

DON'T LET YOUR HR CRISIS BECOME FRONT PAGE NEWS

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As South Africa enters the first quarter of 2006, all indications are that business confidence continues to be strong. However, managing a business in South Africa has become a complex responsibility for bosses and directors. Affirmative action, black economic empowerment (BEE), tough labour relation regulations and an independent media who pick up on developing issues do not make things much easier. It is vital, therefore, that human resource (HR) departments ensure they are PR crisis ready.

Looking back over the past few months, the formal and informal business landscape, particularly from an HR perspective, has been populated with numerous crises and issues that have received negative coverage in the media. These have included strikes, poor performance by employees, company rightsizing and executive dismissals for various reasons.

The reality is that all companies should have an organisation wide public relations (PR) crisis plan in place to tackle any eventuality, including HR crises.

So how should an HR department prepare for a crisis?

1. CORRECT POLICIES AND PROCEDURES

For an HR department to function effectively and transparently it needs to have the correct policies and procedures in place. This is crucial for three reasons:

- Employees know that they are being looked after and their company has their best interests at heart
- Shareholders' risk is reduced
- Managers can function effectively knowing that there is a department that works alongside them in developing employee skills levels as well as backing them up in dealing with problematic issues

Some key policies and procedures include:

Ensuring that all jobs are filled by employees with the correct skills
Having processes in place that verify all aspects of a candidate's CV, including stated educational levels, employee work history and work visas if applicable
Having legally binding contracts and the correct job descriptions in place for all employees
Ensuring that there is a solid induction process for new employees
Rolling out an objective appraisal process that will determine if employees qualify for promotions and pay increases
Having a counselling and grievance process for employees who are not measuring up to the company's expectations or who feel that they are being unfairly treated
Finally, having in place a water tight process to dismiss employees of all levels should the need arise

2. HR VULNERABILITY AUDIT

Before the crisis management plan is created an HR vulnerability audit needs to be rolled out. This will identify any HR and related threats facing the company. The following needs to be ascertained from employees:

- Their perception of their company
- Their perception of their line managers and directors
- Their perception of the products and services they sell
- Factors providing job satisfaction and dissatisfaction
- What they would like to see implemented/removed from the workplace

The HR department's management team then needs to answer the following:

- What HR issues does our company face on a daily basis?

- What HR related events would be considered a crisis?
- What HR crises have happened to the company in the past?
- What are clients' perceptions of employees who they deal with on a daily basis?

Conducting a vulnerability audit will also show the HR department what personnel think of their place of employment. The comments of each staff member and clients must be kept confidential.

3. CRISIS MANAGEMENT TEAM

Once all the potential issues have been identified, a team to manage all eventualities must be set up. The crisis management team needs to include the company MD/CEO, the HR director, and the heads of the following departments: legal, finance, communications, and the various different divisions. Allowance must also be made to bring in external consultants and specialists like legal and labour relations experts.

4. DESIGNATED SPOKESPERSON

The crisis team will need to have a spokesperson in place who is fully versed in all HR aspects of the company. Typically, the company MD or CEO is the spokesperson. However, in certain situations the HR director can assume this role. Should this be the case, the HR director must be knowledgeable on all aspects of the company including its day-to-day functioning, products and supply chain.

5. CRISIS READINESS

With the potential HR vulnerabilities identified and a spokesperson in place, the crisis management team needs to get itself crisis ready. This is accomplished in five steps:

1. Identifying HR crises

A brainstorming session needs to be held to identify all particular crises that could affect the HR department and the company at large. Particular care must be taken to ensure both likely and unlikely crises are identified.

2. Preparing statements

Once the different HR crisis types have been identified, a series of "prepared statements" must be developed in template form so that when the respective crisis breaks the details can be filled in and the statements issued to the media.

3. Collateral materials

A detailed collateral file needs to be created. This must include a series of company specific documents, photographs of spokespeople and readymade press packs that can be sent out to any journalist or interested party.

4. Roles and responsibilities

Each person on the crisis team needs to have particular roles and responsibilities that they take ownership of. Typically, it should be in their area of competency and they must be able to work independently, and as part of an integrated team.

5. Contact list

An up-to-date contact list of the entire HR crisis team needs to be maintained so they are contactable at any time. The list must include all home, work and mobile numbers as well as all relevant e-mail addresses.

6. THE ACTUAL CRISIS PLAN

The HR crisis plan needs to exist as a complete document in both soft and hard copy and must be easily available to all crisis team members. Consistent monitoring of the company's operating environment must take place so the crisis plan can be updated and the crisis team readied for all new potential crises.

7. MEDIA TRAINING

The spokesperson must be media trained so that they not only know how to deal with the media in any eventuality, but also understand how the media works.

Coupled with the crisis management plan, the HR department must also ensure that the following is in place:

8. OPEN COMMUNICATIONS

As a preventative strategy, all companies need to have an open door communications policy. It is not good enough for the HR director to have the attitude of "my department's doors are always open to our staff." An environment must be created that:

- Allows employees to communicate openly with senior management
- Makes the HR department approachable
- Shows employees that their views and opinions are both listened to and welcomed
- Enables employees to communicate anonymously
- Facilitates effective communication to and from a semi-literate and illiterate workforce

9. ISSUES MANAGEMENT

Policies and processes must be available to facilitate effective conflict resolution and deal with issues that include:

- Promotion and demotion
- Sexual and racial discrimination
- Workplace violence
- Hiring and dismissing employees and management
- Downsizing a workforce

The HR departments of most South African companies and organisations will continue to be faced with various complex issues for the foreseeable future - factors that could threaten the existence of their company and its brand. An effective and easy to implement crisis management plan will make tackling any crisis easier and effective.

Further media information:

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