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Crisis Communication: Lessons from 9/11

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At 8:45 am on September 11, 2001, John Murphy, the CEO of Oppenheimer Funds, was out for a run in lower Manhattan's Battery Park. He was thinking about the company's reorganization plan, which he had announced the day before, when suddenly he saw an explosion near the top of the north tower of the World Trade Center. He stopped to watch black smoke pour from the place of impact--an awful lot of smoke, it seemed, for what was probably a small plane that had lost its way. He thought of his own employees in the neighboring south tower and made a mental note not to renew Oppenheimer's lease in that building. "First the bombing in 1993 and now a plane accident," he thought. "What's next?" He continued jogging, now in the direction of the office.

At the same moment, some 1,600 miles away, Timothy Doke was fighting rush-hour traffic on his way to American Airlines headquarters in Dallas. His pager went off at the same time his cell phone started ringing. As Doke, American's vice president of corporate communications, scrambled to answer the phone and fish the pager out of his pocket, a sinking feeling came over him--a feeling made worse by a voice on the phone informing him that one of American's flights out of Boston had been hijacked. Doke passed the exit to his office and headed for the next one, which would take him to American's strategic command center, the company's hub for handling crisis situations.

Back in New York City, Mary Beth Bardin was in a cab on the traffic-snarled streets of midtown Manhattan on her way to a breakfast meeting when she, too, saw smoke billowing into the otherwise clear blue skies. "Something must be on fire downtown," she thought. The cabdriver turned on the radio, and Bardin was stunned to hear that a jetliner had crashed into one of the World Trade Center's towers. Traffic ground to a halt, and Bardin, executive vice president of public affairs and communications at Verizon, jumped out of the cab and headed on foot to her company's offices at 42nd Street and Sixth Avenue. She immediately thought about the 2,200 Verizon employees working in lower Manhattan, especially those located in the World Trade Center and in Verizon Wireless's store there. Could they have been hurt? Her pace quickened, and she reached for her cell phone to let headquarters know she was on her way in.

Many companies have faced disasters in the past. What was unique about the events of September 11 was the breadth of their impact on business. Some companies lost scores of employees. Many others saw key components of their infrastructure destroyed, at least temporarily. A still larger group had to struggle with secondary effects--customers requiring heroic levels of service, suppliers unable to fill orders, breakdowns in transportation and communication, collapses in demand. And every company in the country had to deal with traumatized and bewildered workers. Suddenly, crisis management was every executive's job.

I've spoken with many managers about their experiences and how they responded to the events of 9/11. Some of them, like John Murphy and Mary Beth Bardin, were near Ground Zero. Others, like Tim Doke, were far away from the site of the attacks but were nevertheless buffeted by their impact. What I discovered is that, in a time of extreme crisis, internal communications take precedence. Before any other constructive action can take place--whether it's serving customers or reassuring investors--the morale of employees must be rebuilt. In the words of Ray O'Rourke, managing director for global corporate affairs at Morgan Stanley in New York, "We knew within the first day that, even though we are a financial services company, we didn't have a financial crisis on our hands; we had a human crisis. After that point, everything was focused on our people."

In my conversations with a range of executives, I was able to distill five lessons that I think can serve as guideposts for any company facing a crisis that undermines its employees' composure, confidence, or concentration. Many of these lessons relate to preparation--to establishing plans and mechanisms for emergency action. But if 9/11 taught us anything, it's that we can't anticipate every contingency. Sometimes, we have no choice but to improvise. Here, too, the experiences I uncovered can serve as useful models. Improvisation, after all, is most effective when a strong corporate mission and vision are already in place to inform and guide it.

Get on the Scene

In a move that would soon attain legendary status, New York City Mayor Rudolph Giuliani arrived at the World Trade Center within minutes of the first attack to take charge of the rescue operation. In the days and weeks that followed, he would conduct several press conferences in the vicinity of the destroyed towers, attend many funerals and memorial services, and maintain what seemed like a ubiquitous presence in the city. His visibility, combined with his decisiveness, candor, and compassion, lifted the spirits of all New Yorkers--indeed, of all Americans.

During the crisis, the most effective managers maintained similarly high levels of visibility in their own organizations. They understood that a central part of their job is political and that their employees are, in a very real sense, their constituents. In periods of upheaval, workers want concrete evidence that top management views their distress as one of the company's key concerns. Written statements have their place, but oral statements and the sound of an empathic human voice communicate sincerity. And if the voice belongs to a company leader, the listener has reason to think that the full weight of the company stands behind whatever promises and assurances are being made. In the words of Rob Densen, Oppenheimer's director of corporate affairs and a survivor of the 1993 bombing of the World Trade Center, most people engulfed in a crisis "want to be led and accordingly need to trust that you are going to lead them."

As the local telephone service provider to much of New York, Verizon faced enormous business and operational challenges in the wake of the Trade Center attacks. The 2,200 Verizon employees who were situated in the vicinity of the Center were involved in running the densest knot of cables and switches anywhere in the world. The attack knocked out 300,000 voice access lines and 4.5 million data circuits and left ten cellular towers inactive, depriving 14,000 businesses and 20,000 residential customers of service. Within hours, Larry Babbio, the head of the company's telecom business, traveled to the site to inquire after the safety of employees and inspect the damage. The CEO, Ivan Seidenberg, during the week following the attack, worked closely and at length with the communications team to craft and record voice mails addressed to employees who could still be reached outside the area of devastation. These messages went out daily until the stock market reopened the following Monday. "This was a time for leadership, and employees wanted to hear directly from the leader," Bardin says. The messages focused on employee safety, those unaccounted for, the condition of the network,

and how Verizon was going to get the New York Stock Exchange open for business. In addition, senior managers toured various facilities to meet with employees, and Seidenberg himself inspected the damage to Verizon's building at 140 West Street.

Employees at the New York Times faced a particularly harrowing challenge after the attacks. They were as traumatized as other New Yorkers--the company's main offices are on West 43rd Street, about three miles from Ground Zero, close enough for them to see the smoke. But it was their job to cover the attacks with the clearheadedness and distance of professional journalists. The sheer scale of the event, and its effect on friends and neighbors, shook even the most hard-bitten newsroom veterans. Russell Lewis, CEO of the New York Times Company, realized that the leadership team had to be seen acting "calmly, rationally, and humanely"--indeed, to be seen smiling--"so that our staff would mirror our behavior." One of the first things he did was to go to the building's fire command station and use its emergency public-address system to assure the staff that, until more was known about the attack, the safest place to be was within the Times' fortress-like headquarters. He would use the system frequently over the next several days to reassure and update employees.

"When people heard us on the speakers, they listened. Your voice must sound calm, in control and, most important, earnest," says Lewis, thinking back. He, Chairman and Publisher Arthur Ochs Sulzberger, Jr., and Times newspaper President Janet Robinson became the crisis management team, walking throughout the building each day to answer employees' questions concerning such matters as building security and to thank them for their dedication. "Most of all, we wanted people to know we were all in the same boat," Lewis says.

Communicating with the people actually covering 9/11 was far from unnecessary. "If anything," he says, "journalists needed more information than other Times employees about what the company was doing in response to the crisis. They are paid to be skeptical of authority, and if you can't adequately explain and defend what it is you're telling them, they won't go along."

The presence of senior management wasn't just important for companies in Manhattan--all around the country, bewildered and frightened employees were hungry for leadership. Think of Dell. It's headquartered in Texas, and its people suffered little direct impact from the terrorism. Yet they were devastated emotionally. Within a few days of 9/11, CEO Michael Dell and Kevin Rollins, Dell's president and chief operating officer, out of a simple desire to be involved and heard, decided they would meet with all of their directors and vice presidents, who were encouraged to talk about how they and their teams were holding up. To keep the meetings small and personal, three were held. The meetings were also taped and put on the company intranet for the benefit of every employee. In a stark departure from business as usual, Dell and Rollins said the focus should not be on sales or margins but rather on Dell's people and helping affected customers rebuild.

Choose your Channels Carefully

Whether natural or man-made, disasters often disrupt normal flows of communication. Phone lines and power lines may be destroyed. Computer networks may go down. Groups of employees may be stranded or isolated. This was certainly the situation many companies faced after 9/11. To reach their people, managers often had to be creative in using unusual communication channels. Many, for instance, used the mass media to communicate with employees. Oppenheimer Funds, which occupied five floors at Two World Trade Center, wanted to send a message to both its employees and its customers that it would be operational as soon as the markets reopened. So CEO John Murphy appeared on CNBC's Squawk Box to deliver that message. In fact, its contingency site in New Jersey was ready for trading before the markets reopened.

Normally, of course, the news media and corporate America have what may best be described as an adversarial relationship--one that communications officers are asked to "manage." However, as the events of 9/11 unfolded, many of them realized that they needed to start thinking of the media as allies--in part because their failed communications systems left them no other choice. At Morgan Stanley, the voice mail system serving its 2,700 employees based in Two World Trade Center and another 1,000 in Five World Trade Center, a smaller structure, had been disabled, as had the internal Web site for its broker network.

But affected companies did not view the media channel as merely a default communications system. Ray O'Rourke of Morgan Stanley explains: "Our employees take real-time news feeds on their desktops. They are very news sensitive. They read it, analyze it, question it. The media were critical for communicating with our employees."

Oppenheimer's Rob Densen concurs: "Employees take their cue from the external media, so you need to demonstrate your functionality through the media." One way Oppenheimer did so was by publishing a full-page letter from Murphy to his employees in the Wall Street Journal, USA Today, and the New York Times.

Some employees will trust a message that has been mediated by independent gatherers and distributors of the news more than one that comes directly from the company or appears as a paid advertisement. This filtering effect is especially useful at companies where employees tend to be suspicious of statements from management. American Airlines, for instance, has had a history of troubled relations with two of its unions, the Association of Professional Flight Attendants and the Allied Pilots Association. According to Tim Doke, "In a crisis, we usually end up relying on news media to get our message out... CEO Don Carty speaking directly to employees through media outlets such as CNN's Larry King Live and the network morning shows has built bridges and created understanding between management and labor." In the aftermath of 9/11, both unions waived a number of the rights of their rank and file to help American Airlines get its planes back in the air.

Although some companies have put computer kiosks on factory floors, the continuous nature of manufacturing operations and the distance of some workers from on-line hookups make communicating via e-mail in such venues difficult. American Airlines found a way around this by using its reservation system to reach as many employees as possible. "Carty's voice mails were transcribed and sent to the SABRE machines--those machines that print your itineraries and tickets--as well as posted on the Internet and e-mailed to employees," says Doke.

The machines are scattered all over airports, including employee lounges. While their major function is to receive messages, they do have a module permitting the company to communicate with employees, especially those in the field. "The SABRE machines meant that even maintenance people on tarmacs, who might not have Internet access at work, could be kept informed," Doke says. American Airlines also recorded Carty's messages on Internet hot lines and posted transcripts of them on its Web site.

To confirm that they were safe, Morgan Stanley's employees could call one of the toll-free numbers that fed into the company's Discover Card call centers. The firm also put the number on the ticker display that wraps around its Times Square building. Here, too, the TV networks played a role by broadcasting the number. Quickly, the Discover Card call center became the call center during the crisis, even routing calls from non-Morgan Stanley employees looking for information.

Stay Focused on the Business

"Everyone wanted to know what they could do in the wake of 9/11," says Russell Lewis. "At the New York Times Company, no one had to even ask that question. Our mission is to put out the best newspaper we can so that readers can be as informed as possible. Just like a trauma

surgeon, this is what we train for. There was no question that our employees felt that their job had meaning. And in the end, the Times received Pulitzer Prizes for its 9/11 reporting."

A focus on work, in fact, can be enormously helpful to employees in a time of crisis. It provides an outlet for their desire to help, gets them back into a normal routine, fosters their pride in the company and what they do, and builds strong bonds between themselves and their customers, many of whom desperately need the company to keep their products and services flowing.

According to Elizabeth Heller Allen, vice president of corporate communications at Dell, "the key was finding an outlet for our employees' desire to help." The urgency of getting some 75 of Dell's customers at Ground Zero and others in the DC area back in business pulled the staff together. At the same time, the senior leadership knew that only a revitalized staff would be able to deliver on Dell's strong reputation for customer service. A Dell document stated that the objective of its response plan was "to increase employee understanding of how the September 11 terrorist attacks affected Dell's customers and business and how Dell would respond." But, other company documents showed, top management knew that Dell's employees could assist affected customers only if they had a sense of security themselves.

Dell's business model, which dispenses with the middleman, puts the firm directly in touch with its thousands of customers. Because of that direct contact, employees know exactly what these customers need and want. "We have complete records of what we've sold to every customer, so we knew what they had lost," said Allen. "While it meant working around the clock to get the computers configured with the correct software, it was our way of giving back."

Other employees worked those hours to pack and ship systems to the affected customers, who could place orders 24/7. Dell also established service and response teams that customers could reach through dedicated phone lines and the company's Web site, which gave instructions for obtaining immediate assistance.

"Reaching out to employees struggling with shock, grief, and anger with a more family-like tone enabled us to focus those feelings on responding to our customers' urgent needs. Maintaining that tone with regular updates more firmly than ever linked our customer-experience strategy to our teams' everyday work," says Rollins.

Months after 9/11, the company tried to measure how effective these strategies were. It determined that Dell Helping Rebuild America, an internal Web site, received 54,947 hits in its first two months. The site averaged 603 hits per day, and had 11,016 unique visitors during that period, almost a third of the workforce. In addition, the company asked for feedback from employees and found that 90% thought that Web casts from the CEO and COO during the crisis were helpful and relevant to their jobs and the organization.

Starbucks displayed a similar mixture of head and heart. The chain of coffee shops had a total of 250 branches in New York City's five boroughs, four of them adjacent to Ground Zero. "A major part of what's helped us through this was engaging in the relief effort," Marty Annese, a senior vice president, told a trade publication. The initial "instinctive" response of the company's crisis management team, according to Chairman Howard Schultz, was to close all company-owned stores in North America so that employees "could return home to be with family and friends," according to a company statement. Headquarters conveyed this message by voice mail and e-mail to all the stores.

But with the exception of 15 or so stores at the southern end of Manhattan, the New York City branches reopened on September 13. Several served food and coffee to rescue workers at Ground Zero, to people at blood donation centers, and to those at the Jacob Javits Convention Center, the command center for volunteer operations during the crisis.

Have a Plan in Place

While many companies have crisis contingency plans and disaster recovery plans in place, few had been tested as rigorously as they were on September 11. As **Gregor Bailar**, then chief information officer of Nasdaq, commented, "People will have to look very carefully at their backup strategies and see whether they can communicate with everybody easily, whether critical data are stored in that same building that could experience a disaster."

Having contingency plans means, among other things, establishing contingency work sites. Soon after a truck bomb exploded in the garage of the World Trade Center in 1993, the New York Board of Trade began planning them. By 1995, it had built two sites in the borough of Queens. For six years, they sat empty, costing NYBOT \$ 300,000 annually in rent and utilities. After September 11, 2001, however, these remote trading pits proved to be one of the best investments NYBOT had ever made.

Web-based communications require their own version of contingency planning. When the destruction of Oppenheimer's Trade Center offices knocked out its intranet Web server, staff moved quickly to post crisis communications on a newly created employee section of the company's Web site. Many other companies also took that approach so that employees who had Internet access at home could stay connected.

Although operations during a crisis should be decentralized, decision making should not be. Airlines have some of the better-developed crisis command centers. At American, the strategic command center is a vast room featuring a large, horseshoe-shaped table with fully equipped workstations and a conference call line that can accommodate as many as 200 outside callers. Large-screen televisions set up to receive satellite broadcasts allow command center employees to monitor all news coverage of the crisis.

Messages should also be sent from a centralized source. At Oppenheimer Funds, Bob Neihoff, then manager of contingency planning, called a designated number within moments of the attack, punched in some information, and activated the company's crisis plan. Employees already knew to call into the Denver operation, which assumed control of the technology running the Web sites and voice mail systems. However, the substance of all communications came from Densen, the corporate affairs director, and CEO Murphy in New York City.

A widely circulated toll-free number can help ensure that employees obtain information from a single authorized source. Because Verizon had such a number, its 250,000 employees nationwide were able to access recorded messages containing the latest information about the crisis. Morgan Stanley's toll-free number was televised as early as 11:00 am on September 11, making it, according to President and COO Bob Scott, "the first national emergency number of any organization, including the federal government." By 1:30 pm that day, the firm's crisis center had received more than 2,500 calls.

Finally, many executives I spoke with emphasized how important it was to have experienced communications professionals on board. These people were panic proof, executives said. "The advantage of communications veterans," adds American Airline's Tim Doke, "is that they have done everything, so in a crisis you can easily pull them out of one job and put them in another."

Improvise, but from a Strong Foundation

"All of the planning that you do for a crisis helps you get through the basics," says the New York Stock Exchange's Robert Zito, its executive vice president for communications. Still, "people need to think on their feet and make quick decisions. Until the crisis comes, in whatever form, you don't really understand how valuable all the preparation was."

There is more to preparation than training. As important is instilling in employees the firm's values. Although Starbucks ordered its 2,900 North American stores closed within a few hours of the attacks, the managers of several undamaged stores near the disaster site decided on their own initiative to stay open, a few all night, to provide coffee and pastries to hospital staffs and rescue workers. Others served as triage centers for the injured. People who had been wandering the streets of lower Manhattan in a daze were grabbed by Starbucks employees and pulled inside--and in some cases, lives were saved when nearby buildings collapsed.

One of the eight precepts recited in Starbucks' mission statement is, "Contribute positively to our communities and our environment." Many of Starbucks' outlets are, even in Manhattan, neighborhood-gathering places, full of comfortable chairs in which customers may linger for hours. Essentially, they had helped bring together the community they served.

Goldman Sachs's neighborhood is, in the abstract, the global marketplace, but its employees' dedication to this community couldn't have been fiercer. In one of his regular voice mails, Goldman Sachs CEO Henry Paulson saw something of the typical bond trader's agility and coolness under fire in his employees' ability to cope with a disabled transportation system. "Getting to work remains very difficult," he said. "Many routes are sealed off or closed. But that hasn't stopped you....The police stepped in and stopped the buses you chartered. So one of you had the clever idea to secure ferryboats. What you couldn't do by land you did by sea. Today, the idea of special buses with police escorts was a winner. And every colleague who needed to be in the office was here."

That may have been due, in part, to other remarks Paulson had made. "Our assets will always be our people, capital, and reputation, with our people being the most important of the three... And the lesson here is that our principles will never fail us as long as we do not fail to live up to them."

Goldman Sachs employees weren't the only ones using nautical approaches to get to the office. At the New York Times, Russell Lewis told us that one reporter kayaked across the Hudson River to get to work.

Many of the executives we spoke with emphasized that a company cannot start communicating its mission and vision during a crisis. Employees will know what to do only if they have been absorbing the company's guiding principles all along. Two of Oppenheimer's shared values, according to an internal document, are "dedication to caring" and "team spirit." Thinking back to 9/11, CEO John Murphy says, "If you have a strong culture, you have the ability to maintain focus. On 9/11, we had a structure, a belief system, and a hierarchy all in place. That helped us to get through the crisis, and we haven't skipped a beat since."

The company had one more advantage: a communications strategy, which succeeded in reminding its employees and the world of those assets. When the markets reopened, Oppenheimer, the only mutual fund manager in the towers, had one of the largest net inflows of any broker-sold fund family in the United States.

The most forward-thinking leaders realize that managing a crisis communications program requires the same dedication and resources they typically give to other dimensions of their business. They also realize that a strong internal communications function allows them not only to weather a crisis but to strengthen their organization internally.

Just as a death in the family often brings people closer together, so did the catastrophe on 9/11. Many of the executives I interviewed talked about how their companies sustained that sense of community long after 9/11 by keeping the lines of communication open. At the New York Times, the strength of these bonds was tested soon after the terrorist attacks when a reporter received an envelope containing a white powder suspected to be anthrax. Once again, Russell Lewis and other senior executives went on the public address system. "For that time

period," he recalls, "we were a family, and that doesn't wear off, as long as you are consistent in your concern for coworkers."