

EXECS TO BLAME FOR CRISES YET AGAIN

Management were once again to blame for most crises that occurred during the last quarter of 2006 and most of those tracked during this three-month period had their roots inside organisations and companies. This is according to the Crisis Communications Consultancy which has announced the results of its analysis of business and social issues for the fourth quarter of 2006.

The Crisis Communications Consultancy identified a total of 47 crises during this period. Of these, 33 or 70.2% originated within organisations and companies, while 29.8% or the remaining 14 crises had their origins externally.

“Our research shows that management were responsible for 53.2% of all crises, employees 17% and external factors 29.8%,” says Evan Bloom, MD of Crisis Communications Consultancy. “Based on the previous quarter, things have not improved and this is cause for concern.”

In comparison, during the third quarter of 2006, the Crisis Communications Consultancy identified 43 crises. 67% of these had their origins within companies and organisations, while 33% originated externally. Of the internal crises, 30% were caused by management and 37% by employees.

“Two consistent trends prevail in analysis of the crises and how companies and organisations deal with them,” adds Bloom. “Most companies and organisations are ill-prepared to manage a crisis and actually communicate extensively with the media. Getting the basics right, like having a crisis plan and retaining a PR consultancy to communicate effectively and consistently long before a crisis happens, goes a long way.”

Over the last quarter of 2006, government faced the most crises while the private sector came in second.

In October there were 13 crises. 11 originated internally, management were responsible for 10, and employees for one. There were also two crises that had their origins externally to the organisations concerned. During this month national government faced six crises and provincial/local government dealt with two.

Top of mind during this time were the allegations of tender irregularities to the value of R100 million in the Gauteng Department of Housing, the allegations that a blacklist exists at the SABC identifying editorial commentators who are critical of the government, and the allegations of mismanagement of the forensic science laboratories in South Africa. Other crises included the Carletonville mining accident and legal issues within FABCOS.

In November there were 23 crises. Nine of these originated externally and 14 internally; management was responsible for eight of these and employees for six. Again national government contributed the biggest number of crises in this month with business contributing four and provincial/local government two.

Top of mind crises during this month were the jet fuel leak at OR Tambo International Airport, the escape of Annanias Mathe from Pretoria's C-Max prison, and the social security fraud in the department of Social Development involving 400 000 members of the public and 43 705 members of staff. Allegations against Jackie Selebi due to his relationship with Glen Agliotti and the allegations of sexual harassment against the ANC's parliamentary chief whip, Mbulelo Goniwe, also featured strongly.

In December 2006 there were 11 crises, with seven involving management, one employees and three external forces. National government had the most crises during this month, totalling three. The media focused strongly on Robert McBride's car accident which took place while he was allegedly under the influence.

Additional Information

The report is derived from analysing print media articles in South Africa's leading business daily and weekly publications that cover news events that affect business, politics and civil society.

The data gathered is analysed and catalogued according to a specialised classification system developed by the Crisis Communications Consultancy. The system identifies thirty-five different crises types that could affect thirty different industry sectors.

A core part of the specialised classification system was the ability to follow a crisis from its formative stage until it became a full blown crisis.

Further media information:

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