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# Executive Roundtable JOURNAL

Knowledge, Data and Tools  
for C-Level Decision Makers

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**ACTIVE  
STRATEGIC  
LEADERSHIP**





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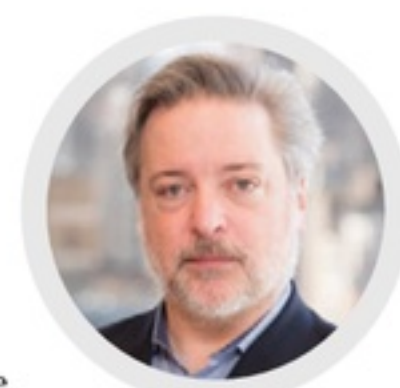
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# Message Matters

Tips to ensure your organization is ready for media opportunities — and crisis control

By Marie Swift



**In today's fast-paced digital world,** business leaders in the financial services and fintech world need to be ready for media attention and market scrutiny – both good and bad. Opportunities to respond to press requests can arise on any given day, and sometimes the journalist needs a quick response from the right spokesperson. At the same time, bad news can strike just as quickly, demanding the same or even more attention.

Working with the media entails being nimble. It builds rapport when they see us going the extra mile to help them meet their editorial demands, so we always want to have media-trained spokespeople in place and essential talking points at-the-ready. It's not so bad to let a few good opportunities vaporize due to time constraints – although I do encourage the firms my team and I work with to rally to the challenge even if the journalist's deadline is tight, especially if the positioning for the executive and the firm is good.

Are there instances where it's just not a good idea to speak with the press? The short answer is "yes."

We must be ready for the possibility that good and bad attention can spring up at any time. I can tell you from first-hand experience that firms that haven't prepared ahead have sometimes been badly stung. For instance, I heard from a reliable source that a mid-tier financial services firm had failed to properly brief and prepare their employees prior to a public announcement that was made about the acquisition of that firm by a larger organization with global reach – imagine the chaos that could have been avoided.



# When to Avoid Speaking to the Press

SITUATION	MY ADVICE
 <p><b>You do not have a well-reasoned and thought-out message</b></p>	<p>Wait until you have considered all aspects of the situation and what is right to say, who will say it, potential potholes, etc.</p> <p>Do not take calls or respond to emails that come “out of the blue.” Always have a media-trained staff person or a member of your PR team serve as a buffer between the executive team and the press.</p> <p>Have your buffer person find out as much as they can, including the time frame, and let the journalist know that the appropriate person will be in touch as soon as possible.</p> <p>You do not need to grant an interview or extend comments at that time. Stall a bit. You’ll be glad you did — even if the opportunity is a good one. You want to be able to bring as much value to the conversation as possible and thinking through the possible Q&amp;A in advance always helps.</p> <p>Always have a media-trained staff person or member of your PR team in the room and/or on calls with the press. They can, through pre-assigned signals, help you avoid sticky situations, help you remember key messages, etc. They can handle all follow-up, both good and bad if they were witnesses to the conversation.</p>
 <p><b>You have not fully informed staff, stakeholders and strategic partners</b></p>	<p>Wait until you have informed all internal stakeholders. The last thing you want to do is to create confusion, panic, or ill will within the ranks.</p> <p>Provide talking points and key phrases to anyone who might be pulled into conversation with press or interested others. Your PR team can work with you to craft a sheet of facts and information that people can have at-the-ready. Have everyone rehearse the points out loud several times so that they feel prepared and well-grounded should it be determined that it would be good to have some or all of your people amplify key messages — or if you think they may be put on the spot and end up in a sticky situation.</p> <p>The goal is to have people share the positive side of the story without making up their own facts or creating their own narrative.</p>
 <p><b>There are confidentiality issues</b></p>	<p>Sometimes you just can’t talk about things. Use a bridging technique to deflect the line of inquiry honestly and simply. Less is more when confidentiality is at stake, but do not simply say “no comment.” You do not want to be seen as being illusive or uncomfortable. Simply tell the journalist in a friendly but matter-of-fact way what you can and can’t do.</p> <p>For instance: I wish I could discuss the matter with you but that is something I simply can’t do right now. What I can tell you is:</p> <ul style="list-style-type: none"> <li>(a) I’ll get back in touch if/when there is something I can say</li> <li>(b) The right person will circle back to you when the time is right</li> <li>(c) My situation is unlikely to change regarding this particular scenario but you might want to check in with so-and-so (someone you trust to be helpful to the journalist but also to your situation)</li> </ul>
 <p><b>The timing isn’t right</b></p>	<p>Let’s say you are a few months away from making a particular announcement or there is a legal or financial issue brewing. A journalist calls due to leaked information or a hunch. They could be fishing to see if their hunch is right and/or hoping to validate a rumor or some other sort of speculation.</p> <p>Use the bridging technique described in #3 above. For instance: I can’t speak to that right now ... but what I can tell you is:</p> <ul style="list-style-type: none"> <li>(a) You’ll be one of the first to know when we are ready to talk about all the new and exciting things we have in store this year</li> <li>(b) We’ll have a formal statement coming out soon and the PR team will get that to you</li> <li>(c) That so-and-so at (friendly/helpful company) might be able to comment right now</li> </ul>





## INQUIRING MINDS WANT TO KNOW

One consideration that some firms fail to fully think through is what it says about their company when a new leader is put in place. While the leadership team and board members may have long since worked through the rationale for making a strategic hire or elevating an internal resource, the outside world – including the media – may not fully grasp the rationale.

If, for instance, a large IBD (independent broker/dealer) names their tenured Chief Financial Officer the new Chief Executive Officer due to the current CEO's retirement (even though an external search was conducted) what does that signal? What does it signal if a respected fintech company brings in two new executives who were formerly with a mid-sized broker/dealer? How about when a global financial services firm known for its life insurance and annuity products rolls out solutions for commission-free advisors?

Let's think of another scenario: A fintech start-up takes root and gains market share through nimble marketing tactics and charismatic leadership. One of the co-founders leaves; people who followed this individual's witty but somewhat prophetic insights wonder why. The public face changes to a different co-founder with a different communication style. The next year, a re-branding and a cash infusion from an outside entity follows. Then, there are several acquisitions, and changes in the leadership team as it becomes a bigger and bigger player on the fintech scene and, ultimately, a new parent company acquires the firm. Each of these pivots, twists and turns needs to be explained in a logical way to those who might otherwise speculate on what this all means – especially the media, whose job it is to help make heads or tails of industry news and announcements.

These nuances need to be considered and thoughtfully articulated in corresponding internal and external announcements. Talking points should be crafted for not just the executive team but for staff members who might be put on the spot by strategic partners, current and prospective customers and even the press.

## WHEN FIRMS COME UNDER FIRE

Even the best of us can come under fire when it comes to our health and well-being, not just as an organization but as business leaders as well. Remember when several financial services firms were in the news for allegedly failing to properly supervise representatives who allegedly misled investors about the safety of a

money-market mutual fund that “broke the buck” in 2008? How about when in 2011 a diversified financial services company and bank holding company said it was looking to shed one of the top 20 independent broker/dealers? I'm sure we can all think of times when a high-profile person or financial services executive became sick (or was rumored to be sick) and there was speculation about not just the health of the individual but about the future of the company as well.

The reality today is that when news breaks, whether it's good news or bad news, social media becomes an amplifier as tribes of people beat the drums and spread sometimes erroneous, negative news.



Having worked in the trenches with some of the companies referenced above, and many others who have faced complex decisions and sometimes difficult choices, I'd like to offer some suggestions on what to do now to be ready for a possible negative event. It could be that you will never need to use your communications crisis plan. But it's worth having one “just in case.”





## TIPS TO PREPARE FOR A CRISIS

### 1. Identify your crisis communications team

Successful businesses know a good team is the foundation of success. The first step is to formally identify who will need to be involved and alerted should a crisis hit. This group should not be too large but it should represent leaders from the major branches of your organization, as well as your legal and communications teams. These are the people with the expertise and perspective to navigate the crisis and pull in any additional manpower or experts needed. You'll want to ensure a unified front.

Not only does this process crucially cut down your response time, it also provides your company with:

- Experts who can identify when you are “in crisis.” If someone recognizes a crisis emerging but doesn't know who to inform, you are behind.
- An influential group actively looking for and anticipating crises. By officially appointing people to the team, it adds to their professional identity. Now, they will be on the lookout for potential crises, and add further insight on future scenarios.
- A group to train. Even running a few exercises can help you work out the kinks when it comes to organization and expectation setting. This also applies to media training.
- Built-in accountability — before, during, and after. This group will be on the front lines when it comes to improving processes and following up with internal and external stakeholders as the crisis unfolds.

### 2. Develop pre-approved holding statements

When a crisis hits, you will have a lot of things demanding your attention. At the same time, communicating swiftly and effectively can do wonders for mitigating an active or potential crisis. Here is where holding statements come into play. A holding statement is a short message organizations put out to the public, the media and internal stakeholders in the first hour or so of a crisis. The goal is not to immediately solve or explain the problem at hand. Instead, a holding statement allows you to effectively control the narrative with minimal effort as you get a handle on the scope of the crisis yourselves. You don't need to write holding statements for every conceivable situation, but having a broad selection gives you examples from which to work.

- **Acknowledge with transparency.** Be honest and say what you know has happened. Do consult with your legal and PR teams to ensure you aren't creating any liabilities. Do not include anything unconfirmed, uncertain, involving speculation or unsubstantiated rumors.
  - EX: “We have been made aware of a data security breach on our platform.”
- **Start with empathy and keep the victims in mind.** All communication coming from the organization should, without assigning blame, focus on those hurt — or even inconvenienced — by what happened.
  - EX: “We sincerely apologize to those affected by this lapse in security.”





# Crisis Plan Checklist



**Formally identify who will need to be involved and alerted should a crisis hit**



**Create a short “holding message” to put out to the public, the media and internal stakeholders in the first hour or so of a crisis**



**Stop the rumor mill by determining whom you need to tell what, and when**

- **Remember your values and promise action.** People need to know you see this as something important and that you’re working on it. Including your company’s values in the response shows empathy and helps assure you are taking it seriously.
  - EX: “The privacy of our clients’ data is always our first priority. We are working with the authorities to identify what data was lost and identify the cause.”
- **Promise and/or point to an update.** These next few hours could get crazy. Let stakeholders know you are in control, what’s coming next and where to find it.
  - EX: “We will be holding a press conference at 2 p.m. via WebEx to address these issues. Subscribers are asked to monitor their emails for additional updates. A hotline for those with questions has been set up.”

## 3. Develop your channels of communication

The work to get a platform for regular communication with your various audiences will serve a critical role if and when a crisis comes knocking. One of the earliest decisions a crisis team has to make is, “Who do we need to tell what, and when?” Everyone affected by the crisis needs to be given the same information, including your employees. Social media gives everyone a platform to speculate and agitate the rumor mill and gives media an easy way to track down employees and agitators for comment.

Ensuring you have reliable ways to contact the media, your clients/consumers, and your employees will ensure your message gets out quickly and widely. In addition, having good reputations and relationships in all three areas gives you some credibility and good faith to work with to help protect your image as you deal with the fallout.

Being effective communicators takes perspective and planning. Flat-footed damage and/or discomfort can be avoided with advance preparation. I hope these examples and tips are helpful as you reflect back and consider the future. ■



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