



**IDFA**

**International  
Dairy Foods Association**

**CRISIS MANAGEMENT ≠ RISK MANAGEMENT**

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## **Risk Management**

- assessing potential threats (risks) and determine the best ways to *avoid (or mitigate)* those threats

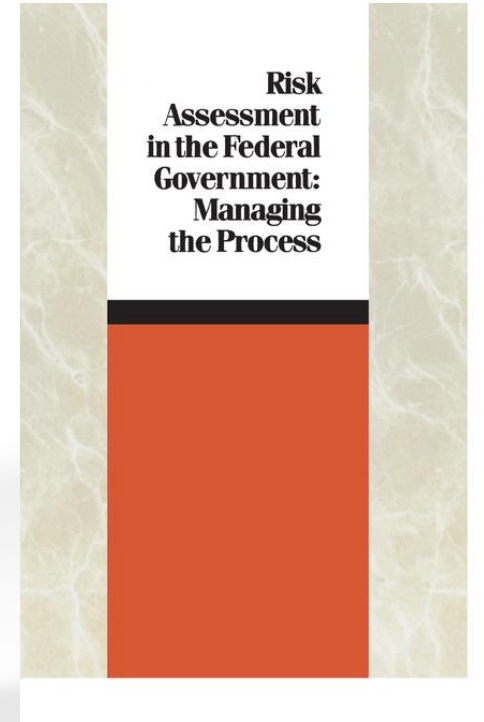
## **Crisis Management**

- assessing and managing threats before, during and after they have occurred

## **NAS/NRC 1983**

### **Risk Assessment**

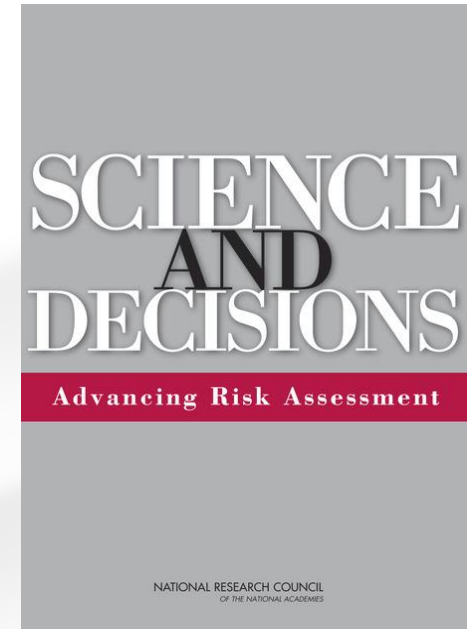
- Hazard Assessment
- Dose Response
- Exposure Assessment
- Hazard Characterization



## NAS/NRC 2009

### Risk Management

- Decision making process weighing alternate choices (including doing nothing), typically involving many considerations such as:
  - Social
  - Political
  - Economic
  - Engineering
- Integrated with risk assessment information in order to select the appropriate response



## Crisis

- threat (or perceived threat) to important goals
  - element of surprise
  - uncertainty
  - short decision-making time
- 
- Chinese: danger and opportunity

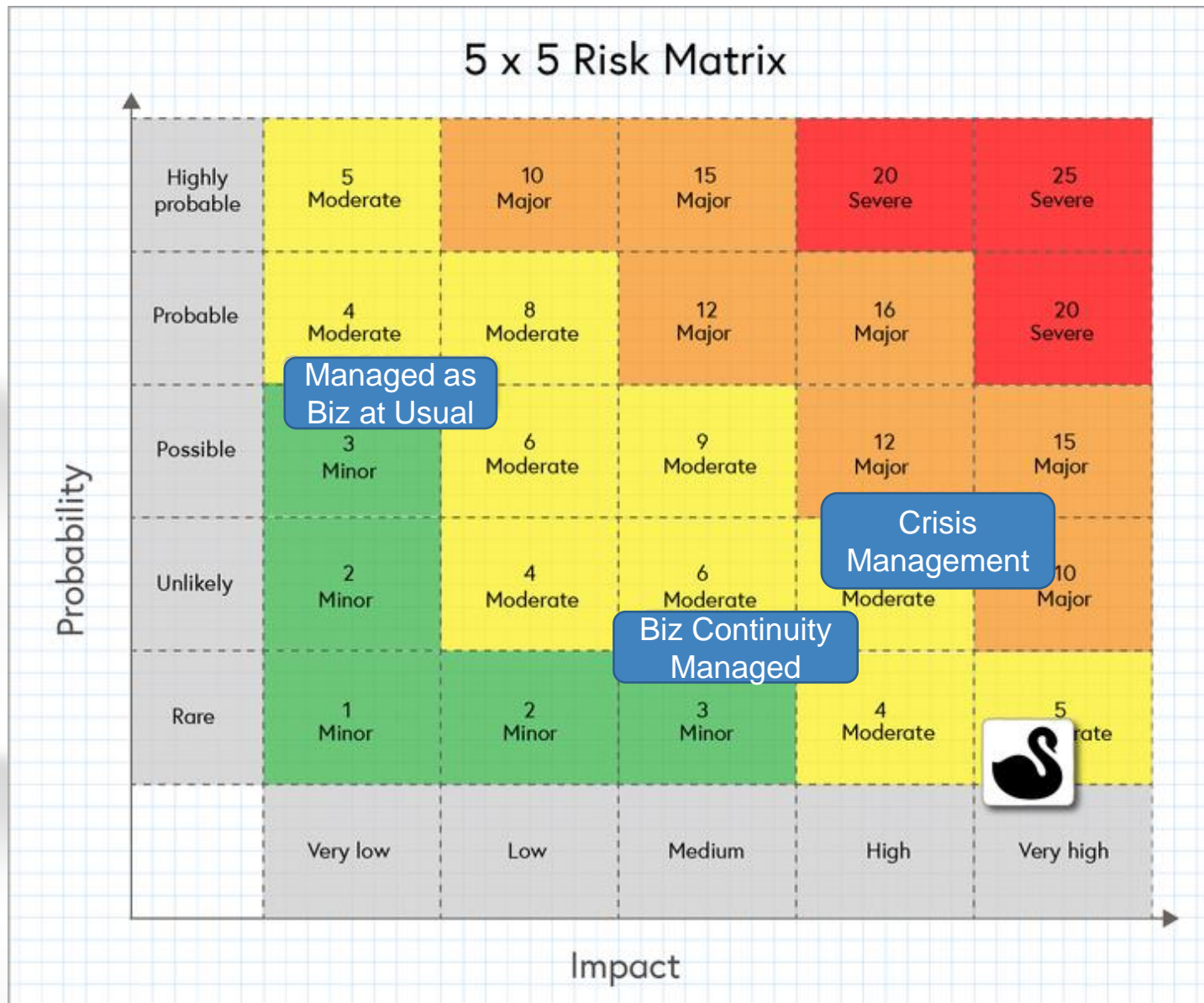
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## **S. J. Venette**

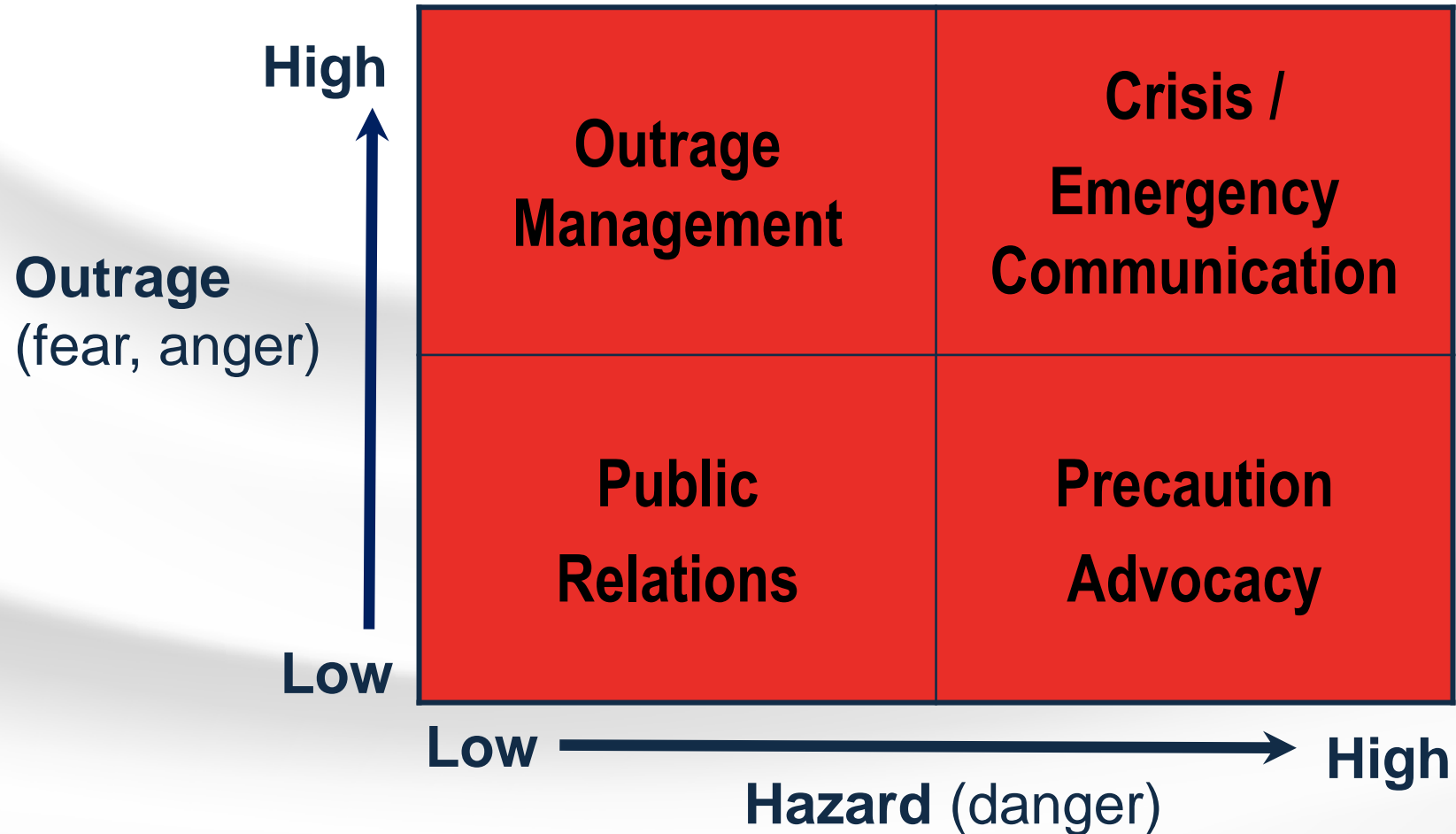
"crisis is a process of transformation where the old system can no longer be maintained."



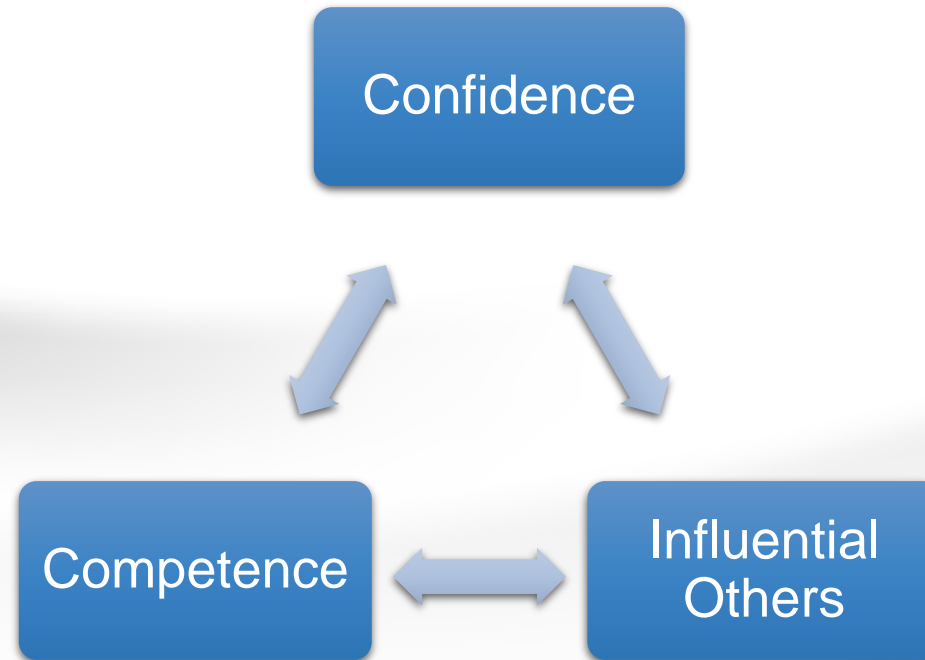
# Crisis Management







# What Drives Consumer Trust?





## Successful Risk Communication - Examples

- 1982 Johnson & Johnson - Extra-Strength Tylenol Cyanide Poisonings
- 1993 Pepsi-Cola Co – Carbonated Beverage Product Tampering Hoaxes
- 1996 Odwalla Foods – Fruit Juice *E. coli* O157:H7 Outbreak



## Poor Risk Communication - Examples

- 1984 Union Carbide – Bhopal Gas Leak
- 1989 Exxon - Valdez Oil Spill



## Key Lessons

- **Initial actions (“golden hour”)**
  - Be quick, be accurate, be consistent
- **Use all available comm channels**
- **Provide expression of concern/sympathy for victims**
- **Remember your employees**
- **Responsibility attribution dependent on cause**
  - e.g., natural disaster, product tampering, technical error leading to industrial accident, human error causing defective product



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**Thank You  
&  
Questions**

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