

UNIT 11

Crisis management

'In a crisis, be aware of the danger – but recognise the opportunity.'
 John F. Kennedy (1917–1963), 35th US President

OVERVIEW

VOCABULARY

Handling crises

LISTENING

Dealing with crises

READING

Dealing with crises

LANGUAGE REVIEW

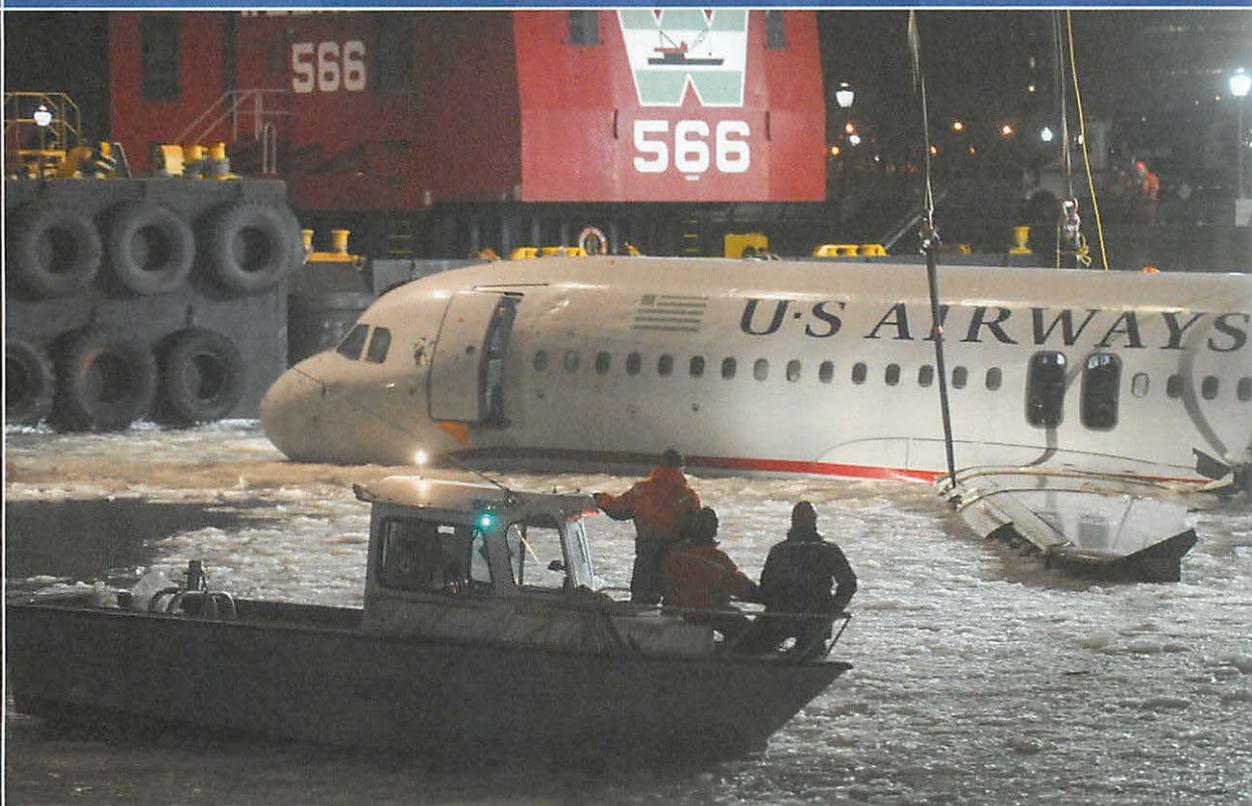
Conditionals

SKILLS

Asking and answering difficult questions

CASE STUDY

In Range



STARTING UP

A Work in groups. Think of a crisis you have / your country has experienced. Say what happened and how it was handled.

B Crisis-management experts have identified 10 key steps for companies in a crisis. Complete steps 5–10 below using the verbs in the box.

analyse disclose inform practise predict set up

- 1 Work out an action plan to ensure the crisis does not happen again.
- 2 Role-play a potential crisis.
- 3 Find out what happened and how it happened.
- 4 Write down and circulate your crisis-management programme.
- 5 Try to what crises could occur.
- 6 a crisis-management team.
- 7 the directors.
- 8 as much information as you can.
- 9 the actions you took to deal with the situation.
- 10 making decisions under stress.

C Complete this table with the steps in Exercise B. Discuss your answers.

before the crisis	during the crisis	after the crisis

D Answer these questions.

- 1 What sort of crises do business managers have to face?
- 2 How is a business crisis different from a business problem?
- 3 Can you think of any examples of recent business crises? Which do you think have been the worst in recent years?

VOCABULARY

Handling crises

A Match words from Box A with words from Box B to make word partnerships, adding *of* if necessary.

EXAMPLES: *action plan, admission of liability*

A

~~action~~ ~~admission~~ contingency damage
flow legal loss press press speed

B

action conference confidence information ~~liability~~
limitation ~~plan~~ plan release response

B Complete these sentences with the word partnerships from Exercise A.

- How quickly management react to a crisis is known as the
- In a breaking crisis, a manager may speak to the media at a(n)
- Alternatively, there may be a written statement, which is given to the media in the form of a(n)
- During the crisis, management may choose to keep customers, employees and shareholders up to date with a regular
- A(n) is part of a crisis strategy prepared in advance.
- A backup strategy is a(n)
- The risk of being taken to court is the threat of
- An acceptance of responsibility in a crisis is a(n)
- Following a crisis, a company may suffer a decline in loyalty from its customers, or a(n) in its product or service.
- Minimising the negative effects of a crisis is known as

C Match an expression from Exercises A and B with each of these verbs. Three of the expressions are not used.

- | | |
|-----------------------------------|-----------|
| 1 implement <i>an action plan</i> | 5 suffer |
| 2 issue | 6 prepare |
| 3 take | 7 control |
| 4 hold | |

D Answer this question, then discuss your ideas in small groups. Can you give any examples?

Which of the word partnerships in Exercise C do you think are:

- essential in a crisis?
- important to avoid?
- useful but not essential?

See the DVD-ROM
for the i-Glossary.



LISTENING

Dealing with crises

A In groups, tell each other three things you know and three things you would like to know about the Toyota crisis of 2009/2010.

B CD3.19 Listen to Craig Smith, Professor of Ethics and Social Responsibility at INSEAD in Paris. Does he make any of your points or answer any of your questions from Exercise A?



Craig Smith

C CD3.19 Listen again and complete these extracts using no more than three words in each gap.

... it's a problem that the company frankly has been very¹ and very² to.

... it was only September 2009 that the company really truly acknowledged there was a³ and said 'we're gonna have a⁴'.

... its communication around the causes of the problem has been⁵, and consumers have been left⁶ and ...

The classic advice here is⁷ and⁸. And the thing to do is to⁹ and let people know that you acknowledge that there is a problem, and know that you're¹⁰ about it.

D CD3.20 Listen to the second part of the interview and answer these questions.

- 1 What is the three-part model?
- 2 What are the three critical activities or questions for part one?

E CD3.21 Listen to the third part. What three things need to be done during a crisis?

F CD3.22 Listen to the final part. What questions does he ask with regard to:

- 1 the recovery? 2 the auditing of the management of the crisis? 3 rebuilding?

Watch the interview on the DVD-ROM.



READING

Dealing with crises

1 Expect the unexpected

2 How not to take care of a brand

3 No way back from a crisis

A In groups, brainstorm the crises that these companies could have.

- a) a pushchair (buggy) company b) a mobile phone company

B Work in pairs. Read your article quickly and choose the best headline on the left.

Student A: Read Article A on the opposite page.
Student B: Read Article B on the opposite page.

C Read your articles again and take notes on these questions.

- 1 What crises happened?
- 2 How did the companies mentioned deal with their crises (if this is mentioned)?
- 3 What lessons can be learned?

D Using your notes, tell your partner about the content of your article.

E In pairs, make as many word partnerships as you can by matching the verbs (1–7) to the nouns (a–g). More than one combination may be possible.

- | | |
|-------------|---------------------|
| 1 handle | a) a warning |
| 2 issue | b) a problem |
| 3 face | c) a crisis |
| 4 announce | d) an investigation |
| 5 cope with | e) a recall |
| 6 deal with | f) the public |
| 7 reassure | g) an issue |

F Discuss other companies you know who have handled crises well/badly.

Article A

by John Gapper



Maclaren is a small private company with a big public problem, one that it has not handled well.

● On Monday, Maclaren announced that it was issuing repair kits for up to 1 million pushchairs it had sold in the US over the past decade after 12 cases in which children's fingertips were chopped off in the pushchairs' hinges. By that afternoon, its website had frozen and its phone lines were overwhelmed by parents. Meanwhile, the British company told non-Americans they would be treated differently.

Instead of a formal product recall, it was simply issuing warnings to owners not to let children stick their fingers in the folding mechanism as they opened the pushchairs. Repair kits to cover the hinges would not be automatically dispatched to every Maclaren owner, as in the US.

Outrage ensued, with messages on Twitter such as 'WHAT?! Amputations from a stroller?!' By the time Farzad Rastegar, Chief Executive of Maclaren in the US and the brand's controlling shareholder, had lunch with me in New York on Tuesday, he sounded shaken.

'Did I expect this kind of coverage? No, I did not,' he said. It was hard to grasp why. The words 'child' and 'amputation' in a media release from the US safety regulator would surely terrify anyone.

After talking to him, I concluded that Maclaren does not have a bad story to tell – its safety standards are

higher than cheaper rivals. But it has done a poor job of telling it.

Therein lie lessons for companies that face similar crises, of which there are a lot. Nokia has announced a recall of 14 million phone batteries, while Toyota is still coping with a recall of 3.8 million cars with floor mats that can make the vehicles accelerate uncontrollably and crash.

Lesson one: be ready. When the announcement of the recall leaked early, Maclaren was left floundering. Lesson two: empathise. Maclaren is the latest of many companies to fall into the trap of being inwardly focused and failing to realise how customers will react. Lesson three: be polite. Lesson four: don't discriminate. Maclaren's biggest mistake was to appear to be treating American children's fingertips as more precious than those of children in the UK and other countries.

Article B

by Morgen Witzel

Crises are an inevitable part of management, and the larger the business grows, the bigger the crises seem to become. However robust a business seems, it is still fallible. Arthur Andersen, the accountancy firm, and Marconi, the telecoms equipment maker, are two once-great businesses that have disappeared in recent years.

Not every crisis can be foreseen. Sometimes managers will know that a threat exists, but will not know when or where it will materialise. The chances of an airliner crashing, for example, are extremely small, but every airline must still live with the possibility.

When an Air France Concorde crashed on take-off from Paris – the first accident involving a Concorde – Air France was prepared to deal with the issue.

Managers moved quickly to withdraw Concorde from service,

announce an investigation into the accident and reassure the travelling public that it was still safe to fly Air France. The following day the airline's share price did decline, but not by much and not for very long.

Intel, the world's leading maker of semiconductors, suffered a huge and unforeseen crisis when it emerged that a small proportion of its Pentium microprocessors were faulty. Quickly assessing the options, the company took the brave step of recalling and replacing the entire production run of the series. The move cost more than \$1bn (£550m) and probably saved the company. Intel showed that it was committed to its product, whatever the short-term cost, and customers responded positively.

Looking back on the incident, Andy Grove, Intel's Chairman and then Chief Executive, compared managing in a severe crisis to an illness. Strong,

healthy companies will survive, although at a cost to themselves. Weak companies will be carried off by the disease and will die. In Mr Grove's view, the key to successful crisis management is preparedness. Forward thinking and planning are essential; understanding the nature of the crisis that might occur can help managers be better prepared, as the Air France example shows.

However, while forward planning is necessary for crisis management, it is not sufficient. Not every crisis can be foreseen or planned for. Good crisis management requires the ability to react to events swiftly and positively, whether or not they have been foreseen.

LANGUAGE REVIEW

Conditionals

There are many different types of conditional sentence.

- 'Zero' conditional
*If you **operate** the pushchair properly, your child is not at risk.*
- First conditional
*If we act quickly, we'll **limit** the damage.*
- Second conditional
*If we **recalled** the cars, we'd **protect** our reputation.*
- Third conditional
*If McLaren **had withdrawn** its pushchairs immediately, there **wouldn't have been** a crisis.*

➔ Grammar reference page 151

A Match the sentences below (1–12) to these headings (a–f).

- | | | |
|---------------|---------------------------|---------------------------------|
| a) promise | c) invitation/request | e) speculating about the future |
| b) bargaining | d) reflecting on the past | f) advice/warning/threat |

- It wouldn't have been a problem if they'd told the truth immediately.
- If I were you, I'd give media interviews as soon as possible.
- We'll tell the truth if you print the entire statement.
- We'll be able to limit the damage if we pay up now.
- If you'd fixed the fault, we'd have placed an order.
- Your money back if not 100% satisfied.
- If we recall the products, it will be expensive.
- If you would like a refund, call Customer Services on 020 7711 3420.
- If you order by the end of the year, we can give you a discount.
- I wouldn't ignore the media if I were you.
- If we'd tested the product properly, we'd have known about this problem.
- I would be grateful if you would print our apology as soon as possible.

B Decide whether each of these situations is a) likely or b) unlikely to happen to you. Then tell your partner what you will or would do.

- | | |
|---------------------------------|---|
| 1 You get a pay rise next year. | 4 You travel abroad next year. |
| 2 You win a lot of money. | 5 You have to give a presentation in English. |
| 3 Your computer gets a virus. | 6 Your company is taken over by a competitor. |

C Discuss what went wrong in this situation. Use the notes from the crisis management advice sheet on the left.

EXAMPLE: *If they'd issued an apology immediately, they would have limited the damage.*

Hartley Health Group (HHG), the family-owned healthcare products group, faced a crisis when it was discovered that some tubes of its best-selling toothpaste had been laced with poison. The toothpaste contributed to 20% of its profit. Withdrawing the toothpaste would be very expensive. HHG focused inwardly on saving costs, did not give media interviews, did not recall all toothpastes immediately, did not issue an apology, did not have a crisis management plan, and have now lost sales, share price and their reputation. Within a year, it has lost three-quarters of its market share.

- be prepared
- issue an apology immediately
- react to the crisis quickly
- protect your reputation
- have a crisis management plan
- recall damaged products
- act decisively
- give media interviews

SKILLS

Asking and answering difficult questions

A  CD3.23 Michael Goodrich is a presenter of a television consumer protection programme. Tonight he is questioning Tim Bradshaw, the Marketing Director of TG Products, a large chain of stores which sells imported toys. Listen to the interview and answer these questions.

- 1 What kind of toys are popular with children, according to Tim Bradshaw?
- 2 How many of the toys does his company have in stock?
- 3 How serious is the problem with the toys? Explain your answer.



B  CD3.24 Listen again to these questions from the interviewer. In each case, decide whether the question is a) neutral/polite or b) aggressive.

- 1 Could you please tell me how many of these items you import each month?
- 2 Could you be a little more precise?
- 3 Roughly how many complaints about the toys do you receive each week ... ?
- 4 Isn't it true you've been receiving dozens of complaints from customers every week?
- 5 Do you deny people have been phoning you and e-mailing you constantly to complain about the toys?
- 6 Why are you still selling them?
- 7 Isn't your real reason for not recalling the toys very obvious, Mr Bradshaw?
- 8 But what are you going to do about these defective toys?
- 9 When exactly will you get back to us?
- 10 Would you answer my question, please?

C **Role-play this situation.**

A furniture company has been attacked by a consumer website for selling a lamp which is dangerous to use and could cause a fire. The Sales Manager agrees to appear on a consumer TV programme to defend the company's reputation and answer questions.

Student A: Turn to page 138.

Student B: Turn to page 144.

USEFUL LANGUAGE

INTERVIEWERS

Asking questions politely

Could you please tell me ... ?

I'm interested to know why ...

Asking probing questions

Could you be more specific, please?

Could you be a little more precise?

Asking questions aggressively

Are you saying that ... ?

Do you deny that ... ?

INTERVIEWEES

Dealing diplomatically with questions

I'm happy to answer that.

That's an interesting question. Let me answer it this way ...

Checking if you understand

Have I got this right? Are you saying/suggesting ... ?

I'm not sure I understood you. Could you rephrase that, please?

Avoiding a straight/precise answer

Sorry, I'm not sure I know the answer to that one.

I'll have to think about it.

I can't give you an answer off the top of my head.

Playing for time

Sorry, I can't give you an answer straight away.

I'll have to get back to you on that one.

In Range

A video-games company faces a crisis on the eve of a major product launch

Background

The article below appeared in *Business Today*, a weekly newspaper published in Los Angeles, California.

Read the article and discuss the opinion of the psychologist Carl Davis. Do you agree with him that violent video games like *In Range* should be banned for sale to people under 21?

LAUNCH PLANS OF "IN RANGE" HIT BY PSYCHOLOGY REPORT

Plans to launch the blockbuster video game *In Range* on October 30 have been upset by a new report on violence in computer games and its effect on young people.

Professor Carl Davis, a psychologist specializing in teenagers' behavior, has just brought out a shock report based on a three-year study of young people's reactions to violent video games. His main findings are that violent video games do increase the levels of aggression in young people and they also desensitize youngsters to death and destruction.

Commenting on *In Range*, Carl Davis says, "As founder of the Institute of Media Studies, I cannot approve the level of violence and violations of human-rights law that are apparent in *In Range*. I

think it should be banned or, at the very least, only available to adults over the age of 21."

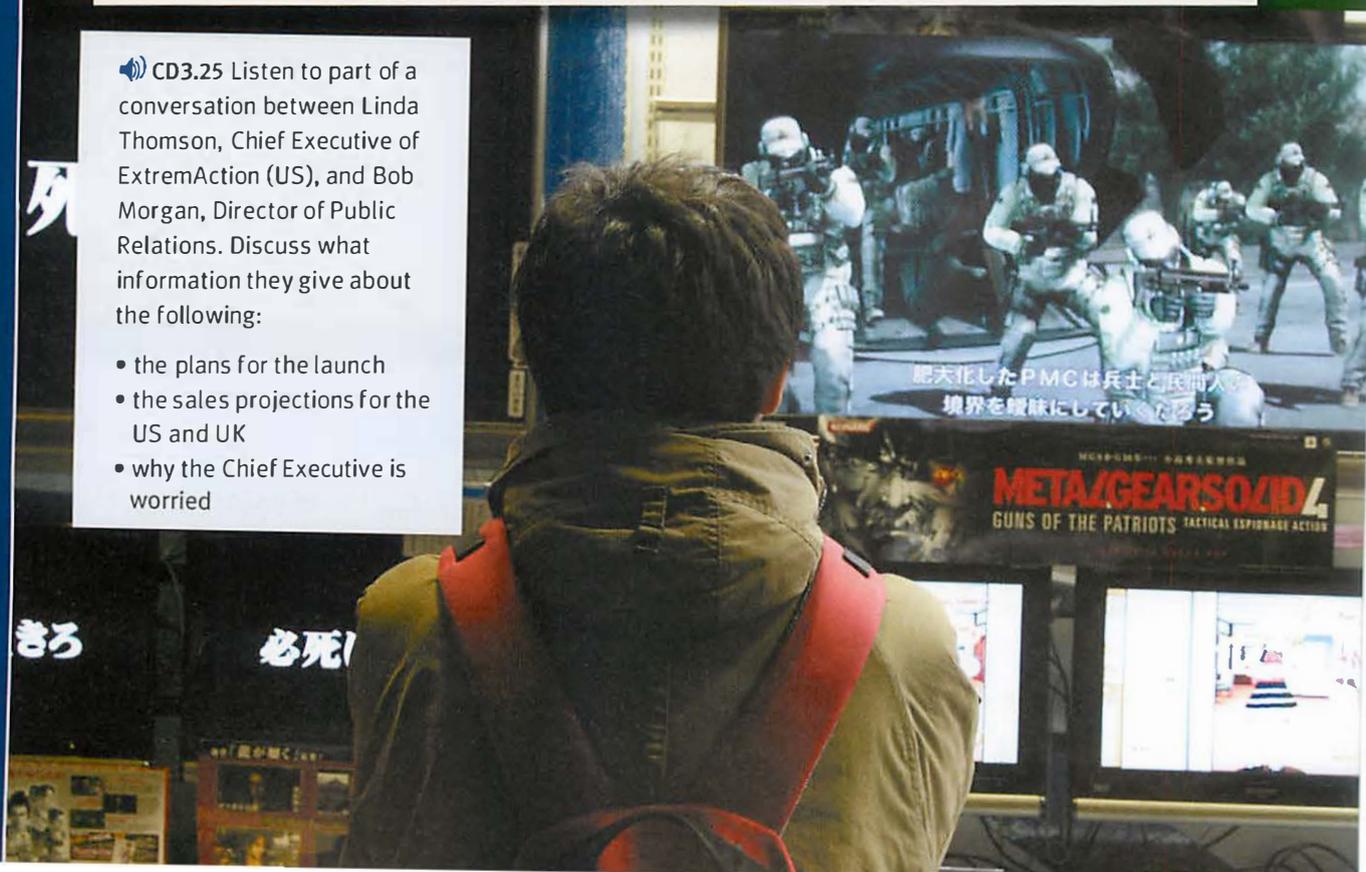
This is a further blow for the creator and developer of the video game, ExtremAction. This Japanese-owned company has its head office here in Los Angeles. *In Range* features a team of mercenaries who are hired by the government of a fictitious country, The Republic, to completely destroy a drugs baron and his private army of bodyguards. There are scenes of extreme violence, including brutal interrogations and summary executions.

It is expected that there will be record-breaking sales of the game in the U.S. and U.K.

Pre-orders from retailers in both countries have been enormous. There's little doubt that *In Range* will be the top-selling computer game of the year. However, there is severe criticism of the company and its new game from politicians, academics, community leaders, the police force, and the media. This threatens the success of the celebrity launch at the end of the month.

 CD3.25 Listen to part of a conversation between Linda Thomson, Chief Executive of ExtremAction (US), and Bob Morgan, Director of Public Relations. Discuss what information they give about the following:

- the plans for the launch
- the sales projections for the US and UK
- why the Chief Executive is worried



Sample of reactions to *In Range* before the launch on October 30.

Negative comments

U.S. Senator

We need a bill to ban sales of ultra-violent video games to youngsters under 21. I intend to introduce a bill in Congress as soon as possible.

State Governor

I'd like to ban sales of *In Range* in our state. The publishers of the game have gone beyond the limit. It's a disgusting, depraved game which will corrupt our children and desensitize them to violence and death.

Principal of a large international school

It's wrong to advertise the game in bus shelters and movie theaters near our schools. There should be no adverts or commercials within the radius of any school or on TV for that matter.

Police-financed advert in a local newspaper

In Range will make young people more aggressive, more rebellious, and increase crime in our city. Shouldn't ExtremAction be showing a sense of social responsibility?

Children's charity spokesperson

In Range is typical of the harmful products of the U.S. entertainment industry which reflect the increasing violence in their society.

Positive comments

Spokesperson for the computer games industry

In Range will be an all-time winner. It'll invigorate our industry, create a lot of jobs, and help us to make more money than the fat cats in the movie industry.

Game On magazine

What more can you say about *In Range*? It's exciting, easy to complete, and can be replayed many times. Great graphics and sound effects, fantastic action, and a credible storyline. No wonder people can't wait to get their hands on a copy.

A champion gamer

What an awesome game! This takes video games into a new dimension. I hope they'll do a follow-up as soon as possible.

A teenage gamer

Really thrilling and scary. Best game I've ever played. Took me ten hours to finish. Killing that drugs baron and his bodyguards gave me a real buzz.

Task

Because of the severe criticisms that they are receiving from politicians, academics, community leaders and the media, ExtremAction decide to hold a press conference. This will enable them to defend the company, explain how they are dealing with the crisis and answer the questions from journalists. Work in two groups.

Group A: Turn to page 138. Group B: Turn to page 145.

- 1 Read your role card and prepare for the press conference.
- 2 Hold the press conference.

Watch the
Case study
commentary on
the DVD-ROM.



Writing

Journalists

Write a powerful article for your newspaper, reporting on the press conference you have just attended. You can either strongly criticise or praise ExtremAction for the way their company is handling the crisis.

ExtremAction Directors

An influential charity called Media Watch has asked you to send them a report on the recent crisis regarding the launch of *In Range*. The report should include the following information:

- the background to the crisis
- an explanation of the actions you have taken to deal with it
- a conclusion, in which you justify your actions.

When you have completed your writing task, exchange your article or report with a partner. Make suggestions, if necessary, to improve the document you have received.

→ Writing file page 131



'Forty for you, sixty for me. And equal partners we will be.'
Joan Rivers, American comedian and businesswoman

OVERVIEW**VOCABULARY**

Describing mergers and acquisitions

LISTENING

Making acquisitions

READING

Acquiring a green business

LANGUAGE REVIEW

Prediction and probability

SKILLS

Making a presentation

CASE STUDY

Rinnovar International

**STARTING UP**

A What do you understand by these terms?

- 1 a takeover/acquisition
- 2 a merger
- 3 a joint venture

B  CD3.26 Listen to a business expert talking about the terms in Exercise A. Compare your ideas.

C Think of three reasons why one company might wish to take over another company.

D What do you think the advantages and disadvantages of acquisitions may be for a company's:

- 1 employees?
- 2 customers?
- 3 suppliers?
- 4 shareholders?
- 5 products and services?

CRISIS PR

Before you read

In your country do public relations firms specialise in either corporate or private work, or do they undertake both?

Reading

Read this article from the *Financial Times* by Matthew Garrahan and do the exercises that follow.

FT

LEVEL OF DIFFICULTY ● ● ●

The spin doctor of restructuring

Matthew Garrahan

Mike Sitrick has a book with hundreds of media contacts and is the spin doctor's spin doctor, helping clients cope with extreme media scrutiny and advising them how to tell their side of the story. He says, however, PR is about much more than stories in newspapers. "We ask the client: who do you want to communicate with? Is it customers, employees, suppliers?" His talents are summed up in the title of his book *Spin: How to Turn the Power of the Press to your Advantage*. But although most of his firm's work is for businesses in trouble, he is probably best known for his celebrity work.

Clients are often controversial – such as Chris Brown, the singer who was arrested after assaulting his pop star girlfriend Rihanna, or Michael Vick, the football player who briefly became one of America's most reviled men for his involvement in a dog-fighting ring. "We represent people trying to get their lives back in order," says Mr Sitrick. "I have to

believe that even if they have done something wrong, they are trying to turn their life around – or that allegations against them are false."

The celebrity work generates headlines but it is his corporate clients that generate most of the firm's revenues – more than 90 per cent, according to Mr Sitrick. The company does not disclose its profits but in the past 12 months revenues were about \$25m (€18.2m, £16.5m), he says. His corporate work ranges from shaping the PR strategy for Exxon when it was being pummelled by negative headlines in the aftermath of the Exxon Valdez oil spill, to advising the late Roy Disney and Stanley Gold when he orchestrated their campaign to remove Michael Eisner as chairman of Walt Disney in 2003. The campaign led to 43 per cent of Disney shareholders withholding their support from him. Mr Eisner later stepped down voluntarily.

Mr Sitrick acted for Patricia Dunn, the former Hewlett-Packard chair-

man, who resigned in controversial circumstances after a boardroom spying scandal and put her up for a grilling on CBS's hard-hitting '60 Minutes' television programme. "People said we were crazy," he says. "Some clients say to us: we'll talk, but only to a softball reporter. But that's wrong – you have to go in front of tough but fair reporters and make your case." A California judge later dismissed all charges against her.

All his business comes by referral – "We don't even have a brochure" – and he tends to employ only former journalists: his staff have, between them, won seven Pulitzer Prizes. "I always felt it was easier to teach a journalist what PR was than teach a PR person what news was."

1 Read lines 1–17 and decide if these statements are true or false.

Mike Sitrick ...

- a) has a 'book' that is referred to in line 1 and this is the same as the one referred to in line 13.
- b) is a spin doctor.
- c) is not admired by others working in PR.
- d) helps his clients to deal with the media.
- e) tells clients to concentrate on communicating with customers.
- f) is best known for his work with famous people.
- g) earns most of his money from working with companies.

2 Use appropriate forms of expressions from lines 18–31 to complete these statements.

If someone ...

- a) does something that not everyone likes, they are
- b) is taken by the police to a police station, they are
- c) is hated and despised, they are
- d) tries to behave better in the long term, they try to get their lives and turn their (2 expressions)
- e) has made against them, these are statements that may be true or false.

3 Answer these questions using the words given and correct forms of expressions from lines 32–52 of the article.

- a) Does Mike Sitrick's corporate work generate most of his sales?
– Yes, even if it doesn't generate as many
- b) Does his corporate work cover a wide area?
– Yes, it from work related to the Exxon Valdez disaster to work with Disney.
- c) Did he work for Exxon a long time after the disaster?
– No, he worked for them in its
- d) Did he organise the campaign to remove Michael Eisner at Disney?
– Yes, he was the one who it.
- e) Did a large number of shareholders stop supporting Eisner?
– Yes, 43 per cent
- f) Was Eisner fired?
– No, he

4 Use the expressions in the box to replace those in *italics> in the extract so as to keep the same meaning.*

journalist who asks easy questions dropped
mad left her job difficult interview critical

Mr Sitrick acted for Patricia Dunn, the former Hewlett-Packard chairman, who resigned *a)* in controversial circumstances after a boardroom spying scandal and put her up for a grilling *b)* on CBS's hard-hitting *c)* *60 Minutes* television programme. "People said we were crazy, *d)* " he says. "Some clients say to us, "We'll talk, but only to a softball reporter *e)*." But that's wrong – you have to go in front of tough but fair reporters and make your case." A California judge later dismissed *f)* all charges against her.

5 Correct the structures of the expressions in italics as they are used in lines 53–74 and 5. (There is one word too many in each structure.)

- a) act up for a client
- b) put someone on up for a particular event
- c) go on in front of an interviewer
- d) dismiss charges opposed against someone
- e) employ on someone in a job
- f) win up a prize
- g) teach in someone what something is

Over to you 1

If you were a PR professional, would you act for ...

- a) an oil company responsible for causing huge environmental damage?
 - b) a celebrity with a 'wild' private life?
- Why? / Why not?

Over to you 2

Think of a recent corporate or celebrity scandal. Describe the situation and the way it was dealt with professionally in terms of PR.

ASSESSING RISK

Before you read

What was the latest 'scare story' in the news (e.g. a public health concern)?
Was the scare justified or not?

Reading

Read this article from the *Financial Times* by John Kay and do the exercises that follow.

FT

LEVEL OF DIFFICULTY ●●●

How our leaders get to grips with a scare story

John Kay

Do you remember swine flu? Or the millennium bug? The dangers of salmonella in eggs or of cheese made from unpasteurised milk? These scare stories played for a time and were then forgotten, but cost large amounts of money and caused anxiety and loss to many individuals. Some scares catch on: others do not. It is nonsense to claim that the dangers of the credit expansion of 2003–07 could not have been foreseen; those who did foresee problems could not attract public attention or political support for their views. Those warning of the danger of easy availability of nuclear technology and of poor control of the former Soviet Union's nuclear weapons have experienced something similar.

Successful promotion of a scare requires that some interest group benefits. Sometimes this is the scare-

promoters themselves. Scientists have learnt that exaggerated claims are a route to a media profile and research funding. There is little downside in predicting disaster: if it does not materialise they can claim to have been instrumental in staving it off. Scares that thrive, such as the millennium bug and swine flu, have commercial interests that benefit from their propagation. Naysayers in the credit boom, by contrast, were ignored in the rush to share the riches available to those who denied or disregarded the dangers.

The regulator, or politician, confronted with warnings of danger faces twin pressures of commercial interest and public opinion. Industries are a permanent lobbying presence. Public concern, by contrast, is fickle: it may be strong when aroused, but unless supplied with a string of newsworthy events – dead

bodies, corporate collapses, scandalous exposures – it soon fades.

When public and commercial interests operate in the same direction, the outcome is clear, but not when they conflict. That is why swine flu produced an exaggerated response but no action was taken to restrain the credit boom. Public anger at bankers is now so great that it threatens to overwhelm even their legendary lobbying capabilities.

We want our experts to talk certainties, not assess probabilities. The explanation "we thought an event might occur but underestimated its likelihood or severity" is never acceptable: but that outcome does, and should, happen often to people who make decisions in complex environments. The political and regulatory incentives are either to downplay risks or exaggerate them – or to do each at different times.

1 Match the two parts of the expressions from lines 1–21.

- | | |
|--------------|------------|
| 1 swine | stories |
| 2 millennium | technology |
| 3 scare | bug |
| 4 credit | flu |
| 5 public | expansion |
| 6 political | attention |
| 7 nuclear | support |

2 Now match the expressions to their meanings.

- dangerous events or possible dangerous events that may or may not be as serious as they sound
- a disease
- a possible problem with computers at the end of 1999
- when politicians say that a problem is important, spend money to solve it, etc.
- a way of producing energy
- when banks increase the amount that they lend
- when people believe that something is important

3 Read lines 22–39 and decide if these statements are true or false.

- The words promotion and promoters are used in their normal senses here. (lines 22 and 25)
- Exaggerated claims are objective and justified. (line 26)
- If you have media profile, you are well known through newspapers, television, etc. (line 27)
- A downside is an advantage. (line 29)
- If you stave something off, you help to prevent it happening. (line 31)
- If something thrives, it disappears quickly. (line 32)
- The commercial interests that might have benefitted from two of the scare stories mentioned were IT companies and pharmaceutical companies. (line 34)
- You can talk about the propagation of an idea, a rumour, etc. (line 35)
- Naysayers are people who disapprove of something. (line 35)
- If you disregard something, you pay attention to it. (line 39)

4 Find expressions in lines 40–60 that refer to:

- someone who ensures that companies in a particular industry obey laws.
- companies and their profit-making activities.
- what the public thinks.
- influencing politicians and the laws that they pass.
- when companies go bankrupt.
- things that are reported in newspapers and on TV, etc.
- when people find out about and are shocked by illegal activities.
- the famous power of banks to influence politicians.

5 Put these questions into the order in which they are answered in lines 40–60.

- Which two examples show this?
- Which of these two examples is now causing people to be very angry?
- Which of these influences is stronger?
- What two influences do regulators and politicians face when there is a possibly dangerous situation to deal with?
- What happens when they are different?
- What happens when the two influences go the same way?
- What determines the strength of public concern about possible dangers?

6 What is the main point in lines 61–72? Choose the best alternative.

Experts ...

- can never know what is going to happen and deserve all the blame they get when they fail to prepare for disastrous events.
- can say after a disastrous event that they did not think it would happen, or would be so serious, even if this does not seem to be an acceptable thing to say.
- cannot be blamed when they fail to predict serious events, because regulators and politicians are either exaggerating or minimising the dangers all the time.

Over to you 1

Think of a recent scare story. How did the government in your country deal with it? Was this an overreaction? Explain your reasoning.

Over to you 2

'We want our experts to talk certainties, not assess probabilities.' After reading the last paragraph of the article, what do you think about this? Is the public ready to think in terms of probabilities?

Why? / Why not?

VOCABULARY

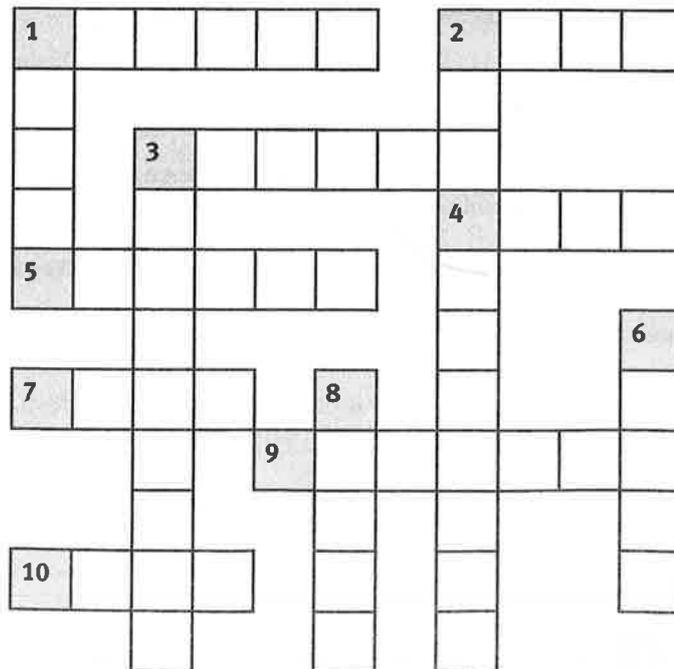
A Use the clues to complete the crossword puzzle.

Across

- 1 '..... first!' is our motto. We've always believed that prevention is better than cure. (6)
- 2 'Take! Those steps are slippery.' (4)
- 3 We need to work out an plan to ensure the crisis does not happen again. (6)
- 4 When you deal with a crisis, you need to responsibility where necessary and appropriate. (4)
- 5 Minimising the negative effects of a crisis is known as limitation. (6)
- 7 Following the disaster, the company suffered a of confidence in its products. (4)
- 9 We immediately issued a press to inform the public. (7)
- 10 During the crisis, we kept our customers up to date with a regular of information. (4)

Down

- 1 How quickly a company reacts to a crisis is known as its of response. (5)
- 2 A plan is a backup strategy. (11)
- 3 An of liability is an acceptance of responsibility in a crisis. (9)
- 6 As soon as the crisis arose, the manager spoke to the media at a conference. (5)
- 8 The risk of being taken to court is the threat of action. (5)



B Complete the noun phrases with a word from box A if the first part is missing, and with a word from box B if the second part is missing.

A	
decision	interest
effects	percentage
fear	range
	stress

B	
action	leader
crisis	managers
expertise	procedures

- 1 Airport and airline Safety Managers are usually aware of the advantages of having well prepared *emergency... procedures...*¹ to minimise both the social and financial *effects...*² of an accident should one ever occur.
- 2 One wrong decision, even a small one, of a *business...*³ could be the cause of a serious *business...*⁴. It is therefore not surprising that the *...*⁵ of making mistakes is one of the most important *...*⁶ factors for executives.
- 3 It is in the *...*⁷ of every company to deal with stress as effectively as possible. In companies where stress is ignored, there tends to be a relatively high *...*⁸ of employees being 'off sick'.
- 4 In a crisis management team, each member must be a *...*⁹ maker in their *area of...*¹⁰. They must also be able to cope with conflicting information, make meaningful recommendations, and develop appropriate *courses of...*¹¹.
- 5 According to a recent survey, *the majority of...*¹² are not suitably prepared to respond to a wide *...*¹³ of problems.

LANGUAGE REVIEW
Conditionals

A Rewrite the following as conditional sentences.

- 1 Our fire alarms are serviced regularly, so we don't have problems with the Safety Department.
If our fire alarms... *weren't serviced regularly, we would have problems with the Safety Department...*
- 2 They recalled the faulty cars immediately, so no serious accidents happened.
If they.....
- 3 They never listened to their customers' comments and suggestions, so they weren't able to improve their services.
If they.....
- 4 We have an excellent safety record because we have got rid of all our older machines.
If we.....
- 5 We invested so much in safety equipment that the number of shopfloor injuries dropped by half.
If we.....
- 6 They didn't have a contingency plan, so they were unable to act.
If they.....

B Complete these sentences with the most appropriate word or phrase from the box.

however much no matter otherwise unless whatever ~~whether or not~~

- 1 *Whether or not*... you personally believe a constant flow of information is important, that's what both your customers and shareholders expect.
- 2 how hard we try, I fear the public won't regain confidence in our products.
- 3 We need to work out an action plan, we'll be in trouble if a crisis arises.
- 4 They will get in trouble with the Safety Department they service their fire alarms.
- 5 the future holds, let's continue to invest in safety training.
- 6 Of course we are in favour of safety training. But you should know that you invest in safety training, accidents will happen.

WRITING
Linking ideas

A Complete the text with the appropriate linkers from the box.

secondly ~~nevertheless~~ as a result finally even firstly even thirdly yet

Much has been written about safety at work. *Nevertheless*...¹, it still often remains an area of employment where the attitude taken is that 'accidents happen to others'.....² there are many good reasons to suggest that much more attention should be paid to health and safety issues.
³, far too many employees are killed or injured each year as a direct result of their work.
⁴, managers can be prosecuted, fined, or⁵ jailed if it is found that they do not provide adequate safety standards.
⁶, any employee who suffers injury or ill health caused by or at work can make claims against the employer for negligence.....⁷, additional costs may be incurred because of sick pay, lost production, etc.
⁸, companies with poor safety records soon have their reputation damaged with customers, shareholders, and⁹ the local community.

B Read the text below about handling a crisis.

In each line 1 – 11 there is **one wrong word**.

For each line, **underline the wrong word** in the text and write the **correct word** in the space provided.

The best thing you can do when you have a crisis on your hands is to remain as responsive as possible and cooperate fully with the authorities. If you are not complete sure what you are talking about, resisting the temptation to give out information just for the sake of seeming cooperatively. Make sure you have facts to deliver, and not just a vacuum to feel.

Always remember to focus on the people affect by the crisis. If there are victims, theirs families will need to be informed, comforted and looked after. Money might needed to be made available to solve urgent issue.

If you do not deal adequately over the provision of information or the people affected by the crisis, your company reputation might have seriously or even fatally damaged.

- 1 completely
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11

C Put the sentences in the body of the letter in the correct order.

Paul Gower's Advertising Agency

23 Alexandra Road
Bournemouth BH4 7NB

20 September

ATMOS Air-Conditioning Equipment
12 Yarmouth Gardens
Stevenage SG2 5LK

Dear Sirs,

- Although the surveyors have not produced their final report yet, they seemed positive that the fire was caused by a faulty component rather than by careless installation.
- In our interest as well as in yours, we recommend that you have all indoor units in that series thoroughly inspected, starting with ours.
- The fire spread quickly, causing extensive damage to one of our offices.
- We are writing in connection with the Delux Cool & Heat-4000 air-conditioning system we purchased on 5 September and which was installed by one of your engineers two days later.
- 1 We look forward to hearing from you.
- We would also be grateful if you could supply a replacement unit as soon as possible.
- Yesterday evening, one of the indoor units caught fire.

Yours faithfully,



Fred Edgerton

D Use the following notes to write the reply from ATMOS to the advertising agency.

- express sympathy
- many Delux Cool & Heat-4000 sold and installed over the past three years / never a single complaint
- suggest operating instructions were not followed
- promise to deliver a replacement and send an engineer
- end on a positive note