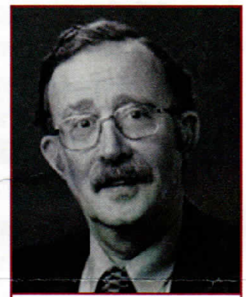
Jaques Offers Pre-Crisis "Optimal Options"

Tony Jaques, principal, Issue Outcomes, P/L has cemented his status as a prolific author on all things issue management with numerous scholarly, thoroughly thought-provoking and sometimes "subversive" articles and books on the principles, practice and progress of the IM process. The former longtime issue management leader at Dow, Australia is now channeling his issue and crisis expertise into a consulting role and continues to add to his burgeoning body of work via a bi-weekly online publication, *Managing Outcomes.*



Tony Jaques

In this edition *CPI* looks at some key takeaways from Jaques' recent contribution to the *Journal of Public Affairs* and takes a peek at topical issue and crisis management commentary from his e-newsletter.

Filling the Gap: Deliberate Action, Preventive Tools

In a paper published in the *Journal of Public Affairs* (Volume 19, Number 4) Jaques explores "scholarship regarding the developing concept of active pre-crisis management." In the article titled "Embedding Issue Management as a Strategic Element of Crisis Prevention," Jaques begins by arguing, "While crisis preparedness and prevention have become established as integral parts of organizational crisis management, there is no agreement on taxonomy and no accepted optimal process to formalize the methodology to deliver effective strategies."

Not to be daunted by the task at hand, the intrepid veteran issue manager, "after identifying and characterizing this gap in research management" puts forward "issue management as an optimal option."

Jaques identifies four broad areas where issue management could play an early role in preventing a reputation wrecking, bottom -line bruising crisis. He recommends:

- Proactively addressing underlying systemic causes of potential crisis
- Establishing effective signal detection mechanisms
- Properly identifying stakeholders and their perspectives
- Learning and *unlearning* on an ongoing basis

Expanding on his assertion that issue management is an optimal option for heading-off a crisis at the pass, Jaques underscores the discipline's effectiveness in addressing "underlying problems as it requires going beyond the obvious systemic risks." He cites the following examples of broader systemic risk causes:

- Uncompetitive behavior
- Sexual or racial harassment
- Discrimination
- Executive dishonesty
- Management misconduct
- Mergers and takeovers
- Off-shoring
- New technology

According to Jaques, "These are often areas where management systems and structures constitute a crucial vulnerability, particularly where there is an implicit or explicit desire to avoid 'sensitive' issues which might prove embarrassing to management—the so-called 'undiscussables.'"

Citing a 2002 *Futurist* article, "Avoiding Unwelcome Surprises," which suggests "lack of good information" was less of a systematic challenge than "lack of imagination, faulty or inadequate analysis, not seeing the big picture and failure to link information," Jaques makes the case that: "Issue management, with its deliberate action-orientation and no-fault objective analysis, can help deliver effective realization of this link."

A key takeaway from Jacques' discussion is that when it comes to environmental scanning, issue management has "developed sophisticated tools and techniques for objective methods to identify, categorize and prioritize issues, potential crises and the context in which they lie." Noting specific methodologies may vary, he identifies three consistent elements at the root of this approach: "Objectivity, independence and the link to action."

Jaques concludes, "Issue management properly implemented is a fundamentally neutral process which permits risk and change to be presented and assessed objectively" and "contains within its processes and literature the essential elements to help prevent crises before they happen."

Migrating On-Line to *Manage Outcomes*

Musing about his motivation for starting an online publication aimed specifically at issue and crisis management professionals, Jaques cites common misunderstandings about the discipline, for example: IM is an all-purpose, primarily reactive business tool and an issue is like a crisis, but just not as severe. He notes that as practitioners "often get confused," *Managing Outcomes* tries to show how issue and crisis management link together as integrated business disciplines."

In the 15 October edition, Jaques references new research showing "issue management is increasingly seen as the preferred tool for preventing crises before they happen." In the wake of several headline-making corporate crises—notably, BP's Gulf oil spill, Goldman Sachs post-financial meltdown scrutiny, Toyota's massive US vehicle recall and venerable Australian retailer, David Jones ex-CEO's sexual harassment settlement—Jaques writes: "There is renewed interest in what can be done to prevent such failures" and "formal issue management is ideally positioned as a strategic element of crisis prevention."

While crisis prevention is clearly the optimum outcome, in the 15 September *Managing Outcomes* Jaques contends, "Crisis failure isn't always fatal." Again referencing Toyota, he points to the company's recovery from a 22% plunge in market value within two weeks of announcing the recall earlier this year. Jaques writes: "Critics were quick to predict the downfall of the company…and Toyota's crisis management performance still exercises the minds of armchair experts convinced nothing was done right." Yet, "By August 2010, the company posted a 27% increase for its fiscal first quarter to $US2.2 billion." While observing Toyota's response to the crisis "may not have been textbook," Jaques states, "motorists clearly retained confidence in their vehicles."

The self-proclaimed social media addict takes a swipe at "countless blogs, which offer nothing but uninformed opinion and commentary from the sidelines." So, Jaques aims "to put current affairs into a professional context in a brief and interesting way to help develop a better understanding of what issue and crisis management is all about." He ventures, "If I can help to establish and promote that broader understanding, then I would feel the newsletter had achieved its objective."

Contact:

Tony Jaques
Principal
Issue Outcomes P/L
tjaques@issueoutcomes.com.au

Publisher and Editor: Teresa Yancey Crane **Circulation:** Kathy D. Sauer
Researcher and Writer: Linda Fischer **Production:** Judith K. Dimsey

Corporate Public Issues and Their Management (CPI) was founded in 1976 by W. Howard Chase, as the Executive Systems Approach to Public Policy Formulation. *CPI* is published in 12 editions each year by Issue Action Publications, Inc., 207 Loudoun Street, S.E., Leesburg, VA 20175 USA; telephone: 703.777.8450; e-mail: info@issueactionpublications.com. Subscription rates are US$295 for one year worldwide. Single copies are US$30 each. ISSN 0730-5192.