

**COMMUNICATION STRATEGIES IN TIMES OF CRISIS:
A CASE STUDY ANALYSIS IN THE AIRLINE INDUSTRY**

by

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**Air accidents are rare, but when they happen they are
devastating.**

Tariq Dahman

Declaration

I declare that this Master's dissertation, which I hereby submit for the degree MCOM (Communication Management) at the University of Pretoria, is my own work and has not previously been submitted by me for a degree at another university.

Tariq Dahman

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Abstract

This research was conducted to analyse the crisis communication strategy used by Helios Airways after its Flight CY522 crash on 14 August 2005.

The objective of the study was:

- to examine the communication strategies Helios Airways chose and implemented in order to satisfy the enquiries of stakeholders who had different interests during the crisis.

The pre-crisis background of Helios Airways; events related to the crash of Flight CY522, Boeing 737; and events after the crash were discussed. Owing to this, the single case study research approach was followed in conducting this study.

Seven main issues emerge from the analysis of the data obtained.

- the issue of the safety culture of the airline as discussed by the investigators of the crash;
- the issue of compensation and handling of victims' families;
- the issue of the pressurisation defect of the aircraft identified the day before its flight which was not fixed;
- the issue of the failure of the Boeing aircraft manufacturer to separate the signal which indicates take-off problems from that of pressurisation problems;
- the issue of the government of Cyprus suspending flights after the crash;
- the issue of the government of Cyprus Civil Aviation Authority granting a name change for Helios Airways to Ajet; and
- the issue of the European Aviation Safety Agency in banning flights of Helios Airways.

Denying responsibility, hedging responsibility, making amends, ingratiation and eliciting sympathy strategies were discussed inline with the crash of Helios Airways Flight CY522.

Due to the pressurisation defect of the aircraft identified the day before its flight on the 14 August 2005, which was not fixed, the safety culture of the Airline had been perceived by the Cypriot public as low. This together with the delay of the compensation of the victims' families and the confusing communication strategies, resulted in a negative public image of the Airline. The public insisted on the government of Cyprus banning the flight routes of Helios Airways. Due to those issues, Helios Airways was obliged to change its name to Ajet. However, even after the name change, the public did not accept Helios Airways as an airline of choice. Instead, they continued defaming Ajet in different media. Finally, Ajet ceased all operations and filed for bankruptcy.

The major finding of this study is that Helios Airways did not have a crisis communication plan prepared in advance, and as a result, Helios Airways failed to communicate with its stakeholders, mainly the victims' families and the media, by implementing a mix of inaccurate strategies without knowing exactly those stakeholders' impact and degrees of involvement. There was no accurate correlation between the investigation progress and results, and the strategies. This can be substantiated from the niche width theory, which explains specialist airlines, as in Helios Airways, tend not to have crisis communication plans prepared in advance and as a result, lack consistency in messages.

The general public, the civil aviation authority, and the government perceived the crash to have resulted from the failure of the Airways to fix the pressurisation problems that was identified the day before the crash. This clearly indicates the weakness of the communication strategies and the communication department of the Airways in identifying the perception of the public, and the media and their involvement, and then to align its strategies with the actual circumstances.

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CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Major airline accidents are compelling events that capture the attention of the industry, government, media, and the public. A large number of fatalities in a single event is devastating and leaves an indelible impression on those it affects. Despite the industry's efforts to reduce factors that lead to accidents, such crises are inevitable because of the complexity of modern technologies, human factors, and the highly interdependent nature of the industry (Ray, 1999:9).

An airline crash results in a crisis that threatens the legitimacy of the airline, its image, and its financial situation. Moreover, it has the tendency to resonate throughout the industry, affecting not only victims and the airline in crisis, but other stakeholders as well (Ray, 1999:9).

Supporting the above statement, Fink (1986:63) contends “probably no industry in the world is as completely vulnerable to crises as the airline industry”. This shows that the airline industry is an inherently crisis-involved industry whose long-term survival and success is unpredictable. This is because it is an industry which is constantly buffeted by new developments and constraints – regulatory, operational and technological. This was particularly true at the end of the 1990s and the beginning of the new millennium: 11 September 2001 attacks on the World Trade Centre by terrorists.

However, the involvement of a number of agencies and groups can result in a company losing control over the execution of its communication strategy. This is so because advances in technology, especially relating to the news media, have made it possible to deliver messages to the public faster than even a decade ago. Unfortunately, these

messages are not always accurate. The “watchdog” media can also be the “attack” media. Whether the messages are accurate or not, they can be damaging enough to interrupt normal operations and, sometimes, put an organisation out of business (Heath, 2001:354).

For instance, in the aftermath of the Helios Airways disaster, where an airliner with 121 people on board crashed in Greece, a number of agencies and organisations involved themselves with victims and the media, creating the potential for inconsistency, inaccuracy, and contradictions. In some situations, conflicting information presented a very confused picture of the situation. In such situations, an airline may be expected to work with a variety of agencies that will likely have conflicting agendas or interests, which can affect the crisis (crash) investigation.

1.2 THE PROBLEM STATEMENT

An airline crash brings a crisis challenging the mere existence of an airline. Communication, critical to the control of a crisis, serves to either manage the situation or create further confusion. In order to competently manage a crisis, the organisation must act to protect its long-term corporate interest and public image, by co-coordinating its corporate strategy with its communication strategy (Ray, 1999:9-10).

1.2.1 Orientation

“Crashes have occurred since the dawn of aviation, but the growth of the industry combined with the lightning speed of mass communication and technology has made airline disasters larger in size, highly visible, and extremely complex to manage” (Ray, 1999:9).

Concurrent with such phenomenal growth in the airline industry is an expanding body of research on the role of communication strategies to be implemented to moderate the crises caused by major airline crashes. That is, even though major airline accidents result in heavy calamity to the airline and to different stakeholders, the industry has

demonstrated how to mitigate the bad events in the wake of an airline disaster, using effective communication strategies (Ray 1999:9).

Several studies (Frank, 2000; Hoffman, 2001; Evans, Hammersley & Maxine, 2001) have examined the critical strategies for crisis management and communication, and have focused primarily on post-crisis evaluation of the phenomenon. Such post-crisis enquiry is important, but has focused primarily on the possible communication solutions and corrective actions. In this study, the application of communication strategies in pre-crisis, during crisis, and post-crisis stages was investigated.

1.2.2 Central theoretical argument

In order to consider the role of communication in crisis management – pre-crisis, during crisis, and post-crisis stages – this study first discusses, the broad concept of corporate communication strategies, and second examines, the communication strategies and tactics that Helios Airways management implemented before, during, and after a crisis, which was faced with a plane crash in August 2005.

1.2.3 Problem statement

Communication strategies are critical for the survival (success) of an airline in times of crisis.

The problem to be investigated is: the kinds of communication strategies that Helios Airways have chosen in order to satisfy the enquires of different stakeholders who have had different interests during and after the crisis in August 15, 2005.

1.3 RESEARCH QUESTION

In the case of major disasters, airlines may be expected to work with a variety of stakeholders that may have conflicting agendas. The involvement of different

stakeholders and groups with different interests can result in the company losing control over the execution of its plans and strategies.

Moreover, conflict may occur if the airline fails to integrate its action plans. A number of agencies and organisations may involve themselves with victims and the media, creating the potential for inconsistency, inaccuracy, and contradictions. In some situations, conflicting information may present a very confused picture of the situation.

Due to these conflicting agendas of a variety of agencies, the research question of this study will be:

- To evaluate the communication strategies Helios Airways have chosen and implemented in order to satisfy the enquiries of stakeholders who had different interests during the crisis?

1.4 OBJECTIVES OF THE STUDY

The objectives of this study are:

- to examine the communication strategies Helios Airways chose and implemented in order to satisfy the enquiries of stakeholders who had different interests during a crisis.

1.5 LITERATURE REVIEW

The development of corporate communication strategy is a thinking process focused on strategic stakeholders, strategic issues, and the publics that develop around those issues. The function of a corporate communication strategy is to identify the stakeholders' attitudes towards the organisation, and to identify the consequences of the organisation's policies on its relationships with these stakeholders.

In building relationships with different stakeholders, the corporation needs to build its reputation in society, develop its own corporate image, and show good co-operation with the community to show its social responsibility.

The conceptualisation to promote corporate reputation, corporate image, and corporate social responsibility indicates that an organisation's communication strategy with its stakeholders has to start long before a crisis happens and before the communication tactics relevant to the crisis are developed.

1.5.1 Corporate reputation, corporate image, and corporate social responsibility

According to Belkaoui and Pavlik (1992:1), firms actively engage in reputation-building through the measurement and disclosure of reputation signals that crystallise their statuses within an industrial social system. These reputation signals are generally accounting and marketing signals regarding the financial performance, structure, and conduct of the firm that trigger market responses, as well as non-accounting reputation signals (corporate social responsibility signals). The activities of corporations also impact their environment and various clienteles beyond market participants.

Building the corporation's reputation is important as it determines the image of the organisation. The image of the organisation in turn shows how familiar the different stakeholder groups are with the organisation, the attitudes of the stakeholders to the organisation and the personality characteristics associated with the organisation (Steyn & Puth, 2000:111). The ability of the organisation to build and communicate a positive public image, by showing socially responsible behaviour, determines the position of the organisation on whether it would be able to manage and effectively communicate a crisis – airline accident – if it happens.

1.5.2 Crisis management

“A crisis is a serious incident affecting, for example, human safety, the environment, and/or product or corporate reputation – and which has either received or been threatened

by adverse publicity” (Bland, 1998:5). This definition of the term “crisis” indicates that usually it is the publicity that can sink a company, not the damage from the crisis itself. Therefore, developing effective communication strategies helps to avoid this “Unexpected Bad Publicity”. Based on these concepts the following proposition is developed.

Effective communication strategies can be implemented to moderate the crisis caused by major airline crashes. That is, according to Hoffman (2001:27), in order to help airline executives protect their personal and corporate reputations during crisis, special attention needs to be paid to the 4 P’s of effective crisis communication – prevent, plan, prepare, and practice. Furthermore, the formation of crisis teams and the involvement of the CEO are necessary to moderate the crisis.

However, much of the work on crisis communication focuses on post-crisis issues. A much smaller proportion focuses on more comprehensive approaches to crises. This study demonstrates the importance of establishing strong communication channels and positive value positions with stakeholders long before a crisis hits the organisation. It also demonstrates the potentially positive outcomes of effective crisis communication strategies for the organisation and its stakeholders.

1.5.3 Elements of effective crisis communication

1. **Prevent:** Prevention involves stimulating a lively brainstorming session in order to prevent a company’s crisis, such as a major aircraft crash. This can be done by fostering open communication with all stakeholders (Anonymous, 2000:13).
2. **Plan:** Develop a written crisis communication plan detailing the first actions if an incident was to occur (Hoffman, 2001:27).
3. **Prepare:** A good deal of thought must be given to deciding which aspects should be emphasised. For example, if passengers or employees were hurt or the

community was frightened, the message needs to be framed in terms of care and concern for those involved (Hoffman, 2001:27).

4. **Practice:** A plan that has not been practiced in the past year is not a plan at all. Role-playing is valuable. Once every six months, use part of a regular staff meeting or call a special meeting to practice the organisation's response to a simulated crisis (Hoffman, 2001:27).

1.5.4 Factors influencing a crisis

According to Ray (1999:97), it is critical that an airline understands the factors influencing a crisis, so that it will approach the crisis using the creation of crisis teams, CEO involvement or other means. There are seven factors influencing crisis management: pre-crisis planning, organisational perception, stakeholder perception, uncertainty, involved groups, stress, and decision making.

1.5.5 Crisis management tactics

When confronted with a crisis, what or how should an organisation communicate? Strategic communication focuses, among other things, on the design of the message... Organisations essentially have five different options when communicating during crisis: to deny responsibility, to hedge responsibility, to ingratiate the organisation with its stakeholders, to make amends, and to elicit sympathy (Ray, 1999:23).

- **Denying responsibility:** Organisations may choose to deny any association with or responsibility for the cause of an event (Ray, 1999:23).
- **Hedging responsibility:** Hedging responsibility allows the organisation to distance itself from the crisis, or 'duck' responsibility (Ray, 1999:23).
- **Ingratiation:** Ingratiation tactics are designed to win stakeholders' support for the organisation and reduce negative feelings toward the organisation. One

ingratiation tactic is to accentuate the positive. The organisation must identify and reinforce positive aspects of the organisation (Ray, 1999:24).

- **Making amends:** Organisations may choose to make amends in an effort to win forgiveness for the event. This is done in three ways: apologise, remunerate, and right the wrong (Ray, 1999:24).
- **Eliciting sympathy:** A final strategic alternative is to elicit sympathy. This approach portrays the organisation as an innocent victim. Sympathetic stakeholders tend to be less critical and the organisation is likely to be placed in a positive light (Ray, 1999:24).

1.5.6 The formation of crisis teams and the involvement of the CEO

There are certain businesses, such as the airline business, that are regularly dealing with crises – on somewhat frequent, yet unpredictable occasions. This entails the immediate need for a special group, a crisis team (Anonymous, 1998:47). Besides creating crisis teams, Frank (2000:36) states that in some instances even the CEO's must get involved in order to regain customer patronage, if an airline crash happens.

The main theoretical argument of this study is: although a crisis can have devastating effects on the organisation and its stakeholders, these effects can be resolved positively, if the communication following the crisis plays an integral role to meditate the crisis.

1.6 DEFINITIONS

A few definitions are provided in this section in order to acquaint the reader with the important concepts used in the study. However, further definitions of the constructs and concepts will be available in the course of the study.

Crisis

Within the sub-field of crisis communication, the word “crisis” is defined in more restrictive terms. Herman (in Barton, 1993:50) defines a crisis as a situation which comes as a surprise, poses a great threat to important values, and requiring a short decision time.

Corporate communication

Corporate communication can be defined as the “integrated approach to all communication produced by an organisation, directed at relevant target groups” (Van Riel, 1995:24).

Crisis communication

Crisis communication takes place when an individual or an organisation communicates a message to a public, usually through the media, during a threatening, tragic, or fatal accident that is unplanned or unexpected (Woodyard, 1998:11).

Communication strategy

The foundation for creating a message that works, a communications strategy is a tool for focusing the message on benefits versus facts. It addresses five key parameters: objective, target, message, support, and tone (Goodpractice, 2005: <http://www.npgoodpractice.org>).

Corporate strategy

Johnson and Scholes (1993:10) suggest that in corporate strategy, the main issues seem to be about the overall scope of the organisation; how it is to be run in structural and financial terms; how resources are to be allocated to the different operations across the world; financial markets; and issues of diversification and acquisition. All of these are likely to be influenced by the overall mission of the organisation.

1.7 DELIMITATIONS OF THE RESEARCH

The study will explore and analyse Helios Airway's communication strategies with the crash of Flight CY522 on 14 August 2005. Attention will be given to the comprehensive approaches to crisis management that link pre-crisis and post-crisis communication.

The study also addresses the conceptualisation of the corporate communication strategy and the difference between corporate communication strategy and a communication plan (tactic). The study does not deal with crisis management, but focuses on communication strategies and tactics implemented when an airline faces a major airplane crash.

1.8 LIMITATIONS OF THE STUDY

Though a lot has been said on the subject of communication strategies in times of crisis, the subject has not been formally researched from an airline perspective. Due to this, a case study approach will be followed in this research.

It was difficult to conduct interviews with and send questionnaires to Helios Airways management and the victims' families, as the crash had a lot of pending lawsuit issues. So the management of Helios Airways was reluctant to respond to this study's request. Similarly, it was difficult to send semi-structured questionnaires to or conduct interviews with victims' families, as it was difficult to identify who the victims' families are. This is because Helios Airways did not publicise the list of victims on the Helios Airways Flight CY522 crash.

A further constraint to conducting a survey might be the difficulty that could be experienced in identifying the victims' families, who might be experiencing a difficult time coping with losing a family member. Furthermore, the probability of using representational sampling will be less than expectation and required as the airlines which faced a crisis might refuse to participate in a survey in order to keep strategic information from being available (open) to the public. The study is not expected to cover different regions and emphasise different economic conditions. Therefore, though multiple cases

might be required for comparison purposes, only one case – one airline – was found convenient to be studied. This led to the use of a single-case study methodology to conduct research for the airline under study.

In addition, the difficulty of approaching the respondents for the case under study – the airline’s managers and victims’ families - led to the use of archival retrieval as a method of data collection.

1.9 DEMARCATIONS OF THE STUDY

Chapter Two provides brief reviews of the topic of strategic communication management. These include:

- the concept of strategic management, stages of strategic management, purposes of strategic management, and the strategic approach to stakeholder management;
- communicating corporate strategy, benefits and pitfalls of communicating corporate strategy;
- strategic corporate communication, which incorporates the corporate environment in corporate communication strategy development and model for developing corporate communication strategy; and
- the role of the corporate communication manager.

Chapter Three deals with communication strategies in times of crisis. It includes discussions on:

- the definition of “crisis”, types of crises, factors influencing a crisis and elements of effective crisis communication;

-
- strategic communication in times of crisis involving crisis communication strategy, the crisis communication team, and the crisis communication person;
 - communicating with stakeholders during a crisis;
 - reputation management and issues advertising during a crisis; and
 - communication tactics during a crisis which include, denying responsibility, hedging responsibility, ingratiation, making amends and eliciting sympathy.

Chapter Four presents communication strategies in the airline industry.

Chapter Five presents the case of the Helios Airways disaster.

Chapter Six discusses the research design and research methodology.

- determining the research design; this includes: the scientific status of qualitative research, criteria for selecting cases, case screening, and case study realization;
- data collection involving primary and secondary data collection;
- designing the sample and collecting the data, which involves sample design and evidence collection through documentation and archival analysis; and
- Analysing and interpreting the data, which includes archives, articles, press releases, and corporate strategy document analysis.

Chapter Seven discusses airlines' crisis communication strategies. It discusses the case of Helios Airways crisis management analysis and results.

Chapter Eight contains the conclusions and recommendations.

1.10 SUMMARY

The main theme of this study is that although a crisis can have devastating effects on the organisation and its stakeholders, these effects can be resolved positively. The communication following the crisis also plays an integral role in success.

Vincent R.C., Crow and Davis (1997:354) contend that the events which surround air crashes are inherently dramatic, involving life and death situations, heroic actions, fatal and fateful decisions, and unforgettable visual images. Due to this, Vincent et al. (1997:354) state that an airline crash provides a compelling and visually powerful news story. The role of communication comes into play:

1. to mitigate harm;
2. to respond to stakeholder needs; and
3. to repair image following an airline crisis.

That is, even though major airline accidents result in heavy calamity to the airline and different stakeholders, the industry has demonstrated how to recover from bad events in the wake of an airline disaster, using effective communication strategies.

The study follows a case study approach to investigate and analyse the crisis. Secondary data were compiled and an in-depth investigation of the events was conducted.

CHAPTER TWO

CORPORATE COMMUNICATION

2.1 INTRODUCTION

Over the past decade, corporate communication has become recognised as one of the most valued strategic tools in an organisation. It also plays a crucial role in what Winner (in Dolphin and Fan, 2000:99) calls *total business systems*. Corporate communication is the strategic management process by which an organisation communicates with its various audiences to their mutual benefit of both and to the improved competitive advantage of the organisation (Dolphin & Fan, 2000:99).

Further, according to Steyn and Puth (2000:52-53),

Corporate communication strategy attempts to determine what the corporate communication function should be doing (communicating) in support of the enterprise and corporate strategies. Communication plans are developed under the leadership and supervision of the corporate communication manager, but are implemented by technicians.

2.2 STRATEGIC MANAGEMENT

The concept of “strategy” is well-known in management theory and practice. However, the concept of “corporate communication strategy” has received little attention in corporate communication theory. The few publications that refer to the subject matter deal mainly with communication plans and operational plans discussed in corporate

communication books and articles. Academic knowledge in the area of the strategic management of the organisation's communication is also relatively limited (Van Riel, 1995:142).

However, in recent years more research has been done in this discipline. It is therefore necessary to gain insight into strategic decision-making procedures and related management concepts.

2.2.1 Definition of strategy

Strategic issues shade into more general expectations of stakeholders and the operational detail of running organisations (Johnson & Scholes, 1993:10).

Drucker (in Kotler, 1988:61) defines strategy as an indication of an organisation's positioning for the future, the *what* rather than the *how*. It means doing the right thing, rather than doing things right. Strategy is an organisation's pro-active response to an ever-changing environment – the instrument that enables an organisation to find synthesis between its goals and resources in view of the risks and challenges of the ever-changing environment (Kotler, 1988:61).

Steyn (2000:138) relates corporate strategy with corporate communication strategy as follows:

Corporate communication strategy is seen as a pattern in important communication decisions regarding relationships with strategic stakeholders, stated in such a way that the attitude of the organisation towards its stakeholders is clear.

2.2.2 The purpose of strategy

According to Pearson (1990:22), the purpose of strategy can be identified in more operational terms as setting the direction of a business and achieving a concentration and

consistency of effort. The purpose of strategy must also be to ensure an awareness of when change is necessary; the strategy should thus be flexible.

Thus, the purpose of strategy is rather subtle: a balance between commitment to a successful direction and the ability to change direction when required (Pearson, 1990:25).

2.3 DETERMINANTS OF STRATEGIC CREDIBILITY

According to Higgins (1996:16), “strategic credibility is in the eyes of the beholders, key stakeholders and corporate constituencies who define a company’s credibility according to their understanding of its performance, goals and strategic soundness”.

Strategic credibility is determined by interplay of a number of factors, of which the most important are: (1) a company’s strategic capability, (2) past corporate performance, (3) the credibility of the firm’s top management team, most notably the Chief Executive Officer, and (4) communication of corporate strategy to key stakeholders (Higgins, 1996:9).

2.3.1 Strategic capability

A firm’s strategic capability is determined by the soundness of its corporate strategy and the effectiveness of its strategic planning process. The strategy must embody a strategic view of the future and a plan designed to achieve strategic goals and objectives. The strategic vision must be responsive to emerging opportunities and sensitive to the internal strengths of the company (Higgins, 1996:17).

2.3.2 Past corporate performance

According to Higgins (1996:18), both a firm’s strategic capability and superior corporate performance contribute to strategic credibility. However, the absence of one does not necessarily result in a major loss of credibility, at least in the short run. Of course,

ultimately, strategic capability must be translated into superior corporate performance if credibility is to be maintained.

2.3.3 CEO credibility

A company's strategic credibility is also enhanced by the reputation and image projected by its Chief Executive Officer. If the CEO is highly visible, widely known and respected and is effective in communicating the company's future strategic direction, the firm's strategic reputation may be bolstered (Higgins, 1996:18).

2.3.4 Corporate social responsibility

Corporate Social Responsibility (CSR) is defined as a holistic response and contribution, going beyond basic legal requirements and based on enlightened self-interest, of individual businesses to the broader, global transition to sustainable development – broadly speaking, how the corporate brand plays out in environmental terms (Griffin, 2002:57).

2.4 CORPORATE BRAND AND REPUTATION MANAGEMENT

2.4.1 Corporate brand management

Brand management is the application of marketing techniques to a specific product (service), product line, or brand. A brand is a collection of images and ideas representing an economic procedure. More specifically, it refers to concrete symbols such as a name, logo, slogan, and design scheme. Brand recognition and other reactions are created by the accumulation of experience with the specific product or service, both directly relating to its use, and through the influence of advertising, design, and media commentary. A brand serves to create associations and expectations among products made by a producer. A brand often includes an explicit logo, fonts, and colour scheme, symbols, which may be

developed to represent implicit values, ideas, and even personalities (Wikipedia, 2007:<http://www.en.wikipedia.org/wiki/Brand>).

When a crisis hits a business, it hits every individual and part of this business. The corporate identity, which is designed to accord with and facilitate the attainment of business objectives, and is usually visibly manifested by way of branding and the use of trademarks, is the most critically hit part of the company; that is why, in the airline industry, airlines sometimes attempt to re-brand their names and/or logos after a crash or other crisis (Wikipedia, 2007:<http://www.en.wikipedia.org/wiki/Brand>).

2.4.2 Reputation management

Companies should recognise that, when dealing with a crisis, a firm is really focusing on reputation management. It is an opportunity for a company to enhance its image from the customer's point of view (Kash & Darling, 1998:184).

Reputation is ultimately the measure of an organisation's social responsibility. And reputations, good and bad, are created by every observable action taken by an organization (Van Riel, in Cowden & Sellnow, 2002:197).

2.5 DEVELOPING CORPORATE COMMUNICATION STRATEGY

Tibble (1997:358) suggests that one way of looking at the process aspect of strategy is to see it as taking raw materials (information or knowledge), refining them into a series of issues, developing an appropriate strategy and finally testing fit.

Raw materials: This would include things such as newspaper cuttings, analysts' circulars, corporate literature, and research reports.

Refinement: This includes whatever it takes to turn the great mass of raw material into a refined set of key issues in this process, the first glimmers of the final strategy begin to

fall into place, if only through a gradual understanding of what is, and is not, central to the communication task at hand (Tibble, 1997:358).

Strategy development: This in itself is a creative process that has begun to emerge during the refinement of ideas relating to the business environment, but it generally needs the added stimuli of persistence, luck, and lateral thinking (Tibble, 1997:359).

Testing fit: This in many ways is the most painful part of the process, because it involves the possibility of having to start from scratch. On the basis that a workable communication strategy has to be both relatively simple and capable of being communicated, there is a point at which the practitioner might have to admit defeat, and return to the drawing board if the strategy turns out to be difficult to communicate (Tibble, 1997:359).

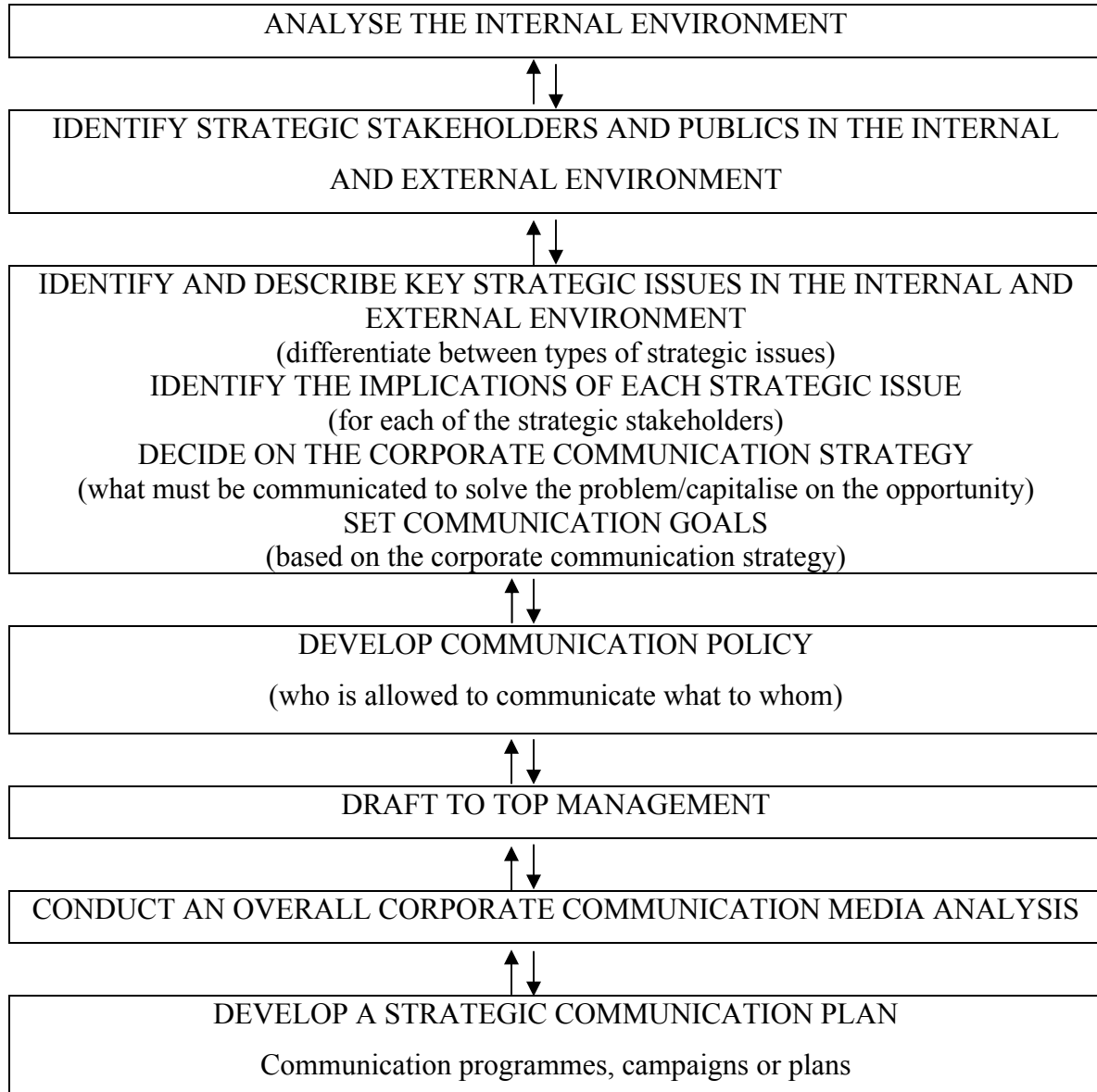
Embedding the strategy: Coming up with the overriding communication strategy is only the beginning, it then needs to be developed and, most crucially (but often with great difficulty), embedded within the organisation so that it can be a living and developing part of the communication process itself (Tibble, 1997:359).

2.5.1 Model for developing a corporate communication strategy

Figure 2.1 shows steps that can be followed in the process of developing a corporate communication strategy. An overview of the internal environment will be provided, and a detailed discussion on the strategic stakeholders will be conducted.

Step 1 Analyse the internal environment

Steyn and Puth (2000:63) state that to make communication relevant to the organisation's strategy formulation process, the corporate communication manager should be intimately familiar with the organisation's internal environment before developing the corporate communication strategy. The internal environment includes: corporate profile, vision, mission, corporate culture, values, policies, enterprise, and corporate strategies.

Figure 2.1: Model for developing corporate communication strategy

Source: Steyn and Puth (2000: 63)

Step 2 Identify strategic stakeholders and publics

The modern conception of a stakeholder is based on Freeman's (in Bronn & Bronn, 2003:293) definition that a stakeholder is "a group or individual who can

have an effect on or be affected by the actions of an organisation”. He was one of the first to articulate the concept of the “stakeholder approach”, which he sees as an answer to the need for businesses to be more proactive about changes in their operating environments. These are all the interest groups, parties, actors, claimants and institutions, internal and external to the organisation that exerts a hold on it.

Step 3 Identify and prioritise key strategic issues

Quirke in (Steyn and Puth, 2000:69) state that:

Senior communication practitioners should be experts in using communication to help remove barriers to success. Rather than trying to push communication further up top management’s agenda, communication practitioners should try to link communication with what is already at the top of that agenda: the key strategic issues faced by the organisation.

Step 4 Develop a communication policy

According to Steyn and Puth (2000:123), communication policies are guiding principles for behaviour that furnish an underlying and continuing basis for specific actions.

Steyn and Puth (2000: 71) further state that communication policy is simply:

- who, when and what must be communicated and must not; and
- who, when and what should be communicated and should not.

A good corporate communication strategy should include a clear policy statement. Since the communication policy is influenced by the corporate culture, values, and norms, it may differ widely from organisation to organisation. In general terms, corporate communication policy could deal with:

- “functional communication areas (internal or external communication) and specified communication programmes, e.g., lobbying or media liaison;

-
- functional relationships between corporate communication and other departments, e.g., marketing, research or human resources;
 - the structure of the corporate communication department, hierarchical orientation, and lines of command;
 - corporate communication goals and objectives;
 - corporate “do’s and don’ts”, e.g. politically related dealings or dealings with foreign stakeholders should only be performed by the CEO; and
 - the use of confidential information” (Steyn & Puth, 2000:71).

Step 5 Submit a draft of the corporate communication strategy to top management

Top management should be kept up to date on the different steps during the development of the corporate communication strategy. They should be informed of the logic that guided the formulation of the strategy, and the ways in which communication will provide solutions to critical organisational problems (Steyn & Puth, 2000:72).

It is the communication manager’s responsibility to formulate and implement the communication strategy in times of crisis. In the case of an airline crisis (crash) where the company is blamed for the crash, it is clear that the corporate communication manager will adopt the responsibility for the communication about the crash, which will lead to a compensation strategy. If top management was not aware of the justification of the strategy and/or has not enough funds to undertake this strategy, a conflict will arise leading to another crisis which could either terminate the strategy or shut down the business.

Step 6 Conduct an overall corporate communication media analysis

According to Steyn and Puth (2000:73), “the purpose of the overall media analysis is to investigate the different communication media that might be suitable for the specific organisation and its stakeholders”. To conduct the overall media analysis, Griffin (2002:15) states that most companies these days have a press function, usually supplemented by an external agency.

In the communication strategy phase, the aim is not to identify specific media for specific communication plans, but rather to establish board guidelines as to the different kinds of media that might be considered (Steyn & Puth, 2000:73). Rather, it is to develop better and more sophisticated media management, as the media is continuing to have a greater impact on how companies are viewed (Griffin, 2002:15). Communication media can range from interpersonal media (face-to-face), to group or organisational media (meetings), to public or mass media (radio or television) (Steyn & Puth, 2000:73).

Step 7 Develop a strategic communication plan

“The strategic communication plan is the framework within which communication programmes (being continuous communication with strategic stakeholders); communication campaigns (which can be single or cyclic) and communication plans (developed to achieve specific communication goals) are developed” (Steyn & Puth, 2000:73).

According to Seitel (in Steyn, 2000:166), an analysis of the public relations body of knowledge indicates an emphasis on operational planning, rather than strategy formulation. Seitel (in Steyn, 2000:167) refers to implementation strategy formulated on the programme or campaign level:

Public relations people must think strategically. Strategies are the most crucial decisions of a public relations campaign. They answer the general question: How will we manage our resources to achieve our goals? The specific answers then become the public relations tactics used to implement the strategies.

Finally, developing a strategic communication plan must always include a contingency plan(s) that is a crisis communication plan, which includes: the crisis communication spokesperson, and team, media policies and procedures, stand-by statements, emergency telephone numbers, and list of audiences.

2.6 STAKEHOLDER RELATIONSHIP MANAGEMENT AND STRATEGY

In the case of an airline crisis, the strategy of managing stakeholder relationships would be focused on potential stakeholders such as, but not limited to, customers, employees, government, media, community and victims' families.

2.6.1 Customer relationship management

Developing a one-to-one customer relationship means involving in continuous contacts with customers and getting individual feedback. This can involve various modes of communication such as, the internet in order to create more personalised messages to create value for the customer. By using the 'trimodal conceptualisation, managers will be able to manage value creation in a more cost efficient way by connecting it more closely to each customer's individual mode of communication and by planning communication strategies according to the feedback received from customers' (Grönroos and Undberg, 2004:238).

2.6.1.1 Trimodal conceptualisation of customer relationship communication

Trimodal conceptualisation represents a strategic approach to managing communications to maximise value creation as the relationship between buyer and seller is enhanced. In this conceptualisation, communication is seen as a linking process that connects the customer and the firm in the generation of value via three modes of communication: planned communication, contact, and connectedness (Grönroos and Undberg, 2004:230):

1. Planned communication – the stage of initially establishing the brand identity and starting a relationship with the customer.

-
2. Contact creation - the stage in which the service firm approaches the customer directly and in this way provides more personalised messages.
 3. Connectedness - the stage at which value is created through shared meaning as a consequence of dialogue and participation by both parties in a relationship with one another.

These three modes of communication provide managers with a new way to direct their communication efforts according to the needs of the customer. From a strategic standpoint, by identifying the needs of the customer on a one-to-one level, new value categorisations can be reached to meet the expectations of the service firm's customers better. The strength of the trimodal conceptualisation of communication processes lies in its ability to increase service firms' understanding of how to communicate with each customer based upon the relationship stages (Grönroos and Undberg, 2004:230).

For example, one respondent in the Finnair study (survey) valued most the direct contact with staff members he had been able to create. Using the new trimodal conceptualisation of communication processes, value is generated throughout the development phases of a relationship. The applied conceptualisation is useful as a strategic tool that can be employed in service firms. The findings of the Finnair study also show that during contact creation, the path for the future of the relationship was established as shared understanding either increased or decreased as an outcome of two-way interactions (Grönroos and Undberg, 2004:230).

2.6.1.2 Linkup between value and communication in customer relationship management

Customer-perceived value has been positioned as the prime objective of relationship marketing (Grönroos, 2000). From service organisations' perspective, the role of communication can be seen as a process by which value generated elements could be integrated and communicated between the parties to maintain the achieved relational stage or, more importantly, to improve it.

In line with this, Grönroos and Undberg (2004:234) state that recent research findings show that the outcome of successful communication is the customer-perceived value that results from the increased connectedness between the buyer and the seller in their relationship with one another.

2.6.1.3 The relationship view of communication in services

In relationship marketing, the interaction between the parties is believed to lead to improved connectedness and value for both (the win-win notion). Communication is considered an umbrella term for all communication activities between the relational parties and can include one-way and two-way processes as well as media messages and word of mouth. The one-way and two-way interaction processes are specific dynamic interactions, such as dialogues and conversations, through which both participants can influence each other directly.

2.6.2 Media relationship management

The media has the freedom to choose what they wish to portray. This, in turn, means that they are free to decide what they want to reveal in the same way that they are free to decide what they wish to conceal. If a business, company, or institute of any sort maintains a highly regarded reputation, then it is less likely for the media to over-emphasise its failure in the case of a crisis due to the fact that the recipients (the general public) will not easily manipulate their belief about the business. However, if the pre-crisis reputation is scandalous, then it is much easier for the media to expose all the failures in a manner that would convince the community at large.

In *Fame and fortune* by Charles J. Fombrun and Cees B.M. Van Riel (2004) the section on ‘increasing your media presence’, reveals that the media clearly affects a company’s visibility to consumers. It was noted that “many of the most visible companies also earned top scores in the media”. This mirrors the fact that the general public tends to remark the companies that are put “on the agenda” by the media and give higher ratings

to the companies that gain more favourable press coverage (Fombrun & Van Riel, 2004: 121-124).

2.6.3 Community relationship management

Maintaining an upright reputation with the local community can be a method of presenting a company's strengths and willingness to provide their utter best in all regards.

In the case of the air-travel business, the community is, or at least at one point or another will become, the client. Thus, it is imperative to sustain a reputable relationship with the general public or the community. The main reason for this being that if the community highly regards the business, then it is more likely for it to become increasingly successful due to rising demand to use its facilities.

If an airline chooses to hide all its benefits and advantages towards the community, then it is less likely to be as victorious as an airline who modestly lays out its unique and favourable factors. Basically, in community relationship management, the most vital factor seems to be to prove or show what the company does to be responsible in the community (Fombrun, 1996:357-361).

2.6.4 Victims' families relationship management

The relationship between the company and the victims and their families is related to the relationship between the company and the community. This is because, after a crisis, the public and the community will observe how the company responds to the victims and their families' needs. In Joe Des Plaine's article, "A crisis response doesn't end with evacuation", he states, "while crises tend to be different based on geography, type, logistics and nature, the need for victim assistance is consistent". Des Plaine goes on to explain that victims need support and assistance, but that most of all, the company should be aware of the fact that "the public expects an organization [sic] to demonstrate concern and compassion following a crisis" (A crisis response does not end with evacuation. (<http://www.crisiscommunication.com>)).

In order to manage a good relationship with the victim's families, a vital part of a crisis response plan would be to have employees ready to answer any enquiries via telephone should there be a disaster. This means that there should be special people who are employed solely to act as supporters should a crisis occur. These employees should be the first ones to receive any information on the crisis and the steps forward.

In terms of victims' families, there is no way to establish a relationship with them ahead of time. Due to the fact that a crisis is unexpected and unpredictable in most cases, a company cannot aim to build a relationship with the victims' families prior to the disaster because, at that stage, they do not, know who the victims are and, thus, their relatives remain unknown as well. However, the level of compassion and support demonstrated by a company towards its victims and their families following a crisis contributes to business continuity efforts.

2.6.5 Government relationship management

When dealing with government relationship management, one is more or less aiming to moderate the pressure from the government on the company. The government always provides codes of conduct governing the working relationships, and conditions, and environmental awareness. The role of communication strategies of a company should be to create a perception that the company adheres to the codes of conduct developed by the government in the face of the general public. Basically, the government wants organisations to be transparent to the general public and so every company's communication strategies should portray their image as one which coincides with the legal aspects concerning the government (Fombrun & Van Riel, 2004:195).

2.6.6 Investors relationship management

While there are two basic types of investors, individual investors and institutional investors, institutional investors are the most influential ones controlling some 40% of all investment funds. When institutional investors lose confidence in a company, when they develop negative perceptions of the company and their ways of carrying out procedures, they constantly demand a change in management. This in turn leads to negative publicity of the organisation as an indicator of failure of the management to run the organisation smoothly. Hence, the role of communication between the investors and the company itself should be strictly enclosed and confidential. If the investors are perceived as an actual part or sector of the company, they will be more likely to carry out all procedures as if it was their own company. Thus, the company should strive to include both types of investors in all communications and planning for anything of relevance to the company at large. This implies that consulting with the influential and relevant investors in developing crisis communication planning is imperative (Fombrun & Van Riel, 2004:19).

2.6.7 Employees relationship management

To manage a relationship with the employees, everything must be built on a foundation of trust. As Fombrun puts it in his book *Reputation*, “trust does not exist naturally in the workplace”. In other words, he is implying that in order to have a successful company with successful outcomes, trust must be a primary factor. In order for a company to reach its highest possible level of success, the employees must act not only as internal stakeholders but also as participants in decision-making. Like with the investors, the employees must also feel a sense of belonging. Better results are achieved if the employees all work together in a cohesive manner to increase the credibility of the company. Again, if the employees feel as though they are working for their own company and towards something that affects them personally, they will be more enthusiastic, reliable, and determined. Thus, it is advisable for the company and its employers to maintain a first-class relationship with the employees (Fombrun, 1996:67-70).

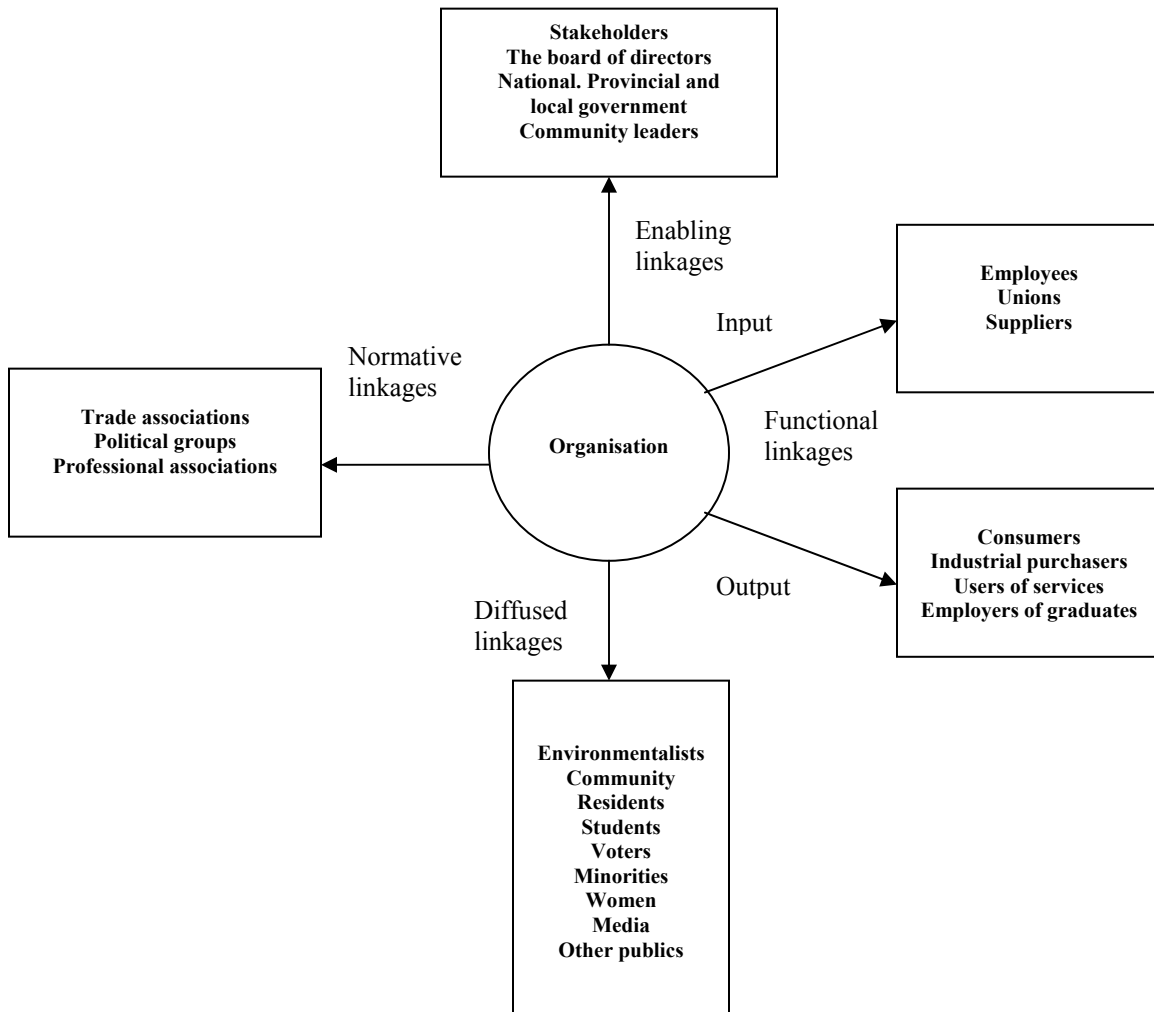
2.7 STAKEHOLDER MANAGEMENT – THE STRATEGIC APPROACH

Mitroff (in Bronn & Bronn, 2003:300) succinctly defines stakeholders as the concrete entities that affect and in turn are affected by an organisation's actions, behaviours, and policies. Furthermore, Harrison and St John (in Bronn and Bronn, 2003:292) state that stakeholder management includes communicating, negotiating, contracting, and managing relationships, and motivating them to respond to the organisation in ways that benefit it.

However, different stakeholders have different agendas and these results in a different interpretation of situations or issues under consideration, which is frequently a “problem” condition that must be addressed, but which can also present opportunities for organisations. That is, agreement is not necessarily to be expected, but an appreciation of the multiple interpretations of a complex situation is imperative in order to achieve understanding so that progress can be made. Additionally, this contributes to increased learning on the part of both actors (Bronn & Bronn, 2003:291).

Based on the above considerations of stakeholders, Steyn and Puth (2000:66) drew up a Stakeholder Map (organisational linkages, public relations audit):

Figure 2.2: An organisation's strategic linkages



Source: Styen and Puth (2000:66) [adapted from Grunig and Hunt]

2.7.1 Identify stakeholder perceptions, attitudes, or concerns

Neef (2003:74) states that identifying stakeholder perceptions, attitudes, or concerns is important, as companies need to identify key issues which affect the public and invest their scarce resources to resolve these issues to build up or maintain their corporate reputation. According to Neef (2003:76), it is much more difficult to build a good reputation than it is to create a bad one.

2.7.2 Stakeholder familiarity with the organisation

Corporate reputation increasingly depends on being seen to be in step with societal expectations, and in a radically transparent world the penalties for falling short can be severe (Griffin, 2002:57).

However, though corporate reputation depends on being seen to be in step with societal expectations, according to White and Mazur (1995:111), gauging corporate image is one of the most elusive areas of marketing. It is difficult to put a monetary value on image until something goes wrong. The minute that happens, one can see the fruit of all one has done in preparation.

2.7.3 Risk and key strategic issues management

For organisations facing emerging risk issues, some of the principal guideposts for effective risk communication are the following:

- An organisation must understand the dynamics of public emotion and the working practices of special interests groups and the media who may strive to raise and legitimise a stance on an issue for public debate and, ultimately, public policy formulation.
- An organisation must be familiar with the cyclical development of an issue in order to focus appropriate resources on early identifications and monitoring those relevant identifications and organised activity for response. This should include a clearly defined policy and associated communication strategy.
- An organisation appreciate that it is not realistic to change public opinion about the *size* of the risk (even if the true risk of an unfamiliar hazard is small) therefore, an organisation or industry must:

-
- communicate in a language that relates to and alleviates public anxiety; and
 - establish and build *trust* about the commitment to *control, reduce, and contain it* (Regeester & Larkin, 2005:21).

Griffin (2002:13) states that issues are defined as debates of current/potential public interest, which might impact on corporate or brand reputation. They can positively or negatively affect the business. For example, biotechnology, competition policy, and healthy eating are all subjects which could have either a positive or negative impact on a business in the food industry.

Steyn and Puth (2000:68) explain these effects of the organisation on operations of the external world as strategic issues. According to them, strategic issues are developments, events, and trends that are considered consequential by an organisation's management because of the potential to impact the organisation's strategy. As a result, not all issues are strategic.

The other source is internal. Here, the transformation of the nature of work, from production to knowledge-based services, total quality management, demands for ethical behaviour and increasing calls for sustainable development have changed the way employees view their situation and possibilities (Bronn & Bronn, 2003:95). To complicate the matter further, these internal and external sources are not independent. Their interactions result in a business and communication environment that is characterised by detail and dynamic complexity, conflict, abrupt change, and a host of other confounding factors (Steyn & Puth, 2000:67).

Finally, according to Halal (1996:67), the emphasis on the stakeholder approach to management is increasing as corporate managers are dependent on stakeholders because the economic role of the firm is to combine as effectively as possible the unique resources each stakeholder contributes: the risk capital of investors; the talents, training,

and efforts of employees; the continued patronage of customers; the capabilities of business partners; and the economic infrastructure provided by government.

2.8 THE ROLE OF THE CORPORATE COMMUNICATION MANAGER IN TIMES OF CRISIS

According to Marion (1998:660), whether it occurred willingly or grudgingly, a new position was emerging, reporting directly to the president, Chief Executive Officer, or chairman of the board and eager to take on the entire responsibility for the communication strategy.

The primary role of a corporate communication manager is to translate every type of message in a convincing and thus coherent way, and to organise the diffusion of communication expertise throughout the firm. In order to achieve this, he or she has a number of means available which, rather like a compass, can help orient the understanding the firm has of itself: the choice of a language, the choice of colour, typography, symbols; a certain structuring of its brands; specific procedures for obtaining successful local translations of strategy; the sharing of values, data and common tools; training seminars; and interactive networks (Marion, 1998:660). However, further classification of the tasks of the corporate communication manager can be made into three dimensions (Marion, 1998:661). These are:

- external relations (press releases and press reviews, annual reports, public relations, international relations, lobbying, events, partnerships, sponsorship, corporate philanthropy, trade shows and fairs, exhibitions, conferences);
- internal communication (information, internal events, co-coordinating internal networks, documentation, translations, publications, photographic and video archives, printed or electronically transmitted news messages); and

-
- corporate advertising and visual identity (visual design manuals, denominations, common tools, studies and assessments).

However, this breakdown does not stress the sequential nature of the corporate communication manager's work, which is dependent on the strategic happenings which cover the route of every firm: mergers, acquisitions, privatisation, being quoted on the stock market, a change of director, and crises. Furthermore, the means, which are at the disposal of the central communication department, are closely controlled by top management, which enjoys total command over the whole range of levers used to influence all stakeholders. This situation also contributes to making this “professional function” an unstable one.

2.8.1 The role of the communication manager

According to Steyn and Puth (2000:54), it is the corporate communication manager and not top management who is responsible for developing the corporate communication policy and strategy. That is, as Ray (1999:40) argues, top management are interested in their business problems (key issues), not in communication problems. They may not readily see the connection between communication and their problems, especially when they are measured not on the levels of their communication, but by attaining key organisational goals.

Ray (1999:40) continues his discussion stating that it is the role of senior communication practitioners to identify these key strategic issues and demonstrate (by means of the corporate communication strategy) how communication can provide solutions to key organisational problems. However, Steyn and Puth (2000:54) state that communication practitioners cannot provide solutions to key organisational problems before being thoroughly familiar with the organisation’s internal environment (e.g. the profile, vision, values, philosophy, mission, corporate culture, and corporate policies), as well as the external environment (stakeholders and other external influences e.g. political, economic, social, technological, ecological, and judicial factors which have an impact on the organisation).

2.8.2 The role of the issue manager

According to Regeester and Larkin (2005:126), the issue manager first understands the fundamentals of issue management, observes how others approach the disciplines, and then recommends the appropriate process and initial participants.

The responsibilities of the issue manager include:

- identifying emerging issues;
- monitoring prospective issues;
- help set issue priorities
- helping set accountabilities and “issue owners”;
- ensuring appropriate resource allocation;
- creating issue consistency by identifying and eliminating conflicts among issue plans;
- providing a “one-stop-shop” macro overview of issues across the organisation; and
- delivering and collecting issue intelligence.

2.8.3 Communication manager – supporting the operational units

As a member of the general office within an organisation, which has been conceived horizontally, the corporate communication manager can justifiably be expected to act as a provider of services to the operating units – internal customers. Whether rightly or wrongly so, these units expect headquarters to provide them with the means to deal with the various challenges they have to face. In this case, it is difficult for the central

communication department to restrict its activities to preserving the image of the firm and policing use of the visual design manual (Marion, 1998:663).

According to Marion (1998:664), the corporate communication manager should not think in terms of function but rather in terms of a whole process structured around the expectations of direct customers or final consumers; from that point on, he or she has to manage three types of demands.

- The production of communication tools. Information about the organisation, its objectives, its future, and the threats which hang over it (direct competitors, pressure from distributors, deregulation of markets, new regulations, pressure groups); central media sources which attest to the firm's unity; shared support which demonstrate the coherence of the firm and, more particularly, that of its brands; systems which network the whole organisation around a shared data base, and which thus encourage different multinational teams to learn to work together, facilitate the understanding of each function's specific terminology, and promote a common language (Marion, 1998:665).
- The management of networks of communicators with a view to co-coordinating, monitoring, and supporting the implementation of shared methods and tools which are often new (DTP, multi-media support, direct marketing, lobbying). This all implies that the corporate communication manager must be constantly 'out in the field' in order to co-produce the necessary tools with those concerned, develop strong skills in the field of internal networks, and maintain a close technological watch over emerging techniques in the area of communication (Marion, 1998:665).
- The diffusion of know-how on two different levels: first of all, for the part-time communicators who can be considered as generalists capable of implementing actions locally both by using shared support and by elaborating on tools more adapted to the tasks of their own particular unit—those responsible for managing

relations with national or local government or with a town hall need to possess specific local knowledge (Quelch & Bloom, in Marion, 1998:70); secondly for all managers within the firm (from the head of a unit down to a foreman) who are responsible for running their own team. In this respect, the corporate communication manager's task consists of encouraging individuals as well as the whole organisation to learn how to communicate (Marion, 1998:666).

2.9 CONCLUSION

Corporate communication has a key role to play in the strategic planning of an organisation. There can be little doubt that corporate reputation is now one of the critical issues and the corporate brand a key competitive weapon.

According to Bower (in Steyn, 2000:145), separating strategy into stages or levels is more conceptual than real. However, it is useful in understanding that different people participate in strategy development at different organisational levels (Digman, 1990). This is especially important to corporate communication practitioners, who are criticised by top management for focusing on implementation strategy and tactics, rather than addressing key strategic issues.

The development of corporate communication strategy is a thinking process focusing on strategic stakeholders, strategic issues and publics around those issues. A function of the corporate communication strategy is to identify the stakeholders' attitude towards the organisation, and to identify the consequences of the organisation's policies on its relationship with these stakeholders.

An inescapable view is that at the highest level the role of the communication executive has changed and that he/she now helps to play a role aimed at very many different audiences. Together with his/her senior colleagues, he/she has a great responsibility for the formation and implementation of agreed strategies. In forming this bridge with key audiences, the top communicator helps either to create or to sustain an image.

CHAPTER THREE

COMMUNICATION STRATEGIES IN TIMES OF CRISIS

3.1 INTRODUCTION

Pearson and Clair (1998:59) define a crisis as a “low probability, high impact event that threatens the viability of the organisation and is characterised by ambiguity of cause, effect and means of resolution, as well as by a belief that decisions must be made swiftly”. During this crisis time, effective communication strategies at all levels within the organisation are therefore crucial.

This chapter discusses the definition and types of crises, factors influencing a crisis, crisis management, elements of effective crisis communication, and communication strategies available during a crisis.

3.2 CRISIS

A crisis is defined as any unplanned event that can cause death or significant injuries to employees, customers, or the public; shut down the business; disrupt operations; cause physical or environmental damage; or threaten the facility’s financial standing or public image (Clark, in Kash & Darling, 1998:179). Coombs (1999:2) states that crises threaten organisations and that they are often characterised by "surprise and unpredictability".

Seeger (in Cowden & Sellnow, 2002:193) state that, ultimately, crises threaten to dissolve an organisation’s social legitimacy. He notes that socially responsible behaviour

is the key to earning social legitimacy in crisis communication. Similarly, Hearit (in Cowden & Sellnow, 2002:194) posits, "a clear indicator of a social legitimacy crisis is the emergence of public hostility toward the corporation". He also suggests that in crisis situations, "public hostility is a form of social sanction" from the suprasystem that demands a response. Such threats to legitimacy are particularly troubling. Commenting on social systems in general, Cowden and Sellnow (2002:194) state that legitimacy is probably the major element in survival and those organisations are viewed as legitimate when they "establish congruence between the social values associated with or implied by the activities and the norms of acceptable behaviour in the larger social system of which they are a part".

3.2.1 Types of crises

Coombs (1995:456-457) classifies crises into four types. These are faux pas, accidents, transgressions, and terrorism. A faux pas is an unintentional action that an external agent tries to transform into a crisis. Accidents are unintentional and happen during the course of normal organisational operations. Transgressions are intentional actions taken by an organisation that knowingly place publics at risk or harm. Terrorism refers to intentional actions taken by external actors designed to harm the organisation directly or indirectly.

3.2.2 Factors influencing a crisis

It is critical that an organisation understands the factors influencing crises, so that it will approach a crisis using either creation of crisis teams, CEO involvement, or other means. There are seven factors influencing a crisis:

- **Pre-crisis planning:** Management's ability to handle a crisis situation and the potential of a crisis to escalate is often determined by the quality and thoroughness of the company's prior planning, (Lagadec, 1993; Pinsdorf, in Ray, 1999:97).

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- **Organisational perception:** The level of uncertainty is often determined by the perceptions of the decision maker (Ray, 1999:98).
 - **Stakeholder perception:** Stakeholder perceptions of an organisation's credibility influence the perceived effectiveness of that organisation's response in a given situation (Ray, 1999:98).
 - **Uncertainty:** The absence of needed information is a primary characteristic of a crisis and an influential factor in determining the direction of the crisis (Ray, 1999:98).
 - **Stress:** A crisis is a manager's worst nightmare. Lost lives, financial devastation, and fear of damaged credibility and legitimacy increase the level of stress associated with a crisis. In the context of a crisis, stress can impact management's ability to effectively communicate and manage the crisis (Ray, 1999:99).
 - **Involved groups:** A number of individuals and groups may be directly involved. Various parties who are basically unfamiliar with one another must learn to adapt and relate: victims; government authorities; elected officials and politicians; and crisis management teams (Ray, 1999: 100-104).
 - **Decision making:** A crisis is a situation requiring quick decisions between a limited numbers of options. A lack of action generally results in negative consequences (Ten Berge in Ray, 1999: 104).

3.2.3 Crisis management

In general, crisis management is a continuous process of recognising and responding to factors associated with a potential or actual crisis and its resolution (Ray, 1999:97). Further, Kash and Darling (2008:179) define crisis management as a series of functions or processes to identify, study and forecast crisis issues, and set forth specific ways that would enable an organisation to prevent or cope with a crisis. The basic tenet in crisis

management is that crises can be managed much more effectively if the company prepares for them. Therefore, crisis management deals with the anatomy of a crisis by looking at some symptoms, and recommending methods of prevention and intervention.

3.2.3.1 General norms of managing a crisis

According to Stocker (in Caywood, 1997:189), when confronted with a crisis, the first response to a crisis can be very important. Even though it (crisis) is on a much larger scale, the rules of complaint handling and the “4 R’s” still apply:

- **Regret:** stakeholders want the organisation to say that it is sorry that a crisis happened. Not that it is guilty, or even responsible, just that it regrets the event. This is very hard for some overprotective lawyers, who will caution that “these very words will come back to bite us in court.” First, the real costs are not in the courtroom, and second, crisis research is clear: if the organisation does not express regret, nobody will listen to anything else it says. An organisation cannot skip the first R and jump to the second (Stocker, in Caywood, 1997:189).
- **Resolution:** State, if appropriate, what you will do to resolve the issue. Put safety caps on the medicine, buy double-hull ships, and test the chips before they are shipped, or, if it is not the company’s fault, do nothing.
- **Reform:** The third step is to ensure, if possible, that it will not happen again.
- **Restitution:** Everybody wants something. This does not refer to legal judgements, but product coupons when the product returns to shelves, or free phone calls in return for outrages. The formula works.

3.2.3.2 Stages of a crisis

A crisis can consist of four different and distinct stages, namely the prodormal crisis stage, acute crisis stage, chronic crisis stage, and crisis resolution stage (Fink, 1986:12).

According to Kash and Darling (1998:180), the right strategy, in general, provides for preventive measures, and treatment or resolution efforts both proactively and reactively. Hence, this study will provide an overview of the first three stages of a crisis before taking up the treatment, resolution or intervention stage.

Prodormal crisis stage: According to Kash and Darling (1998:181), a prodormal crisis stage is the stage where there is a symptom at the onset of a crisis. However, the warning lights are always blinking.

Acute crisis stage: An acute stage occurs when a symptom “demands urgent attention”, whether the acute symptom emerges suddenly or is a transformation of a prodormal stage (Kash & Darling, 1998:181).

Chronic crisis stage: During this stage, the symptoms are quite evident and always present. It is a period of “make or break.” Chronic problems may prompt the company’s management to do something once and for all about the situation (Kash & Darling, 1998:18).

3.2.3.3 Crisis resolution

Crises could be detected at various stages of their development. However, studies indicate that today an increasing number of companies are issue-oriented and search for early warning symptoms. Hence, crisis resolution involves, besides prevention, strategic forecasting, contingency planning, issues analysis, and scenario analysis to provide a framework that could be used in both avoiding and encountering crises (Kash & Darling, 1998:182).

3.3 STRATEGIC COMMUNICATION IN TIMES OF CRISIS

3.3.1 Elements of effective crisis communication

Ulmer and Sellnow in (Cowden & Sellnow, 2002: 195) explain that “the day-to-day communication expectations of stakeholders are “greatly intensified by crises”. These researchers also contend that a crisis can actually expand the number of relevant stakeholders an organisation must address”. Thus, crises necessitate extraordinary effort to identify and communicate with all relevant stakeholders. Clearly, crises create an intense need for an organisation to communicate with an expansive and diverse audience.

Supporting Ulmer and Sellnow, Kash and Darling (1998:184-185) state that a very important step towards dealing with any crisis is the effective use of communication. A business must be willing to open the lines of communication quickly to stakeholders. A company that freely shares information stands the best chance of weathering difficulties. Airlines have come to recognise the critical nature of communication during a crisis. USAir, for example, recognises that when its crisis plan goes into effect, leadership within the company becomes a co-coordinator of aid and information to the families. Information becomes critical to stakeholders during a time of company crisis. Companies need to communicate in terms of “long-term” crisis communication, as opposed to “short-term” communication. This means that the company maintains its plan, and makes communication statements that do not just address current crisis issues, but the information provided and the means by which it is communicated are handled with a mindset of how this will affect the company in the future.

Keep people informed, and be honest. A survey done by Porter/Novelli, a public relations firm in New York, found that 95% of respondents said that they “are more offended when a company lies about a crisis than they are about the crisis itself” (Kash & Darling, 1998:179-186). Therefore, Hoffman (2001:27) suggests that in order to help airline executives protect their personal and corporate reputations during crisis, special attention needs to be paid to the 4 P’s of effective crisis communication – prevent, plan, prepare, and practice.

Prevent: Crises that have occurred throughout the world have often stimulated lively brainstorming sessions. The possible problems could be allegations of racial/sexual discrimination, ineffective response to a natural disaster, equipment malfunctions, and so on. Whether it is a natural disaster, an instance of workplace violence, or a major aircraft crash, human resources play a crucial role in its company's crisis management efforts and how it responds to these situations. One of the most valuable contributions that HR can make to effective crisis management – both before and during a catastrophe – is by fostering open communication with employees and addressing their needs and concerns, which may include trauma counselling. This can be done in one of several ways:

1. Establish an open-door policy.
2. Set up an employee comment box.
3. Establish a hotline number (Anonymous 2000:13).

Plan: Develop a written crisis communication plan detailing the first actions if one of these incidents were to occur. The details could include: What could go wrong around here? Who needs to be told about each type of situation? When should local community officials want to be notified? Finally, when a crisis occurs, what needs to be done first? (Hoffman, 2001:27).

Prepare: There is a lot more involved in preparing to handle a crisis than simply putting together a press statement about the incident. A good deal of thought must be given to deciding which aspects should be emphasised. For example, if company personnel responded quickly and competently to the incident and prevented any long-term impact to the community, that message needs to be communicated. If passengers or employees were hurt or the community was frightened, the message needs to be framed in terms of care and concern for those involved. The priority list of those affected must go in this order – people first, the environment second, and company assets last. Develop “sound bites” to make your messages memorable. Those who are upset over what has happened will undoubtedly develop a memorable “sound bite”, and the airline needs one as well,

because it is hard to counteract dramatic, negative “sound bites” with logic, reason, and scientific data (Hoffman, 2001:27).

Practice: A plan that has not been practiced in the past year is not a plan at all. Role-playing is valuable. Once every six months, use part of a regular staff meeting or call a special meeting to practice the organisation’s response to a simulated crisis. It is better to establish the weaknesses of the plan or the employees in a role-play instead of when the lights of the media cameras are focused on the company spokesperson. Finally, it is important to note that others have survived difficult times, some even achieving enhanced personal and corporate reputations due to the responsible and responsive way they handled a crisis (Hoffman, 2001:27).

3.3.2 Reputation and issues management during a crisis

3.3.2.1 Reputation management

Companies should recognise that, when dealing with a crisis, a firm is really focusing on reputation management. It is an opportunity for a company to enhance its image from the customer’s point of view (Kash & Darling, 1998:184).

Reputation is ultimately the measure of an organisation's social responsibility (Van Riel, in Cowden & Sellnow, 2002:1). Reputations, good and bad, are created by every observable action taken by organisations.

3.3.2.2 Issues management

Regester and Larkin (2005:43) contend that managing issues frequently involves dealing with change. The ultimate goal is to shape public policy to the benefit of the organisation through:

- early identification of the potential impact of the change; and

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- organised activity, based on sound management principles and techniques, and allowing time for analysis and creative thinking to influence the evolution and, ultimately, the outcome of that change.

Regester and Larkin (2005:90) also contend that an issue ignored is a crisis ensured. To manage the crisis, they (Regester and Larkin) propose the following:

- Manage the response. Because of the consequences of failing to manage and respond to public opinion, senior management must have appropriate systems and resources in place to be able to focus – full-time if necessary – on the management of the issue.
- Understand the public view. The speed and amplification techniques of a modern, global media and the growth and sophistication of single-issue campaign groups make them extremely capable in reaching and relating to public emotion. These factors create a new imperative for institutions and corporations to monitor and assess public perception and behaviour on any matter that could affect, either directly or indirectly, operational performance.
- Make the case clear and simple. The avoidance of complex language and statistics is essential. Instead, the use of analogies to emphasise the low degree of potential risk to the environment, coupled with basic facts, message points, and illustrations are effective mechanisms for making a clear and compelling case.
- Find out whom the company is up against and how they are likely to behave. This involves gathering information on the agendas and activities of all relevant audiences, however peripheral in the beginning.
- Work with the media. The need for regular availability of no more than two or three designated spokespeople for communication with the media is essential.

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- Sing from the same hymn sheet. Although sometimes difficult to institute across international and highly decentralised organisation structures, it is imperative that policy guidelines are introduced and adhered to in such a way that there is always a single, consistently communicated position on an issue, with authorised spokespeople assigned to represent that position.
 - Remember that issues transcend borders and politics. Appropriate early warning systems and internal information networks, which can operate across borders, are essential ingredients in the effective strategic planning and issues management functions within the organisation (Regeester & Larkin, 2005:94).

3.3.3 Clash between an organisation’s communication and different stakeholders’ interests during a crisis

Massey (in Cowden & Sellnow, 2002:195) argues that organisations should follow consistent crisis response patterns, and suggest that “consistent crisis-response strategies are more effective than inconsistent ones for legitimacy management. Although the evidence is clear that consistent communication enhances the legitimising dialogue with multiple audiences, achieving such consistency can be difficult.

Ice (in Ulmer, 2001:595) views the diverse audience’s organisations face in crisis situations as a series of publics. He explains that “a public responsibility perspective examines the communication produced by the organisation toward publics and discerns the corporation’s responsibility to the public from an analysis of that communication”. In his analysis of Union Carbide’s Bhopal crisis, Ice (in Ulmer, 2001:595) identified four publics to which Union Carbide had to respond. Enabling publics include regulatory agencies and stockholders. Functional publics include employees and consumers who provide the labour and resources needed by the organisation. Normative publics include the industry as a whole. Finally, diffused publics are those unorganised groups whose views might be important to a given organisation. These four publics are essential to an organisation’s attempt to regain legitimacy. For instance, Ice argues that “a corporation communicates different messages to each of its publics because of the different

relationship each public has with the organisation”. Still Massey and Seeger (in Cowden & Sellnow, 2002:196) offer convincing evidence that organisations are most effective in regaining social legitimacy when they communicate consistently among their various publics. Achieving such consistency is often a complex process. Ice (in Ulmer, 2001) contends that “in order to appear consistent, companies often employ the same rhetorical strategies to all publics without strategically considering the impact of such strategies on each public”. (See Figure 2.2: an organisation’s strategic linkages, page 42.)

Tyler (1997:52) sees strategic ambiguity as a viable option to resolve tension that is produced when an organisation wishes to apologise to victims of a crisis, but are advised by legal council not to do so. She explains that in crisis situations the communication literature recommends candour and openness, whereas the legal literature advocates caution and reticence. Tyler (1997:52) seeks to resolve the conflicting viewpoints by suggesting that strategic ambiguity may be appropriate “in situations in which company executives experience a need to restore the company’s image but are limited in what they can say because they are reluctant to incur legal liability”. Cowden and Sellnow (2002:196) offer support for Tyler’s (1997:52) recommendation by providing evidence that organisations can offer corrective action during the early stages of a crisis without accepting legal responsibility for the problem. The above discussion leads to the conclusion that clearly, to be successful in their efforts to regain or maintain social legitimacy, organisations must develop a consistent message that does not alienate relevant publics.

Legal constraints may keep a company from communicating as freely as it would like. Liability may determine how a company responds to victims or victims’ relatives. Some airlines, for example, have been accused of assisting victims’ relatives after a major plane crash for the sole reason of soliciting information for litigation purposes (Ray, 1999:21).

Hence, when confronted with a crisis, what or how should an organisation communicate?

3.3.4 Crisis communication strategy

The communication strategy should be sharpened on a day-to-day basis on the following points:

- preserving the image of the company;
- building brand equity for the corporate; and
- getting ready to do the fire fighting in case a crisis arises (Ashok, 2005:1).

Covello (in Grant & Powell, 1993:3) explains the communication characteristics of a crisis are:

- inaccurate, contradictory, and incomplete information, especially in the initial stages;
- constantly changing information;
- breaking of the normal communication channels; and
- confusion.

According to Bland (2002:1), effective crisis communication is a process which starts long before the crisis happens, and which involves all senior management involved in crisis decision-making – including the business community team. In addition crisis communication should be a regular management agenda item.

The perfect balance between speed of action and the correct design of communication activities determines the crisis communication strategy success (Reyes Cestti, 2005:1)

3.3.5 Crisis communication plan

No business is immune to crises and negative publicity. Tragic and unfortunate incidents are a part of life. In such a situation, it is imperative to ensure that a foolproof crisis communication plan is in place.

Preparation is crucial in dealing with a specific corporate crisis. The crucial element is to ensure that the plan remains flexible enough to accommodate every unexpected and unaccounted possibility that might arise (Abou Zaki, 2004:2).

Sandra C. Freeo (<http://www.wkkf.org>) lists the crisis communication team, positioning, designated spokesperson, media policies and procedures, practicing tough questions, prepared statements, sample news release, collateral materials, key audiences, contact log, speaker's presentations, and handling media interviews as the blueprint of the crisis communication plan for PR. In this line, Adrian and Peterson (2005:2) consider that the crisis management plan should include:

- a database with the names, phone/page/fax/cellular numbers, e-mail, and postal addresses of everyone on the crisis team;
- assigned roles and procedures for everyone on the crisis team;
- a multimedia database with critical information on the organisation's plants, offices, personnel, products, and services that can be quickly accessed and analysed;
- commercial databases that complement proprietary databases; and
- a means for everyone on the team to access the databases and collaborate from remote locations globally.

The British Airways' Emergency Public Information Centre (EPIC), it comprises a set of rooms only used when a plane has crashed or a crisis simulation test is being run. Telephones are manned by flight attendants who have received additional training. The staff are capable of speaking multiple languages to respond to the different nationalities flying in aircraft (Regeester & Larkin, 2005:129).

Impact of niche width and crisis communication consistency on organisational legitimacy after a crisis.

When faced with a crisis, organisations need to communicate strategically with stakeholders in order to sustain the legitimacy of the organisation. Legitimacy is the perception that an organisation is good, credible, and honest, and has a right to continue operations (Massey, 2001:153).

Previous research conducted by Massey (2001:154), indicates that there is a relationship between niche width of an organisation and its crisis communication consistency with organisational legitimacy. That is, Massey 2001 hypothesised that an organisation's niche width affects stakeholder perceptions of the organisation's image.

Niche width refers to an organisation's position or role within its market or field – the space occupied by an organisation within its environment. Niche width is identified by generalism or specialism. To make it clear in relation with the airline industry, generalist airlines are the ones who have scheduled flights, long-haul flights, which has been in operation for more years and provide different in-flight services. While specialist organisations are those which have very few aircrafts, they had been in business for short period, have short haul flights and have limited in-flight services (Massey, 2001:156).

The output of the research conducted by Massey in 2001, indicates that

- a. consistent crisis-response strategies are more effective than inconsistent ones for legitimacy management;

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- b. generalist organisations are perceived as being more legitimate than specialist organisations; and
 - c. both generalist and specialist organisations that produce consistent crisis responses are perceived as being more legitimate than generalist or specialist organisations that produce inconsistent ones (Massey, 2001:159).

The case of Helios Airways will be discussed using the niche width theory together with crisis communication consistency and organisational legitimacy in chapter seven.

3.4 COMMUNICATION STRATEGIES DURING A CRISIS

A communication strategy needs to be chosen from among alternative communication strategies based on the specific circumstances. That is, strategic communication focuses on the design of the message. Organisations essentially have five different options when communicating during crisis: to deny responsibility, to hedge responsibility, to ingratiate the organisation with its stakeholders, to make amends, and to elicit sympathy (Ray, 1999:23).

3.4.1 Deny responsibility

Organisations may choose to deny any association with or responsibility for the cause of an event. Four tactics serve to deny responsibility: directly deny, expand denial, redirect blame, and aggression. Direct denial is a simple statement denying any accountability for the event. Expansion of denial goes further by explaining why the organisation is not responsible for the event. An organisation may redirect blame to another source as a method for denying responsibility. In situations where an accuser wrongly places blame, an organisation may choose more aggressive tactics, such as confronting or attacking the accuser (Ray, 1999:23).

Coombs (1995:456) adds to the above discussion stating that refutation strategies seek to eliminate the crisis. According to Coombs (1995:456), the most aggressive refutation

strategy is intimidation. Intimidation is most often the threat of legal action against those who say an organisation is experiencing a crisis. If an organisation uses strategies of refutation the leaders must be absolutely sure they are correct in stating that a crisis does not exist.

3.4.2 Hedge responsibility

A more viable alternative may be to hedge or evade responsibility for the event. Hedging responsibility allows the organisation to distance itself from the crisis, or “duck” responsibility. Four tactics function to dodge responsibility: excuses, scapegoating, pleading ignorance, and refuting evidence. An organisation may offer excuses, which explain extenuating circumstances or justify some action. Scapegoating enables the organisation to place primary responsibility on another. An organisation may plead ignorance by stating there was a lack of significant information about the situation. Or the organisation may be in a position to refute or argue conflicting evidence to reduce responsibility (Ray, 1999:23-24).

Coombs (1995:457) states that an organisation can excuse the crisis by denial of intention, (“we didn’t mean to hurt anyone”) or by denying violation, (“no laws were broken here”). Furthermore, Coombs (1995:3) states that justification is an avoidance strategy that seeks to minimise the damage associated with the crisis. Organisations can minimise a crisis by denying the seriousness of injury, or claiming the victim deserved what happened, e.g. “it is tragic that someone was killed in a Ford, but they didn’t have their seatbelt on”.

3.4.3 Ingratiation

The ingratiation strategy is designed to win stakeholders’ support for the organisation and reduce negative feelings toward the organisation. One ingratiation tactic is to accentuate the positive. The organisation must identify and reinforce positive aspects of the organisation. A second tactic is to create identification between the organisation and its stakeholders. Organisations attempt to become identified with symbols, values, or institutions, which have a strong base of public acceptance. A third tactic is to acknowledge others

positively. Positively acknowledging another generally gains approval from the acknowledged recipient, and may possibly leave a positive impression on other stakeholders (Ray, 1999:24).

Referring to ingratiation strategies, Coombs (1995:464) states that attachment strategies seek to gain public approval for the organisation during a crisis. This is done by bolstering the organisation's attributes, "our organisation adds \$1 billion to the local economy," or transcendence, "the soldiers were killed in the defence of freedom," or by praising others, "the heroic efforts of those that helped clean this oil spill cannot be overstated".

3.4.4 Make amends

Organisations may choose to make amends in an effort to win forgiveness for the event. This is done in three ways: apologise, remunerate, and right the wrong. An apology expresses regret over the event and requests forgiveness. Organisations may remunerate victims with money or other services in an effort to reduce negative feelings toward the organisation. Finally, by righting the wrong the organisation demonstrates concern and regret by correcting the problem. Necessary changes are made to prevent the recurrence of the event (Ray, 1999:24).

Forgiveness strategies attempt to win forgiveness of the public and to create acceptance for the crises. Negative feelings may be lessened if an organisation takes positive actions to help the victims of a crisis. The airline industry is particularly adept at this following a crash (Coombs, 1995:464).

3.4.5 Elicit sympathy

"A final strategic option is to elicit sympathy. This approach portrays the organisation as an innocent victim. Sympathetic stakeholders tend to be less critical and the organisation is likely to be placed in a positive light" (Ray, 1999:24).

Repentance is a forgiveness strategy that simply asks for forgiveness. If an organisation apologises for the crisis, the negatives associated with the crisis should be lessened as people accept the apology and forgive the organisation for its misdeeds. Rectification is a forgiveness strategy that normally follows repentance. Rectification involves taking action to prevent recurrence of the crisis in the future (Coombs, 1995:465).

3.4.6 CONSIDERATION FOR EMPLOYING ALTERNATIVE STRATEGIES

According to Heath in (Ray, 1999:24), “each of the above strategies has the potential to influence successfully stakeholders’ perceptions of an organisation following a crisis. When considering strategic communication options in the context of a crisis, companies must remember the importance of creating the perception that they are in control. This requires speaking with a credible and unified voice”.

Even though the employment of strategic alternatives helps to manage the crisis, crisis management is not a communication problem, but rather the result of very basic changes in the way an organisation believes, thinks, and behaves. It is based on sound research on how the public regards the organisation, their opinions of the company’s social accountability, and their determination of the company’s reputation. The role of business communication comes into play in terms of its ability to affect positive change to demonstrate that it can anticipate trends, evaluate the potential and create effective plans to manage their quick-changing evolution (Wyle, 1997:35).

3.5 MEDIA COMMUNICATION STRATEGIES DURING A CRISIS

To ensure an accurate and fair reporting and understanding of the company’s position, facts, and attitude in a crisis, the company cannot allow the media to control the entire dialogue. An organisation must think of the media as a distribution system, and one that has its own agenda, unless it establishes its own proprietary systems. The following advice can help to exploit the communication tools and communication strategies available to manage media relations:

- Develop direct, unedited information systems to reach your important audiences.
- Utilise all forms of media. Overnight delivery and faxes can be used for small, important groups like the board, legislators, or institutional investors.
- Consider direct mail, group faxes, hotline numbers, Internet pages, regional meetings, or advertisements for larger, more diverse groups like customers, employees, or the community.
- Hold the media to the truth. Form a “Truth Squad” to monitor and correct any and all media errors or omissions. Understand that each instance will not or should not result in a correction. The objective is to make sure the database is reasonably accurate, as new reporters on the scene will use it as a basis of their coverage.
- Test messages for understanding and impact. A quick focus group or telephone research is helpful in sensing the mood of the public and testing the company’s response for sincerity and credibility.
- Supplement everything with third-party support. Everyone will have “experts” to support or explain the terrain.
- Keep a log of all press releases and key accurate stories as the crisis develops, and use it to “upload” new members of the press as they enter the story. This will improve the accuracy of the coverage.
- Provide a location for the press to meet, communicate, and get briefings from the organisation. To get its messages across, the company needs to be a source of information (Stocker, in Caywood, 1997:189).

In addition to the above advice from Stocker (in Caywood, 1997:189), Regester and Larkin (2005:124) propose the following three points regarding media management:

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- Have proactive working relationships with the media (at regional/national and international levels as appropriate) by establishing contact, such as, issuing press statements, media briefings and workshops.
 - Monitor editorial coverage and individual journalists or publications for interest/bias; classify into positive/neutral/negative editorial stances on an ongoing basis and immediately following major announcements.
 - Train the right people (spokespeople): corporate, technical and marketing as well as supportive independent opinion leaders where possible (Regeester & Larkin, 2005:124).

3.6 CRISIS COMMUNICATION PERSON AND TEAM

Companies need to have an individual – communication manager or communication technician-designated to be the primary spokesperson for the company during a crisis situation. This person should understand the values of the company, and be able to articulate those values while addressing difficult circumstances. The key is genuine, open communication, delivered by a credible source that can effectively convey a message of care, confidence, and control (Kash & Darling, 1998:184).

With regard to designing a team, the right crisis team members will ensure that the company's responses instil public confidence in your company, rather than cause irreparable damage.

So, where to start? How the team members determined, what will their responsibilities be, and how can they be helped to respond in a crisis? Now is the time to decide. It is best to begin selecting the team members and thinking about their roles before the company needs to respond to an emergency. Just as a football team is made up of players with special skills, so must the crisis team follow a similar organisation. Top managers, key communicators, technical advisors, legal counsel, and operational staff are just a few of

the individuals to be considered. (This list is not meant to be all - inclusive; the team must be custom tailored to the organisation and your particular industry).

3.7 CONCLUSIONS

This chapter examined organisational crises and the communication strategies available to organisations in crisis and the factors that influence their effectiveness.

Much of the work on crisis communication focuses on post-crisis issues. A much smaller proportion focuses on more comprehensive approaches to crises. This study demonstrates the importance of establishing strong communication channels and positive value positions with stakeholders long before a crisis hits the organisation. It also demonstrates the potentially positive outcomes of effective crisis communication strategies for the organisation and its stakeholders.

In the end, the key to crisis management is crisis prevention, whether the vigilance and preparation are self-motivated or enforced by legislation. But if a fire does break out, comprehensive contingency planning can minimise the catastrophe; and a policy of open communication can minimise damage to corporate and individual reputations (Register & Larkin, 2005:222).

CHAPTER FOUR

COMMUNICATION STRATEGIES IN TIMES OF CRISIS IN THE AIRLINE INDUSTRY

4.1 INTRODUCTION

Global competition increases the need for more integrated communication processes that address both external and internal communication strategies. As the aforementioned discussions in this dissertation have indicated, external communication strategies include relationships with customers, government, media, and the general public. Internal communication strategies include relationships with employees, safety culture and shareholders – internal stakeholders.

In addition to today's global competition, other changes are necessitating the rethinking of communication strategies. Service firms, such as airlines, are recognising the strategic importance of and the benefits associated with integrated relationship communication with customers. The emergence of relationship marketing emphasises the need for new holistic communication process models that present the company and the consumer perspectives as integral parts of a relationship communication system (Lindberg & Grönroos, 2004:230).

The crisis communication plan covers how, when and with whom the company's crisis team communicates during and after a crisis. A communication plan should include such strategies as:

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- developing policy statements (for instance, not revealing the names of victims until the official procedures are completed);
 - creating a visual timeline or flowchart of possible key events; and
 - maintaining lists of contact information for news media and internal managers as well as legal counsel, psychological assistance, and the insurance company (Veech in Eileen P. Duggan, 2005:1).

Furthermore, this chapter examines organisational crises faced by the airline industry and the communication strategies employed by these airlines when responding to various issues associated with a major air-carrier crash.

As this study deals with communication strategies in times of crisis, this chapter is going to address communication strategies - in times of crisis - of selected incidents (major crashes) with the stakeholders who are mostly affected during a crisis, namely, passengers, victims' families, and the other stakeholders. However, a brief overview of the global operating airliners and global major accidents in general are also going to be discussed.

4.2 THE AIRLINE INDUSTRY

According to the Nation Master statistics, there are 1,557 airlines operating in the world. 57 (3.66%) are in the Middle East region, 71 (4.56%) in Australia and the Pacific, 75 (4.81%) in the Caribbean and Central America, 108 (6.93%) in South America, 206 (13.23%) in Africa, 240 (15.41%) in Asia, 266 (17.08%) in North America, and 534 (34.29%) in Europe. A percentage (11.45%) of the world's operating airlines are national airlines, which counts 179 national airliners (Nation Master: 2005, <http://www.nationmaster.com>).

4.3 AIRLINE ACCIDENTS

According to the Annual Review of Aircraft Accident Data of the National Transportation Safety Board (NTSB), Part 121 reference aircraft, applies to major airlines and cargo carriers that fly large transport-category aircraft, while in March 1977, the definition of Part 121 operations changed. Prior to the change, scheduled aircraft with 30 or more seats were operated under Part 121. After the change, scheduled aircraft with 10 or more seats were classified as Part 121 operations. Therefore, since 1997, most carriers that once were popularly known as “commuters” now operate under Part 121 (NTSB: 2006, <http://www.nts.gov>).

The NTSB classifies accidents according to four categories (NTSB, 1997). Accidents classified as “Damage” are least severe and have no fatalities or severe injuries, but there is substantial damage to any Part 121 aircraft. “Injury” accidents are nonfatal and there is no substantial damage to the aircraft, but there is at least one serious injury. These accidents may occur during abrupt manoeuvres, turbulence, or evacuation. An accident qualifies as “Serious” when one of two conditions are met: one fatality but no substantial damage to Part 121 aircraft, or at least one serious injury and substantial damage to the aircraft. Accidents deemed “Major” occur when a Part 121 aircraft was destroyed, there are multiple fatalities, or there is one fatality and aircraft destruction.

Table 4.1 The world's top airlines, 2006

AIRLINE OF THE YEAR 2006		
Rank	Airline	2005
1	British Airways	5 th
2	Qantas Airways	2 nd
3	Cathay Pacific	1 st
4	Thai Airways	7 th
5	Emirates	3 rd
6	Qatar Airways	8 th
7	Singapore Airlines	4 th
8	A N A	10 th
9	Malaysia Airlines	6 th
10	China Airlines	16 th

Source: World airline awards: (<http://www.worldairlineawards.com>)

Ray (1999:4) states that aircraft component failures, weather factors, traffic environment, unpredictable events (terrorist or sabotage), and human errors are often cited accidents.

While accidents receive varying degrees of interest from the media and the public, a major accident attracts the greatest attention. Ray (1999) states that, from an organisational perspective, a crash represents a threat to the airline's legitimacy, image, and financial situation.

The Civil Aviation Authority (CAA) study, in an effort to draw a global graphic for air accidents, stated that accidents in Africa count three times compared to Europe and North America. While a Boeing study, states that many of the airline accidents are linked to the type of jet which an airline uses, the Boeing study confirms that flying on African airlines doubles the danger of accidents to 33 times. With chartered (rented) flights, the danger increases even more. The study also mentioned that the biggest global airline companies take up 60% of the world's flights but they do not contribute more than 20% of the world accidents.

One of the main reasons for airline accidents is that a pre-event stage, when preventive measures can be implemented, does not strictly apply given that regulations to ensure

maximum safety and security should be ongoing standard practice in civil aviation. It may also be impossible to predict certain forms of mechanical and human breakdown with risks always present. Airlines are therefore permanently on the verge of crisis (Kash & Darling, 1998:183).

Despite its vulnerability to aviation accidents, the aviation community has achieved some compelling statistics where safety is concerned. The airline industry operates under a distinctive public standard of zero major accidents – in other words, no accidents. To the public, one accident is one too many. Despite these results, crashes tend to increase apprehension about the safety of specific carriers or types of carriers. For instance, after USAir (now US Airways) encountered a series of accidents in 1994, the public referred to the carrier as “US Scare.” Contrary to public opinion, the National Transportation Safety Board (NTSB) of the US has argued ranking airlines according to safety is virtually impossible. However, the impression that comes from the public after a plane crash has expedited government actions concerning safety (Ray, 1999:4-5).

According to (Flight International: <http://www.flightinternational.com>), the chart shows that the 2004 figure was the lowest in ten years and substantially better than the next best performance – the 702 fatalities in 2003. That, in turn, was a huge improvement on the 1 022 in 2002.

Figure 4.1: World airline fatal accidents and fatalities



Airline accidents' effect on passengers' trust

Airline disasters have increased these days. Theoretically and statistically, flying is still safer than other kinds of transport. However, the passengers' trust, because of the continuous crashes has, been fractured. This has forced airline carrier manufacturers to work harder to develop safety on their carriers and has also forced airline companies to rethink their management system for contingency planning and communication strategies and policies. A huge effort could not and cannot avoid crashes, but statistical numbers and studies of the Civil Aviation Association (CAA) state that between 1960 and 1980 airline aviation accidents have largely decreased. Airline crashes were stable by one and a half crash to one million landings and take-offs.

Despite the pleasure and convenience of flying, negative statistics may scare some people away. Such negative numbers and statistics, however, don't stop the majority of passengers from flying again and again. (Aljazeera news: 2005, <http://www.aljazeera.net>, BehindNews, multiple interview discussion on airline safety).

4.4 COMMUNICATION STRATEGIES OF AN AIRLINE IN TIMES OF CRISIS

Airline accidents illustrate the industry's high level of vulnerability to crises and capture the complexities of crisis management and communication. Because of its vulnerability, the industry is well-prepared to handle a crash in a moment's notice. But the unpredictable nature of a crisis can challenge even the most prepared airlines (Ray, 1999:1).

4.4.1 Complexity of crisis communication in the airline industry

Airline crashes represent a particularly acute form of crisis and their analysis illuminates the dilemmas and difficulties confronting those responsible, affording examples of good and bad practice in crisis management (Henderson, 2003:280).

Major aviation accidents raise concern about safety. After a well-publicised plane crash, airlines expect an increase in cancellations. Naturally, when the industry encounters two or three crashes in a year, the public forms the impression that air travel in general is unsafe. The fact that the industry may go years without a major crash usually goes unrecognised. This adds to the complexity of crisis communication in the airline industry (Ray, 1999:1).

While recognised a characteristic of the industry, a crash is never expected. Following an accident, there are primary concerns for safety, humanity, and public relations. An airline experiences uncertainty with regard to cause, blame, response, public perception, and resolution. In addition, airlines encounter general legal concerns, such as enforcement proceedings against the company. In order to survive the crisis, the airline must strategically communicate with victims and/or their families, the media, the public, other airlines, manufacturers, government agencies, stockholders, officers, employees, and future customers (Ray, 1999:5).

The exceptional publicity given to plane accidents in which lives are lost also means that the media are especially critical to recovery and resolution. Finally, while there do seem to be broad processes and common principles of management at work, it should be recognised that every crisis is unique and must be studied within its specific context and industry sector (Henderson, 2003:280).

4.4.2 Cultural values of the stakeholders

Pinsdorf (1991:37) identifies the complexity of crisis communication in the airline industry by arguing that to sustain a company's positive public image following an airline crash, communication must reflect diverse cultural values. Pinsdorf contrasted the response of Japan Airlines (JAL) following its most fatal crash, which occurred 12 August 1985, and resulted in 520 fatalities. Pan Am's response to the crash clearly illuminated Japanese culture. The Japanese airline adhered to an elaborate protocol, emphasising its sense of humanity and responsibility. Personal apologies, requests for forgiveness, admissions of responsibility, and offers of resignation were given by JAL's President Yasumoto. A wall built bearing the victims' names and the maintenance chief committed suicide. While Pan Am showed care and concern over the crisis, CEO Thomas Plaskett was not quite as demonstrative in showing his feelings of responsibility and grief. According to Pinsdorf, these differences in response clearly reflected the nationalistic, paternalistic, and anti-individual society of the Japanese and the capitalistic side of the American culture.

4.4.3 Crisis management and communication plans

To manage a crisis and successfully set plans for it, organisation should consider a few aspects; including: identification of the airline's strategic crisis issues, managing next-of-kin communication, having a policy of openness, effective use of the web and the formation of a crisis team, and the involvement of the CEO.

4.4.3.1 Identification of the airline's strategic crisis issues

Ray (1999:51) states that a critical part of any communication plan is identification of the organisation's strategic crisis issues. The concept of issues is highly emphasised in the airline industry. Issues are unresolved concerns relevant to the organisation, are characterised by a conflict in values, and have at least two points of view. Issues regarding victims, damage, performance history, liability, stakeholders, corporate image, safety, and prevention may emerge in a crisis situation. When considering strategic issues, it is often helpful to phrase them in the form of questions. For example, concern over air-travel safety is common following an airline crash. Simply stating "air-travel is safe" does not clarify the issue. It is too vague. The issue is focused by formulating strategic questions. Depending on the particular perspective of the company, the strategic question on safety might be, "What actions should the airline take to convince the flying public it is safe to fly?" Another example is, "To what extent should the airline address concerns about safety?" When phrased correctly, strategic issues imply some form of action. Addressing issues in the form of a question ensures a mutual understanding and keeps everyone focused.

Finally, while airlines are doing their best to manage and effectively communicate crises the US government took action to alleviate public concern about airline crises. This came after the highly publicised crash related death of Commerce Secretary Ron Brown in April 1996; the ValueJet crash in May 1996; and the TWA disaster in July 1996; and increased public and those charged to guarantee safety concern about safety. A 1997 FAA report, "Issues Related to Public Interest in Aviation Safety Data," indicated the flying public placed more trust in the individuals who affect the safety of flying (pilots, controllers, maintenance workers) than the public and private institutions that provide and ensure safety. Subsequently, the White House Commission on Aviation Safety, chaired by Vice-President Gore, was formed to improve aviation security and safety. To further alleviate public concern, the FAA announced, in January 1997, it would begin a public education campaign designed to emphasise the overall safety of aviation. In an effort to make aviation safety data more available and accessible to consumers, the information is posted on the World Wide Web (Ray, 1999:4).

4.4.3.2 Managing next-of-kin communication

Sapriel (2003:352) suggests that another area of crisis response, which has been made a necessity by the events of 11 September 2001, is managing the human dimension of a crisis. Indeed, managing public, family, and employee communication is an increasingly important component of overall business contingency planning.

When an accident occurs, airlines immediately activate their passenger information call centres and mobilise and dispatch teams to provide support to victims and next-of-kin at the accident site (Sapriel, 2003:352).

Singapore Airlines, for instance, established its “next-of-kin buddy system” in 1992 and has gradually built it up to a total of 385 trained company staff. “Buddies” are available to support families in the event of an accident, hijack or even extended delays due to air traffic control failures as well as on-board food poisoning. Tragically, the airline had to activate its next-of-kin support in November 2001 when one of its planes crash-landed on take-off at Taipei Chiang Kai-Shek International Airport. That same evening, 150 buddies were flown in from Singapore to assist families (Sapriel, 2003:353).

4.4.3.3 Having a policy of openness, accessibility and availability

Canniffe (1999:3) states that another aspect which needs consideration in crisis management plans is developing a policy for the airline, which permits openness, accessibility, and availability in its communication with its stakeholders, and suggests that the key requirements for handling a crisis properly are openness, accessibility and availability. She advises, even where a company does not know the full facts of a situation, that it gives certain basic information to get a breathing space.

Companies should stress that they are making every effort to ascertain the full facts and address the problem. They should stress the action they are taking and promise to make the full facts known as soon as they are ascertained.

For example, flight delays are a problem regularly faced by the airline companies. And, when a flight is delayed, there will always be passengers who have mobile phones and whose first call will be to a radio or TV station, or a newspaper. This will damage the public image of the company – if the airline ground staff do not deal effectively with the delay at the airport (Canniffe, 1999:3).

A good example of the policy of openness, accessibility, and availability was seen during the Colombia disaster (the crash of one of NASA's spacecraft). Gustin and Sheehy (2003:3) state that in the months following the Colombia disaster in February 2002, NASA's management and public affairs team earned high marks for its crisis communication. In NASA's case, it avoided the sins of crisis communication management: 1. unpreparedness, 2. absence, 3. ignorance, 4. silence, 5. distance, 6. untruthfulness, and 7. naïveté. NASA was, wittingly or unwittingly, sensitive to the new paradigm for organisational humility. Corporations and organisations must face the fact that society currently values the ability to speak openly and frankly, to acknowledge mistakes, and to present realistic and achievable expectations for future action. Despite charges that NASA's internal safety review apparatus could have been more effective, "the agency weathered a series of high-profile revelations relatively well".

That is, NASA took the initiative early, which shows that NASA clearly learned from its own missteps in addressing public concerns following the explosion of the shuttle Challenger in 1986 (Gustin & Sheehy, 2003:3). NASA management was prepared to communicate. It no doubt drilled its crisis plans. Those plans included clear lines of authority for speaking to media and government officials, as well as to a host of other critical audiences. That was evident in the frequent updates NASA began to broadcast within an hour of initial reports of a problem and the speed with which the first press conference was convened (Gustin & Sheehy, 2003:3).

4.4.3.4 Effective use of the Web

With the development of information technology, the Internet is becoming a key to successful business solutions. According to Clark and Kurt (2003:427), the terrorist

attacks of 11 September 2001, provided a challenging series of events for the crisis communication efforts of American Airlines and United Airlines. The two airlines used their Web sites during the first three weeks after the incidents as one means of conveying information following the attacks. Analysis of incident-related segments of the two sites showed that the airlines evidenced key elements of crisis response. They provided instructing communication by giving facts, stating how their publics should take action, and providing information regarding how the problem was being corrected. Additionally, they offered adjusting communication through a series of condolence messages and links to relief organisations before emphasising normal operations. From an online perspective, this study revealed that the Web enabled both companies to provide an immediate response to the attacks. The Web also allowed United Airlines and American Airlines to offer frequent updates about the incidents to their publics and to communicate their crisis response process to various publics simultaneously.

4.4.3.5 The formation of crisis teams and the involvement of the CEO

Though attention is paid to the four P's in order to protect corporate and executive reputations, there are certain businesses that are basically in the business of dealing with crises – on somewhat frequent, yet unpredictable occasions. This entails the immediate need for a special group, a crisis team, to have access to the best information, to each other, and to people who might be victims' family members on the scene, continuously and accurately over an extended period, until the crisis is over. Many organisations – especially, airlines have invested in creating special crisis centres, which are designed, equipped, and managed to provide all the support the crisis team needs to perform its very demanding tasks. The British Airways Crisis Centre, for example, is specially designed for emergencies and is one of the best equipped of its kind in the world, with all the latest multimedia projection facilities. It has large visual display devices that enable everyone on the team to see (and, in some cases, operate on) the same information.

Besides creating crisis teams, Frank (2000:36) states that in some instances even the CEO's must be involved in order to regain customer patronage. Corporate communication is all about communicating values. At United Airlines, public outcry over flight delays

had become great by midsummer. However, the CEO became part of efforts to regain customer patronage. The airline's problem was widely covered by its advertisements in the news during the busy July holiday weekend, showing the CEO rolling up his sleeves and serving customers.

4.4 CASE STUDIES ON CRISIS COMMUNICATION

This research has chosen three major airline accidents (crises) to be discussed in this chapter, which show successful and unsuccessful crisis communication strategies. A major accident (Helios Airways Crash) as the main case of this study will be discussed in Chapter Five.

4.4.1 Crisis communication of Helderberg disaster – Flight 295

On 28 November 1987 at approximately 07:00 a South African Airways (SAA) Boeing 747-244B Combi (Flight 295) crashed into the Indian Ocean 134 nautical miles north-east of the Plaisance Airport of Mauritius. There were 141 passengers and 19 crewmembers aboard. Nobody survived (S.A. Transport Department, 1987: <http://www.transport.gov.za>).

In the case of the Helderberg disaster, there were different audiences involved, and certain communication requirements are particular to each of them: next-of-kin of passengers, next-of-kin of crew members, the public, the media, staff members, authorities/government officials, aircraft manufacturers, and controllers. And, in order to maximise the efforts to all those different audiences, South African Airways sales and public relations staff were used.

SAA sales staff members were each assigned to a few families and personal, face-to-face contact was maintained throughout. They went to next-of-kin with letters of condolence from the Chief Executive Officer on the first day to get personal particulars of victims for identification purposes. They also escorted them to memorial services in Johannesburg,

Mauritius, Taipei and Tokyo. They saw to it that everybody's needs were taken care of, such as taking children to school, doing shopping and arranging garden services. This meant that each family member did not have to deal with SAA as a vast organisation, but had a personal contact person. Besides the empathy and the assistance, immediate finance was paid.

The Helderberg disaster was seen as a national disaster. Therefore, the public had to be kept factually informed. The members of the public are all potential clients.

A number of telephone lines were opened to deal with all public enquiries, on 28 November 1987, when the first press release went out. These phones were manned 24 hours a day – once again by staff members who were able to show the appropriate amount of patience, empathy and calmness in the circumstances.

Initially, before the full passenger name list was released, all public queries were recorded: who phoned, who was the person they were enquiring about, what was their relationship to the suspected passenger, and so forth. Once the names were confirmed, the next-of-kin were contacted and informed. Thereafter, all people who had phoned merely to enquire were reassured or informed. All calls were returned.

In the case of the Helderberg disaster, an operation room was established at Jan Smuts Airport (now called O.R Tambo International airport). The public relations office was located here. If any queries arose from the media, the public relations officer on media duty could go directly to the section concerned, get the information required and answer the query immediately.

The media officer kept a logbook of all phone calls received daily, registering the name of the reporter, the time the call was received, the publication represented, telephone numbers, and questions asked. As soon as information was gathered, the reporter was called back and a note was made in the logbook of all information given out.

It is recommended that, in any (especially in a plane crash where there are victims), one should always maintain a good relationship, which should preferably have been established before the crisis, with the media. For the Helderberg disaster, SAA's public relations department was already on first-name- terms with most of the reporters. This personal relationship helps to ensure good, balanced and unbiased reporting at a time when a company really needs it.

Take the needs of the media into consideration – they can either help your company a lot or harm the company's image beyond repair. SAA took a representative of each of the major media groups to Mauritius to be able to report from there. A press room with all facilities was set up and was in operation from day one. By having regular press releases and press conferences, the media were able to report accurately on the latest developments to help the public.

So many members of the public expressed their sympathy in one way or another that it was impossible to thank each one personally. For this reason, SAA placed nationwide full-page advertisements in newspapers to thank the public for their support. Cards were also printed and sent to all the people whose addresses were available (Lubbe & Puth, 1994: 224-228).

4.4.2 Crisis communication of Singapore Airline – Flight 006

On 31 October 2000, a Singapore Airlines 747-400 aircraft crashed and burned shortly after taking off from Taipei on a scheduled flight to Los Angeles. The aircraft reportedly attempted to take off on a runway that was undergoing repairs and struck construction equipment on the runway.

There was rain and wind in the area from an approaching typhoon at the time of the crash. There were 79 fatalities among the 159 passengers and four fatalities among the 20 crew members on the aircraft.

Singapore Airlines has an excellent reputation for safety: its long-haul flights have never crashed (British broadcasting company, 2000: <http://www.bbc.co.uk>). Singapore Airlines was flying high. At its 27 October 2000, briefing for fund managers', stock market analysts, and journalists, applause periodically greeted CEO Cheong Choong Kong as he announced dazzling figures for the six months preceding September 2000. SIA earned \$647 million, up 93% from the same period the previous year, including \$250 million in exceptional gains from the listing of two subsidiaries.

Four days later, Cheong (CEO) was apologising to the families of the 82 people who died when Flight SQ006 bound from Taipei to Los Angeles ploughed into debris on an out-of-service runway and burst into flames. "There is no point in concealing anything", he said. "They are our pilots. It was our aircraft. It should not have been on that runway. We fully accept our responsibility to our passengers, our crew and their families. Now, as Cheong and his executives pick up the pieces, many fund managers, stock analysts and investors are asking: How much damage has the crash done to Asia's premier airline?

"It's true that SIA's untarnished record now has a blemish on it," says Kevin O'Connor, a regional airline analyst for Deutsche Bank in Hong Kong. "However, this is still one of the world's largest and most profitable airlines. Until last week, SIA had the best safety record in the world. My guess is that the airline would bounce back fairly quickly," adds Sydney-based Peter Harbison, who heads the regional airline consultancy Centre for Asia-Pacific Aviation. He continues, "Partly because we all quickly forget accidents and partly because people need to fly, the impact on the bottom-line is fairly limited, unless the airline has a history of problems" (Asia week magazine: <http://www.asiaweek.com>).

There was a great deal of media activity by Singapore Airlines directly following the case, including apologies from the head of the company and a strong attempt to assure the families and victims that Singapore would act to compensate them promptly.

SIA learned important lessons from its subsidiary's mistakes. In New Zealand for a business meeting on 31 October, Cheong was awakened in the middle of the night. Within hours, he was supervising a crisis-management strategy aimed at minimising the

damage to SIA's reputation. He flew to Taipei and met grieving relatives and a media hungry for answers — at least partially, because an airline spokesman in Los Angeles had erroneously claimed in the hours just after the accident that there had been no fatalities.

SIA initially denied that the aircraft was on the wrong runway. But as soon as Taiwan authorities declared categorically that it was, Cheong admitted that the pilot of the Boeing 747-400 had indeed taken a fatal wrong turn. His emotional *mea culpa* was applauded by almost everyone in Singapore. Senior Minister Lee Kuan Yew said the country and its flag-carrier should learn from the disaster. “We can be demoralised or we can say, let’s overcome; let’s press on,” he said. “Make sure it doesn't happen again”.

The airline also moved quickly to show its compassion for the families of the victims. Soon after the 31 October crash, the carrier released \$25,000 to each family of the deceased for emergency expenses. Later, it offered an additional \$400,000 to the kin, far above the maximum of \$75,000 in compensation recommended by the Warsaw Convention, which governs the liability of airlines arising from accidents. SIA also offered to reimburse the medical bills of the injured and pay them compensation based on the extent of their injuries (Asia week: <http://www.asiaweek.com>).

Singapore Airlines has issued a phone number for family members worried about relatives on the flight. Family members ONLY could call 1-800-828-0508 for more information. Information would also reportedly be made available on the airline’s website (<http://www.emergency.com>).

Meanwhile, family members from several other countries continued to arrive at the Chiang Kai-Shek International Airport in Taiwan, and the airline said it would provide them with whatever assistance they needed (CNN: <http://www.archives.cnn.com>).

But, while the apology and generous payments made sense from a public relations standpoint; they may leave SIA vulnerable to very expensive liability lawsuits. The courts can set aside the compensation cap under the Warsaw Convention if the victims

can prove that the airline was wilfully negligent. Some legal experts say they can file charges in the U.S., since SQ006 was flying there.

Mindful of the legal implications, Cheong did not exclude the possibility that other factors could have contributed to the accident. "There are questions we ought to ask," he said. "How could any trained professional pilot get onto the wrong runway, much less a pilot with many years of experience?" (Asia week magazine: <http://www.asiaweek.com>).

Cheong also said at a news briefing, "It was obviously a pilot error. There was a human factor involved ... we should also look at safety features at airports." (Washington Post: <http://www.washingtonpost.com>).

The Taipei Airport had closed the equipment-strewn runway that Flight SQ006 tried to use. Investigators were trying to determine whether some of the runway lights were left on, which could have given the impression that it was open.

Financially, SIA could afford to pay even \$11-million awards. The Boeing jumbo was insured for \$1.75 billion, and the company has a cash hoard of more than \$1 billion. But lawsuits can drag on for years, which could cancel out the airline's efforts to make the flying public forget the accident. "The one thing that can keep a negative halo around an airline is bickering by relatives over compensation packages or lawsuits," declare Harbison. He continues, "Lengthy lawsuits keep reminding the world of the crash long after it should have been forgotten." Some families are reportedly demanding more than \$1 million. And even if the civil suits are settled, a Taiwan investigator hinted that other charges might be filed against the crew for negligence. Flight SQ006's captain, first officer and co-pilot, who were virtually unscathed, have remained in Taipei and are being interviewed by SIA and Taiwan investigators. A lengthy, high profile trial could also delay the restoration of the airline's once spotless reputation.

"I would like to say again how deeply sorry all of us from Singapore Airlines are by the news of [the] accident and to reiterate that we will do everything in our power to help

families in the coming days," said Tee Hooi Tzoh, the airline's vice president, at a news conference in Los Angeles.

4.4.3 Crisis communication USAir – Flight 427

On 8 September 1994, about 19:03:23 eastern daylight time, USAir (now US Airways) Flight 427, a Boeing 737-3B7 (737-300), N513AU, crashed while manoeuvring to land at Pittsburgh International Airport, Pittsburgh, Pennsylvania. All 132 people on board were killed, and the airplane was destroyed by impact forces and fire.

For USAir, the crash of Flight 427 complicated an already critical situation. The tragedy, the deadliest since 1987, compounded the airline's questionable image. USAir was already losing money, struggling to keep its shareholders, and trying to maintain its passenger loads in the highly competitive U.S. air-travel market (Ray, 1999:211).

After the Flight 427 crash, USAir immediately responded to the crash by implementing its crisis plan. An hour after the crash, the Airline's operations were in full swing. Employees established bases at USAir's headquarters in Arlington, Virginia, and at its offices in Pittsburgh. Workers situated at the company's headquarters handled calls from the media and gathered critical information concerning the aircraft, the number of passengers, and maintenance and flight-crew records. According to the airline, it was able to notify all but two of the victims' families by the following morning (Schmit & Jones, 1994:1B).

In Pittsburgh, USAir assigned two staff members to assist each family. Because the airline had convened a series of press conferences in Pittsburgh earlier in the day announcing its plan to improve business-class seating, numerous company managers were still present and immediately went to work.

The day after the crash, the airline was bombarded with questions concerning its safety record. USAir defended the safety of the Airline and directly denied that there was any link between the five crashes of its planes. They all seemed to be isolated incidents.

The company further denied that its financial difficulty had any bearing on the accidents. In a press conference discussing the crash, Seth Schofield (USAir's Chairman and CEO) stated there was no association between the five accidents. He assured reporters that while the airline had undergone some stringent cost-cutting measures, there were no shortcuts with respect to airworthiness programmes or training.

A USAir assistance vice-president expanded denial by suggesting that the airline was completely exonerated from blame for the Los Angeles crash, and that while the cause was still unknown in the recent Charlotte crash, investigators were focusing on weather (Ray, 1999:212).

Communicating with the media and responding to the New York Times article published on the front page, USAir became aggressive in its efforts to win back the confidence of the flying public. USAir reacted to the *Times* article by running a series of a full-page advertisements addressing safety in over forty major newspapers nationwide. On the first day, papers published a letter from USAir's CEO, Schofield.

The following day a letter appeared from the airline's pilots. On the third day, papers carried a letter from USAir flight attendants and mechanics. These messages functioned to convince the public that the airline's flights were safe (Frantz & Blumenthal, 1994: 1A). According to Ray (1999:213), the letters employed three approaches: ingratiation, denial, and righting the wrong. In his introductory letter, Schofield created identification with readers by stating that the safety of air travel was vitally important to everyone: "We who are airline professionals know our system and our planes are safe. This is validated each and every day by federal regulators who fly with us, inspect our maintenance facilities and review our records". He stressed the positive aspects of USAir by referring to its employees as "airline professionals" and reminding the public that the FAA considered the airline's operations safe.

The strategy of identification was also used in the letter from USAir's pilots: "to every USAir pilot, safety is the first priority. It is a commitment confirmed by everything that is

meaningful to us: our passengers' well-being, our reputations, and our livelihoods" (Gauthier, 1994:9A).

According to Ray (1999:214), the advertisement emphasised that safety was a value held throughout the organisation. The strategy of denial was not blatant, but rather implied when Schofield stated "our planes are safe." Though the airline directly denied accusation it was unsafe, it announced it would attempt to correct problems. Righting the wrong was demonstrated when Schofield announced two significant steps to assure the public of the "validity and integrity of our operating standards." First, the airline would hire a safety car, air force General Robert Oaks, to oversee the company's safety operations. Second, an aviation consulting group, PRC Aviation, would conduct a thorough and independent audit of USAir's flight safety operations and policies. The basic point of the message was that the airline was doing everything possible to ensure the safety of its passengers.

Following its newspaper advertising campaign, USAir continued using the strategy of emphasising the positive.

4.5 CONCLUSION

The trimodal conceptualisation of communication strategies in service industries, such as airlines can greatly assist managers in understanding how their customers' value creation processes can be further enhanced. The possibilities for creating value through communication are embedded in the entire relationship process for services, such as Finnair. In concrete terms, this necessitates the integration of the three modes of communication: planned communication, contact, and connectedness; entailing making promises, fulfilling them, and creating long-term, ongoing interactions.

Especially in the airline industry, due to the nature of the operating environment, there is a constant threat of travel disruption and accidents, including those involving aircraft. Airline crashes may be due to technical failure, human error, forces of nature such as

weather, or a combination of these. Whatever the causes, they are subject of popular and media interest worldwide and pose a severe test for the airline and its management, demanding quick decisions in an atmosphere of intense public scrutiny.

Finally, airlines can use different communication strategies, depending upon the conditions at the time of crisis. What is required of airlines is to use the appropriate strategy at the right time. This can be seen from the different approaches to crises by Singapore International Airlines and USAir. Both airlines successfully managed to communicate the information needs of their stakeholders to keep their reputation intact.

CHAPTER FIVE

HELIOS AIRWAYS FLIGHT CY522 CRASH CASE

5.1 INTRODUCTION

This chapter discusses the case of the Flight CY522 crash of Helios Airways. The research is conducted by means of an in-depth analysis of primary and secondary data, focusing on archival retrieval i.e., comparing and contrasting the attitudes of different newspapers in Cyprus, investigators' reports as recorded in newspapers and the Internet, and reports from international news broadcasting services.

5.2 VARIOUS STAGES OF HELIOS AIRWAYS' FLIGHT CRISIS

5.2.1 Pre-crisis background of Helios Airways

Helios Airways is an airline operating scheduled and charter flights from Larnaca and Paphos in Cyprus. It was established in 1999 as the first independent privately-owned airline in Cyprus and in May 2000 operated its first charter flight to London Gatwick (www.nationmaster.com). Helios Airways used to carry approximately 250 000 passengers, most of them tourists, annually.

On 20 December 2004, a Helios Airways Boeing 737 from Warsaw suffered a loss of cabin pressure and three passengers were rushed to hospital when the plane landed in Larnaca, Cyprus (Nation Master: <http://www.nationmaster.com>). However, as the first

innovative no-frills airline in the region with an excellent reputation, passengers did not sue the Airways for the hazard of cabin pressure experienced, and as a result, the total safety culture of the Airways was not questioned. In addition, the issue remained unidentified, as the media also did not pick up on the pressurisation problem. The Airways remained a reputable airline as it continued to carry around 250 000 passengers a year, until it faced the crash of one of its Boeing 737 aircrafts on 14 August 2005.

5.2.2 Crisis

5.2.2.1 Event of the crash of Helios Airways on 14 August 2005

According to Nicosia – capital of Cyprus – (ANA, 15 August 2005), a Cypriot airliner carrying 115 passengers (most of them Cypriots) and a six-member crew, crashed north of the Kontroni area of Marathona, Greece. The morning flight that left Larnaca Airport at 09:00 local time (06.00 GMT) was heading to Prague, via Athens.

According to the Greek Air force, two Greek F-16 fighter jets intercepted the Boeing 737, en route from Larnaca in Cyprus to Athens as the aircraft lost contact with the control tower at Athens International Airport (ANA, Athens, 15 August 2005).

5.2.2.2 Events immediately after the crash

Nicosia (2005:1) states that an emergency meeting was conducted at Larnaca Airport, chaired by Cyprus President Tassos Papadopoulos, after news came in about a crash of a Helios aircraft. Helios Airways senior management was also at an emergency meeting. At that stage, there had been no official announcement from the Airways.

Relatives of the passengers and crew of the fatal flight of the Boeing 737 were gathering at Helios Airways headquarters in Larnaca trying to find out as much information about their next-of-kin as they can (CNA, Nicosia, 15 August 2005).

Anastasiades N., spokesman for Helios Airways, informed relatives of the victims of the fatal flight. The entire statement reads as follows:

“A Helios Airways aircraft heading for Athens and Prague, with 115 passengers and six crew on board, crashed north of Athens around 12:20 [on Sunday, 14 August 2005]. Rescue teams are at the scene of the crash. All options as to the cause of the crash are being investigated. The government has set up a crisis management centre at Larnaca Airport to help the relatives of the passengers and the crew. Our thoughts are with the families of the passengers and the crew and we are doing everything possible to give them all necessary information of this tragic accident.” Anastasiades did not take any questions (Nicosia, 15 August 2005).

In Greece, rescue efforts were co-coordinated by the Ministry of National Defence and the Transport Minister, Anastasios Neratzis, headed to the scene of the crash. Both “black boxes” belonging to the fatal Boeing had been recovered and they were sent to a special centre in Paris for examination (ANA, Athens, 15 August 2005).

Initial reports from Greek Civil Aviation suggest that the pilots and crew of the Helios Airways aircraft and the crew were unconscious before the crash. And Cyprus Minister of Communications and Works, Haris Thrassou, said on the same day (14 August 2005) that the fatal aircraft of Helios Airways that crashed near Athens had received a clean bill of health before the crash. He said there was no indication that the aircraft came down as a result of a terrorist attack. He also said there was no information to indicate that there were survivors from that air tragedy. The minister stated, “no passenger list will be published but next-of-kin of passengers and crew have already been notified” (Nicosia, 15 August 2005).

Helios Airways representative George Dimitriou, accompanied by his lawyer in Athens completed a testimony over the plane crash. The representative in Athens of the Helios Airways testified at the Athens Police Headquarters on Monday in relation to the Helios Airways plane crash. The representative said in his testimony that he learnt of the air crash from a relative who communicated with him by phone and briefed him regarding

what he heard on television. Later, as he was said to have stated, he went to the company's office to learn exactly what had happened (CAN, Nicosia, 15 August 2005).

The next day, a memorial service took place at Athens Cathedral, in the presence of Greek premier Costas Karamanlis, Cyprus' Health Minister, Andreas Gavrielides, Government Spokesman, Kypros Chrysostomides, and other officials (CAN, Nicosia, 15 August 2005).

On 15 August 2005 a spokesman for Helios Airways announced that their fleet had been grounded since a Boeing 737 crashed, killing all 121 passengers and crew onboard. The Airways hired aircraft from other airlines (Austria and Egypt) to carry its passengers to their destinations. Helios Airways' Sunday flights into Cyprus were carried out as normal.

According to Nicosia, (CAN, 15 August 2005) Andreas Drakos, Executive Director of Helios Airways said that the aircraft that crashed on Sunday in Athens was airworthy and had undergone the necessary checks before take-off. He said the Airways would give an initial sum of € 20 000 to the family of each passenger killed during the crash. "This is a tragic day for all of us. We are devastated, shocked, deeply saddened and express sincere sympathy and condolences to the relatives of the victims," he added. He stated further "the Airways had handed the passenger list in good time to the Cypriot authorities. Though there are difficulties Helios Airways flights continue and two Helios Airways aircraft took off this morning".

5.3 INVESTIGATION AND FINDINGS

Nicosia (CAN, 30 August 2005) stated that Greek Investigating Commission on Air Accidents, headed by Akrivos Tsolakis, began its investigations on the island regarding the causes that led earlier this month to the air crash of an Helios Airways Boeing 737, and "Initial indications are that the crash was not the result of a terrorist attack, following the briefing we had from the Greek authorities."

The final result for the airplane crash of Helios Airways submitted to the Minister of Transportation and Communications, Mr. Michalis Liapis, of Cyprus by the President of the Airplane Accident Investigating Committee, Mr. Akrivos Tsolakis, on Tuesday, 10 October 2005 read as follows:

“On 14 August 2005, a Boeing 737-300 aircraft, registration number 5B-DBY, operated by Helios Airways, departed Larnaca, Cyprus at 09:07 for Prague, Czech Republic, via Athens, Hellas. The aircraft was cleared to climb to FL340 and to proceed direct to RDS VOR. As the aircraft climbed through 16 000 ft, the Captain contacted the company Operations Centre and reported a Take-off Configuration Warning and an Equipment Cooling system problem. Several discussions between the Captain and the Operations Centre took place in the next eight minutes concerning the above problems and ended as the aircraft climbed through 28 900 feet. Thereafter, there was no response to radio calls to the aircraft.”

During the climb, at an aircraft altitude of 18 200 feet, the passenger oxygen masks deployed in the cabin. The aircraft levelled off at FL340 and continued on its programmed route. At 10:21, the aircraft flew over the KEA VOR, then over the Athens International Airport, and subsequently entered the KEA VOR holding pattern at 10:38 h. At 11:24, during the sixth holding pattern, the Boeing 737 was intercepted by two F-16 aircraft of the Hellenic Air Force. One of the F-16 pilots observed the aircraft at close range and reported at 11:32 that the Captain’s seat was vacant, the First Officer’s seat was occupied by someone who was slumped over the controls, and the passenger oxygen masks were seen dangling. Three motionless passengers were seen seated wearing oxygen masks in the cabin. No external damage or fire was noted and the aircraft was not responding to radio calls. At 11:49, the pilot reported a person, not wearing an oxygen mask entering the cockpit and occupying the Captain’s seat. The F-16 pilot tried to attract his attention without success. At 11:50, the left engine flamed out due to fuel depletion and the aircraft started descending. At 11:54, two MAYDAY messages were recorded on the CVR. At 12:00, the right engine also flamed out at an altitude of approximately 7 100 ft.

The aircraft continued descending rapidly and impacted hilly terrain at 12:03 in the vicinity of Grammatiko village, Hellas, approximately 33 km northwest of the Athens International Airport. The aircraft was destroyed.

The investigation of the crash of the Helios Airways Flight CY522 has confirmed that the pressurisation system on the plane was not activated. Thus, the Airways cabin failed to pressurise on take-off. The investigation has further shown a basis for asserting claims not only against Helios Airways but also Boeing Corporation, the manufacturer of the plane. Crew members were apparently confused as to the meaning of a warning horn and failed to recognise that the cabin was not pressurising until they grew mentally disoriented because of lack of oxygen and lost consciousness.

The Helios Airways plane, a Boeing 737-300, underwent maintenance the night before the accident. The maintenance crew report left a pressurisation controller rotary knob out of place, which meant that the plane could not pressurise properly. At 10,000 feet, an alarm went off to warn the crew that the plane would not pressurize. Crew members mistakenly thought that the alarm horn was a warning to tell them that their controls were not set properly for take-off. In the Boeing 737, the same horn is used for both failure of pressurisation and failure to set controls properly for take-off, although it will sound for take-off configuration only while the plane is still on the ground.

Boeing, the maker of the plane, issued a notice shortly after the crash to airlines that it would revise flight crew training manuals to emphasise to crews that they must understand how the various warning systems work and what to do about them. "Confusion between the cabin altitude warning horn and the take-off configuration warning horn can be resolved if the crew remembers that the take-off configuration warning horn is only armed when the airplane is on the ground," the notice said. "If this horn is activated in flight, it indicates that the cabin altitude has reached 10,000 feet" (Global Aviation Law: <http://www.globalaviationlaw.com>).

Finally, the Air Accident Investigation and Aviation Safety Board (AAIASB) of the Hellenic Ministry of Transport and Communications investigated the accident following

ICAO practices and determined that the accident resulted from “direct and latent causes” (CAN, Nicosia, 30 August 2005).

The direct causes were:

1. non-recognition that the cabin pressurisation mode selector was in the MAN (manual) position during the performance of the Pre-flight procedure, the Before Start checklist and the After Take-off checklist;
2. non-identification of the warnings and the reasons for the activation of the warnings (Cabin Altitude Warning Horn, Passenger Oxygen Masks Deployment indication, Master Caution); and
3. incapacitation of the flight crew due to hypoxia, resulting in the continuation of the flight via the flight management computer and the autopilot, depletion of the fuel and engine flameout, and the impact of the aircraft with the ground.

The latent causes were:

1. operator’s deficiencies in the organisation, quality management, and safety culture;
2. the Regulatory Authority’s diachronic inadequate execution of its safety oversight responsibilities;
3. inadequate application of Crew Resource Management principles; and
4. Ineffectiveness of measures taken by the manufacturer in response to previous pressurisation incidents in the particular type of aircraft.

The AAIASB further concluded that the following factors could have contributed to the accident:

-
1. omission of returning the cabin pressurisation mode selector to the AUTO position after non-scheduled maintenance on the aircraft;
 2. lack of cabin crew procedures (at an international level) to address events involving loss of pressurisation and continuation of the climb despite passenger oxygen mask deployment; and
 3. ineffectiveness of international aviation authorities to enforce implementation of actions plans resulting from deficiencies documented in audits.

In the months following the accident, the AAIASB made seven interim safety recommendations: five recommendations to the National Transportation Safety Board and to the manufacturer, four of which have already resulted in the implementation of corrective actions, one recommendation to the Cyprus Air Accident and Incident Investigation Board and the airlines based in Cyprus, for which corrective action had already been taken, and one recommendation to the Hellenic Civil Aviation Authority (HCAA), which also resulted in the implementation of corrective action. In addition, the FAA in the United States issued an Airworthiness Directive (AD) which informed flight crews about upcoming, improved procedures for pre-flight setup of the cabin pressurisation system, as well as improved procedures for interpreting and responding to the Cabin Altitude Warning Horn and to the Take-off or Landing Configuration Warning Horn.

The report also identifies a number of additional safety deficiencies pertaining to: maintenance procedures; pilot training; normal and emergency procedures; organisational issues of the operator; organisational issues related to safety oversight of maintenance and flight operations by Cyprus DCA, EASA/JAA, and ICAO; issues related to the aircraft manufacturer's documentation for maintenance and flight operations; and issues related to handling by the International Authorities of precursor incident information so as to implement preventive measures in a timely manner.

As a consequence of the above, in its final report the AAIASB promulgated an additional eleven safety recommendations, addressed to the Republic of Cyprus, EASA, JAA, and ICAO. In accordance with ICAO Annex 13, paragraph 6.3, copies of the Draft Final Reports were sent on 18 May 2006 to the States that participated in the investigation, inviting their comments. The comments sent to the AAIASB by the relevant Authorities in Cyprus, the United Kingdom, and the United States were taken into account in the Final Report (CAN, Nicosia, 30 August 2005).

Apart from the accident, Ajet's troubles got worse when, only two days after the release of the Tsolakis report, the European Commission, in an aviation safety review, gave it a "yellow card" by placing it under heavy scrutiny and limiting its flights within the EU.

All the investigation results led to different issues. These issues were compiled in this study under seven strategic issues. These are, the issue of safety culture of the Airways as discussed by the investigators of the crash, the issue of compensation and handling of victims' families, the issue of pressurisation defect of the aircraft identified the day before its flight but not fixed, issue of failure of Boeing aircraft manufacturer to separate the signal which indicates take-off problems from that of pressurisation problems, the issue of the government of Cyprus suspending flights after the crash, the issue of the government of Cyprus Civil Aviation Authority granting a name change for Helios Airways to Ajet, and the issue of the European Aviation Safety Agency in banning flight of Helios Airways.

All these issues are analysed and discussed in chapter seven to evaluate the communication strategies of Helios Airways during and after the crisis.

5.4 CONCLUSION

This chapter discussed the case of Flight CY522 crash of Helios Airways. Various stages of Helios Airways' crash were discussed. Firstly, the pre-crisis background where Helios Airways had a similar pressurisation problem in December 2004 was discussed.

Secondly, light was shed on the main case – that of the Helios Airways Flight on 14 August 2005. Lastly, the events that followed the crash and the investigation conducted including Helios Airways communication implemented.

CHAPTER SIX

RESEARCH METHODOLOGY

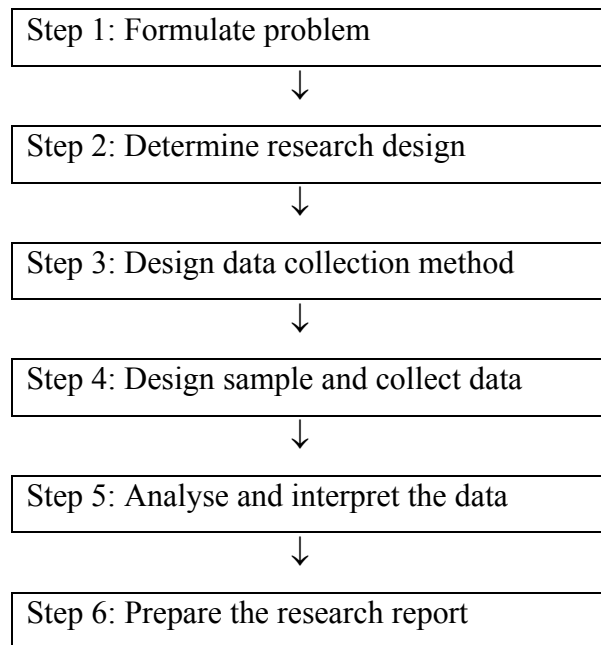
6.1 INTRODUCTION

Crask, Fox and Stout (1995:215) use the term “methodology” in the research context as to discuss how the research will be conducted and, in the case of single - case study research, include determining the unit of analysis (case) and how the case analysis will be conducted. This chapter discusses the methods and principles used in this study. It specifically explains how the study was conducted to achieve the objectives mentioned in Chapter One.

Firstly, the research design and methodology will be discussed. Thereafter, the data collection, analysis, and proposed evaluation of results will be discussed.

The study will investigate of the communication strategies of Helios Airways, which experienced a plane crash in August 2005. Though the study is undertaken to investigate the communication strategies used by Helios Airways in times of crisis, the non-availability of information and the unwillingness of the Airway’s managers, victims’ families, and other stakeholders to discuss the case, necessitated that archival retrieval be used to collect the data for the research. In view of the nature of the crisis, the study is therefore exploratory in nature.

Figure 6.1 displays the research process, which will be followed in the drawing-up of the blueprint as portrayed by Gilbert and Churchill (1991:69) and modified for this research.

Figure 6.1: Relationships among the stages in the research process

Source: Gilbert and Churchill (1991:69).

6.2 THE RESEARCH DESIGN

According to Figure 6.1, the first step in the research process is to formulate the research problem. The research problem was discussed in Chapter One. Step two in the research process, depicted in Figure 6.1, is to create a research design.

Out of the four types of research designs, namely, conceptual research, qualitative research, quantitative research, and a mixture of qualitative and quantitative research designs, which serve as a blueprint for fulfilling objectives and answering questions, qualitative research design – the case study approach – was chosen for this study. This method was used for an in-depth contextual analysis of the communication strategy of Helios Airways in a time of crisis.

6.2.1 The scientific status of qualitative research

According to Kvale (1996:59), to define an activity as scientific or unscientific, some accepted core concepts of the meaning of science should produce knowledge. This knowledge should be new, systematic, and obtained methodologically. In other words, though science has different definitions, a broad definition of science that will be used here is: the methodological production of new systematic knowledge. The concepts of this working definition – methodical, production, new, systematic, and knowledge – are again complex. Depending on how these five terms are defined, qualitative research may be characterised as scientific or as unscientific (Kvale, 1996:59).

6.2.2 Criteria for judging the quality of research designs

Because a research design is supposed to represent a logical set of statements, certain logical tests have been applied to determine the quality of the research. Concepts that have been offered tested include trustworthiness, credibility, conformability, and data dependability (U.S. General Accounting Office, 1990 as in Yin, 2004:32).

The four tests which are commonly used to establish the quality of an empirical social research are used for case study research, as case studies are one form of such empirical research. Table 6.1 lists the four widely used tests and the recommended case study tactics as well as a cross-reference to the phase of research when the tactic is to be used.

Table 6.1: Case study tactics for four design tests

Tests	Case study tactic	Phase of research in which tactic occurs
Construct validity	- Use multiple sources of evidence	Data collection
	- Establish chain of evidence	Data collection
	- Have key informants	Composition

	review draft case study report	
Internal validity	- Do pattern-matching - Do explanation building - Do time-series analysis	Data analysis Data analysis Data analysis
External validity	- Use replication logic in multiple case studies	Research design
Reliability	- Use case study protocol - Develop case study database	Data collection Data collection

Source: COSMOS Corporation (in Yin, 2004:32)

- *Construct validity*: Establishing correct operational measures for the concepts being studied.
- *Internal validity*: (For explanatory or causal studies only, and not for descriptive or exploratory studies.) Establishing a causal relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships
- *External validity*: Establishing the domain to which a study's findings can be generalised
- *Reliability*: Demonstrating that the operations of a study – such as the data collection procedures can be repeated, with the same results (Yin, 2004:32).

6.2.3 Criteria for selecting a case study methodology

Though a lot has been said on the subject of communication strategies in times of crisis, the subject has not been formally researched from an airline perspective. A case study approach will be followed in this research.

A further constraint not to conduct a survey is the difficulty that can be experienced in identifying the victims' families, who might be experiencing a difficult time coping losing a family member. Furthermore, the probability of using representational sampling will be less than expectation and required as the airlines which faced a crisis might refuse to participate in a survey in order to keep strategic information from being available (open) to the public. The study is not expected to cover different regions and emphasising different economic conditions. Therefore, though multiple cases might be required for comparison purposes, only one case – one airline – was found convenient to be studied. This led to the use of a single-case study methodology for the airline under study.

6.2.4 Case screening

The screening process was conducted by contacting numerous individuals in the field and consulting available reports and literature. The study would therefore contain detailed information on a single case. In order for this to happen the researcher planned sufficient time – comparing different airlines' crashes – to weigh the availability of information.

Out of the three major accidents that happened in August 2005, the only airline that survived for only some months was Helios Airways of Cyprus. However, it was not possible to approach the Airway's managers neither the victims' families. Based on this, a single case study, with archival retrieval as the data collection mechanism, was utilised to conduct the research.

6.2.5 Case study realisation

Under the case study realisation level, the name of the airline that had the crisis, a synopsis of the research goal and objectives, methods and the timeframe were prepared.

E-mail contact and further telephone calls to each of the airlines were made to establish contact with the right communication individual or department. The criteria for inclusion were made clear during the initial contact. If the airlines expressed interest in cooperating with the study, the project background would be e-mailed to the appropriate individuals

within the airlines. Though at first three different airlines – West Caribbean Airlines of Colombia, Peruvian Airlines of Peru, and Helios Airways of Cyprus - were proposed to be approached; due to the non-availability of information from those, only Helios Airways will be considered for further research.

There were three noteworthy observations regarding the sampling process during the case study realisation level. First, though a considerable number of airlines were considered for this study, it is not easy to find an airline that experienced a crash and still continues its operations.

Second, it is not easy to have access to information about the airlines facing the crisis, as the airlines communication staff will limit their discussion of the subject matter only to concerned parties, to avoid confusion of the public through different publications and to avoid lawsuits from victims' families. Thus, the time delay in decision-making in selecting the airlines for participation in this research was an initial barrier to the completion of the fieldwork. As indicated, airlines having a crisis also suffer from continuous investigator type questions fatigue.

Third, it is not easy to find respondents from the different stakeholders of the crisis, that is, victims' families, airline staff and the aviation management department of the countries to which the airline belongs and the place of the crisis. Hence, archival retrieval, news reports, and other secondary information have been used to gather the data.

Finally, one airline, Helios Airways of Cyprus, that had an airline crash in August 2005, was selected. This airliner crashed due to technical problems. These observations warned that there is a need for a carefully developed research description and archival collection plan.

Such a documentary evidence collection plan should ideally include contingency plans, such as continuing to identify reliable respondents, if possible, for the case under review.

6.2.6 Case study design

As stated in section 6.2.2, criteria for judging the quality of research designs is based on construct validity, internal validity, external validity and reliability (Yin, 2004:33). These general characteristics of research designs serve as a background for considering the specific designs for case studies. Based on a 2 x 2 matrix, there are four types of designs that can be considered (table 6.2). The matrix assumes that single and multiple-case studies reflect different design situations and that, within these two types, there also can be a unitary or multiple units of analysis. Thus, for the case study strategy, the four types of designs are (a) single-case (holistic) designs, (b) single-case (embedded) designs, (c) multiple-case (holistic) designs, and (d) multiple-case (embedded) designs. This study will discuss the single-case designs.

Table 6.2: Basic types of designs for case studies

	Single-case designs	Multiple-case designs
Holistic (single unit of analysis)	TYPE 1	TYPE 1
Embedded (multiple units of analysis)	TYPE 2	TYPE 2

Source: COSMOS Corporation, (in Yin, 2004:39).

Single-case designs

According to Yin (2004:39), the single-case study is an appropriate design in several circumstances. First, a single-case study is analogous to a single experiment, and many of the same conditions that justify a single experiment also justify a single-case study. One rationale for a single-case is when it represents the critical case in testing a well-formulated theory. The theory has specified a clear set of propositions as well as the circumstances within which the propositions are believed to be true. To confirm,

challenge, or extend the theory, there may be a single-case, meeting all of the conditions for testing the theory. The single case can then be used to determine whether a theory's propositions are correct or whether some alternative set of explanations might be more relevant. Such a study can even help to refocus future investigations in an entire field.

A second rationale for a single-case is one in which the case represents an extreme or unique case, such as the situation in clinical psychology, in which a specific injury or disorder may be so rare that any single-case is worth documenting and analysing (Yin, 2004:39).

Another rationale for selecting a single-case rather than a multiple-case design is that the investigator has access to a situation previously inaccessible to scientific observation. The case study is therefore worth conducting because the descriptive information alone will be revelatory (Yin, 2004:41).

According to Xiao and Stephen, (2006:738), a major step in designing and conducting a single-case is defining the unit of analysis (or the case itself). An operational definition is needed and some precaution must be taken – before a total commitment to the whole case study is made – to ensure that the case in fact is relevant to the issues and questions of interest.

Xiao and Stephen (2006:738) state that the use of cases or number of cases observed is an essential consideration in case study research design. In the coding of a set of case studies in tourism, examples were grouped into single, two/comparative, and multiple case designs. Results from this analysis suggest that, regardless of the journals observed, there was a high proportion (70%) of single-case study research. A small number of research adopted either two/comparative or multiple case designs.

6.3 DATA COLLECTION

In conducting this research paper, primary as well as secondary data were used to acquire the necessary information.

A. Primary data are data collected with a specific purpose in mind, that is, for the needs of this particular research project (Diamantopoulos & Schlegelmilch, 1997, 5).

According to Cooper and Schindler (2001:138), it is known that “important scientific propositions have the form of universals, and a universal can be falsified by a single counter instance.” Thus, a single, well-designed case study can provide a major challenge to a theory and provide a source of new hypotheses and constructs simultaneously.

This research will use the case (documentary) analysis mode (archival retrieval and documentary analysis) to obtain information about the communication strategy of Helios Airways during its crisis from the experience of industry experts and academics.

B. Secondary data are data, which have not been gathered expressly for the immediate study at hand but for some other purpose. However, it might be of relevant use for this research project (Diamantopoulos & Schlegelmilch, 1997:5). Those data were collected from journals, books, periodicals, and the Internet.

A literature study was done as part of the secondary data phase. Various authors’ viewpoints as well as other sources were explored. The literature study which was conducted provided data on different aspects of the research topic.

6.3.1 Evidence collection

According to Scholz and Tietje (2002:10), the term “method”, when used in the qualitative research context, refers to more than just collecting evidence. Rather, it is the interplay between researcher, research question, and research objectives and it should allow for flexibility in the design phase.

In order for the method of the qualitative research to allow flexibility in the design, another design characteristic of a case study is whether the design is single case or multiple cases. There may be different reasons for choosing a single case design. A case may be considered unique, prototypical, salient, or revelatory to the understanding of a

phenomenon or problem. Or it may even be the critical case in testing a well-formulated theory. Although there is no common understanding of how to integrate separate single case studies into a joint multiple case design, it is most important to note that the synthesis process between the single cases does not follow a statistical sampling rationale. As Yin (in Scholz & Tietje, 2002:10) notes, “Every case should serve a specific purpose within the overall scope of inquiry [sic]”.

6.3.2 Documents

Document analysis involves evaluating historical or contemporary confidential or public records, reports, government documents, news paper, articles, opinions, and case studies for an in-depth contextual analysis of a few events or conditions. The strengths and weaknesses of documents are presented in Table 6.3.

- **Strengths**

As a strategic corporate communication document during crisis, the stability of the chosen crisis documents is an obvious requirement within the context of qualitative research: it would allow for numerous readings or opportunities for review. However, the chosen documents could be either unavailable or non-existent at the time of the crisis.

Table 6.3: Strengths and weakness: documents

Sources of evidence	Strengths	Weaknesses
Documentation	<ul style="list-style-type: none"> • Stable – can be reviewed repeatedly • Unobtrusive – not created as a result of the case study • Exact – contains the exact names, references and details of an event • Broad coverage – long span of time, many events and many settings 	<ul style="list-style-type: none"> • Retrievability – can be low • Biased selectivity if collection is incomplete • Reporting bias – reflect (unknown) bias of author

		<ul style="list-style-type: none"> • Access – may be deliberately blocked
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Source: Yin (1994:80)

However, the strength lies in the fact that the airline will have details pertaining to the compilation of structures involved in the management of communication about the airline. These will also be useful in constructing the description of the specific history/development of the chosen case study.

- **Weaknesses**

Low retrievability and access to documents were factors to contend with in this study. Another factor was the airline's unwillingness to share the information it has. In addition, it does not have well-structured corporate communication strategy documents.

Biased selectivity might have been a problem. This is because, while the researcher is only interested in a communication strategy of an airline during a crisis, the airline might not have such a document or the document might be part of the total communication strategy of the airline. The unknown biases of the author(s) of these documents could be recorded as part of the contextual reality of a particular case.

As documentary information cannot bring out the full richness and details that were generated by the initial interviews and material, industry notes (as discussed in Chapters 4 and 5) and other supplementary material such as comments by the airline industry experts will be developed (Naumes & Naumes, 1999:155).

Qualitative content analysis was applied to the communication strategy document within the case. The purpose of the analysis process was to operate the research objective and to interpret the data.

6.4 ANALYSE AND INTERPRET THE DATA

Analysing data means examining, categorising, tabulating, or otherwise recombining the evidence to address the initial propositions of a study. Analysing case study evidence becomes especially difficult because the strategies and techniques have not been well defined in the past. Nevertheless, every investigation should have priorities about what to analyse and why.

Given a general strategy, several specific analytic strategies can be used. Of these, four dominant analytic techniques are effective ways of laying the platform for high-quality case studies. These include: pattern-matching, explanation-building, time-series analysis, and programme logic models. Each is applicable whether a study involves a single - or a multiple-case design, and every case study should consider these techniques. Other types of analytic techniques also are possible but deal with special situations – namely, in which a case study has embedded units of analysis or in which there are a large number of case studies to be analysed.

There are three other strategies, namely: analysing embedded units, making repeated observations, and doing case surveys. However, these other techniques are incomplete ways of doing case study analysis. Hence, these techniques should therefore be used in conjunction with the four dominant techniques and not alone (Yin, 2004:125).

6.4.1 Pattern-matching

Pattern-matching as a case analysis technique compares an empirically based pattern with a predicted one (or with several alternative predictions). If the patterns coincide, the results can help a case study strengthen its internal validity (Yin, 2004:106).

If the study is an explanatory one, the patterns may be related to the dependent or the independent variables of study (or both). If the case study is a descriptive one, pattern-matching is still relevant, as long as the predicted pattern of specific variables is defined prior to data collection (Yin, 2004:106).

6.4.2 Explanation building

A second analytic strategy has to do with pattern-matching, but the procedure is more difficult. The goal is to analyse the case study by building an explanation about the case. It is used for explanatory and exploratory studies, as part of a hypothesis-generating process.

6.4.3 Time-series analysis

The essential logic underlying a time-series design is the match between a trend of data points compared with (a) a theoretically significant trend specified before the onset of the investigation, versus (b) some rival trend, also specified earlier, versus (c) any trend based on some artefact or threat to internal validity (Yin, 2004:117).

6.4.4 Program logic models

This fourth strategy is a combination of pattern-matching and time-series analysis. The pattern being matched is the key cause-effect pattern between independent and dependent variables. However, the analysis deliberately stipulates a complex chain of events (pattern) over time (time series), covering these independent and dependent variables. The strategy is more useful for explanatory, exploratory, and case studies than for descriptive case studies (Yin, 2004:118).

There are four principles that are described by Yin (2004:123) as the best approach for a high quality case analysis. These are the following:

- The analysis should show that it relied on all the relevant evidence.
 - The analysis should include all major rival interpretations.
 - The analysis should address the most significant aspect of the case study.
 - The analyst should bring his/her own prior, expert knowledge to the case study.
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Finally, Chapter Seven will form the basis for the conclusions about the study that will lead to the recommendation in Chapter 8.

6.5 PROPOSITION

- **Proposition: Effective communication strategies that consider the interests of all stakeholders' moderate bad publicity that comes with an unexpected plane crash, which threatens the legitimacy of the airline.**

6.6 CONCLUSION

Qualitative research focuses on the understanding of a research phenomenon and the consideration of all contextual realities. This principle also governs case study research. In this study, the research design, data collection, sampling design, evidence collection, and data analysis and interpretation stages of case study analysis were discussed. Tables were used for better understanding of the subject matter.

CHAPTER SEVEN

RESULTS

7.1 INTRODUCTION

This research is conducted on an in-depth analysis of secondary data, i.e., comparing and contrasting the attitudes of different newspapers in Cyprus, investigators' reports in newspapers and the Internet, and reports from international news broadcasting services. After the collection of data from secondary sources, a set of results are discussed. From these discussions, recommendations are derived in Chapter 8.

A communication model for developing a corporate communication strategy together with the niche width theory & consistency concepts were followed in the analysis process. Within the communication model, the actual communication strategy followed by Helios Airways was discussed comparing the consistency of the communicated messages. Besides, the niche width of Helios Airways was analysed to evaluate whether the collapse and termination of the operations of Helios Airways was mainly due to failure of effective communication strategies to mitigate the crisis.

Due to the pressurisation defect of the aircraft identified the day before its flight but not fixed, the safety culture of the airline has been decided as low by the Air Accident Investigation Aviation Safety Board. As a result, the Cypriot public perceived the safety culture of Helios Airways as low. This, together with the delay of the compensation of the victims' families, resulted in a negative public image of the Airways. The public insisted on banning the permission of Helios Airways flights by the government of

Cyprus. Due to this, Helios Airways was obliged to change its name to Ajet. However, even after the name change, the public did not accept Helios Airways as an airline of choice. Instead, they continued defaming Ajet in different media. Finally, Ajet ceased all operations and filed for bankruptcy.

7.2 IDENTIFY STRATEGIC STAKEHOLDERS AND COMMUNITIES IN THE INTERNAL AND EXTERNAL ENVIRONMENT

The strategic stakeholders in Helios Airways CY522 include the following:

- victims' families;
- the Boeing aircraft manufacturer;
- the Civil Aviation Authority of Cyprus;
- the European Air Transport Safety Association; and
- the community at large.

7.3 IDENTIFY AND DESCRIBE KEY STRATEGIC ISSUES IN THE INTERNAL AND EXTERNAL ENVIRONMENT

7.3.1 Differentiation between types of strategic issues

The major strategic issues linked with the crash of Helios Airways Flight CY522 involve seven cases. These are:

- the issue of the safety culture of the airline as discussed by the investigators of the crash;

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- the issue of compensation and handling of victims’ families;
 - the issue of the pressurisation defect of the aircraft identified the day before its flight but not fixed;
 - the issue of the failure of the Boeing aircraft manufacturer to separate the signal which indicates take-off problems from that of pressurisation problems;
 - the issue of the government of Cyprus suspending flights after the crash;
 - issue of the government of Cyprus Civil Aviation Authority granting name change for Helios Airways to Ajet; and
 - the issue of the European Aviation Safety Agency in banning flights of Helios Airways.

7.3.2 Identification of the implications of each strategic issue

7.3.2.1 Implications of Internal strategic communication issues

The major internal strategic communications issue was “issue of safety culture of the airline as discussed by the investigators of the crash”. For instance, the capturing and filing of the flight manifesto of Helios Airways of passengers’ names was quite an upsetting process for the victims’ families as the airline did not have a properly prepared flight manifesto which indicated the exact names and surnames of the passengers in the crashed aircraft. This was specifically an issue for the government – the police and the civil aviation authority- as the airline missed a basic filing process of registering who was on board with the airplane. This led the government to order a search warrant against the Airways and take stiff measures against the Airways, as it was perceived to be negligent.

The communication strategy followed by Helios Airways was that of defending on the basis that the passengers manifest was provided in due time to the concerned parties and no further discussion was opened to the victims' families.

With regard to the issue of compensation and handling of victims' families, the Airways announced that it would immediately compensate the victims' families with € 20 000, and thereafter would wait for the insurance to handle the case. However, the way Helios Airways communicated this information was not clear. Helios Airways stated that this was an initial payment, which implied that they would facilitate the final total package of the compensation by following the case itself. Due to this, the victims' families ended up following their compensation cases, hence following the activities of Helios Airways and insisting that the Airways should not be allowed to fly. However, Helios Airways did not settle the balance of the settlements and as a result, even though Helios Airways wanted to change its name to Ajet and dismiss the old name with a degrading reputation, they were unsuccessful.

This communication strategy of discussing the amount of the settlements to victims' families disgruntled the victims' families and they took their issue to the New York courts where they can win bigger claims.

With regard to the issue of the pressurisation defect of the aircraft identified the day before its flight but not fixed, the independent investigators' claim that the failure was partly because of the Airway's failure and partly because of Boeing, the aircraft manufacturer's, lack of separating the signals of pressurisation problem with that of improper take-off problem. The possible conclusion that was reached was that even though the pilots were able to identify the signal of the pressurisation problem; they assumed it was a take-off problem, which could be solved once they were in the air.

The implication was that, though the Airways has shown gross negligence, Helios Airways could have used a communication strategy of transferring the responsibility to some extent to Boeing, the aircraft manufacturer, for not differentiating the signals for the two different functions of the aircraft. This means, Helios Airways could have

communicated that the responsibility of the failure was due to Boeing's lack of separation of the signals, without decreasing the sympathy it showed to the victims' families. However, Helios Airways did not do this. Instead, they continued communicating that the aircraft was airworthy. However, the problem was not because the aircraft was not airworthy. It was because of improper understanding of the signals of the aircraft during hazard. However, Helios Airways did not capitalise on this issue. Failing to communicate properly, they ended up suing Boeing after some months, which means after the customers and people of Cyprus already considered the Airways not airworthy.

7.3.2.2 Implications of external strategic communication issues

The fact that the government issued a search warrant against the Airways after suspending flights to and from Cyprus indicated that the government was not satisfied with the reports of the investigation. This puts the Airways under close public scrutiny. However, Helios Airways never came up with communication strategy, which mitigates the negative publicity that might come with the issue of a search warrant by the government.

With regard to the issue of the aircraft manufacturing company – Boeing, though Boeing indicated that it would revise its manuals, it did not accept that the failure was purely from its defected product – not separating the signals for the two malfunctions.

Though this might have mitigated some of the responsibilities of the Airways for the crash, as Boeing accepted its failure to some extent, Helios Airways' communications department never exploited this opportunity to transfer the blame to Boeing early after the crash, at least partly, for failure to have clear manuals which indicate the meanings of the warning signals.

Helios Airways wanted to change its name to Ajet to get rid itself of the negative publicity it had received and so start afresh. However, as much as a year after the crash, the media was still giving negative reports on the Airways and implying that the name change was an attempt by the Airways to escape its financial responsibilities. This led the

Airways to stop its operation. The spokesman of Helios Airways communicated that these was the bad fortune of Helios Airways, instead of clearly indicating that the name change was to decrease the negative bad publicity and not to run away from its financial responsibilities.

With regard to the issue of the government of Cyprus Civil Aviation Authority granting name change for Helios Airways to Ajet, ANA, 23 August 2005 news puts it as follows:

Government on civil aviation authority's actions *vis-à-vis* crashed Cypriot airliner as stated by the spokesman on Monday reiterated that the government will take immediate action if any omissions or delays by the civil aviation authorities or any other state agency are ascertained *vis-à-vis* the crash of a Cypriot airliner north of Athens last Sunday [14 August 2005].

Spokesman, Theodoros Roussopoulos, also referred to an order by the Civil Aviation Authority (YPA) director to release tapes of communication by air traffic controllers during the crucial half hour between the times Helios Airways Flight CY522 entered Greek airspace and the moment state authorities were notified that it was not responding to hailing. Finally, the spokesman again dismissed press reports that the prime minister has asked for the resignation of YPA's leadership. In a related matter, Roussopoulos said any planes leased by state-owned Olympic Airways are given a comprehensive inspection based on international standards (Airline Safety: <http://www.airlinesafety.com>).

The issue of the deep involvement of government and Civil Aviation Authority indicates that the government is constantly following the case of the crash together with Civil Aviation Authority. Hence, lobbying the government officials was also another method of easing the bad publicity of the crash.

7.4 DETERMINANTS OF STRATEGIC CREDIBILITY AND GENERAL NORMS OF MANAGING A CRISIS

7.4.1 Determinants of strategic credibility

The strategic credibility of Helios Airways can be discussed in terms of its strategic capability, past corporate performance, CEO, credibility and corporate social responsibility. If Helios Airways had been successful in portraying triumph in these four aspects, it would have been considered strategically credible and legitimate organisation.

Strategic capability: Helios Airways have not had crisis communication strategy which would have been very effective in the case of its crash. The communication plan would have estimated what the desired end result would be and how to go about communicating in order to achieve this end result.

Past corporate performance: In order for Helios Airways to be forgiven by the public and the stakeholders, it needed to have a respectable past corporate performance. Not only did Helios Airways need to show its respectability in financial terms, it also had to prove its airworthiness and safety culture. Instead, the Air Accident Investigation Aviation Safety Board labelled Helios Airways as grossly negligent with lack of safety culture.

CEO credibility: Helios Airways ought to have had a reputation and image projected by its Chief Executive Officer. If the CEO is well thought-of and regarded to be decent, then the company will also hold such a status. However, the CEO was not quite involved with the media to mitigate the crisis as it was done by the CEO of NASA.

Corporate social responsibility: Helios Airways should have maintained a flawless relationship with its stakeholders at previous levels of development of the business. It is impossible for a relationship to be established after such a crisis. So this connection should have been shaped ahead of time. Basically, Helios Airways was supposed to be known as a socio-political institution where the lines between the business and its

external environment are not as separated. This would have improved the organisational legitimacy of Helios Airways.

7.4.2 General norms of managing a crisis

As previously discussed in Chapter Two, section 3.2.3.1, it is imperative for a business to maintain a proactive relationship as opposed to a retroactive one. To sustain such an affiliation, it is vital to apply the “4 R’s”:

- **Regret:** Helios Airways did not boldly state that they were sorry such a tragic incident took place. This does not necessarily mean that Helios Airways had to state that they are guilty, or even responsible, just that they regret the event. It is not possible for Helios Airways to proceed to the other R’s by skipping this vital one.
- **Resolution:** Helios Airways did not state what they would do to resolve this issue. In other words, they did not express their exact plans and strategies regarding this crisis.
- **Reform:** The third step that should have been communicated but not done was that of Helios Airways ensuring that the pressurisation problem will not happen again.
- **Restitution:** Helios Airways could not have used this “R” due to the fact that it is the lives of humans which had been lost. No amount of money can compensate for the loss of a loved one. Nonetheless, Helios Airways could have distributed coupons to the victims’ families and availed them with free airline tickets to certain destinations for funeral plans and memorial service preparations.

7.5 DEVELOPING AND CONVEYING A CORPORATE COMMUNICATION STRATEGY

7.5.1 The process of developing a corporate communication strategy

In order for Helios Airways to keep its organisational legitimacy and develop a crisis communication strategy, it should have taken raw information, refined them into a series of issues, developed a suitable strategy, and lastly, tested the strategy.

Raw materials: Helios Airways should have acquired all of the relevant newspaper cuttings, magazine editorials, investigation results, and articles on the Helios Airways crash. Secondly, it would have been sensible to acquire analysts' circulars and corporate literature. Eventually, Helios Airways should have produced a well-researched report on the whole Helios Airways case and released to the public itself instead of being presented by external media.

Refinement: Once all the raw material had been collected, Helios Airways should have cautiously and tactfully selected the most crucial articles and developed a list of key aspects within these commentaries; and relate their communication with the analysis of the investigation results. Hence, a refined set of key issues needed to be obtained.

Strategy development: This stage of the development should have already begun during the process of refinement. This stage includes a great deal of long-term thinking, persistence, and devotion. There is much creativity that is related to developing a strategy and thus Helios Airways should have taken valuable time to develop such a strategy carefully.

Testing fit: This step can be considered the most vital of all steps within the process of developing Helios Airways's communication strategy due to the fact that, should it fail, there is the possibility of having to start all over again. However, Helios Airways did not create a simple yet capable communication strategy that can by no means be neglected.

Embedding the strategy: Establishing the communication strategy is only the very first step in the process. This strategy has to be further developed and then conveyed. The most important aspect, however, is that Helios Airways should have been very effective in implementing its strategy. However, Helios Airways have not had a properly documented crisis communication strategy as identified by the AAIASB.

After all these steps of developing a corporate communication strategy were fulfilled, Helios Airways should have established a list of communication goals and decided on the best way (in the Airway's best beneficial interest) to convey the proposed strategy.

7.5.2 Decide on the corporate communication strategy and communication goals

The discussion about the communication strategy will be what Helios Airways was supposed to communicate to solve the problems associated with the crash and then capitalise on the opportunity. The communication strategy of Helios Airways was supposed to ensure the long-term sustainability of Helios Airways in the market. However, this did not happen and the Airways ceased to exist due to the following reasons:

First, Helios Airways' communication strategy was not clear. That is, they did not accept total responsibility for the crash. Instead of focusing on what to communicate with the victims' families and showing their sympathy in various ways, they seemed to be more concerned about the legality of the claims from the victims' families. In the actual circumstances, they forgot they were supposed to communicate not about the past crash and how to show they can pay the compensation by indicating that the insurance is ready to pay or indicating that they will still exist in business for the sake of paying the liabilities. Instead, they were supposed to approach the victims' families now and then work out arrangements to settle the claims in a peaceful and sympathetic manner.

Helios Airways was expected to create a perception by the victims' families and by the community at large that it was a misfortune that the accident happened, but they still care for their customers and victims' families.

What Helios Airways was supposed to do was to create a perception that the accident happened because of the failure of Boeing not providing proper manuals which identify the signals of a pressurisation problem and the before take-off problem. This could have been done by providing information on similar Boeing 737 aircraft pressurisation problem accidents all over the world so that people would consider that it was the defect of the aircraft. This would imply that the responsibility for the crash lay with Boeing, rather than with the management of the Airways.

In addition, to mitigate the safety failure of the Airways, the Airways was supposed to point fingers to a separate department of the Airways – the flight mechanic section of the Airways – and show this in practice, using mechanisms such as firing some of the technical staff or asking for resignation from the technical staff. In line with this the sympathetic acts were supposed to continue by Helios Airways, such as joining in the mourning schedules of the victims' families and trying to express their sincere sympathy by indicating that they will do everything to support the victims families, and not wait for the government to do this.

Hence, the best strategy would have been to accept responsibility and show their sympathy to the public, but at the same time invite well-known technicians to give an independent opinion on their (Helios Airways' aircrafts) general safety manuals, procedures and policies and put this public, through the words of the independent investigators. This would carry more weight than if the Airways itself were to testify to its own innocence regarding the accident.

Further, they were also supposed to push aggressively to sue Boeing not directly for their damages, but by creating a perception that Boeing has to pay compensation and that Helios Airways is doing to recover the compensation from Boeing on behalf of the public. If they can claim the money for the deceased, it means sooner or later they can claim what belongs to them from Boeing also.

7.6 STRATEGIES OF HELIOS AIRWAYS FLIGHT CY522 CRASH

The study indicates that an Airway is not supposed to use only one strategy of communication at a time. Rather it could use a mix of strategies depending on the circumstances. That is, an airline can use a mix of denying responsibility, hedging responsibility, ingratiation, making amends, or eliciting sympathy. Due to this, this study discusses the different strategies that Helios Airways used to different degrees with the proposed strategy that Helios Airways should have used.

Deny responsibility

Used strategy: Out of the four strategies of denial, (direct deny, expand denial, redirect blame, and aggression) Helios Airways chose to redirect the blame to Boeing *after* much had been said about the negligence of Helios Airways regarding the crash rather than what was missing from Boeing, the aircraft manufacturer.

Proposed strategy: Though Helios Airways was correct in using the strategy of redirecting blame; it was supposed to enforce it immediately as the main strategic alternative to defend itself from the highly negative publicity. That is, Helios Airways was supposed to redirect the blame to Boeing, the aircraft manufacturer, for the failure of putting the right information on how to identify and correct warning signals of the Boeing 737 aircraft.

Hedge responsibility

Used strategy: Four strategies are involved in hedging or evading responsibility of the crash. These are: making excuses, scapegoating, pleading ignorance, and refuting evidence. Helios Airways did not explicitly make excuses for the extenuating circumstances or scapegoat others on time. Instead, they insisted that their aircrafts were airworthy and that they felt deep sorrow for the victims' families.

Proposed strategy: The Airways should have clearly expressed that they are seeking forgiveness and would do everything to compensate the public. Helios Airways was

supposed to clearly notify the media that it was Boeing's failure to provide appropriate signals with appropriate manuals.

Ingratiation

Used strategy: Ingratiation strategies are designed to win stakeholders' support for the Airways and reduce negative feelings toward the organisation. The only aspects that were discussed openly after the crash were the arguments about how the aircrafts were airworthy and the technicians were to blame.

Proposed strategy: One ingratiation tactic that Helios Airways could have applied was to identify and reinforce positive aspects of itself. However, there were no discussions, neither from the media, nor from Helios Airways itself, that it used to be one of the most efficient no-frills Airways which transported around 250 000 passengers every year. Never was there mention of the fact that Helios Airways was once tourists' choice to visit to Cyprus.

A second strategy that was supposed to be followed was to create identification between the Airways and its stakeholders. Helios Airways have not had any symbols, values, or institutions which have a strong base of public acceptance. In other words, no one tried to identify Helios Airways as one of the most charitable or community-supporting airlines. There was no sense of patriotism from the Cypriot citizens for the failure of one of their successful airlines.

A third proposed strategy that should have been implemented was to acknowledge others positively. Helios Airways seems not to have supported any other institutions, such as, universities, old age homes, or other children's fund institutions. Doing so would have helped in attaining support from the beneficiaries. As a result, it could have had a positive impression on the stakeholders who would have spoken on behalf of Helios Airways.

Make amends

Used strategy: Helios Airways tried to make amends in an effort to win forgiveness for the crash on 14 August 2005. Helios Airways remunerated the victims' families with an

initial € 20 000 in an effort to reduce negative feelings towards the Airways. Finally, by righting the wrong, the Airways tried to demonstrate concern and regret by sending the aircrafts for a further check-ups by SAS (Sweden Based Scandinavian Air Systems). That is, Helios Airways tried to show that necessary changes were made to prevent the recurrence of the crash.

Proposed strategy: Helios Airways was supposed to firstly apologise and show regret directly after the event, thus requesting forgiveness. With regard to the settlement of the € 20 000, Helios Airways was supposed to show that no amount of money can compensate for a lost life. Although Helios Airways did in fact send their aircrafts for further check-ups, they did not ensure that the public, which includes the victims' families, was aware of this fact. Helios Airways could have done so by distributing this information to all forms of media.

Elicit sympathy

Used strategy: Helios Airways was not able to use this strategy, which involves showing that it is an innocent victim. As a result, the stakeholders were unsympathetic and more critical, and they placed Helios Airways in a negative light.

Proposed strategy: Helios Airways could have promised to give the victims' families, and anyone else who may have been affected by the accident, what they deserved. They also should have communicated regularly with the stakeholders. One way to express their deepest sorrows and condolences would have been to send members of staff to the funerals and memorial services of the deceased. Basically, Helios airways should have admitted its mistakes and try to prove it is a victim of those mistakes.

Set communication goals

The corporate communication goals that are expected, based on the corporate communication strategy, should focus mainly on creating a sense of perception by the public that it was by sudden unfortunate luck that the Airways was caught in trouble and not because of its negligence. To do this, the Airway Airways's communication goals should have been as follows:

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- To achieve a positive perception by the public by indicating that the Airways is deeply concerned about the victims' families more than anything else, the Airways should have facilitated the compensation plans, communicated with the victims' families now and then, and provided some financial and psychological assistance until their compensation come from the insurance and until the pain of losing a loved one began to subside.
 - It was also necessary to create a perception in the minds of Cyprus government officials that the technical operations of the Airways are handled by a UK company, which has passed the European Safety Certification Agency, and that it was beyond the control of management to follow the day to day technical operations of the technical performance of the Airways. This way they could claim they deserved a second chance to be allowed to fly and that they would be more aware of such things in the future.

The different strategies that were used by Helios Airways were not totally correct. The main reason for this being that Helios Airways was using the different strategies before the actual investigation findings was launched.

7.7 DEVELOP A COMMUNICATION POLICY

In developing the communication policy a question of who is allowed to communicate what to whom comes into question. Generally, though Helios Airway's spokesperson was providing the necessary information, he has a legal background. Thus, he might have focused more on how to lessen the liabilities of the Airways than on how to sustain the Airway's future image.

Further, there was not any input from the employees of the Airways. The employees were supposed to communicate in terms of distributing positive rumours, which the Airways cannot say in public.

A policy was also supposed to be communicated indicating that the CEO is quite unhappy with what happened with the technical department and that he is contemplating to fire some of the technical staff who were involved in the flight maintenance check of the aircraft the night before its crash.

Finally, a policy was supposed to be communicated to the public that it was purely because of the failure of Boeing's inaccurate manuals that led to this accident with minor failures of the pilot for not identifying the accident.

7.8 CONDUCT AN OVERALL COMMUNICATION MEDIA ANALYSIS

The major failure of Helios Airways' communication comes from not understanding the media. The Airways tried to approach journalists and other media analysts to promote the image of the Airways or to decrease the negative publicity of the Airways by repeatedly indicating that the remaining aircraft of the Airways are sent to SAS (Scandinavian Airlines Systems) for safety check-ups.

Helios Airways said yesterday that its two Boeing 737-800s had been given the all-clear after an all-out check in Sweden and has been returned to service confirming that safety was the Airline's top priority. The company announced last week that it would be sending its remaining fleet for checking by SAS in Sweden in the wake of the crash of its Boeing 737-300 in Greece, killing 115 passengers and six crew (Cyprus Mail, 2006).

Helios Airways said:

The SAS – Scandinavian Airlines System – maintenance facility professionals at Stockholm Arlanda Airport carried out extensive functional system checks on the two B737s, as per the recommendations of Boeing, the aircraft manufacturer. In-depth safety checks covered the major aircraft systems, ensuring the full airworthiness of the aircraft (Cyprus Mail, 2006).

In addition, the following was reported:

The maintenance programme for aircraft operated by Helios Airways is managed by a UK-based company, which is certified by the UK Civil Aviation Authority.

The licensed aircraft engineers and other technical staff who maintain the Helios Airways fleet are fully trained and qualified to perform these duties by appropriate authorities, in compliance with European Aviation Safety Agency (EASA) regulations (Cyprus Mail, 2006).

All that the Airways was communicating was to defend the safety culture of the Airways instead of firstly communicating that it is deeply concerned with the victims' families and then the failure happened because of Boeing Aircraft manufacturer's improper manuals. In addition, the Airways never expressed its continued efforts to facilitate the compensation arrangements of the victims' families.

This resulted in the negative publicity of the Airways; though the public in the mean time might start to understand that the Airway's safety culture has improved, they can still see the lack of focus of the Airways in handling the victims' families' issue.

This was supported by the Cyprus mail 2006 issue, which indicates that "rumours state that the management tried to avoid being sued for the crash near Athens last summer (14 August 2005) by liquidating of the firm". This was further aggravated when the Airways tried to re-register with another name without telling the media until they find out themselves and capitalised out of it instead of the Airways.

The CEO of Helios Airways made the following statement:

I know that this is a very emotive issue still in Cyprus, and in some way the media helps sometimes its aim is to sensationalize to sell copies. I would have thought the only way Helios Airways could survive is by a re-brand. It would seem more logical to allow the carrier to survive than go bankrupt and all those "grieving" relations/friends losing the possibility of compensation (Cyprus Mail, 2006).

This kind of conceptualisation was supposed to be developed at the initial stages of the crash and let the media distribute it so as Helios Airways could have capitalised out of it. However, the management neither approached the media early, nor communicated the worth of the victims, including appropriately compensating the families. The failures of Boeing were also never properly disseminated to the communities and Helios Airways did not express acceptance of their responsibility for the whole incident. Instead, they

should have insisted on portraying that they are trying to improve their safety culture by firing the negligent flight technician staff and providing intensive training to their remaining staff.

However, this did not happen in Helios Airways. After some time, Helios Airways blamed the media after all the misshapeness for distributing what the victims' families were saying. The whole Helios Airways crash case can be discussed in what Stocker advises as the best communication tools to exploit media relations (in Caywood, 1997:189), as mentioned in section 2.5.4 and 3.6:

- Helios Airways did not develop direct, unedited information systems to reach the important audiences.
- Helios Airways did not utilise all forms of media. Overnight delivery and faxes
- Helios Airways did not consider direct mail, hotline numbers, group faxes, internet services, regional meetings, and advertisements for larger, more diverse groups such as customers, employees, and general community members.
- Helios Airways did not try to ensure that the media is disposing of true information. A “Truth Squad” who can monitor the errors and omissions of the media was not established. Helios Airways did not try to make sure that the database was reasonably accurate.
- Helios Airways did not test messages for understanding and impact. Helios Airways did not use a quick focus group or telephone research to help in sensing the mood of the public and to test the company's response for sincerity and credibility.
- Helios Airways did not supplement everything with third-party support.

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- Helios Airways did not keep a log of all press releases and key accurate stories as the crisis developed, and used it to “upload” new members of the press as they enter the story. This would have improved the accuracy of the coverage.
 - Finally, Helios Airways did not provide a location for the press to meet, communicate, and get briefings from the organisation itself. For Helios Airways to get its message across, it needed to be a source of information.

7.9 DEVELOP A COMMUNICATION PLAN

7.9.1 Findings of the crisis communication plan of Helios Airways

This section involves an analysis of whether Helios Airways had developed communication programmes, campaigns, or plans before the crisis and after the crisis. This directly relates to how to approach the victims’ families and thereby the public at large. First, let us discuss the viewpoints of the public:

According to Athens (ANA, 23 August 2005), relatives of the Helios Airways air crash victims warned yesterday that any attempt by the Airline to shirk its responsibilities would be futile. The warning came a day after Helios Airways, now known as Ajet, announced it was ceasing all airline operations within the next three months.

Nicolas Yiasoumis, spokesman for the relatives, regarded the move with suspicion. “Our lawyers are monitoring this closely, and we shall intervene where and if necessary. Any effort [by the Airways] to make money out of this, to tread over dead bodies, shall not come to pass,” he said (ANA, 23 August 2005).

All these discussions by victims’ families indicate that Helios Airways has not had any communication programmes, plans or campaigns on how to handle the victims’ families. From the report, it can be seen that the victims’ families are against Helios Airways and it even seems that Helios Airways is trying to run away from its responsibilities.

Helios Airways was supposed to have a long-term communication programme of five to ten years, which would have created a sustainable perception by the public that it is a national airline, though it is not. The long-term plan (the programme) was supposed to be developed when Helios Airways first started operations and people were supposed to buy into the concepts of the Airways, by showing their pride in such an airline representing their flag.

The communication plan or campaign, however, was only developed after the crash. The public was supposed to be approached with indication that the loss of an airline is the loss of a country's pride, assets, and jobs. Hence, the public could have started to be sympathetic if they could understand the communication campaign of Helios Airways management to survive the airline. However, this did not happen.

Finally, Helios Airways was a reputable airline, and due to this, the victims' families compared Helios Airways with similar other international airlines. Believing Helios Airways was capable of the kinds of financial compensation that a larger, wealthier airline could pay, the victims' families tried to claim larger amounts of compensation for Helios Airways negligence. Hence, Helios Airways was supposed to show clear sympathy for the passengers who died in the crash but create the perception that it is not as big as the other airlines who had similar crashes and who could compensate their passengers more fully. It is important to remember in this situation that early in the literature of this chapter, when the Japan Airline flight crash was discussed, it was noted that the CEO resigned, the flight mechanic committed suicide, and victims' families were compensated well. Hence, the average public member will compare the way Helios Airways' CEO responded with the way Singapore Airline CEO responded through the news and the general public.

All the different aspects of Helios Airways strategies can be discussed using the four communication strategies as discussed by Ray (1999:23-25).

7.9.2 Evaluating Helios Airways' legitimacy and niche width theory

As discussed in section 7.9.1, Helios Airways was not having a crisis communication plan during the plane crash. The existence of such a crisis communication plan depends on the niche width of the organisation. When applying niche width theory to Helios Airways it is classified as a specialist instead of generalist airline. Helios Airways has fewer aircrafts and routes, and shorter haul flights to Europe and Egypt, as compared to other international carriers.

In terms of the findings of Massey in 2001; Airlines with generalist niche width have more consistent messages and are perceived by the general public as more legitimate than airlines with specialist niche width. This has proven to be true in the case of Helios Airways.

Helios Airways legitimacy was questioned instantly after the crash on August 15, 2005. The plane crash resulted in the closing of the airlines.

The consistency of communications by the airline was poor, and the respondents of Helios Airways were displaying mixed emotions; some were emphasising that the Airline was airworthy, while others were showing sympathy towards victims' families and the general public.

Helios Airways is perceived to be a specialist airline in terms of niche width theory. This might have contributed to the fact that it did not have specialist crisis teams to handle the catastrophe after the plane crash. The problem was that victims' families were not accommodated as they were supposed to be, and the spokesman for Helios Airways briefed the public about the accident on August 15, but failed to answer any questions that the affected people might have. In the case of generalist airlines, the CEO and other staff members would provide consistent messages to the media immediately after the crash. Here lies the difference between specialist and generalist airlines.

7.10 ASSESSMENT OF THIS STUDY'S RELIABILITY AND VALIDITY

Reliability – in analyzing the case of the Helios Airways Flight CY522 crash, proper documentation was followed based on the procedures. That is, Steyn and Puth's (2000) communication model was followed in identifying the issues of the Flight CY522 crash on 14 August 2005. Thereafter, the strategy that was used by Helios Airways was identified and a strategy that should have been followed to better the outcome was discussed. Owing to these, the reliability of this study can be justified.

Construct validity – involves developing a sufficiently operational set of measures. The study's main objective is to examine whether Helios Airways' communication strategies during the Helios Airways crisis were properly chosen, implemented, involved, and addressed all relevant stakeholders. A set of measures had been used in this case study, (denying responsibility, hedging responsibility, making amends, ingratiation, eliciting sympathy and the different tactics under each study, which have been previously used by Ray in 1999 in his study of Airlines' communication strategies in times of crisis. Thus, the construct validity of this study can also be justified.

Internal validity – with regard to internal validity, case study research involves an inference every time an event cannot be directly observed. In this study, inference has been made from the newspapers, government officials' speeches, the Civil Aviation Authority, and the general public to discover whether the findings from one inference resemble that of another. The aim of such inferences is to increase the reliability and validity of the findings of this particular case study.

External validity – external validity is related to generalising a particular set of results to some other broader theory. Due to the fact that this is a case study research, it is not expected to contribute to the theory building in terms of crisis communication management in the airline industry, as generalisations cannot be made from case study research. Thus, the external validity was not fulfilled.

7.11 CONCLUSION

This chapter analysed the actual communication strategies followed by Helios Airways after the crash in comparison with the possible communication strategies that could have been followed to keep its organisational legitimacy. In analysing the event, the pre-crisis background of Helios Airways, events related to the crash of Flight CY522, Boeing 737, and events after the crash were discussed.

Seven issues were identified in this research. These include the issue of the safety culture of the Airways as discussed by the investigators of the crash, the issue of the compensation and handling of victims' families, the issue of pressurisation defect of the aircraft identified the day before its flight but not fixed, the issue of the failure of Boeing aircraft manufacturer to separate the signal which indicates take-off problems from that of pressurisation problems, the issue of the government of Cyprus suspending flights after the crash, the issue of the government of Cyprus Civil Aviation Authority granting a name change for Helios Airways to Ajet, and the issue of the European Aviation Safety Agency in banning flight of Helios Airways.

In addition, the different strategies of communication, deny responsibility, hedging responsibility, making amends, ingratiation and eliciting sympathy were discussed in line with the crash of Helios Airways Flight CY522.

The airlines' crisis communication strategy was discussed inline with consistency of the communicated information and with the niche width of the airline. It was found that Helios Airways was much more specialist airline, which showed inconsistent messages in its communication with the public.

Finally, evaluation of the communication strategies of Helios Airways indicated that though Helios Airways was using a mix of the strategies, Helios Airways was not successful in gaining public sympathy for its legitimacy, as it was not having planned communication with expected end results.

The findings indicate that Helios Airways failed to get sympathetic perceptions from the Cypriot public and as a result, it closed down operations.

CHAPTER EIGHT

CONCLUSION AND RECOMMENDATIONS

8.1 CONCLUSION

Corporate communication has a key role to play in the strategic planning of an organisation. The development of corporate communication strategy is a thinking process focusing on strategic stakeholders, strategic issues, and the publics that developed around those issues. The function of a corporate communication strategy is to identify the stakeholders' attitudes towards the organisation, and to identify the consequences of the organisation's policies on its relationships with these stakeholders. In forming the bridge with key stakeholders, the top communicator and his or her team helps either to create or to sustain an image.

This study focused on corporate communication strategy in times of Helios Airways crisis. This study demonstrates the importance of establishing strong communication channels and positive value positions with stakeholders long before a crisis hits the organisation.

The key to crisis management is crisis prevention, whether the vigilance and preparation are self-motivated or enforced by legislation. But if a fire does break out, comprehensive contingency planning can minimise the catastrophe; and a policy of open communication can minimise damage to corporate and individual reputations. Especially in the airline industry, due to the nature of the operating environment, there is a constant threat of travel disruption and accidents. Airline crashes may be due to technical malfunctions,

error, forces of nature such as weather, or a combination of these. Whatever the causes, they are the subject of popular and media interest worldwide and pose a severe test for the airline and its management, demanding quick decisions in an atmosphere of intense public scrutiny.

To sustain their operations, airlines use different (special) communication strategies, depending upon the conditions at the time of crisis. What is required of airlines is to use the appropriate strategy at the right time. This can be seen from the different approaches to crises by Singapore International Airlines and USAir. Both airlines successfully managed to communicate the information needs of their stakeholders to keep their reputation intact. However, this was not the case with regard to Helios Airways. The Airways failed to communicate persuasively and sustain its operations after the crash of Flight CY522, on 14 August 2005.

8.2 RECOMMENDATIONS

Objective

To examine the communication strategies Helios Airways chose and implemented in order to satisfy the enquiries of stakeholders who had different interests during a crisis.

Understanding the nature of crises and considerations for management and communication helps managers to anticipate the difficulties and challenges, which will likely arise in a crisis. No crisis is identical to another. While guidelines and recommendations offered in this study provide some direction, managers, ultimately, must stay aware of the many factors which could possibly influence the resolution of a crisis.

The above paragraph indicates that an airline is not supposed to use one strategy of communication. Rather it can use a mix of strategies depending on the circumstances. That is, an airline can use a mix of denying responsibility, hedging responsibility, ingratiation, making amends or eliciting sympathy.

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- The major finding from this study is that Helios Airways was supposed to do everything to avoid the negative publicity of its negligence.

Helios Airways could have done this by insisting that the accident happened by technical failure or weather conditions which are external to the human performance of the airlines – the technician was negligent but not Helios Airways as a whole. Helios Airways tried to put this in practice. However, the general public and the Civil Aviation Authority perceived the failure as a failure of the Airways to fix the pressurisation problem that was discovered the day before the crash.

- A recommendation can also be made that Helios Airways was supposed to train its employees (mainly pilots and flight technicians) and continuously examine the employees' trouble shooting potential, so as to solve flight problems timely. And this needs to be communicated to the public to show that Helios Airways cares much more about safety than anything else.
- Helios Airways should have implemented a contingency crisis communication plan and exercised it with the staff members in order to establish whether it is an effective and workable plan or not.

A contingency crisis communication plan could have helped the Airways to control and manage the crisis (crash) faced by it on the 14 August 2005. The niche width theory supports such an argument by indicating that crisis communication plans prepared in advance help to keep the legitimacy of an airline by transferring consistent messages.

- Strategic communication choices must be determined in the light of the company's performance history and perceived image. Safety quality determines performance on service quality and vice versa.
 - Helios Airways' safety quality should be promoted and advertised together with the service quality to increase the positive image and reputation of the airline.
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- This could have helped the airline's communication strategies to be more effective and understandable to the public.
- The airline industry greatly depends on the travelling public's perception that it is safe. A major plane crash tends to shatter this perception. According to Tesfay (2004:201), the main problem for carriers is the tendency for customers to judge safety quality by service quality and vice versa.
 - As a no-frills airline, though Helios Airways was not providing special services for passengers, the Airways could emphasise its reliability and cost effectiveness to remind passengers and the general public that it used to add value to the country (Cyprus) with its service quality and hence the general public has to support the Airway's desire to continue its operations.
 - Linking communication strategies (in times of crises of an airline's crash) to investigation progress and results distances airlines from any potential risks that threaten the sustainability of those airlines.
 - Airlines should not only communicate on stakeholders' involvement and/or the impact of the general public, but also on the investigation progress and results. Helios Airways could have used a mix of the different strategies available. However, all the strategies that are going to be implemented should be related to the investigation progress. Taking or denying responsibility before knowing the exact cause of the crash (crisis) or finding and analysing the black boxes is a risk that can threaten the sustainability of airlines.
 - Correct information and procedure based on a broad frame of reference and communicated at the right time can mitigate the harm facing an airline when it is confronted with a crash.
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- That is, Helios Airways used a narrow frame of reference following the Flight CY522 crash. Helios Airways based its decision on technical, financial, and legal considerations rather than on a broader social concern. Consequently, the Airways were perceived as uncaring towards the victims. Helios Airways had a positive credibility as the no-frills airline carrying 250 000 passengers to Cyprus. However, credibility may be negatively affected by a company's initial reactions to the crisis. In Helios Airways' case, the Airway's failure to fix its pressurisation problems before the crisis was much more highlighted in the media than the difficulties faced by the pilots to identify and fix the problem of cabin pressurisation. Hence, the credibility of the Airways faded immediately as nothing has been done to keep or restore its image.
 - Airlines should always communicate the right information (messages) through the right channels to the right people at the right times when they are faced by a plane crash.

A clear description of the crisis and the reasons behind the event is necessary to provide stakeholders with the correct and honest information from a reliable source, rather than them receiving incorrect or incomplete information from other sources such as the media, the government, the general public, or even other stakeholders.

In the case of Helios Airways, stakeholders, especially media and victims' families were being informed and communicated through indirect and third party resources in regard to the investigation progress and results, which placed the Airways under critical pressure and criticism.

- Helios Airways should have prioritised stakeholders and their needs and be early enough ready with immediate responses and answers to their concerns and questions in an effort to win them and win their support in times of crisis.

Helios Airways should have been able to effectively communicate the fact that they acknowledge that although it is simply impossible to put a financial value on the lost life of a human, it will mitigate the harm from the available resources it has as soon as possible. To repair its reputation and image, the airline should provide the correct information with regard to the developments of procedures followed in the compensation process of the victims' families. The airline could also invite one of the victim's family members, a well-known employee from another airline, or a reputable citizen to explain his or her perceptions with regard to compensation issues.

Helios Airways was supposed to keep a continued close relationship with the community before and after the crash (crisis) hits it. Victims, victims' families, and the community at large are either past clients or potential future customers of the airline. Keeping a continuous positive relationship with them by sharing them and showing them how the airline is involved and responsible towards the community would have kept the airline in a continued close relationship with the community. That would have increased the likelihood of the airline receiving a sympathetic reaction from the community when the crash happened.

- Public battles increase media attention. Highly defensive and antagonistic spokespersons will likely prompt negative media coverage. The communication department of Helios Airways was supposed to be led by communication or related field graduates, and not by legal people or other fields that can influence the strategy implementation and create battles with the media or other stakeholders.

Christos Neocleous, lawyer and spokesman for Helios Airways told the Cyprus Mail that continued operation was “no longer feasible financially”. And he blamed the “witch hunt climate” cultivated in Cyprus in the aftermath of the crash. The fact that Neocleous was a lawyer influenced the strategic communication, as a spokesperson with such background

would be primarily interested in defending the Airways from heavy lawsuits and compensation.

Helios Airways' decision to decrease media attention was correct. That is, Helios Airways' image was already weak, hence, battling issues publicly, particularly those concerning liability, would serve to further increase stakeholders' negative perceptions. However, the Airways was supposed to be aggressive in approaching the media and making sure the media is siding with them to emphasise the failure of Boeing, and that the flight technicians department was outsourced to British-based Civil Aviation Authority.

Statements such as “Don't be too hard on Cyprus for not acting. They sub-contracted all inspection and monitoring of Helios Airways to UK CAA”, were supposed to be made to the public in order to elicit sympathy.

- Legal pressures and the close surveillance of Helios Airways operations by the government determined the level of buy-in of institutional investors. Institutional investors continue to invest in an airline as long as the airline has clean papers from the government after the plane crash.

Helios Airways was supposed to work towards a closer and stronger relationship with the authorities (government, Civil Aviation Authorities, and transportation officials, etc.) in order to get support from those authorities during the crisis, to avoid losing current and potential investors for the airline.

- Finally, future research must focus on the relationships among niche width theory, organisational legitimacy and crisis communication consistency in analysing crisis communication strategies of airlines.

8.3 SUMMARY

Following the major crash, Helios Airways found itself battling allegations of blame, irresponsibility, or inadequacy. A crash generally creates concerns about the safety of the airline. When Helios Airways' image was threatened, the airline mainly engaged in defence strategies. Defending an image involved altering the public's perceptions of responsibility for a tragedy or impressions of Helios Airways itself.

Besides, a mix of strategies – denying responsibility, hedging responsibility, making amends, ingratiation, and eliciting sympathy – are the communication strategies that Helios Airways, unclearly and apprehensively implemented. However, Helios Airways focused on the denial strategy by using heavy defensive tactics for the crisis (crash) faced by them on 14 August 2005. That was critical and crucial enough to lead to the failure of the Airways, which shut down after the stakeholders and the main issues that have been identified.

Helios Airways should learn that: Air crashes are rare, but when they happen they are devastating and only the right communication strategies, which involve prioritising victims' families and working closely with the public and the media, can bring survival.

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**COMMUNICATION STRATEGIES IN TIMES OF CRISIS:
A CASE STUDY ANALYSIS IN THE AIRLINE INDUSTRY**

Article

**COMMUNICATION STRATEGIES IN TIMES OF CRISIS:
A CASE STUDY ANALYSIS IN THE AIRLINE INDUSTRY**

by

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ABSTRACT

This research was conducted to analyse the crisis communication strategy implemented by Helios Airways to its stakeholders after its Flight CY522 crash on 14 August 2005. In analysing the event, the actual communication strategies followed by Helios Airways after the crash were compared with the possible communication strategies that could have been followed. The pre-crisis background of Helios Airways, events related to the crash of Flight CY522, and events after the crash were discussed.

Seven main issues emerged from the analysis of the data obtained. These are: the issue of the safety culture of the airline, the compensation and handling of victims' families, the pressurisation defect of the aircraft, the failure of Boeing to separate the signal which indicates take-off problems from that of pressurisation problems, the government of Cyprus suspending flights after the crash, the government of Cyprus Civil Aviation Authority granting a name change for Helios Airways to Ajet, and the issue of the European Aviation Safety Agency in banning flights of Helios Airways.

The airlines' crisis communication strategy was discussed inline with consistency of the communicated information and with the niche width of the airline. It was found that Helios Airways was much more a specialist airline as it showed inconsistent messages in its communication with the public.

The major finding of this study is that Helios Airways did not have a crisis communication plan prepared in advance. As a result, Helios Airways failed to communicate with its stakeholders. Finally, Helios Airways was supposed to identify the issues with the media and the stakeholders clearly and align its crisis communication strategies with the actual circumstances.

KEY WORDS

Keywords: Crisis, Crisis communication, crisis communication plan, communication strategy in times of crisis, legitimacy and niche width.

INTRODUCTION

The main theme of this study is that although an airline crash brings a crisis challenging the mere existence of an airline, communication, critical to the control of a crisis, serves to either manage the situation or create further confusion.

Vincent R.C., Crow and Davis (1997:354) contend that the events which surround air crashes are inherently dramatic, involving life and death situations, heroic actions, fatal and fateful decisions, and unforgettable visual images. Due to this, Vincent et al. (1997:354) state that an airline crash provides a compelling and visually powerful news story. The role of communication comes into play; to mitigate harm, respond to stakeholder needs; and repair the image following an airline crisis.

Several studies (Frank, 2000; Hoffman, 2001; Evans, Hammersley & Maxine, 2001) have examined the critical strategies for crisis management and communication, and have focused primarily on post-crisis evaluation of the phenomenon. Such post-crisis enquiry is important, but has focused primarily on the possible communication solutions and corrective actions. In this study, the application of communication strategies in pre-crisis, during crisis, and post-crisis stages was investigated.

The development of corporate communication strategy is a thinking process focused on strategic stakeholders, strategic issues, and the publics that develop around those issues.

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A much smaller proportion focuses on more comprehensive approaches to crises. This study demonstrates the importance of establishing strong communication channels and positive value positions with stakeholders long before a crisis hits the organisation.

In the aftermath of the Helios Airways disaster, where an airliner with 121 people on board crashed in Greece, a number of agencies and organisations involved themselves with the victims and the media, creating the potential for inconsistency, inaccuracy, and contradictions. In some situations, conflicting information presented a very confused picture of the situation. In such situations, an airline may be expected to work with a variety of agencies that will likely have conflicting agendas. These conflicting agendas had an effect on the crisis (crash) investigation process and thereby affected the type of communication strategies to be implemented in order to keep the image of the airline.

The main objective of this study is to examine the types of communication strategies that Helios Airways chose and implemented in order to satisfy the enquiries of different stakeholders who have had different interests during and after the crisis in August 15, 2005.

This research was conducted on an in-depth analysis of secondary data for a single case. This means, comparing and contrasting the attitudes of different newspapers in Cyprus, investigators' reports in newspapers and the Internet, and reports from international news broadcasting services. After the collection of data from secondary sources, a set of results are discussed.

A communication model for developing a corporate communication strategy together with the niche width theory & consistency concepts were followed in the analysis process. Within the communication model, the actual communication strategy followed by Helios Airways was discussed comparing the consistency of the communicated messages. Besides, the niche width of Helios Airways was analysed to evaluate whether

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the collapse and termination of the operations of Helios Airways was mainly due to failure of effective communication strategies to mitigate the crisis.

Literature on communication strategy, communication plan and communication tactics during a crisis was discussed. The study does not deal with crisis management, but focuses on communication strategies and tactics implemented when an airline faces a major airplane crash.

After the crash, the public insisted on banning the permission of Helios Airways flights by the government of Cyprus. Due to this, Helios Airways was obliged to change its name to Ajet. However, even after the name change, the public did not accept Helios Airways as an airline of choice. Instead, they continued defaming Ajet in different media. Finally, Ajet ceased all operations and filed for bankruptcy.

LITERATURE REVIEW

The function of a corporate communication strategy is to identify the stakeholders' attitudes towards the organisation, and to identify the consequences of the organisation's policies on its relationships with these stakeholders.

In building relationships with different stakeholders, the corporation needs to build its reputation in society, develop its own corporate image, and show good co-operation with the community to show its social responsibility. Reputation is ultimately the measure of an organisation's social responsibility. And reputations, good and bad, are created by every observable action taken by an organization (Van Riel, in Cowden & Sellnow, 2002:197).

When a crisis hits an organisation, the reputation of that organisation comes into question. This means the corporate identity, which is designed to accord with and facilitate the attainment of business objectives, is the most critically hit part of the

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company. Due to this, airlines sometimes attempt to re-brand their names and/or logos after a crash or other crisis (Wikipedia, 2007:<http://www.en.wikipedia.org/wiki/Brand>).

Re-branding the image of the organisation is useful as it shows how familiar the different stakeholder groups are with the organisation, the attitudes of the stakeholders to the organisation and the personality characteristics associated with the organisation (Steyn & Puth, 2000:111).

Relationship with stakeholders

The relationships that exist long before a crisis hits an organisation determine the type of communication strategies that an organisation will follow. The major stakeholders with whom an airline should have good relationships include the victim's families, the media, the government, the employees, the investors and then the community at large.

In order to manage a good relationship with the victim's families, a vital part of a crisis response plan would be to have employees ready to answer any enquiries via telephone should there be a disaster. This means that there should be special people who are employed solely to act as supporters should a crisis occur. These employees should be the first ones to receive any information on the crisis and the steps forward. The level of compassion and support demonstrated by a company towards its victims, their families, and the community after a crisis contributes to business continuity efforts (<http://www.crisiscommunication.com>).

With regard to the community, the company should be aware of the fact that “the public expects an organization [sic] to demonstrate concern and compassion following a crisis” (<http://www.crisiscommunication.com>).

When it comes to the relationships of the media with the company, the general public tends to remark the companies that are put “on the agenda” by the media and give higher ratings to the companies that gain more favourable press coverage (Fombrun & Van Riel, 2004: 121-124).

With regard to the government's relationship with the company, the government wants organisations to be transparent to the general public and so every company's communication strategies should portray their image as one which coincides with the legal aspects concerning the government (Fombrun & Van Riel, 2004:195). Final, the relationship of the company and its investors should strive to include both types of investors; the institutional investors (major ones) and the individual investors (minor ones) according to their relevance in all communications and in planning (Fombrun & Van Riel, 2004:19).

Crisis communication plan

Effective communication strategies can be implemented to moderate the crisis caused by major airline crashes. According to Hoffman (2001:27), the formation of crisis teams and the involvement of the CEO are necessary to moderate the crisis. In order to help airline executives protect their personal and corporate reputations during crisis, special attention needs to be paid to the 4 P's of effective crisis communication – prevent, plan, prepare, and practice.

Prevent: Whether it is a natural disaster, an instance of workplace violence, or a major aircraft crash, human resources play a crucial role in its company's crisis management efforts and how it responds to these situations. One of the most valuable contributions that HR can make to effective crisis management – both before and during a catastrophe is by fostering open communication with employees and addressing their needs and concerns, which may include trauma counselling. This can be done in one of several ways: by establishing an open-door policy, by setting up an employee comment box, and by establishing a hotline number (Anonymous 2000:13).

Plan: Develop a written crisis communication plan detailing the first actions if one of these incidents were to occur. The details could include: What could go wrong around

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here? Who needs to be told about each type of situation? When should local community officials want to be notified? Finally, when a crisis occurs, what needs to be done first (Hoffman, 2001:27)?

There are the “4 R’s” of planning that need to be considered in advance; regret, resolution, reform and restitution.

Regret: Involves the organisation saying sorry that a crisis happened. Not that it is guilty, or even responsible, just that it regrets the event. While, resolution: involves stating what you will do to resolve the issue, or if it is not the company’s fault, doing nothing. Reform involves ensuring that, if possible, the crisis will not happen again. Finally, restitution: involves providing compensation.

Prepare: A good deal of thought must be given in deciding which aspects should be emphasised. For example, if company personnel responded quickly and competently to the incident and prevented any long-term impact to the community, that message needs to be communicated. If passengers or employees were hurt or the community was frightened, the message needs to be framed in terms of care and concern for those involved. The priority list of those affected must go in this order – people first, the environment second, and company assets last (Hoffman, 2001:27).

Practice: A plan that has not been practiced in the past year is not a plan at all. Role-playing is valuable. Once every six months, use part of a regular staff meeting or call a special meeting to practice the organisation’s response to a simulated crisis. It is better to establish the weaknesses of the plan or the employees in a role-play instead of when the lights of the media cameras are focused on the company spokesperson (Hoffman, 2001:27).

Finally, Adrian and Peterson (2005:2) consider that the crisis management plan should include; a database with the names, phone/page/fax/cellular numbers, e-mail, and postal

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addresses of everyone on the crisis team, assigned roles and procedures for everyone on the crisis team, a multimedia database with critical information on the organisation's plants, offices, personnel, products, and services that can be quickly accessed and analysed, commercial databases that complement proprietary databases, and a means for everyone on the team to access the databases and collaborate from remote locations globally.

Crisis management

“A crisis is a serious incident affecting – for example, human safety, the environment, and/or product or corporate reputation – and which has either received or been threatened by adverse publicity” (Bland, 1998:5). This definition of the term “crisis” indicates that usually it is the publicity that can sink a company, not the damage from the crisis itself. Therefore, developing effective communication strategies helps to avoid this “Unexpected Bad Publicity”. There are five communication tactics that can be implemented when an organisation is faced with a crisis. These are:

Denying responsibility: Organisations may choose to deny any association with or responsibility for the cause of an event (Ray, 1999:23).

Hedging responsibility: This allows the organisation to distance itself from the crisis, or ‘duck’ responsibility (Ray, 1999:23).

Ingratiation: tactics are designed to win stakeholders’ support for the organisation and reduce negative feelings toward the organisation. One ingratiation tactic is to accentuate the positive. The organisation must identify and reinforce positive aspects of the organisation (Ray, 1999:24).

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Making amends: Organisations may choose to make amends in an effort to win forgiveness for the event. This is done in three ways: apologise, remunerate, and right the wrong (Ray, 1999:24).

Eliciting sympathy: This approach portrays the organisation as an innocent victim. Sympathetic stakeholders tend to be less critical and the organisation is likely to be placed in a positive light (Ray, 1999:24).

Finally, the way these different communication tactics are employed determines the legitimacy of the airline.

Impact of niche width and crisis communication consistency on organisational legitimacy

When faced with a crisis, organisations need to communicate strategically with stakeholders in order to sustain the legitimacy of the organisation. Legitimacy is the perception that an organisation is good, credible, and honest, and has a right to continue operations (Massey, 2001:153). Previous research conducted by Massey (2001:154), indicates that there is a relationship between niche width of an organisation and its crisis communication consistency with organisational legitimacy. That is, Massey 2001 hypothesised that an organisation's niche width affects stakeholder perceptions of the organisation's image.

Niche width refers to an organisation's position or role within its market or field – the space occupied by an organisation within its environment. Niche width is identified by generalism or specialism. To make it clear in relation with the airline industry, generalist airlines are the ones who have scheduled flights, long-haul flights, which has been in operation for more years and provide different in-flight services. While specialist organisations are those which have very few aircrafts, they had been in business for short period, have short haul flights and have limited in-flight services (Massey, 2001:156).

The output of the research conducted by Massey in 2001, indicates that

- i. consistent crisis-response strategies are more effective than inconsistent ones for legitimacy management;
- ii. generalist organisations are perceived as being more legitimate than specialist organisations; and
- iii. both generalist and specialist organisations that produce consistent crisis responses are perceived as being more legitimate than generalist or specialist organisations that produce inconsistent ones (Massey, 2001:159).

METHODOLOGY

Out of the four types of research designs; conceptual research, qualitative research, quantitative research, and a mixture of qualitative and quantitative research designs, the qualitative research design – case study approach – was chosen for this study. This method was used for an in-depth contextual analysis of the communication strategy of Helios Airways in a time of crisis.

Qualitative research focuses on the understanding of a research phenomenon and the consideration of all contextual realities. This principle also governs for a case study research. In this section, the research design, data collection, sampling design, evidence collection, data analysis and data interpretation stages of case study analysis are discussed.

Criteria for selecting a case study methodology

This study uses a case study approach to analyse the findings. A constraint not to conduct a survey is the difficulty that can be experienced in identifying the victims' families, who might be experiencing a difficult time coping losing a family member. Furthermore, the

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probability of using representational sampling was less than required as the airlines which faced a crisis refused to participate in a survey in order to keep strategic information from being available (open) to the public. Therefore, though multiple cases might be required for comparison purposes, only one case – one airline – was found convenient to be studied. This led to the use of a single-case study methodology for the airline under study.

Data collection

Primary data: data collected with a specific purpose in mind, that is, for the needs of this particular research project (Diamantopoulos & Schlegelmilch, 1997, 5).

According to Cooper and Schindler (2001:138), it is known that “important scientific propositions have the form of universals, and a universal can be falsified by a single counter instance.”

This research will use the archival retrieval and documentary analysis mode to obtain information about the communication strategy of Helios Airways during its crisis. The viewpoints of industry experts as documented in newspapers and journals will be used to analyse the crisis communication of Helios Airways.

Secondary data: data which has not been gathered expressly for the immediate study at hand but for some other purpose. However, it might be of relevant use for this research project (Diamantopoulos & Schlegelmilch, 1997:5). Those data were collected from journals, books, periodicals, and the Internet.

A literature study was done as part of the secondary data phase. Various authors’ viewpoints as well as other sources were explored. The literature study which was conducted provided data on different aspects of the research topic.

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Finally, the difficulty of approaching the respondents for the case under study – the airline’s managers and victims’ families – led to the use of archival retrieval as a method of data collection.

Analyse and interpret the data

Analysing case study evidence becomes especially difficult because the strategies and techniques have not been well defined in the past. Nevertheless, every investigation should have priorities about what to analyse and why.

Qualitative content analysis was applied to the communication strategy document within the case. The purpose of the analysis process was to operate the research objective and to interpret the data.

This research is conducted on an in-depth analysis of secondary data, i.e., comparing and contrasting the attitudes of different newspapers in Cyprus, investigators’ reports in newspapers and the Internet, and reports from international news broadcasting services. After the collection of data from secondary sources, a set of results are discussed.

A communication model for developing a corporate communication strategy together with the niche width theory & consistency concepts were followed in the analysis process. Within the communication model, the actual communication strategy followed by Helios Airways was discussed comparing the consistency of the communicated messages.

Assessment of this study’s reliability and validity

Reliability – in analyzing the case of the Helios Airways Flight CY522 crash, proper documentation was followed based on the procedures. That is, Steyn and Puth’s (2000) communication model was followed in identifying the issues of the Flight CY522 crash

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on 14 August 2005. Thereafter, the strategy that was used by Helios Airways was identified and a strategy that should have been followed to better the outcome was discussed. Owing to these, the reliability of this study can be justified.

Construct validity – involves developing a sufficiently operational set of measures. The study's main objective is to examine whether Helios Airways' communication strategies during the Helios Airways crisis were properly chosen, implemented, involved, and addressed all relevant stakeholders. A set of measures had been used in this case study; denying responsibility, hedging responsibility, making amends, ingratiation, eliciting sympathy and the different tactics under each study, which have been previously used by Ray in 1999 in his study of Airlines' communication strategies in times of crisis. Thus, the construct validity of this study can also be justified.

Internal validity – with regard to internal validity, case study research involves an inference every time an event cannot be directly observed. In this study, inference has been made from the newspapers, government officials' speeches, the Civil Aviation Authority, and the general public to discover whether the findings from one inference resemble that of another. The aim of such inferences is to increase the reliability and validity of the findings of this particular case study.

External validity – external validity is related to generalising a particular set of results to some other broader theory. Due to the fact that this is a case study research, it is not expected to contribute to the theory building in terms of crisis communication management in the airline industry, as generalisations cannot be made from case study research. Thus, the external validity was not fulfilled.

RESULTS

The Air Accident Investigation and Aviation Safety Board (AAIASB) of the Hellenic Ministry of Transport and Communications investigated the accident following ICAO

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practices and determined that the accident resulted from “direct and latent causes” (CAN, Nicosia, 30 August 2005).

The direct causes were: non-recognition that the cabin pressurisation mode selector was in the MAN (manual) position during the performance of the Pre-flight procedure, the Before Start checklist and the After Take-off checklist; non-identification of the warnings and the reasons for the activation of the warnings; and incapacitation of the flight crew due to hypoxia, resulting in the continuation of the flight via the flight management computer and the autopilot, depletion of the fuel and engine flameout, and the impact of the aircraft with the ground.

The latent causes were: operator’s deficiencies in the organisation, quality management, and safety culture; the Regulatory Authority’s diachronic inadequate execution of its safety oversight responsibilities; inadequate application of Crew Resource Management principles; and ineffectiveness of measures taken by the manufacturer in response to previous pressurisation incidents in the particular type of aircraft.

The AAIASB further concluded that the following factors could have contributed to the accident: omission of returning the cabin pressurisation mode selector to the AUTO position after non-scheduled maintenance on the aircraft; lack of cabin crew procedures (at an international level) to address events involving loss of pressurisation and continuation of the climb despite passenger oxygen mask deployment; and ineffectiveness of international aviation authorities to enforce implementation of actions plans resulting from deficiencies documented in audits.

Seven major issues emerge from the AAIASB investigation results and this study divides them into internal and external strategic communication issues. These issues include: the issue of the safety culture of the airline, the compensation and handling of victims’ families, the pressurisation defect of the aircraft, the failure of Boeing to separate the signal which indicates take-off problems from that of pressurisation problems, the

government of Cyprus suspending flights after the crash, the government of Cyprus Civil Aviation Authority granting a name change for Helios Airways to Ajet, and the issue of the European Aviation Safety Agency in banning flights of Helios Airways.

Implications of Internal strategic communication issues

The major internal strategic communication issue was “issue of safety culture of the airline as discussed by the investigators of the crash”. For instance, the airline did not have a properly prepared flight manifesto which indicated the exact names and surnames of the passengers in the crashed aircraft. This was specifically an issue for the government – the police and the civil aviation authority – as the airline missed a basic filing process of registering who was on board with the airplane. This led the government to order a search warrant against the Airways and take stiff measures against the Airways, as it was perceived to be negligent.

With regard to the issue of negligence in handling the victims’ families, the Airways announced that it would immediately compensate the victims’ families with € 20 000, and thereafter would wait for the insurance to handle the case. This communication strategy of discussing the amount of the settlements to victims’ families disgruntled the victims’ families and they took their issue to the New York courts where they can win bigger claims.

Implications of external strategic communication issues

The fact that the government issued a search warrant against the Airways after suspending flights to and from Cyprus indicated that the government was not satisfied with the reports of the investigation. This puts the Airways under close public scrutiny. However, Helios Airways never came up with communication strategy, which mitigates the negative publicity that might come with the issue of a search warrant by the government.

The aircraft manufacturing company, Boeing, did not accept that the failure was purely from its defected product – not separating the signals for the two malfunctions. Though this might have mitigated some of the responsibilities of the Airways for the crash, as Boeing accepted its failure to some extent, Helios Airways' communications department never exploited this opportunity to transfer the blame to Boeing early after the crash, at least partly, for failure to have clear manuals which indicate the meanings of the warning signals.

Helios Airways strategic credibility

The strategic credibility of Helios Airways can be discussed in terms of its strategic capability, past corporate performance, CEO, credibility and corporate social responsibility. If Helios Airways had been successful in portraying triumph in these four aspects, it would have been considered strategically credible and legitimate organisation.

Strategic capability: Helios Airways have not had crisis communication strategy which would have been very effective in the case of its crash. The communication plan would have estimated what the desired end result would be and how to go about communicating in order to achieve this end result.

Past corporate performance: In not only did Helios Airways need to show its respectability in financial terms, it also had to prove its airworthiness and safety culture. Instead, the Air Accident Investigation Aviation Safety Board labelled Helios Airways as grossly negligent with lack of safety culture.

CEO credibility: the CEO was not quite involved with the media to mitigate the crisis as it was done by the CEO of NASA.

Corporate social responsibility: Helios Airways should have maintained a flawless relationship with its stakeholders at previous levels of development of the business.

The process of developing Helios Airways corporate communication strategy

In order for Helios Airways to keep its organisational legitimacy and develop a crisis communication strategy, it should have taken raw information, refined them into a series of issues, developed a suitable strategy, and lastly, tested the strategy.

Raw materials: Helios Airways should have acquired all of the relevant newspaper cuttings, magazine editorials, investigation results, Eventually, Helios Airways should have produced a well-researched report on the whole Helios Airways case and released to the public itself instead of being presented by external media.

Refinement: Helios Airways didn't prepare a refined set of key issues needed.

Strategy development: There is much creativity that is related to developing a strategy and thus Helios Airways should have taken valuable time to develop such a strategy carefully.

Testing fit: Helios Airways did not create a simple yet capable communication strategy that can by no means be neglected.

Embedding the strategy: Helios Airways did not have a properly documented crisis communication strategy as identified by the AAIASB.

Helios Airways communication strategies for flight CY522 crash

The study indicates that an Airway could use a mix of strategies depending on the circumstances. This study discusses the different strategies that Helios Airways used to different degrees with the proposed strategy that Helios Airways should have used.

Denying responsibility

Used strategy: Out of the four strategies of denial, (direct deny, expand denial, redirect blame, and aggression) Helios Airways chose to redirect the blame to Boeing after much had been said about the negligence of Helios Airways regarding the crash rather than what was missing from Boeing, the aircraft manufacturer.

Proposed strategy: Though Helios Airways was correct in using the strategy of redirecting blame; it was supposed to enforce it immediately as the main strategic alternative to defend itself from the highly negative publicity. That is, Helios Airways was supposed to redirect the blame to Boeing, the aircraft manufacturer, for the failure of putting the right information on how to identify and correct warning signals of the Boeing 737 aircraft.

Hedge responsibility

Used strategy: Four strategies are involved in hedging or evading responsibility of the crash. These are: making excuses, scapegoating, pleading ignorance, and refuting evidence. Helios Airways did not explicitly make excuses for the extenuating circumstances or scapegoat others on time. Instead, they insisted that their aircrafts were airworthy and that they felt deep sorrow for the victims' families.

Proposed strategy: The Airways should have clearly expressed that they are seeking forgiveness and would do everything to compensate the public.

Ingratiation

Used strategy: Ingratiation strategies are designed to win stakeholders' support for the Airways and reduce negative feelings toward the organisation. The only aspects that were

discussed openly after the crash were the arguments about how the aircrafts were airworthy and the technicians were to blame.

Proposed strategy: One ingratiation tactic that Helios Airways could have applied was to identify and reinforce positive aspects of itself. Never was there mention of the fact that Helios Airways was once tourists' choice to visit to Cyprus.

Make amends

Used strategy: Helios Airways remunerated the victims' families with an initial € 20 000 in an effort to reduce negative feelings towards the Airways. Finally, by righting the wrong, the Airways tried to demonstrate concern and regret by sending the aircrafts for a further check-ups by SAS (Sweden Based Scandinavian Air Systems). That is, Helios Airways tried to show that necessary changes were made to prevent the recurrence of the crash.

Proposed strategy: Helios Airways was supposed to firstly apologise and show regret directly after the event, thus requesting forgiveness. With regard to the settlement of the € 20 000, Helios Airways was supposed to show that no amount of money can compensate for a lost life. Although Helios Airways did in fact send their aircrafts for further check-ups, they did not ensure that the public, which includes the victims' families, was aware of this fact. Helios Airways could have done so by distributing this information to all forms of media.

Elicit sympathy

Used strategy: Helios Airways was not able to use this strategy, which involves showing that it is an innocent victim. As a result, the stakeholders were unsympathetic and more critical, and they placed Helios Airways in a negative light.

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Proposed strategy: One way to express their deepest sorrows and condolences would have been to send members of staff to the funerals and memorial services of the deceased. Basically, Helios Airways should have admitted its mistakes and try to prove it is a victim of those mistakes.

The different strategies that were used by Helios Airways were not totally correct. The main reason for this being that Helios Airways was using the different strategies before the actual investigation findings was launched.

Helios Airways communication strategy and communication goals

Helios Airways' communication strategy was not clear. That is, they did not accept total responsibility for the crash. Instead of focusing on what to communicate with the victims' families and showing their sympathy in various ways, they seemed to be more concerned about the legality of the claims from the victims' families. In addition, to mitigate the safety failure of the Airways, the Airways was supposed to point fingers to a separate department of the Airways – the flight mechanic section of the Airways – and show this in practice, using mechanisms such as asking for resignation from the technical staff.

Hence, the best strategy would have been to accept responsibility and show their sympathy to the public, but at the same time invite well-known technicians to give an independent opinion on their (Helios Airways' aircrafts) general safety manuals, procedures and policies and put this public, through the words of the independent investigators. This would carry more weight than if the Airway itself was to testify to its own innocence regarding the accident.

Develop a communication policy

In developing the communication policy a question of who is allowed to communicate what to whom comes into question. Generally, though Helios Airway's spokesperson was

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providing the necessary information, he has a legal background. Thus, he might have focused more on how to lessen the liabilities of the Airways than on how to sustain the Airway's future image.

Conduct an overall communication media analysis

The major failure of Helios Airways' communication comes from not understanding the media. The Airways tried to approach journalists and other media analysts to promote the image of the Airways or to decrease the negative publicity of the Airways by repeatedly indicating that the remaining aircraft of the Airways are sent to SAS (Scandinavian Airlines Systems) for safety check-ups. Helios Airways did not utilise all forms of media. Overnight delivery, direct mail, hotline numbers, group faxes, internet services, regional meetings, and advertisements for larger, more diverse groups such as customers, employees, and general community members. Helios Airways did not try to ensure that the media is disposing of true information. A "Truth Squad" who can monitor the errors and omissions of the media was not established. Helios Airways did not try to make sure that the database was reasonably accurate.

Helios Airways also did not test messages for understanding and impact. Helios Airways did not use a quick focus group or telephone research to help in sensing the mood of the public and to test the company's response for sincerity and credibility. The Airways did not supplement everything with third-party support. Helios Airways did not keep a log of all press releases and key accurate stories as the crisis developed, and used it to "upload" new members of the press as they enter the story. This would have improved the accuracy of the coverage. Finally, Helios Airways did not provide a location for the press to meet, communicate, and get briefings from the organisation itself. For Helios Airways to get its message across, it needed to be a source of information.

Develop a communication plan

Helios Airways was supposed to have a long-term communication programme of five to ten years, which would have created a sustainable perception by the public. The communication plan or campaign, however, was only developed after the crash. The public was supposed to be approached with indication that the loss of an airline is the loss of a country's pride, assets, and jobs.

Evaluating Helios Airways' legitimacy and niche width theory

In terms of the findings of Massey in 2001; Airlines with generalist niche width have more consistent messages and are perceived by the general public as more legitimate than airlines with specialist niche width. This has proven to be true in the case of Helios Airways.

Helios Airways is perceived to be a specialist airline in terms of niche width theory. This might have contributed to the fact that it did not have specialist crisis teams to handle the catastrophe after the plane crash. The problem was that victims' families were not accommodated as they were supposed to be, and the spokesman for Helios Airways briefed the public about the accident on August 15, but failed to answer any questions that the affected people might have. As a result, the plane crash resulted in the closing of the airlines.

Helios Airways legitimacy was questioned instantly after the crash on August 15, 2005 as the consistency of communications by the airline was poor, and the respondents of Helios Airways were displaying mixed emotions; some were emphasising that the Airline was not air worthy, while others were showing sympathy towards victims' families and the general public.

DISCUSSION

Airline crashes may be due to technical malfunctions, error, forces of nature such as weather, or a combination of these. Whatever the causes, they are the subject of popular and media interest worldwide and pose a severe test for the airline and its management, demanding quick decisions in an atmosphere of intense public scrutiny.

Understanding the nature of crises and considerations for management and communication helps managers to anticipate the difficulties and challenges, which will likely arise in a crisis. No crisis is identical to another. While guidelines and recommendations offered in this study provide some direction, managers, ultimately, must stay aware of the many factors which could possibly influence the resolution of a crisis.

Recommendations

The major finding from this study is that Helios Airways was supposed to do everything to avoid the negative publicity of its negligence.

Helios Airways could have done this by insisting that the accident happened by technical failure or weather conditions which are external to the human performance of the airlines – the technician was negligent but not Helios Airways as a whole. Helios Airways tried to put this in practice. However, the general public and the Civil Aviation Authority perceived the failure as a failure of the Airways to fix the pressurisation problem that was discovered the day before the crash.

A recommendation can also be made that Helios Airways was supposed to train its employees (mainly pilots and flight technicians) and continuously examine the

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employees' trouble shooting potential, so as to solve flight problems timely. And this needs to be communicated to the public to show that Helios Airways cares much more about safety than anything else.

Helios Airways should have implemented a contingency crisis communication plan and exercised it with their staff members in order to establish whether it is an effective and workable plan, or not.

The niche width theory supports such an argument by indicating that crisis communication plans prepared in advance help to keep the legitimacy of an airline by transferring consistent messages.

The airline industry greatly depends on the travelling public's perception that it is safe. A major plane crash tends to shatter this perception. According to Tesfay (2004:201), the main problem for carriers is the tendency for customers to judge safety quality by service quality and vice versa.

Airlines should not only communicate on stakeholders' involvement and/or the impact of the general public, but also on the investigation progress and results. All the strategies that are going to be implemented should be related to the investigation progress. Taking or denying responsibility before knowing the exact cause of the crash (crisis) or finding and analysing the black boxes is a risk that can threaten the sustainability of airlines.

Helios Airways used a narrow frame of reference following the Flight CY522 crash. Helios Airways based its decision on technical, financial, and legal considerations rather than on a broader social concern. Consequently, the Airways were perceived as uncaring towards the victims.

Airlines should always communicate the right information (messages) through the right channels to the right people at the right times when they are faced by a plane crash.

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Public battles increase media attention. Highly defensive and antagonistic spokespersons will likely prompt negative media coverage. The communication department of Helios Airways was supposed to be led by communication or related field graduate, and not by legal people or other fields that can influence the strategy implementation and create battles with the media or other stakeholders.

Christos Neocleous, lawyer and spokesman for Helios Airways, told the Cyprus Mail that continued operation was “no longer feasible financially”. And he blamed the “witch hunt climate” cultivated in Cyprus in the aftermath of the crash. The fact that Neocleous was a lawyer influenced the strategic communication, as a spokesperson with such background would be primarily interested in defending the Airways from heavy lawsuits and compensation.

Helios Airways’ decision to decrease media attention was correct. That is, Helios Airways’ image was already weak, hence, battling issues publicly, particularly those concerning liability, would serve to further increase stakeholders’ negative perceptions.

However, the Airways was supposed to be aggressive in approaching the media and making sure the media is siding with them to emphasise the failure of Boeing, and that the flight technicians department was outsourced to British-based Civil Aviation Authority.

Legal pressures and the close surveillance of Helios Airways operations by the government determined the level of buy-in of institutional investors. Institutional investors continue to invest in an airline as long as the airline has clean papers from the government after the plane crash. However, Helios Airways failed to build good relationships with the government.

Following the major crash, Helios Airways found itself battling allegations of blame, irresponsibility, or inadequacy. A crash generally creates concerns about the safety of the

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airline. When Helios Airways's image was threatened, the airline mainly engaged in defence strategies. That is, Helios Airways used a mix of strategies – denying responsibility, hedging responsibility, making amends, ingratiation, and eliciting sympathy, unclearly and apprehensively. Especially, Helios Airways focused on the denial strategy by using heavy defensive tactics for the crisis (crash) faced by them on 14 August 2005. That was critical and crucial enough to lead to the failure of the Airways, which shut down after the stakeholders and the main issues that have been identified.

Helios Airways should learn that: Air crashes are rare, but when they happen they are devastating and only the right communication strategies, which involve prioritising victims' families and working closely with the public and the media, can bring survival.

Finally, future research must focus on the relationships among niche width theory, organisational legitimacy and crisis communication consistency in analysing crisis communication strategies of airlines.

Limitations

This study focused on an in depth analysis of archival information. It was difficult to conduct interviews with and send questionnaires to Helios Airways management and the victims' families, as the crash had a lot of pending lawsuit issues. So the management of Helios Airways was reluctant to respond to this study's request. Similarly, it was difficult to send semi-structured questionnaires to or conduct interviews with victims' families, as it was difficult to identify who the victims' families are. This is because Helios Airways did not publicise the list of victims on the Helios Airways Flight CY522 crash.

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