CRISIS COMMUNICATION STRATEGIES IN THE CORPORATE GOVERNANCE PROCESS

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ABSTRACT
In the corporate governance process managers often face numerous different crisis situations, which force them to communicate with all target groups of their organizations. In a situation when an organization is under intense criticism or serious allegations, managers at its helm are forced to communicate reactively and, as much as possible, to neutralize negative consequences that the crisis could have on the organization’s image. Managers have two choices at that point: to communicate without any plan and leave the communication up to chance or to use one of the available crisis and reactive communication strategies. Numerous theorists suggest that good communication in a crisis situation can support or even enhance an organization’s image in the public, while poor handling or lack of communication can have a particularly negative impact on its market activities in the future.
The author analyses all aspects and the context of crisis communications management in corporations and provides an overview of basic elements of a crisis communications situation; from all factors that crises often cause, types of crisis situations that could happen to corporations, to methodology for defining target audiences and desirable structure and content of a crisis communication plan. The author also summarizes and provides an overview of the main principles of communication with the media in crisis situations whose reporting is often crucial in the process of influencing target groups and, thereby, the corporate image. The author dedicates special attention to an overview of available reactive communication and public relations strategies, their specificities, as well as the conditions in which they would be wise to use.

Keywords: corporate governance, crisis, crisis communication, public relations, reactive strategies

1. INTRODUCTION
Crisis communication management has become an inevitable part of the communications management process in a whole. In today’s practice of the corporate governance process, it is impossible to find a corporation that has not in any way met a crisis situation of any kind, proportion or extent. No organization is immune to crisis situations (Coombs 2007, 48), no matter how successful, powerful or respectful it is. Precisely because of more frequent occurrence of various crises, corporate management is often forced to engage more in crisis management processes. Various theorists and practitioners define crisis situations in different ways. A crisis situation can be defined as an event that interrupts the usual activity of an organization and, if managed poorly, can ruin a good corporate reputation in only a couple of days, even wipe off the corporation from the face of earth (Langford, 2009, 432). Skoko (2006, 244) points out that a crisis for a corporation is a circumstance that prevents it from operating normally, endangers its ability to function and makes is impossible for organization
to achieve its goals. He also emphasizes that a crisis that at first looks like one that cannot cause dramatic consequences for the organization, can eventually become so severe that can jeopardize its long term existence. Dileenschneider (2000, 121) provides one of the best descriptions of crisis situations when stating that there are no two identical crisis situations and that every crisis situation has its specific causes, development cycle, duration, rhythm and unknowns.

Kunczik (2006, 177) agrees with this approach stating that it is impossible to develop a scenario that is equally worth for all corporations and crisis situations they encounter. Kunczik also states that developing a universal scenario would presume excellent knowledge about a particular organization and its communication structure, as well as local and regional conditions that they operate within. He concludes that it is impossible to create general instructions how to act in crisis situations which can work as a framework for communication strategy oriented on achieving a consensus within all publics, precisely because it needs to be framed according to individual viewpoints. It is without doubt that crisis situations can cause unforeseeable consequences on corporation’s business.

Langford (2009, 436) emphasizes that every crisis situation causes financial expenses in regards to its consequences and outputs. Nevertheless, by pointing out six real costs of a crisis situation, he highlights that a financial damage is in most cases minimal comparing to the damage that consequences can have on organizational image. Management’s busyness is the first group of consequences. Even when a crisis situation is well managed, key leaders or whole team of leaders are busy managing the crisis for a period that can last for a few days or even few weeks, all which is preventing them from executing their daily tasks. Employee concerns imply employee worry about their future, jobs and financial security caused by possible consequences of a crisis situation. There are actually a very few corporations that effectively communicate with their employees in a crisis period. Well informed and motivated employees can represent a strong force in a crisis period, and there is to remember at all times that an organization cannot exist without them. Political reaction implies legislative or political pressure put on the corporation by concerned legislators or politicians that are motivated for such an action by public interest and pressure on themselves. Legal disputes are also often caused by crisis situations because of individual’s need to engage in legal processes motivated by large amounts of money that they tent to request from corporations. Customer reactions are also often caused by crisis situations, especially when corporations react or communicate badly to customers and thereby create an impression that customer problems weren’t addressed properly. In situations when corporations don’t establish proper communication with their customers, their support will drain and market share will scale down. Finally, market confidence and reputation is the most significant of all costs. To rebuild reputation within interest groups such as shareholders or customers not only costs a lot, but can also last for years. This element also emphasizes communication as a key component for gaining trust from key publics and the market itself (Ibid, 437). Taking all this into consideration, especially the possible negative effects that crises can have on corporation’s businesses, it is a fact that managers that run them need to pay attention to all elements of crises that can be predicted and minimized.

2. TYPES AND CAUSES OF CRISIS SITUATIONS IN CORPORATIONS

Regester and Larkin (2005, 133) scenically equalize crisis in business environment with crises in everyday life, emphasizing that both come in various unpredictable sorts, as well as a flu or a cold. The spectrum of different variations is thereby so wide that it is impossible to list all their causes.
Tomić (2008, 363) points out that causes of crisis situations can be divided in two groups. *External causes* occur outside organizations and it is often considered that organization does not have effect on them: natural disasters and accidents, political and social changes, business crises, recessions, market changes, security environment etc. On the other hand, *internal causes* often imply crisis situations that are not visible outside organizations, such as bad work organization, bad interpersonal relations, incompetence and immorality of the management, corruption, rivalry between employees, lack of corporate culture, bad work conditions, general lack of communication and unreal aims of trade unions.

Luecke (2005, 24) summarizes causes of crisis situations in four categories: *accidents and natural events* (can be of disastrous consequences, come unexpected as an earthquake, tornado, typhoon, tornado, hurricane, flood, fire or any other disaster), *crisis related to health and environment* (although not responsible for every crisis of this type, corporations can directly affect their development and are often considered responsible for dealing with their consequences when crisis such as unauthorized product tampering, law suits, explosions and accidents dangerous for the environment happen), *technological incidents* (malfunctions in technical systems of the corporation like transmission lines, computer hackers incidents etc.), *business and market forces* (impact of business cycles, lack of funds for investments and running costs, share value drops, increase of oil price etc.), and finally, *out of control employees* (although corporations depend on people who contribute to development, if left without control, people can lead the corporations and organizations directly to a crisis).

Cutlip, Center and Broom (2003, 389) point out that it is extremely important to recognize the type of crisis situation, besides knowing what caused it. Detecting the type of crisis situation is important because it helps preparing an adequate answer that depends on the crisis’s type and duration. These authors emphasize that the time element is often a critical variable of crisis situations and thereby distinguish four types of crisis situations in relation to the time variable. *Immediate crisis* often cause the most fear and happen so sudden and unexpected that there is little or no time to explore and plan the communication. Examples of such crisis are plane crashes, death of corporation’s key individual, earthquakes, fires, bomb threats and shooting in work places. These situations often request top management to secure consensus regarding the general plan how to address the crisis situation, all to avoid confusion, confrontation and delays. The second category is *crisis in making*. This category leaves more time to research and plan activities but they can erupt after a long period of smolder. Examples of such crisis are dissatisfaction and low employee morale, sexual and drug abuse in workplace, overcharging corporate clients etc. The main challenge of this group of causes is to convince the management to conduct corrective action before the crisis reaches the critical level. *Permanent crises* are those lasting months and even years, despite strong efforts of the management. Word of mouth or speculations published in the media are often out of control for corporate public relations. It seems that no official denial or counter attack can stop rumors or clear media databases, which means that journalists working on a new story will continue to lean on the old story and to repeat inaccurate information (Ibid, 390).

Langford quotes Lerbinger (2009, 433) who categorizes crisis situations caused by irregularity in management or various forces from the environment in eight different types: *natural, technological, confrontational, malevolence, distorted values of the management, fraud, irregularity in managing the corporation and business or economic crisis situations.*

While categorizing crisis situations, Novak (2001, 43) points out three types of crisis in relation to their cause: *crisis according to environment they derive from* (crisis of physical nature, public opinion crises, crises inflicted by management mistakes and business-economic crises), *crises in relation to time of their anticipation* (sudden crises, accidents and death cases, veiled crises such as revisions and other internal causes) and finally, *crises according to their perception* (unusual crises and perceptual crises).
A very picturesque division of crises is provided by Seymour and Moore (2000, 10) who compare crisis situations with snakes. Cobra crisis is a disaster that happens to corporations suddenly, leading it to crisis with very little time to react. On the other hand, python crisis implies a slow-burning crisis that represents a whole group of problems that corporations encounter one after another, slowly destroying it to pieces. Finally, American Institute for Crisis Management from Louisville divides four basic types of crisis which any corporation can encounter. Perceptual crisis is a situation when nothing is done wrong but the public sees all wrong moves of the corporation so the damage is very close to real. Bizarre crises are impossible to plan as well as perceptual ones. These are unexpected situations that imply strange events that are very hard to predict. Sudden crises are fires, explosions and violence. This type of crises can be easily predicted what numerous corporations have done, preparing crisis plans that suggests certain steps to be done in case of natural disasters. Finally, disguised crises describe a serious business problem that is not generally known within the organization and which can create negative publicity if and when it appears in the media (Tomić, 2008, 365).

3. CONTEXT AND SPECIFICITY OF CRISIS COMMUNICATION MANAGEMENT

Fearn-Banks (2001, 480) defines crisis communications management as a strategic planning process whose goal is to anticipate crisis situations or possible negative events and to react properly, limiting risks and ensuring the organization to effectively manage its destiny at the same time.

Coombs (2007, 3) sees proper crisis communications management as one of the key crisis management segments and states that a crisis situations mostly have perceptive nature. He adds that public perception itself is a key element that defines a certain event as a crisis situation. If stakeholders really believe that a corporation has found itself in a crisis situation, a crisis is evidently present. Wise organizations are mostly aware of the fact that crisis will occur eventually; they just don’t know when. While stating the fact that perception of stakeholders and key public towards a certain event is substantial in managing a crisis situation, Coombs adds that it is very important to anticipate possible scenarios of crisis development.

The „look ahead” approach is specially emphasized by Cutlip, Center and Broom (2003, 388) stating that writing a script used for planning communication in various situations is a skill of anticipation and describing a whole range of possible future states. While emphasizing the importance of these scripts, these authors point out that futurists agree in general that the usual number of useful scripts is between two and four for every situation, with the ideal number of three. Although their names can vary, scripts usually refer to future states of high, medium and low probability provided that the latter often have the biggest chance to be fulfilled. Although Public Relations professionals mostly cannot foresee a specific catastrophe or a crisis, they can foresee that the unexpected is going to happen (Ibid, 389).

Regarding scenario approaches, numerous authors point out that a crisis situation is much easier to manage if it is analyzed through its phases.

In that manner, Coombs (2007, 13) states that phases in the crisis management process imply the division of crisis management functions into separate segments that are undertaken in a specific order. Regester and Larkin (1997, 49) agree with this approach and emphasize a statement that a crisis situation is actually a culmination of a wider process - issues management. While analyzing the overall problem lifecycle, these authors state that problems gain their strength through three phases (potential, emerging and ongoing), reaching the peak of their strength in the fourth phase named crisis situation, before they dramatically lose their charge in the final phase when they extinct and are finally taken care of.
This approach implies that all problems become crisis situations if they are not properly managed (Gillions, 2009, 409). Same authors quote Traverse-Healy who also points out the importance of looking forward as a way of predicting problems that could influence the corporation and have a certain impact on its business (Ibid, 410).

When analyzing the life cycle of a crisis situation in general, Langford (2009, 434) quotes Fearn-Banks who states that there are five phases of developing a crisis situation. Recognition when a corporation follows warning signs, preparation or prevention when warning signs are noted and proactive and reactive plans are prepared to deal with the situation, limitation as taking action to limit the crisis or its effects duration, recovery of the corporation to normal circumstances of its business and finally, learning when a corporation considers what actually happened and grades negative or positive impacts on its business.

<table>
<thead>
<tr>
<th>PHASE</th>
<th>CHARACTERISTICS</th>
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<tbody>
<tr>
<td>1. Recognition</td>
<td>Following warning signs.</td>
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<tr>
<td>2. Preparation / Prevention</td>
<td>Noting warning signs, preparing proactive plans to avoid the crisis and reactive plans to be ready to confront the crisis when it happens.</td>
</tr>
<tr>
<td>3. Limitation</td>
<td>Taking action to limit the duration of the crisis and its effects.</td>
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<tr>
<td>4. Recovery</td>
<td>Returning the corporation to normal state of doing its business.</td>
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<tr>
<td>5. Learning</td>
<td>Considering what really happened and grading positive and negative impacts on corporation's business.</td>
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**Table 1: Five phases of a crisis situation according to Fearn-Banks (Langford, 2009, 433).**

Coombs (2007, 18) sees crisis management as a process that occurs in three phases, each of which implies several groups of activities. Pre-crisis phase implies all activities conducted before a crisis had actually happened. This phase also has several sub-phases: (1) signals detecting, (2) prevention, (3) crisis situation preparation. In this phase, managers are faced with an imperative of developing systems for early problem detection and also finding a proper answer for solving these problems. In moment that a crisis is detected, it is of great importance to undertake activities that will prevent their further development. Crisis event phase starts with the occurrence of a certain event that marks the official start of a crisis and finishes when a crisis is considered to be solved. This phase also has two sub-phases: (1) crisis recognition and (2) crisis containment. Recognizing a crisis implies understanding how events are categorized and accepted as a part of a crisis. Interacting with stakeholders through direct communication and other activities is a vital part of this phase (Ibid, 19). The final, post-crisis phase emphasizes that crisis management activities must not finish when a certain crisis is over. Several key activities are undertaken in this phase: (1) evaluation, (2) learning from existing crisis situation and (3) other post-crisis activities such as monitoring stakeholder reactions and all further development of issues connected to the just finished crisis situation (Ibid).

**4. PRINCIPLES OF CRISIS COMMUNICATION MANAGEMENT**

When considering crisis communication management in a moment when a crisis is evidently present, one of the world’s leading managers Jack Welch (2006, 161) emphasizes five pre-conditions for effective crisis management. Welch states that it is always necessary to assume that a problem is bigger than it seems at first, since crises rarely stay small as when they start. The second precondition states there are no secrets in business community and everyone will eventually find out everything. This assumption marks a trend that although legal advisers often suggest managers to communicate in a crisis situations as less as possible, managers need to communicate about a problem as openly as possible. The third presumption is that the
media will try to position managers and the way their corporation handles a crisis in the worst possible way, but that shouldn’t be a reason to back down and stop communicating. The assumption that a crisis will be followed by changes, in business processes as well in manpower is the fourth, stating that most crises end after a settlement of some kind. The final, fifth assumption states that an organization will not just weather the crisis but exit the crisis situation more strongly and ready for another one, adding that managers need to derive messages from crises and must not miss a single opportunity to transfer their experience to others.

Langford (2009, 448) lists ten key principles of managing crisis public relations in corporations. Defining a real problem is the first challenge that connotes separating a currently active short-term problem from a long-term problem that can influence corporation’s image and market share. Centralizing and controlling information flow suggests forming a central point of communication that will ensure everyone to communicate the same message. To relieve all personnel handling the crisis communication from other daily tasks is very important because crisis situations often require complete commitment and leaving all other tasks sideward. Assuming the worst scenario while planning means not to underestimate possible crisis situations and fall into a trap of seeing only what a corporation is capable of handling. Not depending on only one individual suggests having a whole crisis team at disposal and by that limiting the possibility of individuals having particular interest in a certain situation to endanger a successful solving a crisis situation. To resist a temptation going into battle means not to enter conflicts with the media, NGO’s, competition or suppliers included in the crisis situation. Realizing what the media want suggests that it is important to know that the media will always be looking for a good story containing focus, cause and consequences. Ensuring not to forget a single interest group draws attention on a possible error that fast and proper reactions during a crisis are necessary only for the media and not for other interest groups. More detailed description of interest groups is provided in Table 2. Limiting the problem means limiting a geographic area that is affected by the problem so the problem wouldn’t spread to other markets where the corporation is present. Finally, recognizing short-term sacrifice value marks a move such as immediate recall of a certain product of instant sacking of a person responsible for the problem occurrence.

### INTEREST GROUPS (PUBLICS)

<table>
<thead>
<tr>
<th>Internal interest groups</th>
<th>Employees and their families, public health department, corporate security department, top corporate managers, trade unions if possible.</th>
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<tbody>
<tr>
<td>External interest groups</td>
<td>Online community, local government, corporation's factories or manufacturing facilities, local community and local government leaders, lawmakers, government, suppliers, customers, distributors, operators, technical experts, financial community and other relevant NGOs.</td>
</tr>
</tbody>
</table>

Table 2: Interests groups (Publics) (Langford, 2009, 450).

Numerous authors emphasise a need for a systematic approach to crisis situations through creating crisis plans that will prepare managers for all challenges what crisis brings. Tomić (2008, 366) emphasizes Black’s suggestion about elements that a possible crisis plan should contain: possible crisis analysis which would anticipate possible crisis situations that can happen to a certain corporation (although impossible to anticipate them all), preparing a
communications plan for before, during and after a crisis situation, selection of staff or identifying individuals that would be available in a moment when a crisis actually happens, communication capacity implies technical elements of the communication process that would eliminate the possibility of a communication blockage in the middle of the crisis, training of key personnel that will eventually manage a crisis, and finally, simulating crisis situation is the last element of a crisis plan that needs to be tested before real use, all which will provide an answer how the staff would react in a specific crisis situation.

Langford (2009, 446) points out crisis communication handbooks as a very effective tool for preparing a crisis situation. He highlights that a good handbook contains a simple system for a fast communication, main messages and identification of key publics, and shouldn’t have more than ten pages of text. A well prepared handbook can be used as a guide for many simple tasks, such as crisis team activation which could provide management with more time to focus on more urgent tasks at the moment.

Nevertheless, when a crisis had already started, it is necessary to draw concrete moves. Marconi (2004, 267) lists six moves important to make at the very beginning of every crisis situation. Naming a spokesperson is the first move that implies obliging a certain individual to be the only person that will communicate to the media during a crisis. CEO, corporate lawyer or a PR manager could be a good choice, but the key thing is to be coherent and constantly communicate same messages. To be the first to tell your side of the story will enable the corporation to take the communication management into its own hands. If someone else tells the story first, the corporation will be put to an exclusively defensive position. To present the corporation in a wider context then the crisis itself means providing information to the public and the media about the corporation’s positive historic contribution to the society that it operates in. Keeping people around the corporation informed is important since all individuals close to the corporation have big interest for events related to it, and will not feel satisfied if all information they receive about the crisis would be only through the media.

Keeping the team together means continual and fast communication with key individuals inside the corporation that would create a certain sense of pride and affiliation and will limit the possibility of negative energy prevailing. Finally, honesty and sensitivity implies taking responsibility when necessary, openly communicating to everyone and to apologizing to everyone who is affected by the situation’s consequences. Hiding behind legislative moves and technical details will create an impression that one is turning head from problems and will create a negative image of the corporation in public.

Another very important element in handling a crisis situation is the way that a corporation is communicating to the media.

Skoko (2006, 247) states the importance of securing proper and time-bound information for the media as it is the only way they will see the corporation as serious. He also states the importance of naming the person in charge of media communication that will provide the media with new, important and on-time information.

In case the crisis is far-reaching and the need for information is very wide, it is important to establish a communication center. Cutlip, Center and Broom (2003, 391) define three elements of a good communications center. First, the center must be recognized for what it is and what it does; as a place where information is directly transferred from the organization to its publics. If the center is intended for the media only, then it shouldn’t be giving out answers to other public’s questions. Second, the center should have two segments: (1) an information center where one group of people is directly communicating to the public, listening to its questions and providing answers and (2) coordination office that represents a contact point between information center and other staff and offices of the organization. Third and last, every center of that type should have dignity that was developed and gained long before any crisis.
Langford (2009, 444) also adds that it is necessary for the management to be aware of the fact that the media reporting about the crisis situation will want to know the facts first. He states the first questions that the media will ask the organization will be: what happened, what and why went wrong, who is responsible, what is going on in this particular moment, and what the corporation is currently doing to prevent this happening again.

Tomić (2008, 371) states that crisis situations attract the media because crises are often “good stories” and also one of five most attractive topics looking from the media perspective. Besides crises, these topics are: catastrophes, conflicts, crimes and corruption. Tomić, just like Langford (2009, 445) emphasizes a very important role of spokespersons in crisis situations. The latter points out a “5C” model of effective communication that spokespersons need to use: concern about the consequences of the crisis situation that needs to be shown, clarity of messages that he communicates, complete control over corporation’s messages, confidence while communicating these messages and finally, competence that spokespersons need to have while representing the corporation.

5. REACTIVE CRISIS COMMUNICATION STRATEGIES

In cases when a corporation is already facing certain allegations or critiques, or in cases when problems are already present, managers are put into a position to act reactively. In cases like this, corporations tend to achieve understanding with the public, keep and restore positive image, and to rebuild trust and support for their cause (Smith, 2009, 115). This author also points out three approaches relevant for drafting communications responses in possible negative situations. Apologia is a formal defense through which an organization explains its actions and positions in negative situations. Jugo (2012, 186) quotes Smith who notes that it is important not to confuse apologia with apology which is an expression of fault and remorse. An apologia could include an apology, but it is much more than that. Theory of accounts refers to the use of communication to manage relationships in the wake of rebuke or strong criticism. The third approach is the image restoration theory that is based on the presumption that, in the face of criticism, both people and organizations seek to maintain or rebuild a positive reputation.

Looking in general, Smith (2009, 117) differentiates seven different groups of reactive communication strategies. Pre-emptive Actions are taken before the opposition launches its first charge against the organization. Offensive response strategies are based on a premise that the organization is operation from a position of strength in face of the opposition. This group incorporates four different strategies: (1) attack strategy that claims that an accusation of wrongdoing is an attempt to impugn the organization’s reputation by an accuser who is negligent or malicious, (2) embarrassment in which an organization tries to lessen an opponent’s influence by using shame, humiliation or other incriminating information, (3) shock as a deliberate agitation of the mind or emotions, particular through use of surprise, disgust, or some other strong and unexpected stimulus and (4) threat that involves the promise that harm will come to the accuser or the purveyor of bad news.

Herby, Heath (2001, 505) quotes Benoit who states that corporations, to use this group of strategies, have to be perfectly clear of any responsibility related to opposition’s allegations or problem they are in. Defensive response is a group of strategies describes by Smith (2009, 119) as less aggressive response to opposition’s critique. It contains three different approaches: (1) denial where no blame is accepted claiming that the reputed problem doesn’t exist or didn’t occur, (2) excuse in which an organization tries to minimize its responsibility for the harm of wrongdoing, (3) justification which admits the organization did the deed but did so for good reason. Related to this group of strategies, Heath (2001, 505) quotes Bradford and Garrett who state that using
these strategies doesn’t come without problems stating that individuals will not believe organization’s statements without proof presented by a third, independent party. *Diversionary response strategies* are four reactive strategies whose intention is to shift the gaze of the publics from the problem associated with the organization: (1) *concession* when an organization tries to rebuild its relationship with its public by giving the public something it wants, (2) *ingratiation* as a strategy of rather questionable ethical standing when an organization tries to manage the negative situation by charming its publics giving them something of relatively little significance, (3) *disassociation* which attempts to distance an organization from the wrongdoing associated with it and (4) *relabeling* or distancing the organization from criticism offering an agreeable name in replacement of a negative label that has been applied by others (Smith, 2009, 123).

*Vocal commiseration strategies* are a family of four strategies that Smith (ibid, 124) describes as ones in which the organization expresses empathy and understanding about the misfortune suffered by its publics: (1) *concern* through which the organization expresses that it is not indifferent to a problem without admitting guilt, (2) *condolence* in which the organization expresses grief over someone’s loss or misfortune, again without admitting guilt, (3) *regret* which involves admitting sorrow and remorse for a situation with a wish that an event had not happened and finally (4) *apology* which involves publicly accepting full responsibility and asking forgiveness.

In this respect, Heath (2001, 507) quotes Tavuchis who points out a difference between corporate apologies and apologies given by individuals. Corporate apologies do not remove attention from the incident and the incident is most likely not forgotten as the case is with individual’s apology. On the contrary, when a corporation issues an apology, it puts additional accent on that particular incident. *Rectifying behavior strategies* are five strategies in which, according to Smith (2009, 130) an organization does something to repair the damage done to its publics: (1) *investigation* when an organization promises to examine the situation and then to act as the facts warrant, (2) *corrective action* which involves taking steps to contain a problem, repair the damage, and/or prevent its recurrence, (3) *restitution* which involves making amends by compensating victims or restoring a situation to its earlier condition and finally (4) *repentance* which involves both a change of heart and change in action. Heath (2001, 505) adds that corrective strategies is best to combine with apologia strategies and quotes Benoit (199%) and Hearit (1995) who state that this combination is the best is the corporation is to convince their customers that a possibility of specific problem happening again is limited to minimum.

The last group of reactive strategies according to Smith (2009, 131) is *deliberate inaction*. This is a group of two strategies that both include not to comment the situation or the problem: (1) *strategic silence* that implies patience and composure which can shorten the life cycle of unpleasant situation, but it is not to be confused with the “no comment” statement that is immediately perceived as guilt accepting answer and (2) *strategic ambiguity*, the organization’s refusal to be pinned down to a one particular response.

### A TIPOLOGY OF REACTIVE PUBLIC RELATIONS STRATEGIES

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<thead>
<tr>
<th>Reactive strategy 1: Pre-emptive Action</th>
<th>Reactive strategy 5: Vocal Commiseration</th>
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<tr>
<td>- Rebuttal</td>
<td>- Concern</td>
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<th>Reactive strategy 2: Offensive Response</th>
<th>Reactive strategy 6: Rectifying Behavior</th>
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<td>- Attack</td>
<td>- Investigation</td>
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<td>- Embarrassment</td>
<td>- Corrective Action</td>
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<td>- Shock</td>
<td>- Restitution</td>
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<tr>
<td>- Threat</td>
<td>- Repentance</td>
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Reactive strategy 3: Defensive Response
- Denial
- Excuse
- Justification

Reactive strategy 7: Deliberate Inaction
- Strategic Silence
- Strategic Ambiguity

Reactive strategy 4: Diversionary Response
- Concession
- Ingratiation
- Disassociation
- Relabeling

Table 3: A Typology of Reactive Public Relations Strategies (Smith, 2009, 117).

6. CONCLUSION
Despite all known and written rules of crisis communication management, it is a fact that the practice of corporate governance is full of mistakes in handling crisis communication. Cutlip, Center and Broom (2003, 390) quote Lukasewski who summarizes the usual groups of mistakes in approach to crisis communication management: hesitation (publicly perceived by confusion, ruthlessness, incompetence and unpreparedness), puzzlement (publicly perceived as dishonesty and insensitivity), retaliation (that increases tension and encourage emotions instead of calming them), shrinking or hedging (creates the biggest problem since nothing can replace the truth), preaching (causing vulnerability because since it is an arrogant approach without real treatment of the true problem), confrontation (providing others a good overview of the crisis, giving them platform and material for further reactions) and finally litigation (giving others even more wide view of the situation, even limiting rational solutions).

For many corporations and managers that lead them, especially when they find themselves in a crisis situation for the first time, the attention of the media and the public they are put through cause an enormous pressure that they cannot manage easily. Crises often come in time when they are least expected and catch corporation always, without an exception, unprepared for what is about to happen. Crisis is generally defined as an unplanned event that, in combination with the media in search of sensational information, intense emotions and speculation about possible consequences, creates an unstable informational environment that puts managers in a position of imperative task of quality planning. On the other hand, when a crisis is over and its consequences are evident, managers face the imperative of detailed analysis which main goal is to determine all positive and negative aspects of managing a crisis that had just ended. How the media reported about the crises, who were the journalists in favor of the corporation and against it, how did our key publics react, had our customers and employees turned their backs on us, and what financial damage has been made on our business? These are just a few questions that managers need to answer in order to effectively plan the next crisis in the proper way. Crisis management is in no terms easy or simple. Taking this fact into consideration, managers need to use all available possibilities to neutralize ruinous consequences by looking forward, anticipating all possible crisis scenarios, creating crisis communication plans, and to do everything to be perfectly prepared when a crisis occurs. When that happens, it is important to be aware of available reactive strategies which can help a corporation to effectively communicate and thereby minimize possible negative consequences on corporate image that, should it be drastically ruined, can even decrease the market value of the corporation. Minding that thought, in crisis communications management more than anywhere else, a famous catchword “better safe than sorry” is very much applicable.
7. LITERATURE


