

A simulated reputation crisis

- a report from a conference in Paris by David Davies MIRM

On 15th March 2005, delegates from the pharmaceutical sector were put through a simulated crisis. Their reactions were typical of the reactions of teams facing real crises, although the simulated nature of the crisis meant that it was possible to observe measure and monitor their reactions in far more depth than would be possible in the real thing. This therefore provided a valuable insight into how teams react in crises.

The participative Workshop was run by DMW Partners at the second Global Forum on Pharmaceutical Anticounterfeiting in Paris. The Workshop lasted for three hours and its centrepiece was a crisis simulation in which the delegates were put under the same pressures, and offered the same key decisions, as they would encounter in the role of Crisis Committee of a well known pharma manufacturer.

There were 32 delegates, some from pharmaceutical companies, but there were also advisors, pharmaceutical sector regulators and Government bodies. Amongst the Public sector delegates represented was the WHO and the FDA. The delegates divided into four teams, with the Public and private sectors being well mixed.

The crisis itself took almost 90 minutes to unravel. As in most real crises it began, not with a bang but with a whimper. The information fed to the teams included general background news as well as the early warnings which, if picked up and acted upon correctly, would make a big difference to the success of the team's efforts. The crisis became public, the media became intensely involved; complications ensued and ultimately it became a matter of corporate survival. Once the pressure began we continued to apply and increase it until the very end, on the eve of the mythical company's critical AGM.

The information going to the teams, and their output back to us, was all carefully tracked and time-lined. In addition, the activities of the teams and their decision/debating processes observed.

The output consisted of things that the teams were asked to produce within a given timescale, such as a press statement by a deadline, and things that

they might decide to do themselves, such as to order a recall or instruct investigators. It was on these outputs that the success, or failure, of their crisis strategy would rest.

We had researched the technical nature of the crisis to provide reality for those from the sector who had medical knowledge. However, in reality the technical details were, as Hitchcock used to say, the McGuffin. The simulation was really about coping under great pressure completely outside of one's comfort zone, making decisions with insufficient information, communicating with the outside world and, most importantly, working collectively under strong leadership.

The teams' behaviour was typical of all of the crisis simulations that we have observed and, from the patterns exhibited, of the performance of crisis teams in real life. In most crisis exercises, the time taken discussing the issues and inherent decisions take priority over producing the decisions themselves. On occasions, teams omit major actions because they become bogged down in discussion. In the heat of discussion and the diversion caused by the next development in the crisis, major actions, or calls for output, are overlooked.

In a very well conducted exercise by the BBC in 2004, crisis teams were faced with stark life-or-death decisions for which there was no right choice and which involved considerable uncertainty and some degree of moral judgement. - "Do we sacrifice a relatively small number of lives against the possibility that if we do not, several hundred may perish?" Faced with this each time, the members of the 4-person crisis teams took intractable opposing positions and debate served no useful purpose. With further debate, positions became hardened and much

valuable time was lost - even to the point of missing vital deadlines that forced a decision by default. We did not include such tough choices in Paris, although some of the debates over tricky issues did take longer than they would have done if a structured decision making processes had been used.

A further problem, understandably evident in short simulations such this but also present in the real thing, is the tendency for everyone to get straight into it and, even during lulls, not to step back and divide forces. This can make a significant difference when there are several strands to a crisis; if this is not done, having a crisis team of eight people all follow every nuance of every strand is very wasteful of precious time and resources, as well as having too many people debating quite minor issues, which further bog things down.

The exercise was too short for the other major shortcomings of crisis handling to be come apparent - for example trauma, group think, the denial syndrome, poor decisions caused by sleep deprivation, the lack of properly documented decisions - but these issues were discussed in some detail in the final session of the workshop.

In the remainder of the workshop, we went through some of our groundbreaking research on counterfeit pharmaceuticals, and finally ran through how a crisis typically develops and how, at each stage of its development, it can be far better managed.

Feedback from the event was very good. The delegates learned, they experienced a crisis - probably the best way of learning - and, equally important, they had fun.

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