

Silicone Breast Implant Issue

Though Ms. Faye Gorman mainly discussed the effects of public policy decisions on a company and the corporate tactics in managing the issue, I would like to demonstrate ideas about how a company should implement effective crisis management.

It is very important for companies to conduct different strategies in order to handle an issue with different models during different periods (according to issue life cycle theory). For example, lobby is an effective way if an issue is on its legislative period while politics nature model is very helpful if an issue is before or on the legislative period. But crisis management is always important whenever the issue happens and whatever period the issue is. That is to say, the management should always be ready to face a crisis and use effective crisis management to deal with the crisis.

“*Corporate Crises* are disasters precipitated by people, organizational structures, and/or technology that cause extensive damage to human life and natural and social environments. They inevitably debilitate both the financial structure and the reputation of large organization.” The consequences of crises for many corporations have been near or actual bankruptcy, just as Dow Corning would have otherwise been. Organizations can adopt a systematic and comprehensive perspective to manage crisis more effectively, decrease the damage to the most limit and recover more quickly and successfully from a crisis.

The introduced model is a basic model of crisis management. It identifies many of the phases necessary for effective crisis management. The model, with four points proceeding clockwise, reflecting the variety of organizational patterns possible, can be entered at and exited from any point, and the action can proceed in any direction. Point I “Detection” stands for organization’s early warning systems. Since most crises are preceded by a string of early warning signals, in order to prevent some major crisis, organizations need only learn to read these early warning signals and respond to them more actively. Point II indicates the inevitable of a crisis. Point III represents the major structures and mechanisms an organization has in place for guiding recovery. Point IV represents a learning period. While planning cannot prevent every crisis, the process of planning teaches an organization how to cope more effectively with whatever does occur. This explains why most corporations invest much money in crisis management.

Just as Ms. Gorman-Graul mentioned regarding the silicone breast issue, “we are very much to blame, it could be avoided and something should’ve been done...”, what Ms. Gorman meant here is that they should build good relationships with FDA and community and that they should also have done some homework --- conducting careful studies on silicone breast implant. That means Dow Corning was lack in sense of crisis and it should have conducted effective crisis management before their products entered the market.

In the silicone breast implant case, an ambiguous claim could be easily triggered by anyone accepted the implant surgery due to any reason. The truth and facts are the most import thing to deal with those claims. We have many tactics to choose, but for some issues like this one and the P&G diaper issue, the facts are the key point and the final lethal weapon to break away from trouble and to shut up the complaints. What caused the 7-years-crisis of Dow corning is that they could not submit the related studies about the silicone breast implant and what ended the issue is the fact that no study shows solid proof of any possible side effects by the silicone breast implant. Of course, we should not neglect other efforts made by Dow Corning, such as rebuilding image, repositioning, PR strategy, building alliance with other manufacturers, etc. So as part of the crisis strategy in this case, it is wise to conduct a series studies and publish those results on some authoritative trade journeys. We should also pay attention that those efforts made by Dow Corning to file the bankruptcy bills and move the public opinions form negative to neutral actually reflect what a company should do during and after a crisis, just as the Points III and IV represent.

How to use studies is also critical to handle an issue, especially when the issue is growing. So other tactics should be combined to make the studies more effective in changing the wrong or biased ideas of people and getting more and more interest groups to stand on our side. Therefore, gaining support from the media and such institutions as FDA is also very important to promote the studies.

As a conclusion, the basic rule for crisis management is that no crisis ever unfolds as it was predicted or planed for. Therefore, effective crisis management is a never-ending process. That’s why corporations should always follow what the model introduces and prevent the crisis while it is still unseen.