
Crisis Management

Dr. Michael Forstner

PD Safety Risk Management

F. Hoffmann – La Roche AG, Basel, Switzerland

Risk – Issue - Crisis

Different concepts – different management



Risk: An assessed loss potential. A function of hazard, trigger, probability of occurrence, severity of outcome.

Risk analysis – risk engineering – risk management.



Issue: An unsettled matter which is ready for decision.

Issue management – corrective action possible.



Crisis: An issue out of hand.

Crisis management – maintain control of situation.

A risk getting out of hand

Supposed link between MMR vaccination and autism in children

1998: Study in *The Lancet* claiming a possible link between MMR vaccine and autism in children

MRC dismissed the claims

One co-author changed his opinion

UK government tried to persuade parents to vaccinate (alternative: measles epidemic)

PM Tony Blair did not comment whether his son Leo had received vaccine

Parents became deeply confused by mixed messages.

Numerous reports published rebuking the original claim, still vaccination rates dropped in UK and throughout Europe and US

A risk getting out of hand

Supposed link between MMR vaccination and autism in children

2010: *Lancet* retracted paper – original findings fraudulent

Still: go to „Google“ and see what people think....or look at the vaccination rates in some areas of, e.g. Switzerland

What went wrong?

In emotive cases (involving health and welfare of children): understand and be sensitive to emotional triggers.

Don't fight fear with fear!

Initial response through rapid report from MRC was not followed up for years by commitment to monitoring issues and maintaining an open flow of information. Public mistrust evolved rapidly on the back of dismissive behaviour, lack of openness (and doubts surrounding Leo Blair's inoculation)

Risk perception

Factors influencing decision on risk

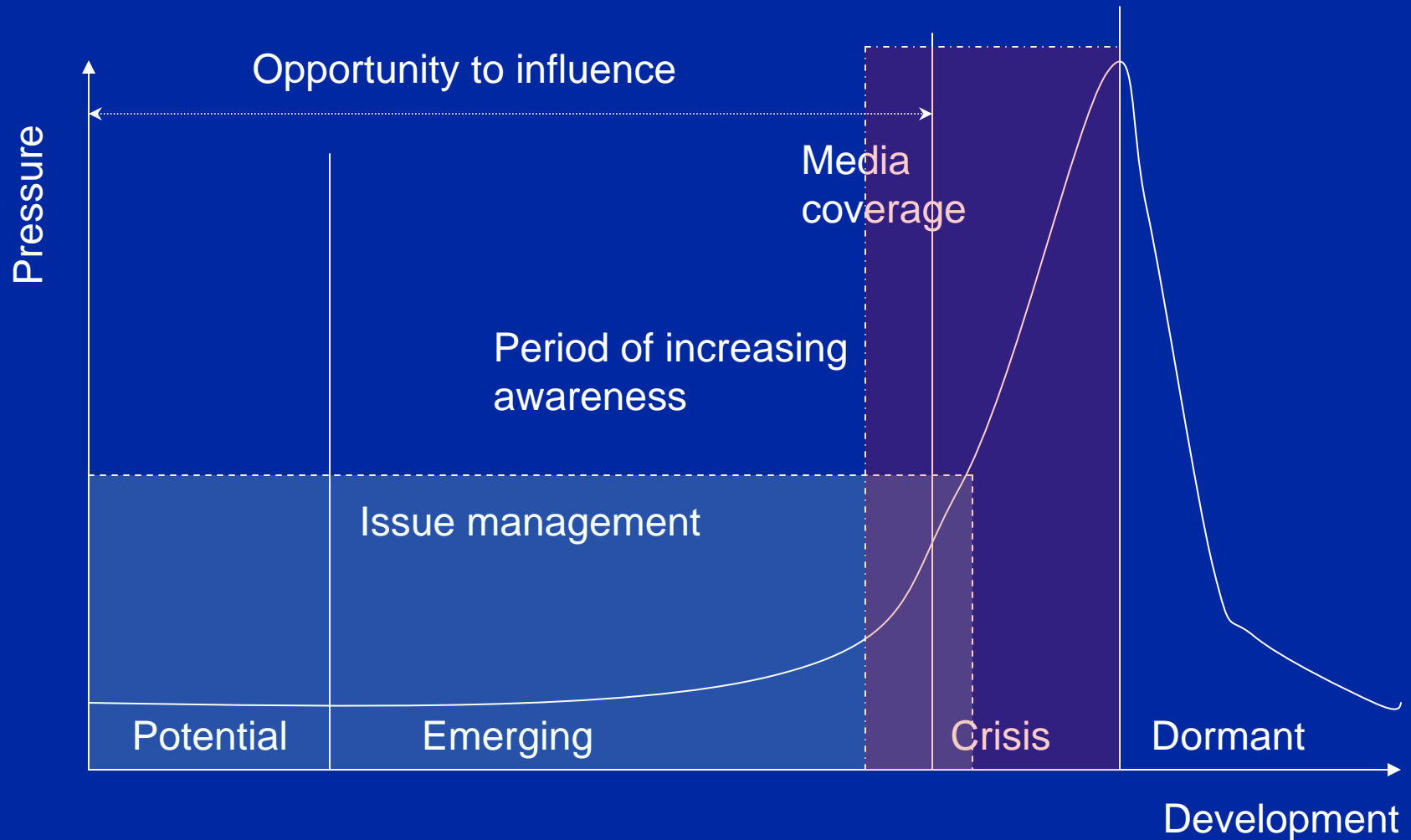


The environment

What influences our judgement of risks?



The development of a crisis



Issue management

Prepare an issue management plan

- Anticipate issues, establish priorities.
- Analyze issues.
- Recommend an organizational position on the issue.
- Identify groups/key opinion leaders who can advance your position.
- Identify desired behaviours.

...if an issue is identified

As early as possible, implement the following types of activity



Crisis management

Taking action in a crisis



Crisis management

Taking action in a crisis

Strategic decision:

when is a situation a crisis ?

when to take action ?

Keeping calm and continue positive thinking helps seizing the initiative

—

This is supported by **advance planning**



Crisis management

Key questions for a crisis management plan

Does the company have policies and procedures in place to prevent a risk from turning into a crisis?

Do plans exist for dealing with every aspect of the crisis should it occur?

Have the plans been tested to ensure they work satisfactorily?

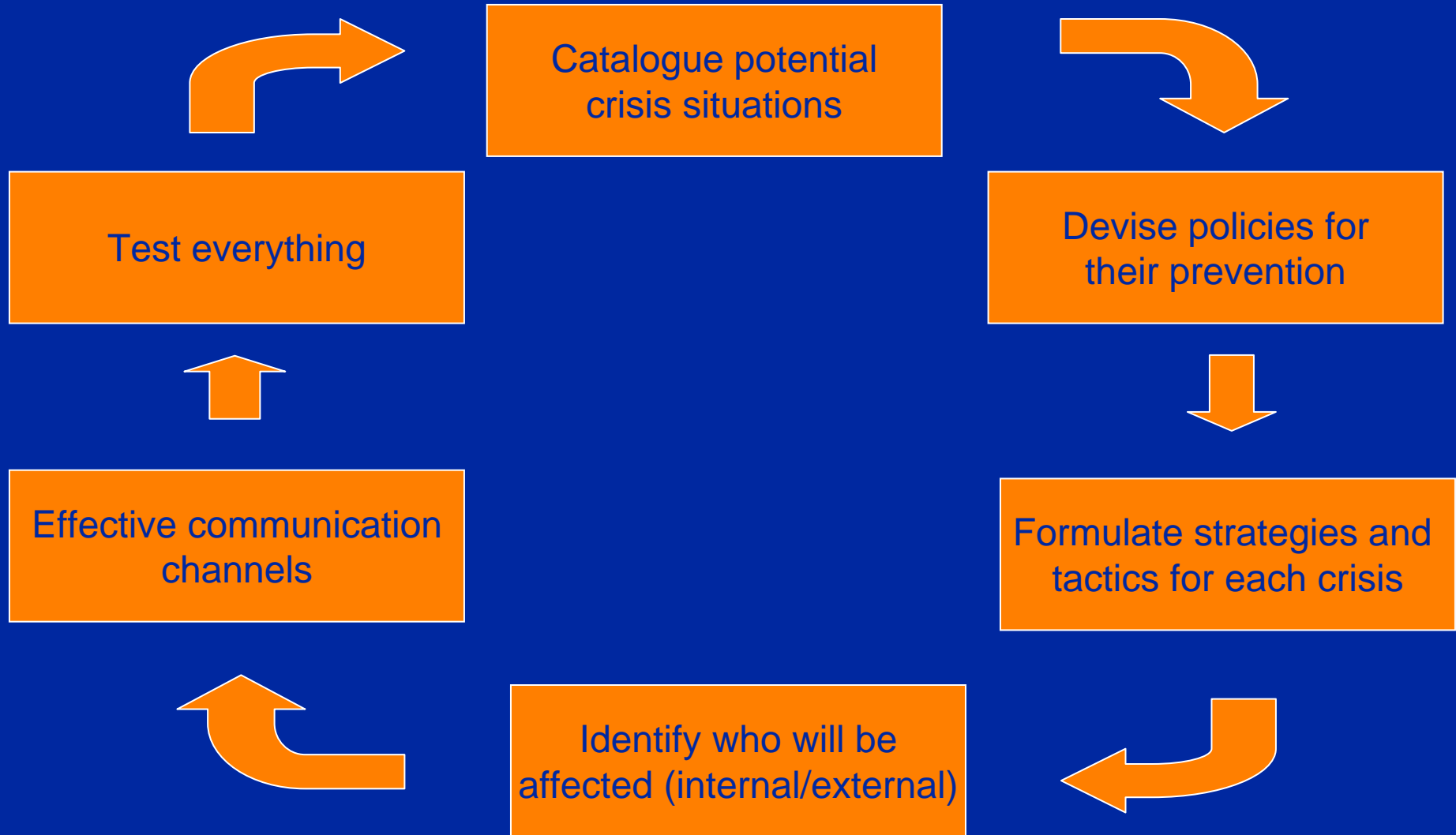
Which are audiences most likely to be affected by the potential crisis?

Do plans include procedures for communicating effectively ?

Have the communications aspects of the plan been tested as well as the company's operational response?

Preparing for a crisis

Noah built the ark before it started to rain



The most important part of CM planning



test

CFC in asthma inhalers

An example of successful issue management

70 million patients
worldwide

1987: CFC phase out
agreed.

Inhalers remained as
one of the last
sources of ozone
depleting CFCs.



Total market: 13 billion USD

alternative propellants needed

patients reluctant to change from a tried and tested device

patients and doctors unaware of presence of CFCs in MDIs

Communication challenge: CFC in MDIs safe - the same CFCs
destroy ozone layer

CFC in asthma inhalers

An example of successful issue management



The International Pharmaceutical Aerosol Consortium (IPAC).

Communicate industry's commitment to change

Inform influencers and decision makers about risk of asthma

Ensure that regulators agree with industry consensus that preferred method of drug delivery for asthma is by use of inhalers

Find a replacement propellant, test it for medical use and seek regulatory approval

Make representations to public policy makers to secure essential use exemption for MDIs while reformulated products were developed

Agree a strategy for replacement process to minimize public health risks

CFC in asthma inhalers

An example of successful issue management

Consortium: one voice for the industry

Alternative propellants: HFA-134a, HFA-227

but:

lack of informed knowledge about MDIs

Country-by-country competition to phase out CFCs

Special interest groups: „No exemption“ policy

Some groups favoured „recycling CFCs“:
contamination risk, not suitable

Proliferation and complexity of related
legislation makes communication difficult

Deadline for phase-out too short for proper
CTs



CFC in asthma inhalers

An example of successful issue management

Decision makers and influencers made aware of issues.

Protocol negotiated with all member countries of the UNO, concerted approach.

Messages kept simple and to the point.

Imperative: no objection to central tenant of the protocol (protection of ozone layer) AND industry must not be seen to be self-serving at expense of patients.

Key document developed: „An essential breathing space for patients“

Finally: exemption was granted until 1997 – consortium continued to work with authorities while new HFA-134a based propellant was developed, and throughout transition to non-CFC MDIs



CFC in asthma inhalers

An example of successful issue management

Critical success factors:

- Spot the issue early while the policy situation is still fluid.
- Ensure that the issue is actually worth managing. In this case: clear business reasons AND a moral obligation to patients.
- Develop a strong case, based on research and supported by influential independent endorsers.
- Where possible, take your case forward with other companies as a consortium, or with other stakeholders as a coalition of interest.
- Ensure that you have access to the right expertise when you need it and excellent campaign coordination and administration.



There are two types of companies – those that had a crisis and those that will have one!

Better be prepared



„They don't put brakes in race cars to make them go slower. They put brakes in race cars to make them go faster.“

Al Unser, four times Indy 400 winner

Source: Claes Mårtenson, Solvay CC-RMI



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