts Degree in the Graduate Division
Of Rowan University
2004

Approved by _____
Professor

Date Approved 6-30-04

ABSTRACT

Mauru Rushwaya

Online Crisis Management

2003/04

Thesis Advisor: Dr. Don Bagin, Program: Public Relations

The purpose of the study was to learn if public relations practitioners are using the Internet to its fullest capacity, when responding to crisis situations. The study attempted to find out if public relations practitioners had the necessary tools in place to respond to a crisis online.

The sample originally selected consisted of 515 United States public relations practitioners, all members of the Public Relations Society of America (PRSA) and listed under the State of Pennsylvania. A survey consisting of 13 multiple-choice questions was posted on surveymonkey.com with a link included in the body copy of the query letter e-mailed to the sample.

The following major finding of this study was:

- 1) Most public relations practitioners are not ready to deal with a crisis online.

MINI-ABSTRACT

Mauru Rushwaya

Online Crisis Management

2003/04

Thesis Advisor: Dr. Don Bagin, Program: Public Relations

The purpose of the study was to find out the readiness of public relations practitioners in responding to a crisis situation online. The results showed that fewer than three quarters of the public relations practitioners studied, use the Internet effectively as a tool in combating crises.

Acknowledgments

To my late Mother who taught me the value of education. To my Father, for all the faith you have shown in me over the years. To my Sisters and Brother-in law for all the support you have given me.

To Dr. Don Bagin for all the invaluable guidance you gave me. To all my Professors, for helping me grow in confidence.

TABLE OF CONTENTS

| CHAPTER 1 | PAGE |
|-----------------------------|-------------|
| Background..... | 1 |
| Need for the Study..... | 7 |
| Problems | 7 |
| Purpose | 8 |
| Definitions of Study | 10 |
| CHAPTER 2 | |
| Literature Review | 11 |
| CHAPTER 3 | |
| Procedures | 25 |
| Quantitative Research | 26 |
| Qualitative Research | 27 |
| CHAPTER 4 | |
| Findings | 28 |
| Research Results | 30 |
| CHAPTER 5 | |
| Evaluation | 46 |
| References | 52 |

CHAPTER 1

Background

In modern times, we look back at how Marshall McLuhan's prediction of a "global village" has manifested and proven true.¹ There is overwhelming evidence of this in modern day television and radio broadcasts which reach all the ends of the Earth. However, none is more apparent than the development of the Internet.

The Internet has piggybacked other mediums of communication, which have been developed before it. These examples would be the piggy-backing of communication on the telegraph lines, then the internet on the phone-line then finally the development of high-speed internet on the same lines as cable television.²

It appears that the development of digital public relations may be dated back to the 1970s. During the course of that decade, it began with the use of electronic bullet boards and news distribution when it first came into relatively regular use.³

¹ Scott M. Cutlip, Allen H.Center, Glen M. Broom, Effective Public Relations, (2000) Eighth edition, Prentice Hall, 135

² Steven G. Jones, Virtual Culture, Identity and Communication in Cybersociety(1997)Sage Publications, London, 8

³ Don Middleberg, Winning PR in the Wired World. (2001) McGraw-Hill, New York, 1

Not many professionals could have known the revolutionary effect that the Internet could have had on public relations in the early 1990s. Public relations professionals were convinced that the Internet would never be a medium which mainstream would adopt, let alone did they think that it would become an integral part of their own communication.⁴

From 1995 the Public Relations crisis experienced by Intel had many public relations professionals realizing the potential power of the Internet through what had become known as the worldwide web. Intel had realized that there was a problem with its Pentium chip through a Usenet newsgroup and it chose to be inattentive to this notice. This post became “hot news” and led to the company conceding a three-point drop in its stock price in one day, subsequently Intel had to call back all its chips. This public relations crisis led to Intel conceding \$500 million. This alerted other big corporations to the power of the Internet and they would now field inquiries from reporters in response to online rumors.

It became apparent that there was now a fear for the Internet as it was now the biggest threat to corporations’ reputations. Most feared were activists who would reveal secrets and tarnish the corporate image.⁵

On realizing the rapid adaptation of the Internet by the media, the public relations fraternity also noticed that major stakeholders such as customers, regulators, analysts, employees and partners were getting online. Public relations professionals now

⁴

⁵ ibid

investigated ways to get their public relations programs online. Many Fortune 500 companies grappled with ownership issues fearing that they would not have ownership of material posted on the Internet, making them hesitant to move. Others delved into the realm of what was considered cutting edge at the time. They began to place press releases on a web site, along with online publications in media lists.⁶

1996 was the period in time when the major revolution began to take place as companies now engaged in training their employees in Internet practices in order to remain competitive. As McLuhan had so rightfully predicted that the medium had become the message. Companies had made a mission to truly diffuse Internet culture and communications throughout the organization. Software that could keep companies competitive now appeared on the market.⁷

Today digital communications is key in remaining competitive and maintaining one's market share. Many Public relations departments went through a metamorphosis, which saw them incorporate as a major part of their business wired and wireless communications including the Internet. These departments have understood that in the digital age change is the only guarantee and to remain competitive, they must never be oblivious to this. Responsiveness and innovation are the two keys to staying ahead of the competition. In modern times all levels of employees understand and execute strategies "online".⁸

⁶ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York, 3

⁷ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York, 3,4

⁸ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York, 4

The Internet (WWW) has become the number one tool in dealing with crisis management situations. A crisis is, “any situation that may threaten the integrity or perception of an organization and its leaders. It’s a situation that is usually further exacerbated by media attention.”⁹ Public relations calls for immediate action in a crisis situation, there should be a crisis communications plan constructed. “The internet has quickly become an essential component to a well-executed crisis management program.”¹⁰

John Burnett has suggested that; “crisis management must become a natural part of corporate culture and that crisis management must be viewed on a continuum.”¹¹ He further asserts that, “ any minor disruption can become a catastrophe if it is not well managed.”¹²

It is no longer advisable but necessary to have an online strategy for dealing with crises. It is also key to remember that it is the ability to make instantaneous communications with an unlimited number of people, which makes the Internet an essential element of crisis management. ¹³

The make-up of Company websites is also a crucial element often overlooked by many companies in preparing an online strategy for crisis management. Some companies have gone so far as to create Crisis websites, which are activated in times of crisis instead of

⁹ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York, 159

¹⁰ *ibid*

¹¹ Public Relations Quarterly. Rhinebeck: Summer 2003. Vol. 48, Iss

¹² *ibid*

¹³ *ibid*

the normal website. Ford Motor Company employed this strategy in their dispute with Firestone over problems with tires used on the Ford Explorer.¹⁴

Ford's website had a link to a newsroom where they dealt with the crisis. In contrast Firestone had a recall link on their Homepage and this proved to be a lot more effective. This proved that crisis management needs to be dealt with precisely and that a crisis should never be downplayed, especially on the Internet.¹⁵

Don Middleberg notes TWA's inadequate online response to the explosion of flight 800 to Paris. It failed to recognize that the media was the medium through which it could convey sentiments and make appropriate statements on the issue. Consequently TWA appeared uncaring to bereaved families and were attacked for this in the press.¹⁶

In contrast Swissair had a plane go down over Nova Scotia and responded immediately with plenty of information available on the website only hours later. This information conveyed sympathy for the bereaved families and with details of the crash. The site was also updated frequently. Swissair appeared concerned and on top of the situation, and were even poised to respond to any enquiries that were posted on their website.¹⁷ The stark contrast shows the importance of having an online crisis management plan.

¹⁴ Steve O'Keefe, Complete Guide to Internet Publicity, (2002) John Wiley and sons Inc, New York,88

¹⁵ Steve O'Keefe, Complete Guide to Internet Publicity, (2002) John Wiley and sons Inc, New York,90

¹⁶ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York,160

¹⁷ Don Middleberg, Winning PR in the Wired World (2001) McGraw-Hill, New York,160

At Microsoft, a security response center exists. This center's director ensures that an online presence is maintained because once Microsoft raises the alarm and releases a "patch" for its software a race develops in cyberspace. This race is to find ways to exploit the "hole" which Microsoft's patch was meant to cover.

This public relations that warns of holes which need to be patched is greeted as a sign to attack by "digital vandals". These worms and virus attacks need to be combated timorously and effectively. " The Blaster worm was sighted on the internet 25 days after Microsoft warned of that security hole." ¹⁸

Public relations does not exist in a vacuum. Therefore, "PR practitioners must counsel management to take a reasoned response to their online critics."¹⁹ Firms initially used the strong arm of the law to combat dissemination of damaging information on the Internet in what have been referred to as cyber libel suits. However, it has become evident in recent times that the law protects many of these individuals and pressure groups as much of what they say is deemed as opinion. In some instances management has moved to purchase some of these negative sites. Chase Manhattan is reported to have purchased rights to sites such as; " Ihatechase, Chasestinks and Chasesucks" ²⁰ This is not a viable solution because of the financial burdens associated. A suggested solution is to tap in to these sites and use them for PR related research. One may also attempt to disseminate facts that can positively counteract these negative opinions. Another tactic is to try to

¹⁸ New York Times, New York, N.Y: Sep 29, 2003. Pg c.1

¹⁹ Public Relations Quarterly. Rhinebeck: Summer 2002. Vol. 48, Iss

²⁰ ibid

direct visitors of these rogue sites to the Organization's site to give them the organization's stance on the discussion topics.

The Need for a Study on the effective use of the Internet for Crises management for
Public Relations professionals

From a public relations perspective, "we can take snapshots of public opinion in various ways. We can listen in to semi-private conversations by 'lurking' in newsgroups and chat rooms. We can monitor the interest in our organizations and issues. We can identify Websites set up by interest groups. And we can run our own online polls."²¹

Hence it is apparent that the Internet is unavoidable for public relations professionals, it has become an essential element in the day-to-day function of public relations. Therefore, the mastery of the Internet is an ongoing issue for public relations practitioners as there are barriers to its effective use. Though some institutions have learnt to use the Internet in an attempt to curb crisis situations, many have not and grossly underestimate the negative impact of this. This ongoing problem requires further studies and the author has found no resources that solve the following problems:

Problems

1) We find that the Internet allows everyone to have a voice; therefore, it doesn't take long for there to be noise. It is noise because as public relations professionals we really

²¹ Public Relations, Kogan Page Pitcher, G (2002) The Death of Spin, Wiley

do not want to hear these negative voices. The reason is; practitioners and others who undermine professional public relations activities on the Internet.²²

2) Another problem does exist. “Online press office sites are often little more than a listing of corporate news releases - sometimes lacking the most vital information of all, a contactable human being.”²³ This is a basic prerequisite of combating crises, especially online.

3) Problems also developed through an explosion in the number of websites and search engines. The likely result of this is that there will be a problem for interested parties when they search for information on your organization, as they are likely to come across advertisements rather than accurate links that will send them to the relevant source of the information they are seeking. This is catastrophic in crisis situations and there should be effective ways to avoid this.

Purpose

Certain questions have to be answered. These include how to deal with controversial campaigns online. Public relations professionals in institutions cannot neglect the role of the Internet in boosting their organizational image. Therefore, there need to be ways to do this effectively. This effectiveness means finding ways of avoiding or overcoming the problems affecting public relations and the Internet when it comes to dealing with crises.

²² Steve O’Keefe, Complete Guide to Internet Publicity, (2002) John Wiley and sons Inc, New York, 4

²³ Public Relations, Kogan Page Pitcher, G (2002) The Death of Spin, Wiley

Hypothesis

Three quarters of Public relations professionals do not use the Internet to its fullest capacity as an effective tool for Public Relations in combating a Crisis.

Limitations

Due to the limited time in which the author had to do the study the response rate may have been negatively affected, as it is human nature not to appreciate being rushed.

The results of the study may not be accurate for the entire country as only those members of the Public Relations Society of America (PRSA) in the state of Pennsylvania were part of the sample.

Definitions of this Study

- 1) Internet- worldwide network of computer networks that use the TCP/IP network protocols to facilitate data transmission and exchange

- 2) Spam- To send unsolicited e-mail usually in the form of unwanted advertisements that come up while one is online. It usually appears in the form of pop ups.

- 3) World Wide Web - the universe of resources on the Internet using the HTTP protocol

- 4) Hacking - the illegal act of breaking security measures via a computer usually for marketing purposes, or sabotage.

- 5) Web site - web pages combined to form a home base for an entity on the Internet.

- 6) Newsgroup - a virtual community that meets online to discuss issues.

- 7) Cyber crisis - a crisis of image starting on or growing through the Internet.

CHAPTER 2

Literature Review

This researcher discovered literature relating to online crisis management through a variety of sources including search engines, web sites and on-line databases.

Books on the subject were located through the search engine “google” and the Rowan University Library homepage. The key words used for this search were: “ crisis management,” “public relations and the internet,” “cyber crises,” “cyber crisis,” “online public relations” and “ online crisis management.”

Research was also conducted using the on-line databases available on the Rowan University Homepage. The databases utilized include: Lexis-nexis, Virtual Academic Library Environment of New Jersey (VALE) and Webspirls. The key words used for this search were: “ crisis management,” “public relations and the internet,” “cyber crises,” “cyber crisis,” “online public relations” and “ online crisis management.”

The researcher searched Web sites that are maintained and updated by public relations practitioners. The search engines “google” and “yahoo” were utilized to find these sites. Previous literature reviews related to online crisis management also gave the addresses of

some of these sites. Instrumental in the secondary research were the books by experts in the field of online public relations. Many articles relating to the topic were also discovered and were helpful in analyzing effective ways to implement online crisis management.

The following chapter will attempt to review the secondary research related to online crisis management. The following section will define online crisis management, and offer experts' suggestions on how to handle them.

Classifications of Online Crisis Management

This researcher was unable to uncover listings on online crisis management. It is essential that the reader note the difference between online crisis management and cyber crises. The latter deals with crises that take place online and the former deals with all forms of crisis and simply how public relations practitioners should respond and implement preventive measures online.

Therefore this researcher will list the most common types of crises and recommended strategies on how to fashion an effective response on the Internet. Cutlip, Center and Broom in their book, "Effective Public Relations" defined crises using time as an essential variable:

- 1) Immediate crises- this is heralded as the most dangerous type. This type of crisis happens so suddenly and unexpectedly leaving minimal or no time for research and planning. Natural disasters, plane crashes and deaths fall in to this category of crises. These crises call for advance planning among top management. The plans are intended to guide reactions to such crises, thereby avoiding confusion, conflict and delay.
- 2) Emerging crises - these types of crises allow for management to initiate corrective action before the crisis reaches the critical or crisis stage. They include employee dissatisfaction, low morale and sexual harassment in the workplace.
- 3) Sustained crises - these types of crises include rumors and speculation, which a sustained public relations effort fails to eradicate. “Examples include persistent rumors of eminent downsizing and suggestions that Procter and Gamble’s logo contains satanic symbolism.”²⁴

Peter V. Stanton, writing in the Public Relations Quarterly notes ten communication mistakes you can avoid when managing a crisis.

1. Rushing to Judgment - It is essential to understand the facts of the situation before engaging in communication. It is much more difficult to retract statements than to make them right the first time. Just do not speculate or make judgments in the absence of complete information.
2. Overreacting - While it may seem impossible to overreact in certain situations, the most effective communicators always act judiciously.

²⁴ Scott M. Cutlip, Allen H.Center, Glen M. Broom, Effective Public Relations, (2000) Eighth edition, Prentice Hall, 389

3. Failure to Act - Despite increased awareness of the problems that can arise from such an approach, many companies still adhere to the "If we ignore it, it will go away" policy with respect to crisis management.
4. "Bending" the Facts - In most situations, the Court of Public Opinion rewards honesty and candor. The truth is usually a good place to start.
5. Lack of Concern/Empathy/Sympathy- Keep a human face on the company by speaking to people (not publics) and expressing emotion appropriately and sincerely.
6. Affixing Blame - In most crisis situations, the company's audiences want to hear fairly specific information about what you intend to do.
7. Remaining Insular - Seeking an external perspective, via focus groups, expert counsel, or media content analysis avoids the mistake of acting solely on the basis of an inward focus.
8. Absence of Teamwork - A Core Team approach drawing upon the best talents of individuals from several departments and disciplines ensures effective communication as well as a highly productive, collaborative process of crisis management.
9. Restriction of information internally- Failing to think about internal communications is a failure to realize employees are your front line communicators.
10. Failure To Plan - Plan for the way in which you will make decisions in a crisis.²⁵

Cutlip, Center and Broom in their book, "Effective Public Relations" also highlight common mistakes in handling crises:

²⁵ Ten communications mistakes you can avoid when managing a crisis Peter V Stanton. Public Relations Quarterly. Rhinebeck: Summer 2002. Vol. 47, Iss. 2; pg. 19, 4 pgs

- 1) Hesitation- Has a negative effect on public perception. It gives the impression that your organization is confused, callous and incompetent.
- 2) Obfuscation- Leads to the perception of dishonesty and insensitivity.
- 3) Retaliation- Results in increased tension and emotions rather than reducing them.
- 4) Prevarication- Noted as creating the biggest problems because nothing substitutes for truth.
- 5) Pontification- Creates vulnerability by taking a highhanded approach ignoring the issues at hand.
- 6) Confrontation- Discouraged because it keeps the issue alive and gives adversaries a platform from which to respond.
- 7) Litigation- Creates greater visibility and truly eliminates what would appear to be more reasonable solutions with greater benefit for the corporate image of the company.²⁶

Guidelines on how to survive an Internet PR crisis:

- 1) Shut your emotions completely off- This is not about you personally. Think logically and outside of the company. Think like an observer, not like someone in the middle.
- 2) Get all key management on the phone, and promptly get them to shut up- After a crisis, there are as many opinions on what happened or didn't happen as there are

²⁶ Scott M. Cutlip, Allen H.Center, Glen M. Broom, Effective Public Relations, (2000) Eighth edition, Prentice Hall, 390

²⁶http://www.internetprguide.com/pr_insight/article/0,3029,10123_473731,00.html

employees, the PR point person can offer that information to the media, allowing access to the CEO on a case-by-case basis.

- 3) Don't lie. If you don't know the answer, don't answer it- An "I'll get back to you on that" is *always* a better answer than a made up one.
- 4) Have a press release ready to go if needed, then don't send it out- A big mistake that many companies make is sending out a release before all the facts are out.
- 5) Draft an internal e-mail that you read to employees- Do not send it out if you can help it. If you have an organization all in one office building, call them all in for a conference or meeting. If you send out e-mail to the entire company, it will get to the media.
- 6) Make sure your voice mail message has alternate ways for the media to reach you -
You need to be 100 percent completely accessible to the press for as long as the crisis lasts.
- 7) Visit chat rooms and message boards to read
Ascertain the attitude towards your organization, but do not respond under any circumstances. Gauge the reaction to the crisis and if necessary craft a well-worded response to the media.
- 8) Keep upper management updated
Brief e-mails allow for a better flow of communication throughout the company.
- 9) Consider hiring an online and offline clipping service to follow what's being said about your company

Luce and Burrell's are two such services, but there are many more out there. These companies track all forms of media coverage; both online and traditional about your company and selected key words you give them.

10) Remember there is no such thing as "off-the-record"

Consider anything you say to a journalist fair game.²⁷

Peter D. Weddle has addressed some key issues in online crises and has given "advice on how you can use your organization's intranet or a password-protected Internet site to serve as a base of operations for your crisis-management program."

Plan clear and consistent directions: to be provided by the organization's senior leaders in the event of an emergency. This is the most important element of crisis management, so develop an alternative online communications system for and among the executive team to supplement or replace normal media should they be damaged or disrupted. Activate and use this system regularly."

Peter D. Weddle believes that there is a "War for Talent" which has become intertwined with the War on Terrorism. The result is that organizations that plan and implement the best solutions for dealing with disruptive events or crises will have a competitive advantage in recruiting and retaining the best talent, and the Internet offers a resource for deploying those solutions efficiently and

effectively²⁸.

Peter V. Stanton, President of Stanton Communications in Washington, DC, makes observations on crisis management:

- 1) Prior to September 11, much crisis planning was based around given scenarios, such as a major product recall.
- 2) Post-9-11 crisis planners discovered that it's impossible to forecast every scenario.
- 3) Today crisis planning looks more closely at how a company makes decisions during a crisis and how it responds in a timely manner. The plan consists of determining who is responsible for what.²⁹

Greg Rossiter, SVP of corporate communications with First Data in Greenwood Village, CO, believes corporations are taking a global cross-functional approach to dealing with these crises. Hence crisis planning extends from the headquarters and also is taking place in secondary markets around the world where a company may operate. These steps are taken as there are more challenges faced on a greater scale.

Government agencies now consider coordination and command and control issues they had not thought of in previous crisis planning.

This article displays four findings about Internet usage in crisis.

²⁸ http://www.careerjournal.com/columnists/weddlesguide/2001_1026-weddle_124.html

²⁹ Prwek.(U.S.ed). New York:Jun 9,2003. Vol.6,Iss.23; pg.15

- 1) A majority of the organizations studied turn to the Internet to communicate with the public and news media during a crisis.
- 2) Different types of organizations utilize the Internet in response to crises. However, financial organizations, new technology organizations, and consumer product organizations are the most frequent adopters.
- 3) Crisis type does not appear to be a factor in an organization's decision to use the Internet in its immediate crisis response.
- 4) Though many organizations now integrate use of the Internet, there is a continued preference for traditional tactics.³⁰

“These findings illustrate how mediated communication may create new possibilities for crisis response and are translated into suggestions for how managers can integrate new media into their mix of communication tactics in crisis management.”³¹

Scott Peterson, director of media relations for Nasdaq, spoke about his experience handling crisis communications in the wake of Sept. 11. In response, the Nasdaq communications team became more automated than ever before. The Nasdaq online pressroom today garners 2 million visitors per day. Peterson began using an application service provider (Vocus) for online press listings and data management because it permits updates and media downloads anytime and anywhere. This mobile communications

³⁰ Danielle C Perry, Maureen Taylor, Marya L Doerfel. Management Communication Quarterly: McQ.Thousands Oak: Nov 2003. Vol.17, Iss 2; pg.206

³¹ Danielle C Perry, Maureen Taylor, Marya L Doerfel. Management Communication Quarterly: McQ.Thousands Oak: Nov 2003. Vol.17, Iss 2; pg.206

ability appeals to Peterson in the wake of events that made it impossible for him and other New Yorkers to work in their usual office space.³²

Peterson learnt the following lessons:

- Redundancy is as critical in communications as it is to the Nasdaq servers.
- Having a back-up database and backing-up information on servers to CD-ROM or other storage is key.

In 1999, the international banking industry built web sites in anticipation of Y2K as a potential crisis that would cause worldwide disruption of information exchanges. Though the fears did not materialize, it is helpful to examine how organizations can use the Internet for crisis management. This study found that the banking community put more effort into providing Y2K information online than using web sites to interact with constituencies and learn about their concerns.³³

PR spinners sidestep the uncomfortable questions about beleaguered companies or react to a crisis by pretending it doesn't exist. The Web site for telecom giant WorldCom is a breath of fresh air and appears to have been re-launched and re-written to deal with the company's crisis, so the feel throughout is current and responsive. Visitors are there to monitor the train wreck, so the now-bankrupt company addresses its woes in detail from page one.³⁴

³² PR News. Potomac: Apr 1, 2002. Vol. 58, Iss. 13; pg. 1

³³ Public Relations Review. Greenwich: Oct 2002. Vol. 28, Iss. 4; pg. 367

³⁴ PR News. Potomac: Jan 20, 2003. pg. 1

Casey Sheldon, a managing director for Shandwick International, a PR firm, said that in any crisis situation, companies must move fast, get their facts straight and tell the truth. In the Internet area, "act quickly becomes act even more quickly," she said. "Misinformation becomes so pervasive so quickly."³⁵

Ms. Sheldon said the challenge on the Internet is figuring out the facts in a timely way and getting them out, both online and offline. Online communication has added a new dimension to crisis management because sites update information many times a day, she noted.

More and more companies have discovered that the company web site is an excellent communications tool in times of corporate crisis. However, not enough companies have realized that it may be superior to other communications vehicles. Essential to the process is making the online content "relevant," "immediate," "fresh," and "honest."³⁶

Online crisis management is useful in:

Fact collection: a product or service-based monitoring where organizations may track client populations and monitor reasons for customer dissatisfaction.

1) Identifying, tracking and correcting misperceptions and false statements: active participation in newsgroups, forums, bulletin boards, etc. to correct wrong perceptions of one's organization.

³⁵ ibid

³⁶ <http://www.pressbox.co.uk/Detailed/2287.html>

2) Rumor control: Online is highly useful in finding and stopping rumors that affect an organization.

3) Immediate reach to traditional/online media to get clients' story out, address crisis and respond to criticism: online is a useful way to get news out quickly.³⁷

Online-pr.com wrote that every organization should have an online crisis-monitoring program tracking key newsgroups, forums and web pages where its interests, products and services are discussed.³⁸

California's Pacific Gas and Electric Company (PG&E) manager of Strategic Communications Harry Tuttle comments on the merits of using a Web site in their crisis communications:

- 1) First, the site is timely it can be updated 24 hours a day. (There is a link to the state energy center where customers can view the status of the power system updated every minute.)
- 2) The issues of deregulation, the energy crisis and the utility's financial situation are complex and dynamic. As a result, Tuttle said it would be difficult to create effective print communications. However, detailed and updated information can be readily accommodated online for media and others.
- 3) Having effective crisis information on the site has helped to keep pressure off the call center during an especially trying time.

³⁷ <http://www.online-pr.com/crisis.htm#What%20is%20it>

³⁸ *ibid*

³⁸ http://www.internetprguide.com/pr_insight/article/0,3029,10123_753361,00.html

- 4) The site is also enabling cost savings. PG&E produces the annual California Economic Outlook, which is popular with media and the business community. This year the financially strapped company will still produce the report, but will save the usual printing and mailing costs by posting the report with a print-friendly format and promoting it online. Indirectly, the utility is also avoiding criticism for what some might consider a nonessential expenditure.³⁹

Companies are incorporating the Internet into crisis plans;

Don Middleberg, Chairman and CEO Middleberg and Associates notes that the Internet is a critical platform for an integrated crisis prevention and management program.

Middleberg teaches these lessons:

1. Know your Internet audience- Be aware of the newsgroups and message boards in which your customers participate.
2. Monitor Internet news and discussion-Create an "early warning alert" system to be sure you are the first to detect misinformation instead of the last! Consider using an Internet clipping service like eWatch, or implementing a comprehensive Internet monitoring strategy.
3. Respond to Internet rumors quickly and consistently- Inaccuracies spread like wildfire online. Ignoring them and hoping they go away will only serve to fuel the fire.
4. Address issues locally- Make sure you respond to a rumor or inaccuracy in the medium it was introduced. If an event affects only customers in an isolated region of

the country, your Web site might not be the best place to post information. Avoid calling someone who has posted in a newsgroup - consider sending E-mail.

5. Put online crisis procedures and policies in place before crises strike-Companies that have to scramble to learn how to communicate online when a crisis strikes cannot respond efficiently and may delay the crisis management process. Being educated and proactive can minimize damage.

6. Think before you call in the lawyers- corporate heavy-handedness is widely disdained on the Internet. The letter that your legal counsel might want to send could end up on the front of someone's Web page.⁴⁰

Some experts have proposed building a parallel Internet, made of secure routers that would handle sensitive information. Changing the Internet beyond recognition, this would eradicate the danger of online hackers.⁴¹

⁴⁰ <http://www.middleberg.com/middlebergnews/bylines/newchannel.cfm>

⁴¹ *ibid*

CHAPTER 3

Procedures

“Online Crisis Management” for public relations is an area in which a lot of growth is expected in the future. The advancement of computer-based technology will be accompanied by a growing need for public relations practitioners to be technologically up to date. Public relations practitioners should therefore strive to harness the Internet as a tool for their craft. Crisis management is a major element of the public relations practitioner’s craft. Therefore, public relations practitioners should be able to handle a crisis online.

The author’s research included journals, textbooks and online articles by noted authorities. The references are all relevant to the research topic. Many of them offer helpful hints and guidelines on how public relations professionals should use the Internet as a public relations tool in combating crises.

Quantitative Research

1) The author chose a simple pen and paper survey to conduct research aimed at proving the hypothesis that three quarters of public relations professionals do not use the Internet to its fullest capacity as an effective tool for public relations in combating a crisis. Therefore, the sample selected was all United States public relations practitioners geographically listed under the state of Pennsylvania in the Public Relations Society of America's (PRSA) blue book. This book contains the telephone numbers, e-mail addresses and physical addresses of most of the members.

A total of 515 members had active e-mails that received the query letter asking them to participate in an online crisis management study for public relations. The author posted a survey consisting of 13 multiple-choice questions on [surveymonkey.com](http://www.surveymonkey.com). The following link: <http://www.surveymonkey.com/s.asp?u=25097487767>, was included in the body copy of the query letter e-mailed to the sample. The author asked the potential respondents to click on the active link, which would take them to the 13-question survey.

The results of the survey produced data from which certain conclusions can be drawn. The representative or most common data show percentages of how many public relations professionals use the Internet effectively in combating crises.

Qualitative Research

2) The author conducted telephone interviews to prove or disprove the hypothesis, that three quarters of public relations professionals do not know how to use the Internet to its fullest capacity as an effective tool for public relations in combating a crisis.

By collecting this data from members of the Public Relations Society of America (PRSA) in Pennsylvania, the author hoped to guarantee accurate and honest results.

CHAPTER 4

Findings:

The sample originally selected was 515 United States public relations practitioners. The practitioners are all members of the Public Relations Society of America (PRSA) and listed under the State of Pennsylvania. The sample was selected based on those members of the PRSA geographically listed under Pennsylvania with functional e-mail addresses at the time the study was conducted.

A survey consisting of 13 multiple-choice questions was posted on [surveymonkey.com](http://www.surveymonkey.com). The following link: <http://www.surveymonkey.com/s.asp?u=25097487767>, was included in the body copy of the query letter e-mailed to the sample. Within the body of the e-mail the potential respondents were urged to click on the active link that would take them to the 13-question survey. This prompting was accompanied by a brief explanation of the study on "Online Crisis Management." Each question offered choices to select from, but none were mandatory and respondents could skip any questions they deemed unanswerable. Potential respondents were assured of their anonymity.

During the first week in June 2004, the query letter was e-mailed to the sample. On the first day, 34 responses were registered on the [surveymonkey.com](http://www.surveymonkey.com) website. A follow-up letter was sent at the beginning of the next week and the total number of respondents

increased to 52 respondents by June 18, 2004. This increased the response rate to 10,09 percent, from 6.6 percent from the initial query letter. The completed surveys were reviewed by the surveymonkey.com website. Only one response was permitted for each question. The results were tabulated in number of responses and percentages for each question. These figures were visually displayed in the form of a horizontal bar graph.

The results showed that 58.8 percent of the respondents were over 40 years of age and female. Forty two percent of the respondents had only been members of the Public Relations Society of America (PRSA) for five years or less. The respondents were more evenly spread having practiced public relations in a professional capacity from a year to over 21 years. Sixty seven percent of the firms and organizations represented by the respondents have a written crisis management strategy or plan. A large 60.8 percent of the firms represented by the respondents had dealt with a major P.R. crisis, but only 21.6 percent have a written online crisis strategy or plan. Surprisingly, 92.3 percent of the firms or organizations represented by the respondents have an active website, but only 21.6 percent have a written online crisis management strategy or plan.

Although 94.2 percent of the respondents have a contactable person on their websites, only 7.8 percent have a crisis link on their websites. Even with 56 percent having crisis links on their organization's websites that can deal with negative inquiries, 64.7 percent of the firms/ organizations represented by the respondents do not hire or have a clipping service to observe online opinion.

The survey results are as follows:

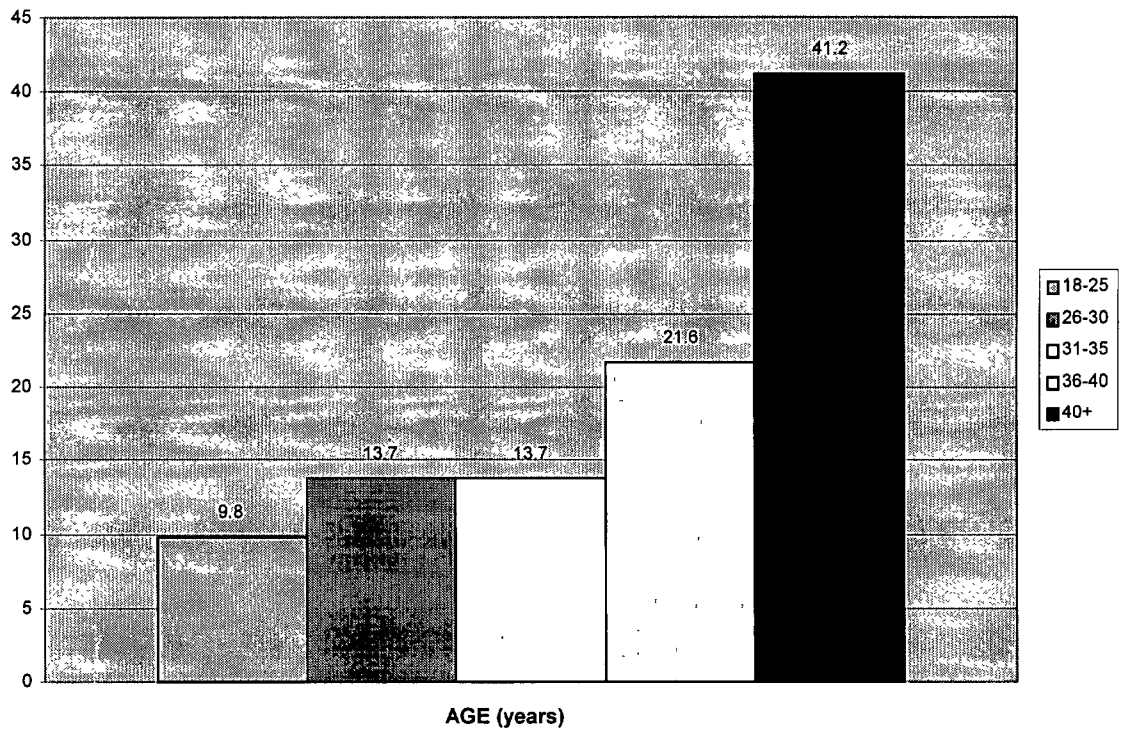
1) Please indicate your age.

| AGE (years) | RESPONSE % | RESPONDENTS # |
|-------------|------------|---------------|
| 41+ | 41.2 | 21 |
| 36-40 | 21.6 | 11 |
| 31-35 | 13.7 | 7 |
| 26-30 | 13.7 | 7 |
| 18-25 | 9.8 | 5 |

There were 51 respondents and one skipped the question.

Almost sixty three percent of the respondents were 36 years old and over.

RESPONSE %

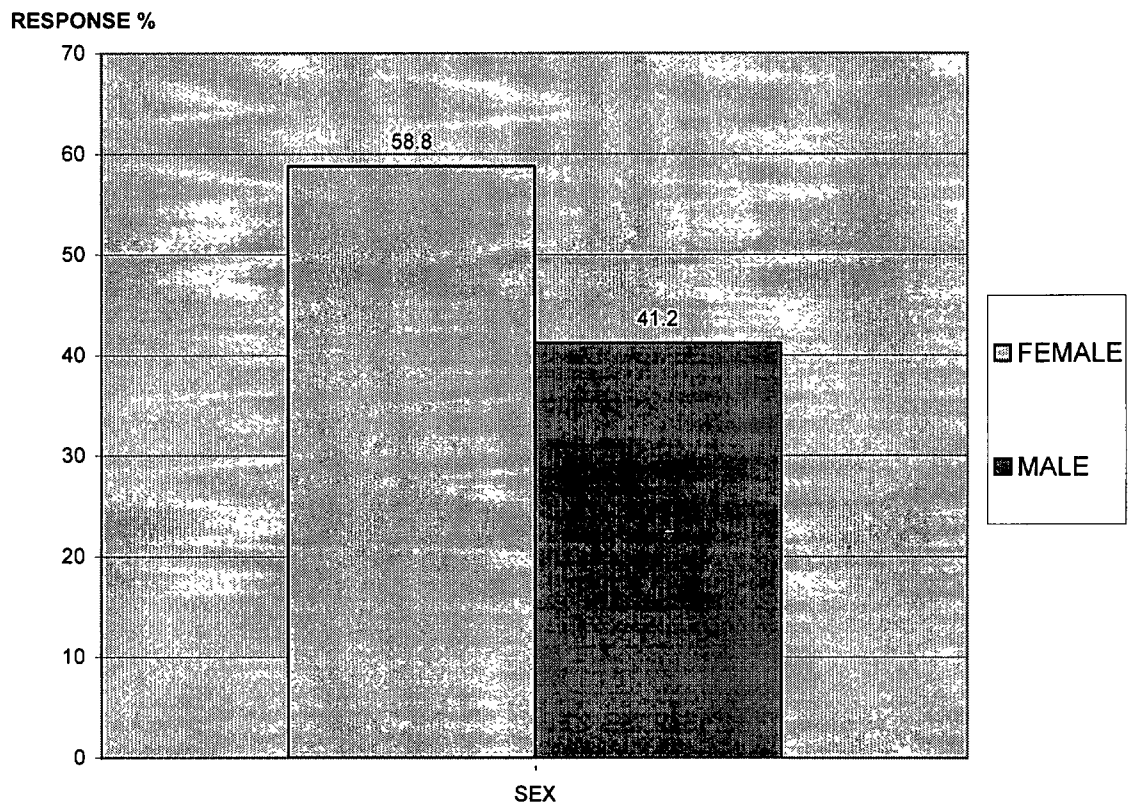


2) Please indicate your sex.

| SEX | RESPONSE % | RESPONDENTS |
|---------------|-------------------|--------------------|
| FEMALE | 58.8 | 30 |
| MALE | 41.2 | 21 |

There were 51 respondents and one skipped this question.

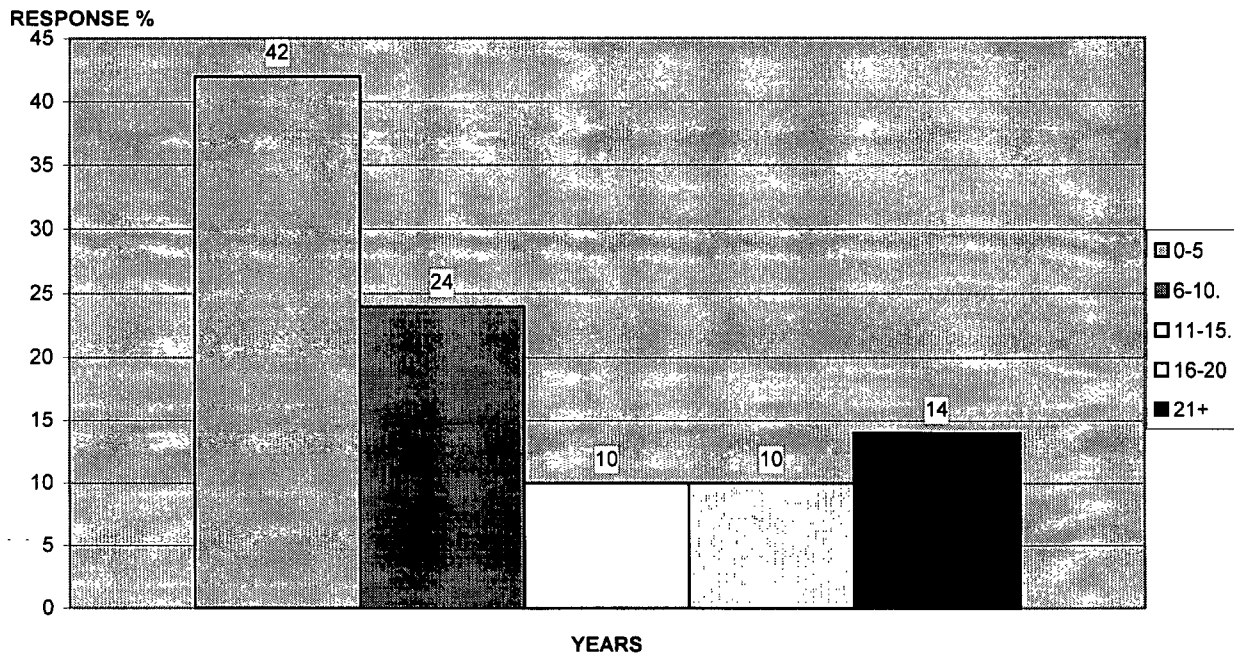
A majority 58.8 percent of the respondents were female.



3) Please indicate how long you have been a member of the Public Relations Society of America (PRSA).

| AGE (years) | RESPONSE % | RESPONDENTS # |
|-------------|------------|---------------|
| 0-5 | 42 | 21 |
| 6-10 | 24 | 12 |
| 11-15 | 10 | 5 |
| 16-20 | 10 | 5 |
| 21+ | 14 | 7 |

There were 50 respondents and 2 skipped this question.

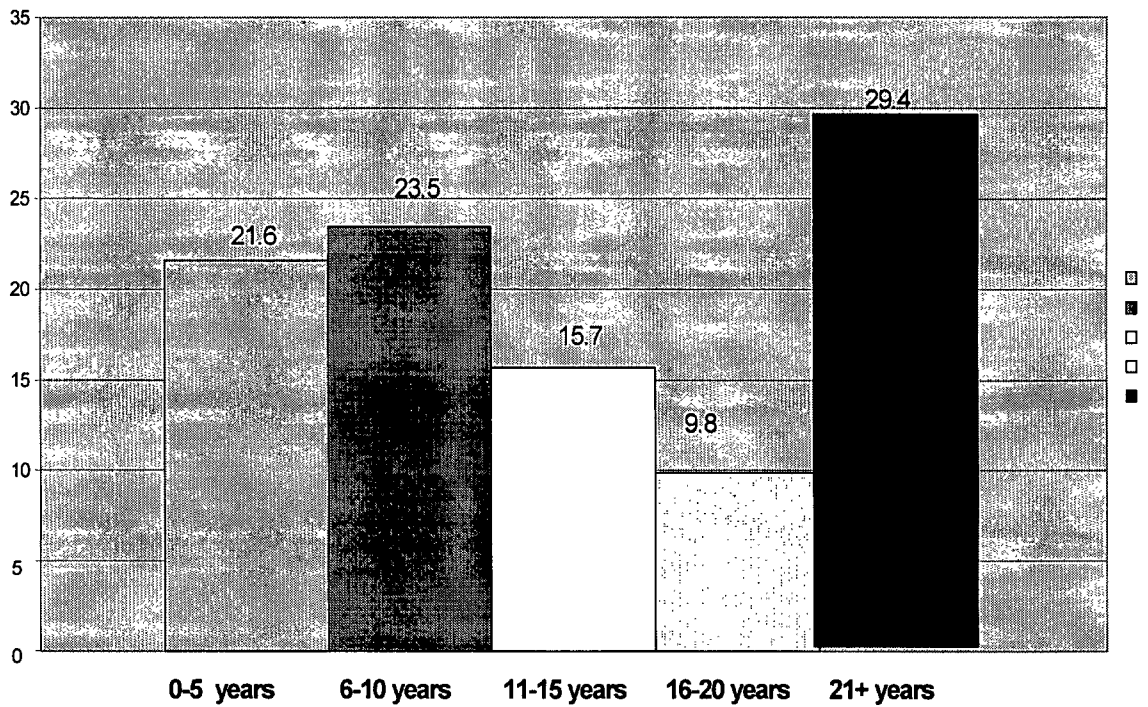


4) Please indicate how long you have practiced Public Relations in a professional capacity.

| YEARS | RESPONSE % | RESPONDENTS # |
|-------|------------|---------------|
| 21+ | 29.4 | 15 |
| 6-10 | 23.5 | 12 |
| 0-5 | 21.6 | 11 |
| 1-15 | 15.7 | 8 |
| 16-20 | 9.8 | 5 |

There were 51 respondents and 1 skipped this question.

RESPONSE %

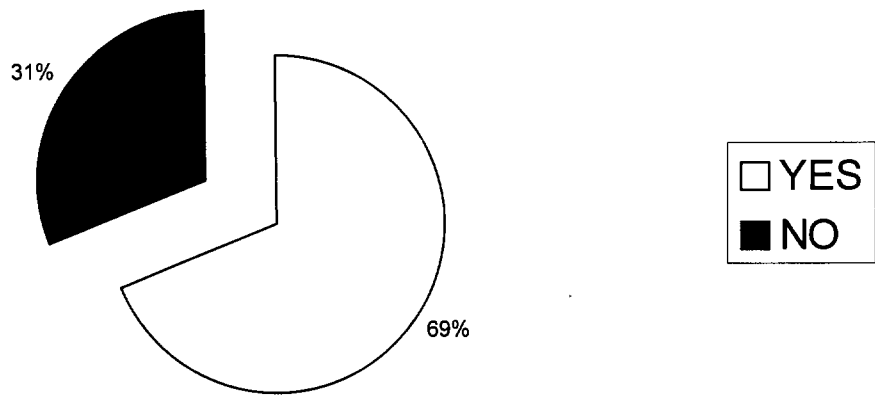


5) Does the Organization/Firm you represent have a written crisis management strategy/ plan?

| RESPONSE | RESPONSE % | RESPONDENTS # |
|----------|------------|---------------|
| YES | 68.6 | 35 |
| NO | 31.4 | 16 |

There were 51 respondents and 1 skipped this question.

Sixty nine percent of the respondents have a written crisis management plan.

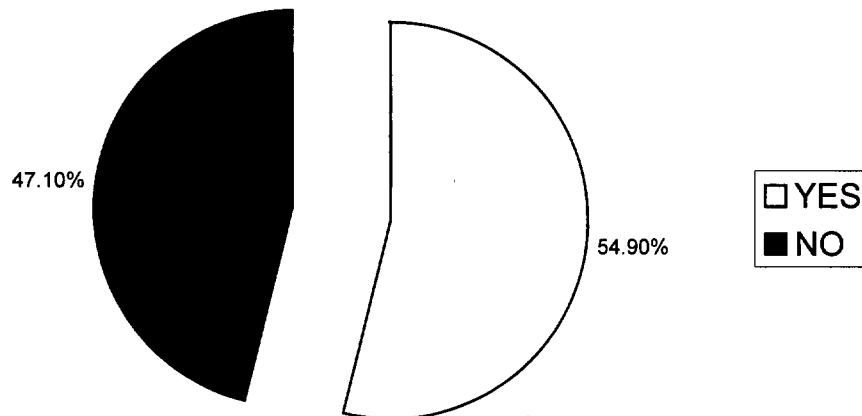


6) Do you as a PR practitioner have your own written crisis management strategy/plan?

| RESPONSE | RESPONSE% | RESPONSE# |
|----------|-----------|-----------|
| YES | 54.9 | 27 |
| NO | 47.1 | 24 |

There were 51 respondents and 1 skipped this question.

Only 54.9 percent of the respondents have their own written crisis management strategy or plan.

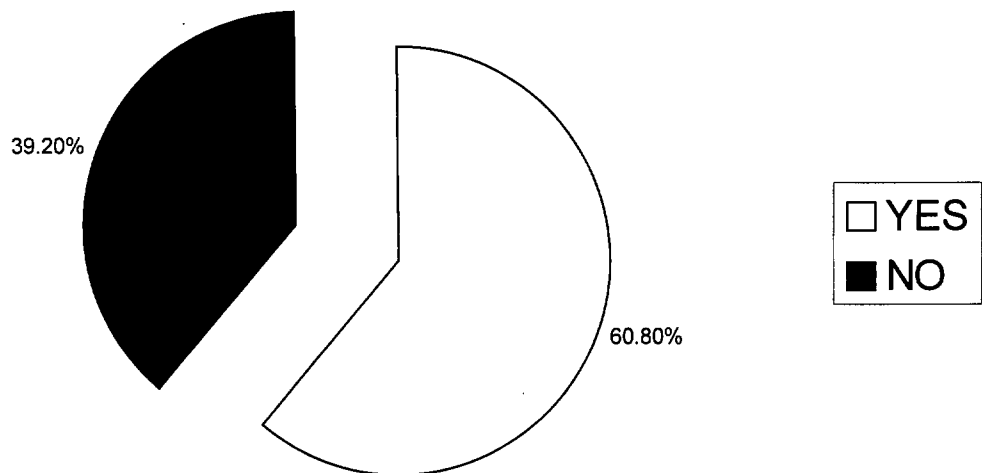


7) Have you or your organization/ firm had to deal with a major public relations crisis?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 60.8 | 31 |
| NO | 39.2 | 20 |

There were 51 respondents and 1 skipped this question .

Sixty-one percent of the firms represented have dealt with crises.

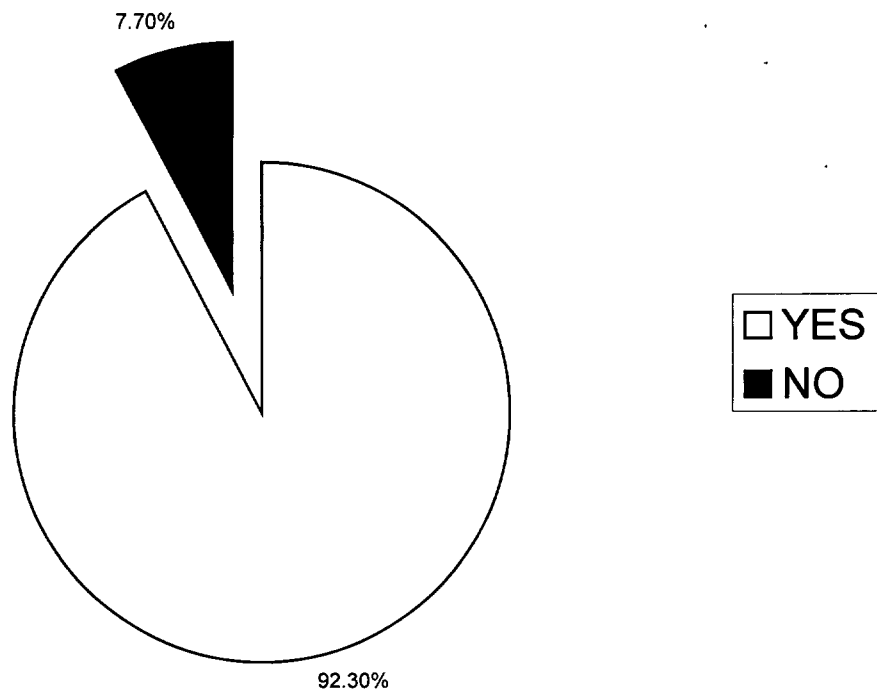


8) Do you or your organization/firm have a website on the Internet?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 92.3 | 48 |
| NO | 7.7 | 4 |

There were 52 respondents for this question.

Almost all the organizations represented (92.3 %) have an online presence.

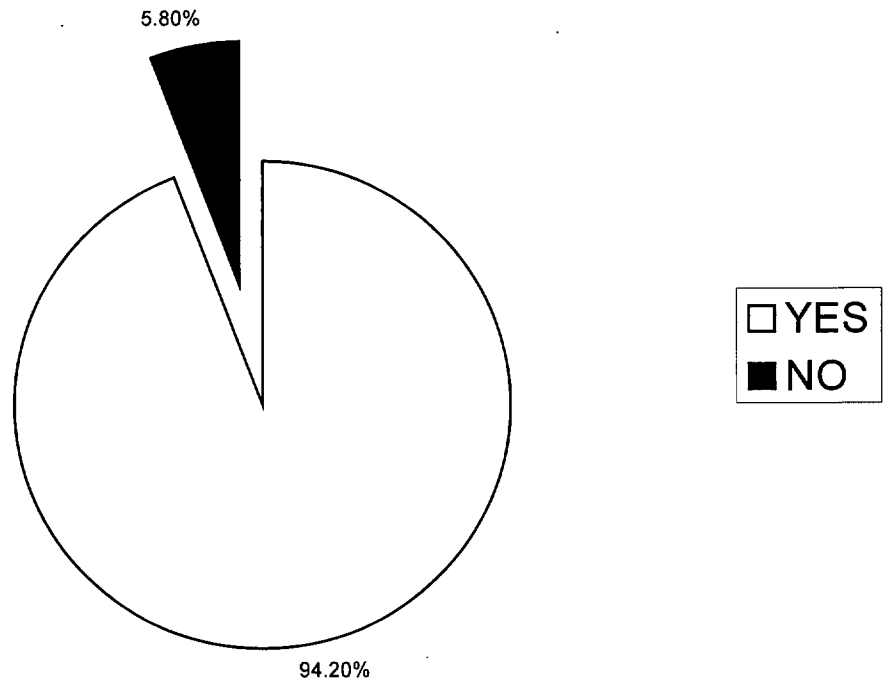


9) Is there a contactable person on your website?

| RESPONSES | RESPONSE % | RESPONSE # |
|-----------|------------|------------|
| YES | 94.2 | 49 |
| NO | 5.8 | 3 |

There were 52 respondents for this question.

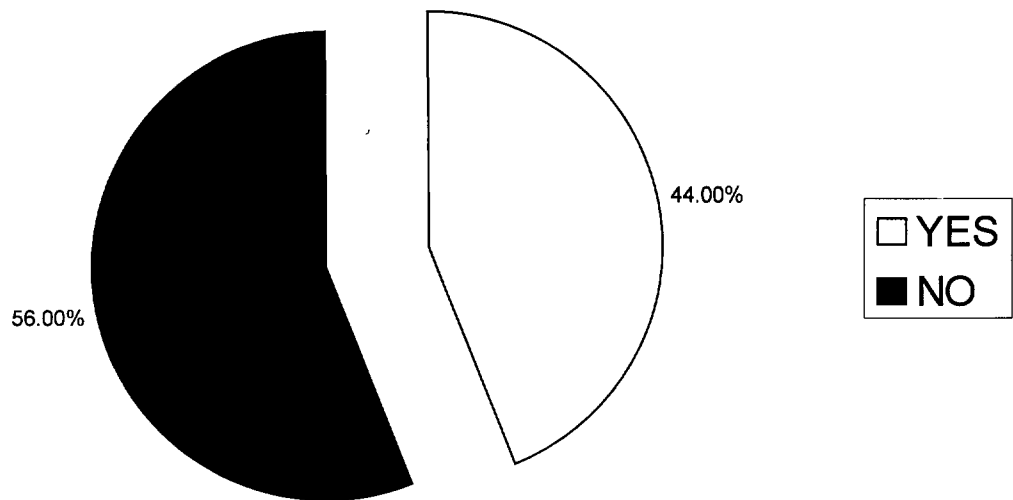
Ninety four percent of the respondents had a contactable person on their websites.



10) Do you have a link that can deal with negative inquiries?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 56 | 28 |
| NO | 44 | 22 |

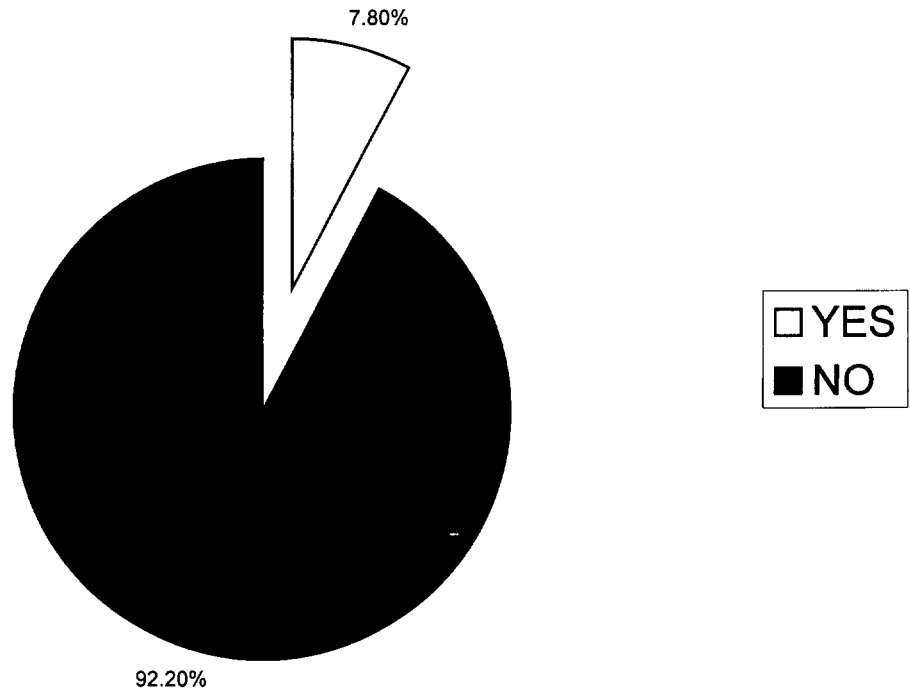
There were 50 respondents for this question and 2 skipped this question.



11) Do you have a crisis link on your website?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 92.2 | 47 |
| NO | 7.8 | 4 |

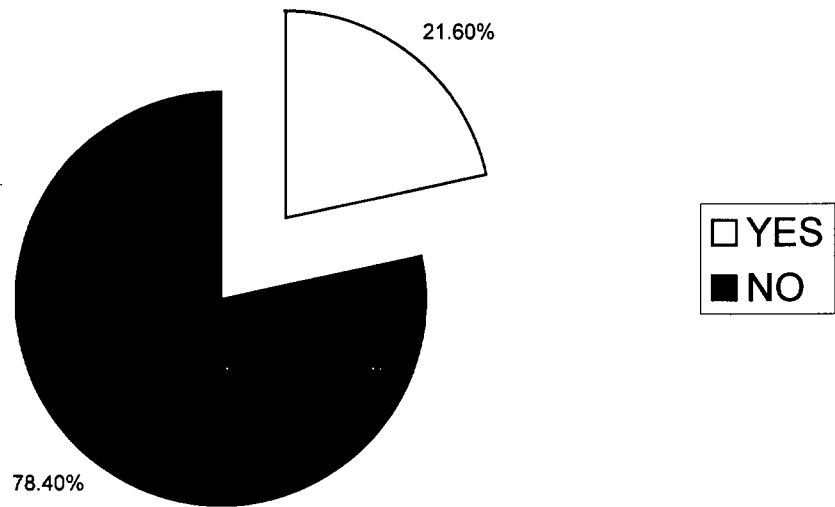
There were 51 respondents for this question and 1 skipped this question.



12) Do you or your organization/firm have an online crisis management strategy/plan written?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 78.4 | 41 |
| NO | 21.6 | 10 |

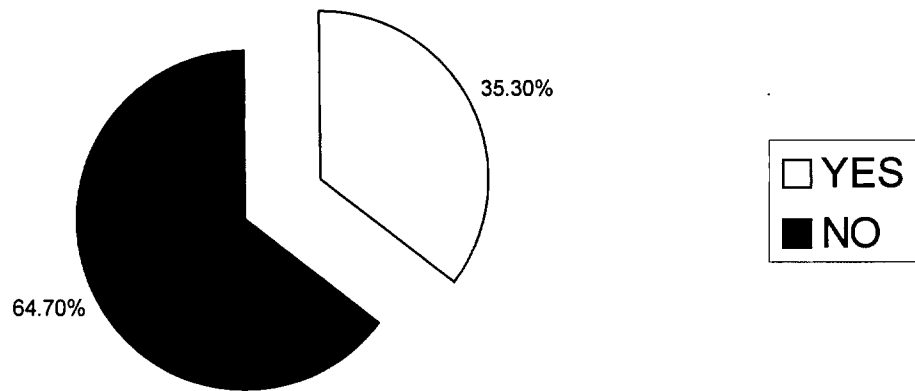
There were 51 respondents for this question and 1 skipped this question.



13) Does your organization/firm hire or have a clipping or monitoring service to observe online opinion?

| RESPONSE | RESPONSE % | RESPONSE # |
|----------|------------|------------|
| YES | 64.7 | 33 |
| NO | 35.3 | 18 |

There were 51 respondents for this question and 1 skipped this question.



Telephone Interviews:

From the original sample size of 515 United States public relations practitioners six were selected for in-depth telephone interviews. The sample included members of the Public Relations Society of America (PRSA), the author selected the respondents as they are listed in the PRSA blue book under the state of Pennsylvania. The first 42 practitioners were telephoned until the author had six respondents.

The questions were as follows:

- 1) Have you dealt with a major public relations crisis?

Four of the respondents had dealt with some kind of crisis. One does not get involved in crisis public relations and another respondent has not dealt with a crisis.

- 2) When did you deal with this crisis?

Three of the respondents said they have dealt with crises on a regular basis over time. One of the respondents now works in marketing and last dealt with a crisis four to five years ago. One of the respondents does not get involved in crisis public relations and another has not dealt with a crisis.

2) How did the Internet help you as a tool in detecting the crisis?

None of the respondents used the Internet to detect crises. The first respondent said she worked for a small bank in Delaware that hardly ever used the Internet.

3) How did the Internet help you in solving the crisis?

The first respondent said, "I cannot answer that question for the business I was in, because we mailed and faxed press releases. The small papers in Delaware didn't even use the internet." The fourth respondent said, "No, the Internet does not help in detecting or solving a crisis, the Internet helps in gathering information. People solve the problems, the Internet's just background." The sixth respondent said the Internet helped to solve a crisis, "Via the website and via automatic e-mail on campus." One of the respondents does not get involved in crisis public relations and another has not dealt with a crisis.

4) Do you feel you as a public relations practitioner are ready to respond to a crisis situation online?

The second respondent said, "Well I suppose, I'm a pretty small firm with one and a half people, so your question would be more applicable to clients." The sixth respondent answered, "yes". The first respondent is no longer in the public relations field, while the fourth respondent said; "No, when I'm dealing with a

crisis, I don't send anything via e-mail." The fifth respondent said, "no" and the third respondent does not get involved in crisis public relations at all.

The telephone interviews revealed that some public relations practitioners do not use the Internet as a tool in combating a crisis. Four of the six respondents had dealt with some kind of public relations crisis. Of those four, none of them used the Internet as a tool in detecting the crises they had dealt with. Only the sixth respondent used the Internet as a tool in solving a crisis, by sending out e-mails and posting information on the organization's website. Two of the respondents said they thought they were ready to deal with a crisis situation online.

CHAPTER 5

Evaluation:

The actual sample included members of the Public Relations Society of America (PRSA) geographically listed under the state of Pennsylvania. Five hundred and fifteen of the practitioners had active e-mails and received a query letter via e-mail asking them to click on a link embedded within the body of the e-mail. This link opened up a 13 multiple-choice question survey. Fifty-two of the PRSA members answered the survey questions.

Six of the members were randomly selected for telephone interviews. The telephone interviews showed that many public relations practitioners have not begun using the Internet as an effective tool in solving crises.

Therefore, after analyzing published information, conducting an online survey and telephone interviews, the author has drawn several conclusions in regard to the hypothesis.

Importance of Contactable people, Links dealing with negative Inquiries and Crisis Links

The Survey indicated that most of the organizations represented by the respondents have websites on the Internet. Of these organizations or firms, an overwhelming majority has the first major requirement in times of crisis, which is a contactable human being.

However, fewer than half the respondents said the organizations or firms they work for have a link dealing with negative inquiries on their website. The author found through primary research that this is a necessary ingredient in dealing with a crisis.

Only 7.8% said they have a crisis link on their website. Primary research showed that a crisis link is a necessary tool in online crisis management. It allows the public relations practitioner to diagnose a potential crisis before it takes place, or while it is in the initial stages.

Importance of a Crisis Management Strategy or Plan

Only 54.9 percent of the respondents said they have a crisis management strategy or plan written. This reflects badly on the state of public relations. Reputable experts regard crisis plans as a necessary tool for all public relations practitioners in the field.

A majority 68.6 percent of the respondents said that the organization or firm they work for has a crisis management strategy or plan written in case of a crisis. This figure is

significantly greater than the respondents' own personal strategy or plan of 54.9 percent. Primary research shows that this figure should be greater.

Importance of an Online Crisis Strategy or Plan

Though the Internet is a relatively new tool for public relations practitioners, only 21.6 percent of the respondents said the firm or organization they work for has an online strategy or plan written. This figure is too low for modern public relations, which recognizes the Internet as an essential tool in combating any crisis.

Importance of observing online opinion

Only 35.3 percent of the respondents said that the organization or firm they work for has or hires a clipping or monitoring service to observe online opinion. The observation of online opinion is a recent standard set for public relations practitioners. It allows practitioners the opportunity to diagnose a potential crisis before it unfolds. Observing online opinion affords practitioners the opportunity to alter the opinions of participants with misconceptions about their organization or firm's image, by participating in online discussions.

Online readiness

The Telephone interviews revealed that few public relations practitioners consider themselves ready to deal with a crisis situation online. This was consistent with the survey results, which revealed that most public relations practitioners do not have an online crisis management plan written.

Summary of Conclusions

The hypothesis for the study stated that three quarters or 75 percent of public relations practitioners in the United States of America do not use the Internet to its fullest capacity as an effective tool for public relations in combating a Crisis. Both the quantitative and qualitative research supported this hypothesis. This was shown by only 21.6 percent of practitioners in the state of Pennsylvania having an online crisis management strategy or plan written. The telephone interviews revealed a lack of urgency to be ready to deal with crisis situations online.

Recommendations for further study

The author feels that the Internet is still a relatively new tool being exploited by public relations. However, further studies need to be conducted periodically as public relations practitioners become more exposed to published materials on the subject of “Online Crisis Management.”

A further study that will show the effectiveness of the Internet as a tool in combating crisis for public relations practitioners is possible. This study may compare practitioners that use the Internet to solve crises against those that do not. The study may set out to prove the necessity of the Internet in dealing with modern day public relations crises.

Another study may analyze technological tools of public relations. This study would determine the importance of the Internet by comparing its uses to those of other technological tools used in crisis public relations such as Radio and Television.

Further studies that will identify different industries and their need to be ready to deal with crises online should also be conducted. An example of this is that a small public relations agency does not need as significant an online presence as a multi-national corporation. Therefore, the author recommends separate studies that divide public relations practitioners in to different segments. These segments may include those working for multi-national corporations against those working in a corporate setting, or practitioners working for public relations agencies against those employed in companies handling the public relations function. These differences may be documented in further studies to further assess the need for the Internet in crisis public relations.

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