

# Correspondence

by Sean Murphy and Adam Boesen

## Emergency management: Have you planned for your next crisis?

In September, a fire on the dive boat *Conception* killed 34 people; a preliminary federal investigation found that the entire crew was asleep when the fire began. In October 2015, *El Faro*, a U.S.-

these crises. That's job one if you want to handle a future crisis effectively. The fact is, all companies are in a state of pre-crisis, and it's precisely the time to analyze operations, envision what could go

protecting your company's reputation and value.

In public statements, the owners of *Conception*, *Carnival Fantasy* and *El Faro* reacted in ways worth studying. Each crisis offers shipowners a

the Limitation of Liability Act. Some pundits condemned the move as disrespectful to the families of the deceased; the filing might be seen as forcing people to take a legal position before they could bury a relative. But there was another side to the story that could have been more effectively communicated: An owner often takes this step to be a responsible company steward.

*The takeaway for owners:* As part of the statement made to the media about the filing, the owners could have reframed the lawsuit as the beginning of a formal and fair investigative process into what was a terrible loss of life. That's because a lawsuit kicks off a discovery period. It's not disingenuous to publicly position this action as launching what all concerned want to know: How did this happen, what can be done, and how do we prevent it in the future?



John Lawrence, left, manager of safety and operations for TOTE Services, testifies before the Coast Guard's *El Faro* Marine Board of Investigation in February 2016. The authors say TOTE's statement after the board released its report "seems like a missed opportunity" because the company did not identify specific actions it could take to make seafaring safer.

U.S. Coast Guard photo

flagged cargo ship with an experienced captain, sank amid Hurricane Joaquin in 20- to 30-foot seas. All 33 people aboard died. Last August, an inspection by the Centers for Disease Control and Prevention (CDC) aboard *Carnival Fantasy* earned the vessel the worst sanitation grade in the cruise line's history.

Imagine facing one of

wrong and plan how you would respond. Managing a crisis demands that leaders exercise the wisdom to not jump to conclusions, as well as have the courage to focus on how things can be better in the future. Threading this needle can be difficult, especially in today's fast-moving social media world. Strong leadership is the key to

lesson in the importance of planning and giving your best response from the outset. For shipowners and operators in pre-crisis, here are several takeaways.

### Make the crisis about truth

After the *Conception* fire, the Associated Press reported that the owners filed a lawsuit under

## Take the leading role in your story

In the days after *El Faro* sank, shipowner TOTE Maritime said the captain sailed with a sound plan, and the company blamed the sinking on engine failure. After a victim's family filed a \$100 million lawsuit, TOTE declined to discuss the suit but said the company was "fully focused on supporting the families and their loved ones." TOTE went on to create a relief fund for the families, but despite its actions, victims' attorneys shaped the litigation narrative.

After a two-year investigation aided by the vessel's recovered voyage data recorder, the Coast Guard's Marine Board of Investigation concluded that TOTE had inadequate shoreside operational support and a lack of tools and processes for accurate weather observations. Reporting also indicated the ship's captain and officers used inaccurate storm predictions and left port without a fully functioning anemometer. TOTE acknowledged the Coast Guard report with a statement: "*El Faro* and its crew were lost on our watch and for this we will be eternally sorry. ...

The report details industry practices which need change. We are committed to working with every stakeholder on these comments and recommendations."

*The takeaway for owners:* TOTE's statement in the wake of the Coast Guard findings seems like a missed opportunity. The release of the report opened the door for identifying specific actions the company could take. Instead, the company offered to study the recommendations and work with stakeholders on possibly implementing them as part of an industry solution. And while TOTE's expression of sorrow and support of the victims' families was decent and humane, it possibly rang hollow because — at least initially — there weren't enough specifics on how TOTE planned to make seafaring safer.

## Set context and a new course

Media coverage about the CDC report on *Carnival Fantasy* stated that bagels and bread offered to passengers attracted "not less than 15 small flies," and sushi was prepared on inappropriate surfaces.

## MARAD Training Facility in NOLA Transformed by Delgado

On October 18, 2019 MARAD Administrator Rear Admiral Mark Buzby USN (Ret) visited the new Maritime and Industrial Training Center (MITC) at Delgado Community College in

the training they need to add skills and progress through the different levels to become a member of the wheelhouse or engine room crew.

Founded in 1912 as the Delgado Central Trades School, DCC will



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New Orleans. He was invited to view a remarkable transformation. Today, to look at this sleek 19,000 ft<sup>2</sup> world class facility it is hard to imagine that it started as a one-room training program that MARAD built in the 1970s in far eastern New Orleans. The original, corrugated metal building with one fire ship propeller known as "the hell hole"—once trained perhaps ten mariners in fire suppression each week. When Delgado Community College (DCC) acquired the original fire training facility from MARAD, it committed itself to the mission of educating future mariners and supporting the vital role of maritime operations at one of the nation's busiest waterways.

Now, MITC consists of a twelve-classroom, multimillion dollar facility staffed by 38 personnel who offer 70 courses to industry personnel from small and large companies all over the world. Another measure of its growth? The Louisiana Community and Technical College System just awarded DCC with an \$894,533 grant. This grant will subsidize discounted training for over 20 courses at all levels of maritime careers, taking a student from early career as deckhand and gain



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celebrate its centennial in 2021 as the oldest and largest community college in Louisiana whose enrollment is second only to Louisiana State University. DCC has excelled at not only offering a two-year degree, but also specializing in certifications taught in customized, short modules that gain or refresh skill sets for an entire career.

Although MITC still leads the nation in maritime and industrial firefighting (the first in the region to offer a USCG approved virtual reality advanced firefighting course), its programming has expanded exponentially since DCC acquired it. MITC now boasts three state-of-the-art simulators that challenge students with maritime training scenarios based on real incidents.

Senior Director Rick Schwab explained, "We customize training to meet the needs of employers. This means providing aspiring students or industry personnel who wish to advance their career further with USCG-approved training in Fire Fighting, Radar, Safety, and any other skills that are needed—from deckhands to captains and tanker-men to steerman."

This past year, DCC expanded its campus, its educational offerings, and ultimately its workforce development impact on maritime industries, by opening a River City campus.

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Water came out the color of sludge. One crewmember was found to have symptoms of acute gastroenteritis.

The problem for *Carnival Fantasy* wasn't the first for the ship, the cruise line or the industry. An NBC News online opinion piece in August written by a professor of epidemiology stated, "What I see when contemplating such an excursion is the potential to be trapped with thousands of others in a confined space, suffering from gastrointestinal ailments like norovirus and E. coli."

In a case like this, allowing conditions to persist and failing to put a crisis in context is charting a course for a bad outcome, potentially threatening an industry.

*The takeaway for owners:* Travelers want to know the owners of *Carnival Fantasy* can return the ship to cleanliness and fun and, by extension, that the cruise line industry is safe. In 1982, Johnson & Johnson took the unparalleled response of removing Tylenol from stores after a series of poisoning deaths from drug tampering. Johnson & Johnson received praise for its honesty with the public and cooperation with authorities, which

gave it a role in searching for the person who laced the Tylenol capsules. Could a shipowner publicly address a damning CDC report by taking a vessel out of service to sanitize it from stem to stern to win the public's trust? An action like that could reinforce that what occurred on *Carnival Fantasy* is an isolated situation, while reminding the public that tens of millions have traveled safely on cruises for years. Charting a new course might mean bearing the cost of extraordinary measures to win public trust.

### Planning in pre-crisis

In a crisis, there is enormous pressure to answer four questions:

- How did this happen?
- Who's to blame?
- Is it going to happen again?
- What can be done to prevent this in the future?

Answering the first question can be as simple as, "We don't know yet. We will find out." But some leaders abdicate their role in managing the story by saying nothing, responding mechanically, or adopting one of the following approaches:

*Common mistake No. 1: Relying solely on a legal team as your bulwark.*

Pursuing a version of the first option could help a trial strategy, setting the right legal tone from the outset. But if it's seen as stonewalling, this strategy is likely to backfire. The better option is to align communications aimed at the court of public opinion with trial strategy.

*Common mistake No. 2: Shifting blame reactively.*

While blame-shifting might work for politicians, that tactic often creates more questions. For example, assume a shipowner taps a captain as the bad actor in a crisis. The company would then have to address its hiring practices, training, procedures and standards. After the firing, what about tomorrow and the next captain? And what if a company is found to be wrong in shifting blame, including by scapegoating one of its own people?

*Common mistake No. 3: Delivering a tactical mea culpa.*

There's a difference between accepting fault for the cause and taking responsibility for the outcome. In trying to do the right thing, a well-intentioned owner may offer such a broad apology that the public thinks the company is at fault. A shipowner can

accept responsibility while clearly establishing that the company will sort out what went wrong and take action before assigning fault.

### Uncommon wisdom: Semper paratus

What's a shipowner to do about the reality of living in pre-crisis? Bring together experts in operations, law and communications. Develop scenarios for what could go wrong. Conduct exercises to identify where the holes are in terms of talent, tools and technology. As the team fills the holes, build a plan and run drills for coordinating and delivering your message. Test your crisis communications plan and team as you would test a crew and its abilities.

Every crisis is unique, but shipowners can and should prepare. Identify your most likely crisis scenarios, develop a communications plan, rehearse a quick and effective response, and be ready with a narrative that assures your audiences of a just outcome. •

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