

- **Issue anticipation is key.** The day after Mercy Hospital-Detroit closed, there was press attention on the letter of intent to acquire the suburban hospital, St. Mary's (Livonia) – affecting speculation about the true motivation of the closure. Pending was the merger of MHS with Holy Cross Health Systems in May 2000.
  - **Know the other events that will serve as “triggering events” for your issue** (e.g. public notice, closure of the ER, closure of outpatient clinics, news of employee terminations, etc.).
3. **Accept the fact that you will not influence everyone to adopt your position.** Recognizing some activists would never change their position, MHS focused on educating and enlisting innovators and early adopters who could buy into the plan and neutralize the voices of the resisters or laggards.
  4. **Don't release anything until after you are ready to go public.** MHS first told docs in a previously-scheduled meeting on Dec. 15<sup>th</sup> at 5:30 p.m. Employee meetings and the press announcement were scheduled for the following day. Unhappy docs leaked the story and it was on the AP wire by 12:30 a.m. on 12/16.
  5. **Never assume you have established communications with all key stakeholders.** Despite lots of one-on-one meetings with opinion leaders, a group of activists held a protest at St. Mary's Livonia over the Mercy Hospital-Detroit closing in March 2000. MHS officials invited them inside for open discussion of plans, minimizing media coverage.

#### THE HAPPY ENDING

- In May of 2000, MHS announced the plan to donate the facility.
- In Jan of 2001, MHS announced the transfer of ownership to two nonprofit community service organizations – SER Metro-Detroit and Boysville.
- In April 2001 came the official re-opening of The Samaritan Center and a flood of positive press about a multipurpose community center offering 24-hour childcare, a walk-in health clinic, job training, educational services and mental health and substance abuse counseling.

#### ITEMS OF INTEREST TO PROFESSIONALS

- ¶ **Pat Jackson Collection On Public Relations**, developed by NSPRA, includes a) one 17-minute video where Jackson highlights the ways schools can build vibrant and responsive communication programs, and b) 16 audio tapes – 15 hours of Jackson's presentations at NSPRA Seminars from 1986-2000. Cost is \$200 (\$175 for NSPRA members) plus \$15 shipping & handling. Proceeds will support NSPRA's Pat Jackson Scholarship Fund – providing scholarships to attend NSPRA's Annual Seminar. “With this product and the scholarship, we hope to continue promoting the legacy and work of Patrick Jackson,” says Rich Bagin, exec dir of NSPRA. (More info from NSPRA at 15948 Derwood Road, Rockville, MD 20855; 301/519-0496; www.nspra.org)
- ¶ **An Example Of Strategic Philanthropy** is evident between Publix grocery stores – a chain of 678 stores throughout the southeast – and America's Second Harvest. “We got involved because they have the same mission we do: feeding the hungry,” reports Lee Brunson, dir of community affairs for Publix, in Hunger Digest – America's Second Harvest's new direct mail newsletter. You can't align much better than that – unless you're Ford Motor Company and Newman's Own who also assisted America's Second Harvest by donating 14 trucks to help in the battle to eliminate hunger in rural America.

## CRISIS MANAGEMENT IS MAJOR TOPIC AT PRSA'S CONFERENCE KEY TACTICS: PLAN, PROVIDE RESOURCES, KEEP FOCUSED

More than a dozen sessions at the Atlanta conference dealt with crisis management. Among them, 1) global crisis management, seen in Dow Corning's silicone breast implant crisis, and 2) a panel on crisis communication and media relations offer many recommendations from practitioners' experience:

### 1) DOW CORNING – “SURPRISE! IT'S STILL THERE” CRISIS

Unlike typical crises marked by an event, a response, and then a finish, Dow Corning's silicone breast implant crisis has continued

for years. It became an “oppositional” crisis, said Michael Jackson, who served as director of global corporate relations for the company. Plaintiff lawyers, with the help of a Ralph Nader kit on “How to Sue,” organized and funded a massive class action lawsuit. Using e-mail and the Internet in a kind of “venture capital” enterprise, they eventually forced Dow Corning to seek Chapter 11 protection as the number of lawsuits rose from 119 in 1991 to 19,000 in 1995. One of the lawyers, John O'Quinn of Texas, made more money in one year (\$45 million) than Dow Corning made in selling the product over 30 years.

Portraying women complaining about the alleged effects of breast implants was irresistible to the media, especially tv, noted Jackson. In response, Dow Corning released 10,000 pages of research and launched a “total safety efficacy” media campaign. The media relations team spoke with as many as five editorial boards a day. The media campaign was helped by a third party network of women with implants who volunteered to speak in support of implants.

Plaintiff lawyers had the advantage in courtrooms because they could use a highly emotional approach, which swayed jury members. Scientific evidence seemed to be put aside, as evidenced by one jury member who said she simply “felt sorry for the victims.” In 1995, Dow Corning's argument that silicone implants were safe gained support from new medical research.

### DOW CORNING'S STRATEGY FOR THIS KIND OF DRAWN - OUT CRISIS

- **Chill Out:** Take a breath and be proactive with the media. Analyze everything so you know what's going on around the world, e.g., that Australian plaintiffs were filing in Texas. Learn to stay the course.
- **Separate business from the crisis:** Make the business decision on whether to join an industry-wide settlement. Decide on a realistic timetable based on such facts as that it takes 10 years to get a good epidemiological study.
- **Develop a long-term strategy:** Name a crisis team; understand the issue; segment the audiences (employees, retirees, communities, customers, third parties, and the media).

- **Provide resources:** “It ain’t cheap.”
- **Maintain focus:** Keep your eye on the ball and communicate, communicate, communicate.

**2) PLANNING: THE COMMON DENOMINATOR FOR SUCCESSFUL CRISIS MANAGEMENT**

...and for effective media relations. A roomful of seasoned practitioners and freshly minted communications

graduates – from pr firms, public agencies and corporations – brought recent experiences and worst nightmares to an interactive session and peer input at the conference. Tips, tactics and follow-up questions from panelists drilled these messages home:

- No matter the crisis, no matter the issue ... your organization **must devote resources** to crisis management planning.
- Building relationships with key publics (media among them) takes time – so **start now, before the crisis.**
- Employees can help the practitioner succeed or fail – so **internal preparations and communications are key** to successful planning.
- **Keep the negatives in perspective.** Managers, reading about themselves in the paper, will often perceive the fallout as worse than it really is. Making sure that their organization always **has a handle on customer perception and satisfaction helps practitioners provide better counsel** to senior management.
- **Don’t speak on issues that aren’t yours.** Stay focused and make sure the media are informed on what your company is doing to protect employees, neighbors, shareholders, customers. Speaking on tangential issues that may have precipitated the crisis – beyond showing empathy – may be a snare.
- **Look at a crisis as an opportunity.** Since this notion is so countervailing to perceptions of most managers, companies often benefit in the long-term from this perspective from practitioners.

Session’s panel, led by Bay Health svp Marty Campanello, included: Carol Scott (Scott Public Relations, Corpus Christi), David Richard Grossman (David Grossman and Associates, Chi), and Kathleen Fearn-Banks (University of Washington School of Communication, Seattle).

**MANAGING PUBLIC RELATIONS AMIDST CHANGE AND VOLATILITY: LESSONS LEARNED FROM HOSPITAL CLOSING**

Mercy Health Services (now Trinity Health) had to make the difficult decision to close one of its hospitals, Mercy Hospital-Detroit, after a loss of nearly \$100 million over 10 years. The loss was largely due to the Medicare Balanced Budget Act, which severely reduced Medicare and Medicaid reimbursements, and a determination by experts that a financial turnaround was impossible, Stephen Shivinsky, vp corp comms and pr at Trinity Health, told PRSA conference attendees.

**Complicating the case:** Mercy Hospital-Detroit served a very poor market (median income \$14,824) without a public hospital. 80% of hospital patients were covered by Medicaid/Medicare; only 13% were privately insured. There was high potential for Mercy Health Services (MHS) to look like “the bad guys” when its hospital, located in an area of need, closed for financial reasons.

**THE PUBLIC RELATIONS GOALS**

- To **preserve and protect the reputation of MHS** and its sponsor, the Sisters of Mercy
- To **position MHS as the victim of larger forces** (changes in Medicare/Medicaid reimbursement)
- To **positively influence the behavior of internal and external stakeholders:** MHS needed to get stakeholders to buy into the messages and the decision to close, despite complications from breaking issues like MHS’s acquisition of a suburban hospital and its planned system-level merger with Holy Cross Health System. In early 2000, just after announcing the closure, MHS did a major study consisting of **personal interviews with 198 Detroit community and opinion leaders:** including elected officials, clergy, major business and social service agency representatives. Study sought ideas about how to “do the right thing” and “give back” to the community. Interviews provided valuable input on community needs and communication tactics for reaching the important audiences of key community leaders (religious, political, business) and area residents – many without transportation or telephones.

**THE ULTIMATE CHALLENGE**

- **Finding a solution that would demonstrate Mercy Health Services’ long-term commitment to its mission.** Ultimately, MHS decided to donate the 10-year-old hospital building to the community. Additionally, MHS would keep a presence on the hospital campus by earmarking \$2 million for a primary care clinic for the uninsured. In doing so, Mercy supported its mission of “care for the poor and underserved.”

**LESSONS LEARNED FROM A YEAR OF CHANGE**

1. **Prepare stakeholders early and often.** Though the hospital didn’t close until December 1999, speculation began in the press in September. Mercy Health Services officials went direct to opinion leaders with their message consistently, using media to reinforce their position. Key messages were:

- MHS can no longer tolerate this level of losses or be supported by others within the MHS system.
- MHS is “doing the right thing” by donating the property to help meet community needs.
- MHS will continue its ministry for the poor with a new primary care center for the uninsured.

2. **Write your issues/crisis management plan** for at least three scenarios (MHS wrote four), including the worst case.

- **Of MHS’s scenarios, conversion to a community asset was the best case;** but it was necessary to prepare for all scenarios (see box).

<p><b>Scenarios Created For Mercy Hospital-Detroit:</b></p> <ol style="list-style-type: none"> <li>1. Remain open in non-acute capacity</li> <li>2. Sale to one of city’s major health systems</li> <li>3. Closure: conversion to community asset</li> <li>4. Closure: shuttered/demolished (worst case scenario)</li> </ol>
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