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NORWEGIAN HULL CLUB

PROACTIVE METHOD FOR EMERGENCY RESPONSE

A short guide



NORWEGIAN HULL CLUB

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Welcome

Welcome to the first edition of Norwegian Hull Club’s Short Guide to the Proactive Method for Emergency Response.

This aim of this guide is to provide you with a basic understanding of how the Proactive Method can support your company’s Emergency Response Organisation.

The first part of the guide (sections 1-10) contains common content for all lines in the company Emergency Response Organisation. Specific topics relevant to the distinct lines then follow.

This guide will not cover all aspects of how to handle an incident in your company; however, it will touch upon the most important elements of how to use the

Proactive Method in the various levels of your Emergency Response Organisation. Norwegian Hull Club uses the Proactive Method as its internal system, and as a tool for use in the company’s Emergency Response Organisation, as well as in the Claims Department when handling claims situations.

Norwegian Hull Club recommends the use of the Proactive Method to all its clients as the preferred system and tool for responding to emergency situations.

However, please note that the information within this guide is provided without warranties of any kind. Norwegian Hull Club accepts no responsibility for any loss whatsoever, direct or consequential, arising out of or in connection with its use.

1. BACKGROUND

The Proactive Method was developed as a result of learning from a number of tragic incidents experienced on the Norwegian Shelf in the 1980s.

To address issues raised following investigations into the Alexander Kielland disaster in 1980 and the Piper Alpha tragedy in 1988, Norwegian oil companies hired Rear Admiral Jeremy Larken DSO of the British Royal Navy to conduct Offshore Installation Manager (OIM) training.

Larken was commander of HMS Fearless, the headquarters ship for the Amphibious Task Group during the Falklands War in 1982. In 1991, he established the company OCTO (Operational Command Training Organisation), specialising in leadership under pressure, strategic risk and crisis management.

The Proactive Method was developed from Larken’s NATO experience in addition to his OCTO role performing emergency response training for the nuclear

power industry. Nutec AS, a joint venture between the Oil Companies Statoil, Saga Petroleum and Hydro, was set up as the venue for the OIM training.

The Proactive Method has continually evolved and is now mandatory for the tactical / first-line emergency response organisations on board all offshore installations on the Norwegian Shelf.

From the late 1990s to today, the method has been adopted by several types of industries worldwide in all levels of the Emergency Response Organisation (ERO).

The Norwegian book “Praktisk krise- og beredskapsledelse” (ISBN 9788215031866) by Ivar K. Lunde, is the only known literature covering practical use of the Proactive Method.

Norwegian Hull Club applies the Proactive Method not only as its formal system for handling claims situations, but also as the way of handling internal incidents should they occur.

Your name:

2. THE INCIDENT

Severity



Figure 1 - Threshold for Emergency Response

An incident or an emergency is defined by the level of risk it poses to people, environment and assets. Such events are often identified as situations which cannot be handled by the normal organisational set-up - instead, they need to be handled as a crisis by a company's Emergency Response Organisation.

The threshold for this level is often seen as a result of the company culture, or the "Risk Appetite" within that culture. This can vary depending on the company type, age, maturity, sector, individuals, training level etc.

By implementing risk management in addition to the much more common management by objectives and goals, companies would benefit from a more profound understanding of such issues. But would this be enough to prevent incidents occurring? In a study of 36 major crises in Norway, over 70% were so-called "creeping crises". These were incidents that occurred

despite numerous tell-tale signs visible to the whole organisation in the build-up phase, which pointed towards what might occur.

Tip 1

Q:
Should I mobilise the Company Emergency Response Organisation?

A:
If you are asking the question, then yes - you should!

3. INCIDENT POTENTIAL

We are all born and raised differently. Inherited traits also come into play regarding how we understand risk.

As we get older, we tend to set things into recognisable frames. These frames enable our brain to take short-cuts regarding how we understand the things around us. A child, however, would question almost everything they see. While such frames help us in our daily life, in an emergency situation other conditions force us to adopt a more structured approach.

Incident Potential is a mental assessment of how a current situation might evolve into a more severe one; the risk to people, environmental impact, loss of assets and loss of reputation and market trust. It should be noted that an incident does not necessarily have to be considered 'negative' - Incident potential can also be used as means of assessing opportunities which may be beneficial to a company.

How we assess Incident Potential depends not only on

our inherited traits but also on the urgency and stress inherent in a situation. As individuals we tend to have different levels of risk appetite and, therefore, a different way of perceiving threats. In addition, our native culture and company culture define how we assess Incident Potential in a developing situation.

By having members of the Emergency Response Team (ERT) gathered in the First Meeting, the Proactive Method allows all members to contribute to the Incident Potential assessment. By following the First Meeting agenda, the ERT will be able to assess and define the potential of the incident in a structured way.

When defining Incident Potential, all strengths and weaknesses in the company should be appraised in such a way that the resulting assessment is trustworthy and described in a manner that the ERT is able to commit to. Incident Potential will form the foundation of the ERT Action Plan.

4. WHY USE THE PROACTIVE METHOD?

The basic idea of using a predefined method in the Emergency Response Organisation is to:

- Ensure that the Emergency Response Management acts in a predictable, structured manner and as planned;

- Ensure that the Emergency Organisation has a common conceptual understanding and progress plan when it comes to emergency management;

- To manage the incident / opportunity proactively - not reactively.

5. ELEMENTS IN THE PROACTIVE METHOD

Various elements within the Proactive Method help to achieve the following:

- Efficient operation / action-management requires an incident-specific plan;
- Implementation of a plan requires the prioritisation of actions related to time and importance
- There are two main types of communication in a hierarchical organisation:
 - Orders: downwards in the organisation
 - Reports: - up & sideways in the organisation

First Meeting	A completed First Meeting is the Emergency Response Team Leader's plan
Focus	The Emergency Response Team Leader's priorities
Actions	The Emergency Management's orders
Situation Board	Illustrates received reports
Status Meeting	Situation update / calibration of the organisation

early, carefully judged actions according to the current focus. To help ensure decisions are taken in due time, the Proactive Method directs emergency teams to act based on the information at hand in the initial phase.

Norwegian Hull Club will contribute to this process by increasing the amount of immediate information available by providing Clients, Brokers and the internal ERT with the OPINTEL (Operational Intelligence report). This is information to increase Situational Awareness and to ease the process of assessing the Incident Potential, as well as establish the Proactive Strategy (Figure 2, opposite page).

By using the facts from the incident notification and the OPINTEL (e.g. the involved vessel / rig / object, type of incident, personnel on board, weather and sea conditions, available resources, completed actions etc.), the ERT will use the First Meeting to assess Incident Potential with regard to possible impact on People, Environment, Assets and Reputation (PEAR).

The ERT will then establish a situation-specific plan based on the Incident Potential. Thus, the Proactive Method helps to ensure an increased number of possible solutions, with the ERT being able to make decisions and to start work at a much earlier stage than in normal decision making.

Tip 2

The Proactive Method process helps the Emergency Response Team to make decisions at a much earlier stage than in normal decision making.

This is possible due to a 'mental jump' into an assessment of the Incident Potential for people involved, possible environmental impact, damages to assets and the potential for loss of reputation and subsequent loss of trust in the market.

6. THE PROACTIVE STRATEGY

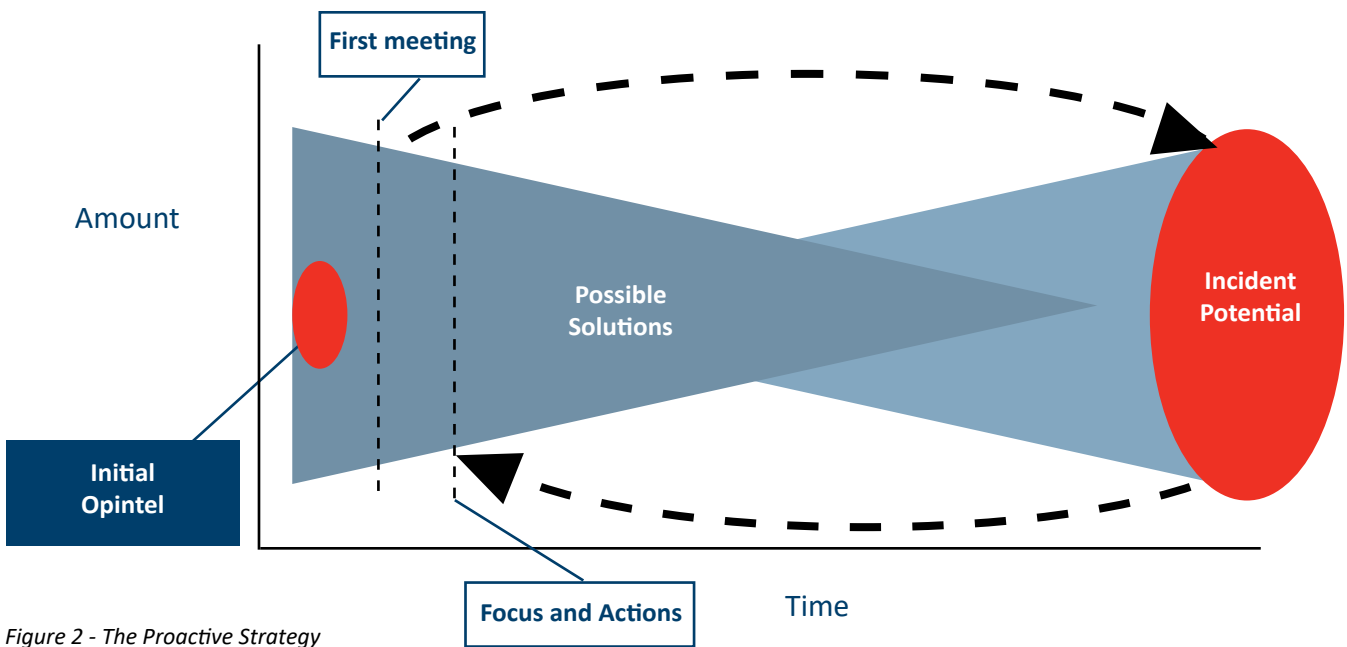


Figure 2 - The Proactive Strategy

Our nature tells us to base our decisions on information we have gathered of the issue at hand. Ideally, we collect as much information as possible before acting. The dilemma in a crisis situation is that the number of

possible solutions decreases as time goes by. Therefore decisions should be taken as early as possible. Emergencies often occur suddenly and without warning. A vital part of handling them effectively is to take

Tip 3

The tactical 1st line ERO will usually focus on mitigating consequences for People, Environment and Assets.

Reputation is normally a concern for the Strategic 3rd Line in collaboration with the Operational 2nd Line.

7 THE PROACTIVE PROCESS

7.1 General Advice

Proper use of the Proactive Method involves following its steps in a structured manner. The Emergency Response Team Leader should ensure that each team member takes the necessary and

appropriate measures within their area of responsibility; the Emergency Response Team Leader should also motivate, monitor and guide them accordingly.

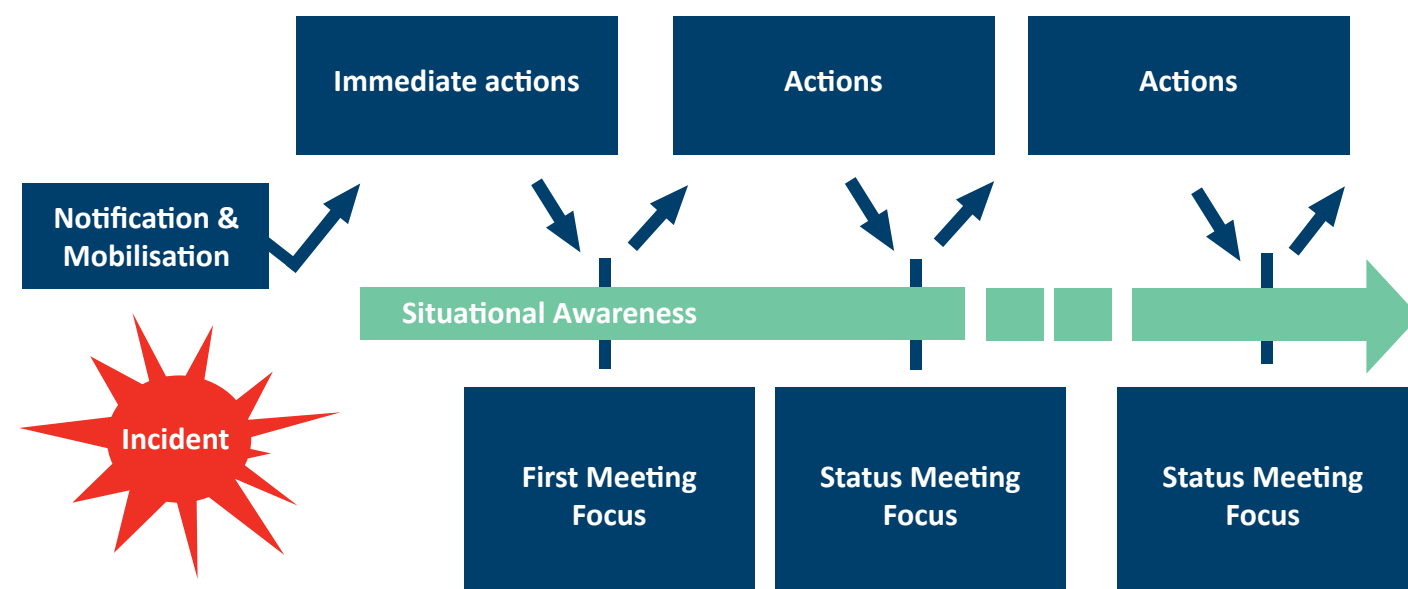


Figure 3- The Proactive Process

7.2 Notification

Notification of an emergency from the 1st Line will be in accordance with the described routines on board. The onshore duty officer will be notified when prioritised by the captain / Offshore Installation Manager (OIM).

The duty officer onshore should be prepared to gather as much information as possible during the first notification; a pre-prepared questionnaire, for example, would be an effective way to retrieve the most vital information during the first call.

7.3 Mobilisation

- After being notified of the incident, the Duty Officer or similar will normally initiate mobilisation of the company Emergency Response Organisation.
- The severity of the situation and an immediate assessment of the Incident Potential will decide the extent of the mobilisation.
- To ensure a proactive approach, a prudent overreaction is recommended for mobilising both internal and external resources to help in the emergency.

7.4 Immediate Actions

- Immediate Actions are typically the actions taken before the team has mustered e.g. notify CEO, muster additional internal resources etc.
- After mustering, it can be a good idea to let the staff complete the Immediate Actions before announcing the start-up time for the First Meeting.

7.5 Situational Awareness

Situational Awareness is defined through three steps:

- Perception:** Acquisition / Interpretation / Selection of data and elements to create an overview of the situation.
- Understanding:** Recognise / interpret and evaluate meaning and how given information affects the situation.
- Projection:** Be able to establish a forecast based on the understanding of given information, considering how it will affect development of the situation. (Endsley 1995)

Norwegian Hull Club will contribute to Situational Awareness by developing the OPINTEL and providing detailed advice with regards to the claim situation during the incident.

Tip 4

How to achieve Situational Awareness in the Emergency Response Team (ERT):

- Ensure data / input sources are trustworthy and made available to all*
- Ensure each member of the ERT correctly gathers and displays the data / input they are responsible for*
- Ensure all members of the ERT contribute to a common understanding of the current situational status*

7.6 First Meeting Conduct

The different boards used during a First Meeting are discussed later in this guide. To better ensure the effectiveness of a meeting, the following content is common to all levels.

1. Establish a common picture of the situation
2. Define the most likely Incident Potential and commit to it
3. Create a plan to avoid the defined Incident Potential

Tip 5

BEFORE THE MEETING

- *Muster the whole team*
- *Prepare the meeting agenda*
- *Ensure everyone knows when the session is underway*

DURING THE MEETING

- *Ensure progress*
- *Immediate actions*
- *Complete the meeting*

CONCLUSION OF THE MEETING

- *Set Focuses*
- *Ensure everyone knows when the meeting is over*

7.7 Focuses

- Set by the Emergency Response Team Leader after the First Meeting and after all Status Meetings
- The Emergency Response Team Leader sets the priorities that the Emergency Response Team should concentrate its Actions on, up until the next Status Meeting
- All Focuses are set by the Emergency Response Team Leader - they are valid until the next Status Meeting at which point they will be assessed
- Document the Focus areas through lists and timestamps

7.8 Actions

- Implemented by the various roles in the team
- Effective, proactive measures associated with one of the current Focuses
- Are to have a designated person responsible for them
- Are to have a timestamp and an Estimated Time of Execution (ETE)
- Are to be formulated as things that are going to happen, thereby encouraging proactivity

FOCUS AREAS	ACTIONS				
	Time	Description	Responsible	ETE	ATE

Figure 4 - Focus and Action Board

FOCUS AREAS - Normally 3-4 bullet points after each meeting (e.g. Notification, Resources, Information)

Time - Time when action came up in the ERT

Description - Describe the action to be done which correlates to one or more of the FOCUS AREAS

Responsible - The person with responsibility within the ERT

ETE - Estimated time for execution of action

ATE - Actual time for execution of action

7.9 Status Meetings

- Held when necessary
- Held when the situation changes or milestones have been reached
- When calibration is required - helping to ensure team alignment, common Situational Awareness
- A forum for when the Emergency Response Manager would like / needs to change focus
- Led by the Emergency Response Manager
- Primary aims:
 - To establish common Situational Awareness
 - To change or maintain existing priorities
 - Set focus areas

Tip 6

Status Meeting conduct for the Emergency Team Lead:

- *Announce the Status Meeting a couple of minutes in advance*
- *Start the meeting in a distinct manner*
 - *Communicate*
 - *Situation?*
 - *Action status*
 - *Strategy for next phase valid?*
 - *Stakeholders*
 - *Demand corrections*
 - *Set Focus(es)*

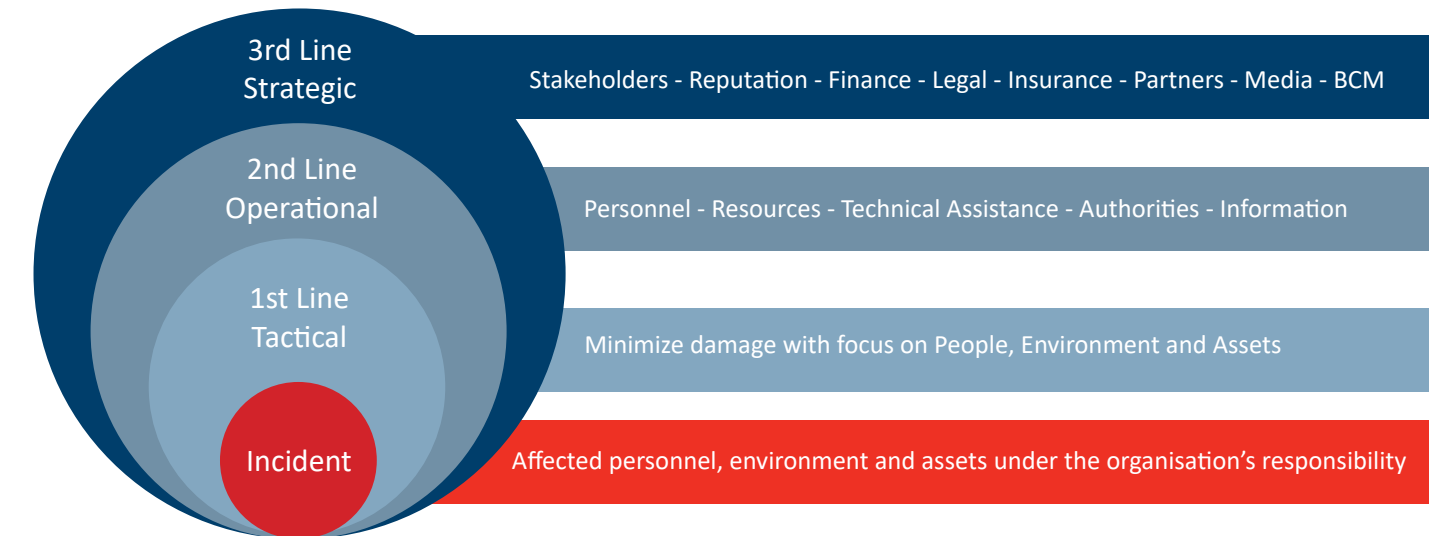


Figure 5 - Levels in the Emergency Response Organisation

8 THE EMERGENCY RESPONSE ORGANISATION

Figure 5 (opposite page) shows the different levels of a company Emergency Response Organisation.

First Line are the first responders within the company, often working together with public-service first responders. The first responders confine the incident and will prioritise as trained without compromising their own safety.

The 2nd Line will ensure that the 1st Line is supported with all necessary resources to handle the Incident Potential. Second Line will also ensure that all relevant local authorities are informed and involved to mitigate further consequences.

Third Line usually represents the Top Management Group. The 3rd Line's responsibility is to mitigate any adverse effect on the company's reputation and market position by informing relevant stakeholders and adhering to Business Continuity Management (BCM).

In short:

First Line handles the incident with focus on people, environment and assets

Second Line supports 1st Line handling and communicating with Next of Kin and local authorities

Third Line protects 1st and 2nd lines and focuses on overall interest and reputation of the company.

Tip 7

In large corporations with branches in several countries, you often find a 4th Line: the corporate level.

The areas of interest and responsibility will vary according to corporate guidelines and common interests.

8.1 Team Characteristics

Figure 6 below shows a matrix of different individual and team characteristics. The ERT should strive to be in the Emergency Management square. By following the Proactive Method, the team will be encouraged to be good at both planning and documentation, as well as following orders and actions.

Observers:

Typically, Observers do not or will not understand or consider the seriousness of the situation. They do not handle their duties sufficiently and merely watch what others are doing.

Secretaries:

Conduct situation-specific planning and / or compile document reports from others. However, they struggle to effectively execute planned actions and orders in order to fulfil their responsibilities.

Activators:

They make swift decisions and execute actions and orders based on intuition and experience, with little or no analytic planning in advance. They act based on the information provided and not a defined situation potential.

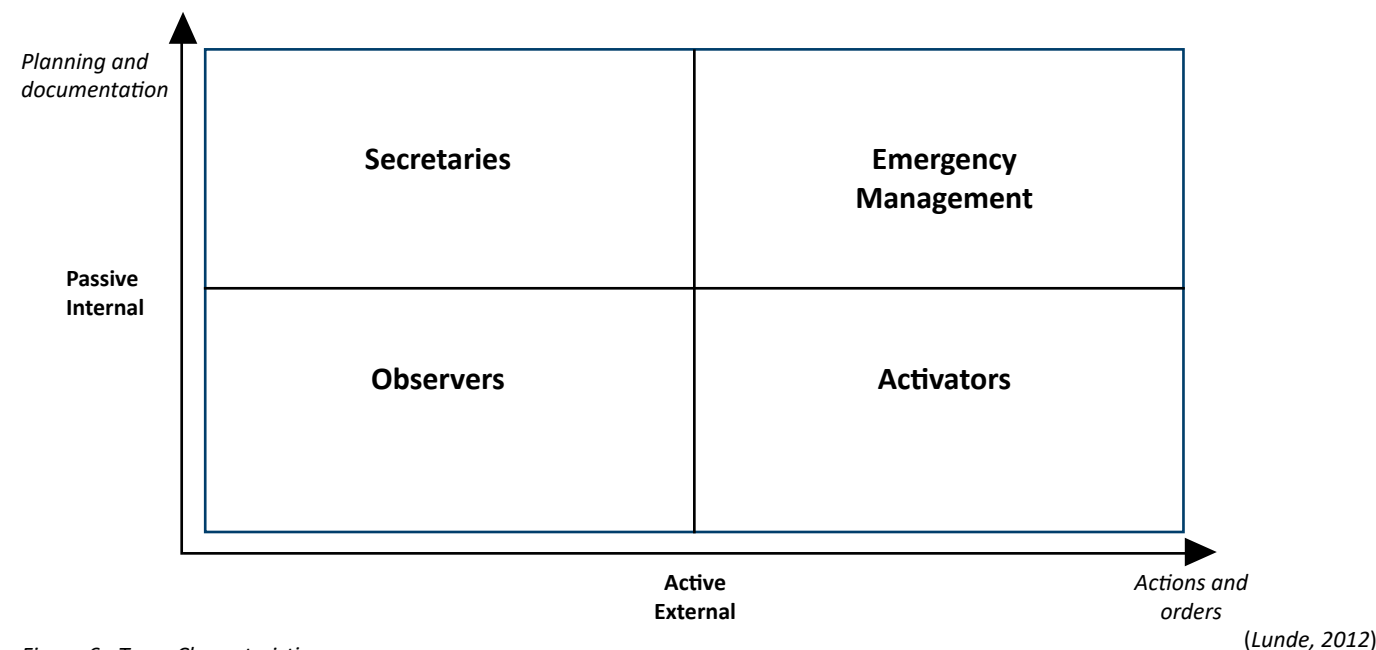


Figure 6 - Team Characteristics

Emergency Management:

These are teams that makes a situation-specific plan to handle the incident potential. They then execute actions and give orders according to this plan. They must document their handling accordingly and proactively.

Variations between different organisational levels:

- First Line characteristics will typically be in the bottom-right corner of this quadrant
- Second Line will typically be in the middle of this quadrant
- Third Line will typically be in the upper-left corner of this quadrant

9 CLASSIC DECISION TRAPS

- Does not have the big picture – gets “tunnel vision”
- Has a “wait-and-see” attitude – does not assess “worst case” and fails to calibrate such an assessment with the team
- Does not have an “overkill” attitude regarding resources - tends to lean towards minimal rather than maximum assignment of resources
- Does not have a clear point of no return
- Does not change from manager mode to commander mode
- Falls behind in terms of information updates
- Unclear on authority and responsibility, due to lack of training
- Unable to refocus when the situation changes
- Restrained by a “cover-your-backside” attitude when the situation is unclear, or if one must “choose between two evils”

10 TEAM LEADERSHIP - COMPETENCE AND SKILLS

- Communication skills – “briefing and listening”
- Able to delegate
- Able to lead and utilise the team
- Sense making*
- Decision-making during stress*
- Mean making*
- Able to evaluate the situation (situational awareness)
- Able to plan ahead (proactive)
- Able to act in a calm manner and cope with stress (both personal and the team’s)
- Expects the unexpected
- Demonstrates the “right attitude” – honesty and responsibility
- Able to make co-workers perform optimally

* Boin, A., 't Hart, P., Stern. E. & Sundelius, B. (2005) The Politics of Crisis Management: Public leadership under pressure. Kap. 1-7. Cambridge: Cambridge University press. ISBN 0-521-84537-8

11 THE 1st LINE - TACTICAL LEVEL

The 1st Line Emergency Response Organisation consists of the typical first responder teams. Offshore, these teams are led by the master (captain/OIM) and his team of officers. The 1st Line Emergency Response Organisation follows the Emergency response plan (ERP), based on the routines for each type of predefined emergency.

The predefined emergency is normally a result of the ship / installation risk analysis and security assessment. It is listed in the ERP as "Defined Situations of Hazards and Accidents" (DSHA).

The Proactive Method is mandatory for all first-line organisations on board offshore installations operating on the Norwegian Shelf. This might vary depending on the origin and area of operations of a vessel or installation.

According to the Global Maritime Distress and Safety System (GMDSS), all ships and installations should be equipped with communication systems capable of reaching shore in case of a distress situation. In addition, the on board Automatic Identification System

Tip 8

Norwegian Hull Club recommends the implementation of the Proactive Method in all levels of the Emergency Response Organisation, due to the benefit of establishing one common "language" for emergency response.

will transmit GPS data if activated. The ship should also comply with other relevant demands regarding lifesaving appliances and other means of transmitting location data (e.g. Personal EPIRB, EPIRB, Radar transponder etc.)

All these automated systems will contribute to a more effective search and rescue operation if a ship is in distress.



Figure 7 - Examples of 1st Line Stakeholders

12 THE 2nd LINE - OPERATIONAL LEVEL

The set up for the operational 2nd Line Emergency Response Organisation will vary according to the dimensions and area of business of the company.

In large organisations, you may find several 2nd Line ERTs based on either location or the type of business of the various company divisions.

In addition, to support the 1st Line in its needs - such as technical advice and resources - typical areas for the

2nd Line to handle include Next of Kin (NOK) and local press. Depending on the available number of trained personnel, it is recommended that a NOK team consisting of a dedicated Call Handling Team and a NOK Handling Team be organised.

If the Media Liaison Group is at the 2nd Line level, it should be manned by trained personnel who will retrieve information from 1st Line to prepare a statement for the 3rd Line.

Tip 9

Information Handling is a key task for an Emergency Response Organisation. Second Line ERT will have to extract information from 1st Line to present to Next of Kin and other stakeholders. To ensure a common, consistent message is used in all communications, the 3rd Line should approve all official messages to be presented to external parties. In case of a joint operation, the partner should also be part of this process. Such a measure is often agreed between the parties prior to undertaking the operation.

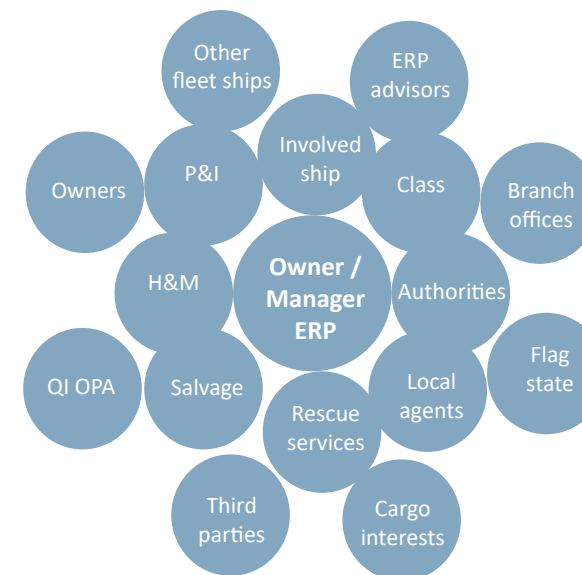


Figure 8 - Examples of 2nd line stakeholders



Figure 9 - Examples of Next of Kin stakeholders

Tip 10

The 2nd Line organisation should be arranged as an ERT with defined areas of responsibility and relevant actions for each function within it.

12.1 The Generic First Meeting

The generic First Meeting follows a pre-prepared agenda fit for both 1st and 2nd line ERT.

First: gather all available information/facts from the incident. These are typically facts provided by the first responders and include the status of people involved, plus the type and magnitude of the incident. This is

followed by the Actions to be executed.

Second: assess the Incident Potential based on the facts.

Finally: establish a proactive plan based on the Incident Potential.

Time:	FIRST MEETING - 2nd Line			
What has happened? <small>Facts - Overview - Use of Situation Plot - People involved - Incident overview - Actions needed</small>				
Incident potential / worst-case scenario <small>Potential for the current situation to escalate. PEAR - People - Environment - Assets - Reputation</small>	People	Environment	Assets	Reputation
Rough plan / Need for resources <small>Need for external and internal resources based on worst-case scenario / potential</small>				
Notification <small>Need for external and internal resources based on worst-case scenario / potential</small>				
Short-term consequences for company <small>Shifts / Daily Routines - Immediate Changes - Customer Support etc.</small>				
Factors affecting the incident <small>Time zones - Time of day - Time of year - Weather - Infrastructure</small>				
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13 THE 3rd LINE - STRATEGIC LEVEL

A Strategic Crisis Management Team usually consists of personnel from an organisation's top management group.

handling emergency situations in accordance with the Emergency Response Strategy and in the best interests of the company

It should be noted, however, that this can vary and the different actors must define this during the development of the Emergency Response Organisation.

Strategic Level responsibilities:

- To ensure that the operational 2nd Line is

- To represent the company externally, thereby protecting the tactical 1st and the operational 2nd lines from unnecessary external pressure during an emergency situation
- To protect the overall interests and reputation of the company and / or industry.

Tip 12

Remember that the above can equally be applied to potential opportunities, which could prove beneficial to the company.

Tip 11

The generic First Meeting covers both 1st Line and 2nd Line needs. The primary aim of the First Meeting is to establish a trustworthy Incident Potential assessment. This forms the basis of the subsequent Action Plan.

To ensure enough resources are scrambled, the Incident Potential needs to take into account:

- People involved (Number of injured = Number of medevac helicopters needed etc.)
- Environmental Impact (Oil spill amount = Number of Oil Spill booms and other oil spill resources)
- Assets (Level of damage; Equipment, System, Department, Module, Deck, Vessel / Installation)
- Reputation (Level of impact in local, national and international media)

13.1 The Strategic Emergency Management Wheel

Figure 11 (below) shows the three typical areas that constantly influence one another in the Strategic level of Emergency Response.

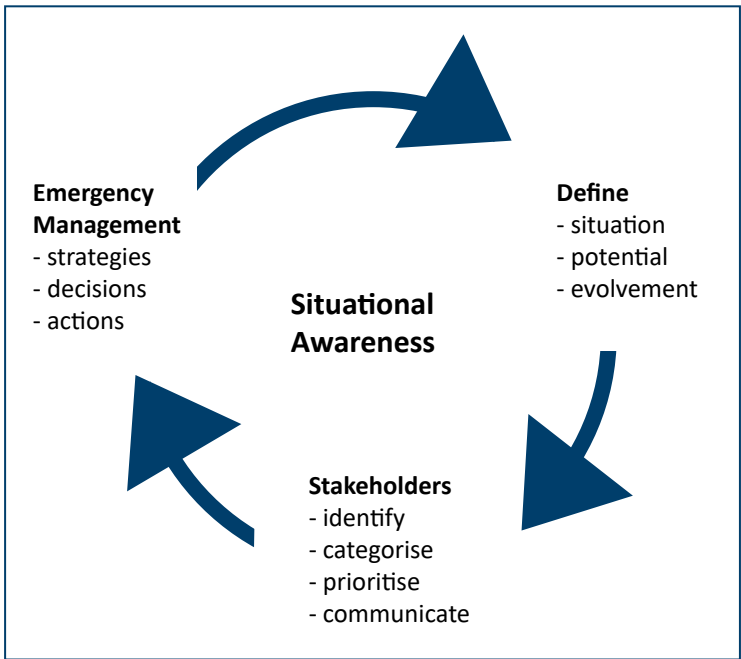


Figure 11 - The Strategic Emergency Management Wheel

Tip 13

DEFINE THE EMERGENCY
Goal: Understand the situation, define its potential and identify key strategic elements as the situation evolves.

“Can we survive as a strengthened company?”

STAKEHOLDERS
Goal: Identify and explore others interested in the situation, prioritise and communicate to them in a prepared and deliberate manner.

“Can anyone use this against us?”

EMERGENCY MANAGEMENT
Goal: Comply with a strategy that will direct your decisions and actions towards handling the emergency as effectively as possible to avoid possible consequences and to maintain or increase reputation and revenue.

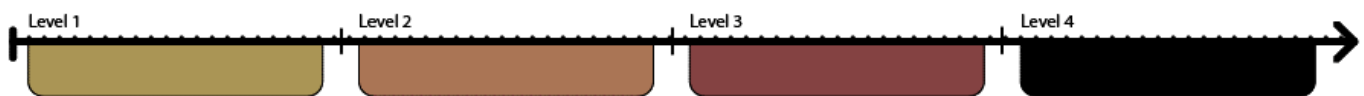
“Can we optimise our strengths and handle our weaknesses?”

13.2 The Strategic First Meeting

Time:		FIRST MEETING - 3rd Line	
Situation Recent incidents, forcing / media circumstances, market trends, positive or negative relations, partnership relations, ethical issues, etc.			
Strategic Potential a. Assess Worst Case People (directly / indirectly involved) Environment (pollution, monuments, etc.) Assets (financial and material values, other assets) Regulation (past or on, media, authorities, partners, others)	P - E - A - R -	Short-Term Cost (L/M/Y)	Long-Term Cost (L/M/Y)
b. Assess other conditions with influence on Strategic Potential (positive / negative) Political Global National / Regional Local	Favourable conditions (+)	Unfavourable conditions (-)	
c. From assessment: Define IMPACT on Company and Key issues			
Strategic Plan Objectives: FEAR			
Workstreams Areas to concentrate effort to achieve objectives FEAR			
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Final Strategic Incident Potential is the sum of Section A “Assess Worst Case” + Section C “Assess other Conditions (Positive and Negative)”. The final Strategic Incident Potential for

3rd Line Emergency Response is displayed as a severity of IMPACT ON COMPANY. This is usually based on the economic implications of the incident in question.



Your company should define the implication factors. For example:

Level 1 / Yellow equals a minor loss of revenue / minor impact in the stock market

Level 2 / Orange equals a loss of major revenue / loss of the struck operation / future major challenge on award of contracts/licenses/operator status

Level 3 / Red poses a threat to the survival of a branch / business unit / business area in the company

Level 4 / Black poses a threat to the survival of the entire company

Tip 14

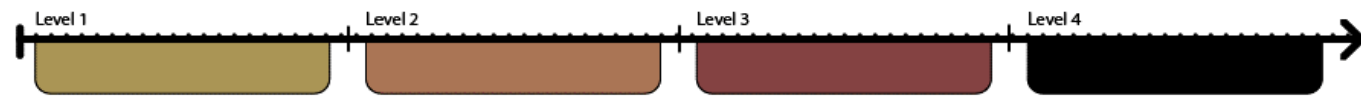
If you are uncertain of which Level to choose ... step up one level!

Your choice tells you what level of effort you need to plan for to avoid the Incident Potential.

You should be able to explain exactly why you chose the final impact level.

13.3 Impact Levels - Actions to Consider

The following are examples of predefined generic actions based on the incident potential.



General: Notify CEO/MD/VP, Executive level, HSE, legal, reception desk, relevant authorities and Board - Stakeholder categorisation - Internal follow up - Send management representatives/liaisons - Revise previous risk assessments - Internal investigation - Establish project - ROTA

P: Notify HR - HR: Long term follow up plan - Expanded NoK follow up

E: Consult specialists on environment/pollution - Handling possible NGO involvement

A: Notify CFO - Consult specialists on technical, operations, project, economical, financial, legal, insurance

R: Notify MRT leader/Company communications and media VP - Media Policy (define message and profile, decide on holding statement and press package, media handling) - Visual profile/branding - Any aspect that can be utilised to strengthen the company's position?

Conditions: Decide on how to capitalize on identified positive conditions and how to handle possible negative conditions.

General: Muster CEO/MD/VP, Executive level and HSE - BCM assessment - Prepare for reception and brief of VIP/assets

Revenue: Muster CFO - Analyse economical impact - Notify shareholder(-s) and stock market

Operation: Muster project-/operation manager - notify partners - replacement of key assets

Future: Assess preparations towards regulatory/client requirements and permits/authorisations

General: Clarify/confirm decision making authority and management of the situation - external executive/communication expertise - Liaise closely with HQ/send rep.'s - ROTA for Executive level

Tip 15

The actions above are for guidance only.

The First Meeting will be the incident-specific plan, generating specific actions based on the Incident Potential.

Actions in generic plans are best placed in Function or Action Cards. These cards should be organised in the phases of an incident: Notification – Mobilisation – Combatting – Normalisation.

Action Cards / Target Lists from the Generic Plan and the First Meeting will together contribute to a structured and systematic approach for the ERT with which to start working with the incident.

13.4 Stakeholder Management

Gerry Johnson, Kevan Scholes and Richard Wittingham argue that mapping stakeholders is a strategic business tool for identifying and assessing the effect of different individuals or groups of stakeholders on an organisation.

Stakeholders are recorded on a graph which plots their level of interest in issues that affect the organisation against the power they possess to exercise those interests.

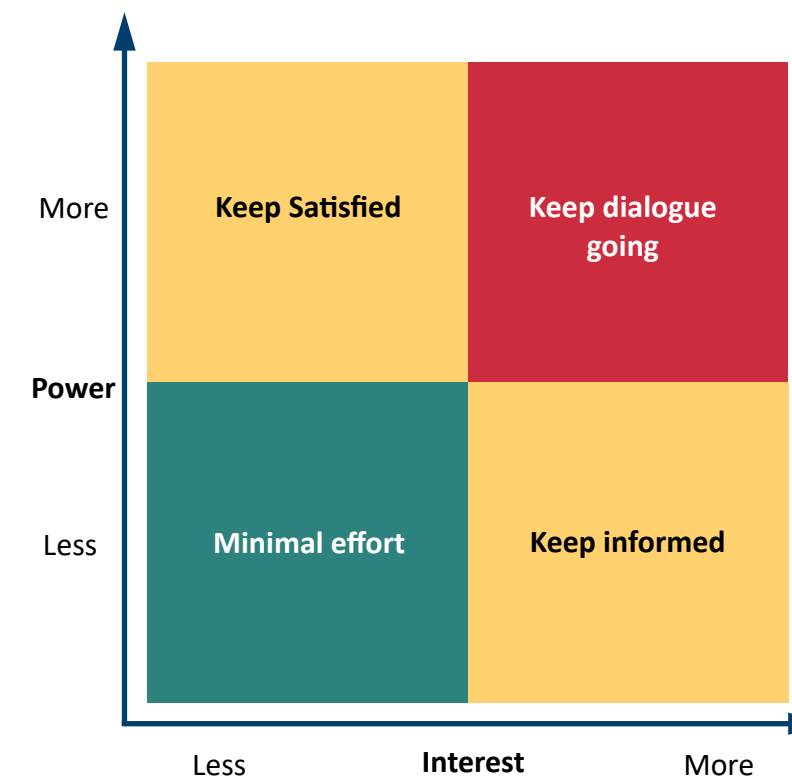
These stakeholders are broadly divided into the following four groups:

Keep dialogue going: Keep up the dialogue with these stakeholders. They hold the "key to the game".

Keep satisfied: Do not take these stakeholders for granted but there is no need to worry about them.

Keep informed: These stakeholders may be important in the early stages, so keep them informed about what is going on.

Minimal effort: These stakeholders pose little threat to your plans - unless they join forces and move against you.



Tip 16

Stakeholder power and interest might change throughout the incident, meaning the stakeholder can change places on the Stakeholder Categorisation Matrix.

Keep track on where you assess your stakeholders in the matrix.

Ensure that you have enough resources and to be prepared to communicate accordingly.

Figure 12 - Stakeholder Categorisation Matrix (Johnson and Scholes)

Tip 17

Stakeholder Categorisation should be one of the first actions in the 3rd line ERT. Due to capacity issues in handling all interested parties, the 3rd line ERT will have to prioritise which phone to answer. The Stakeholder Categorisation Process reveals which stakeholder to prioritise and which type of communications platform to be used (e.g. email, phone call, social media, website etc.)

The work process of Stakeholder Communication

Analysis – Strategy based on Incident Potential

- Current situation
- Our advantages
- Our disadvantages
- Our position

Stakeholder Categorisation

- Prioritise
- Identify and monitor the opposition and make changes to priority accordingly

13.5 Partnership Expectations

Trust and openness are crucial elements in a successful partnership. The expectations between partners may well include the following:

- Communicate on all levels
- Establish contact
- Clearly define roles and responsibilities
- Synchronise data
- Share information
- Be supportive and engaged

Develop the relevant message for internal / external communication

- Content of the message should be related to gain trust and to reduce consequences

Operative Actions

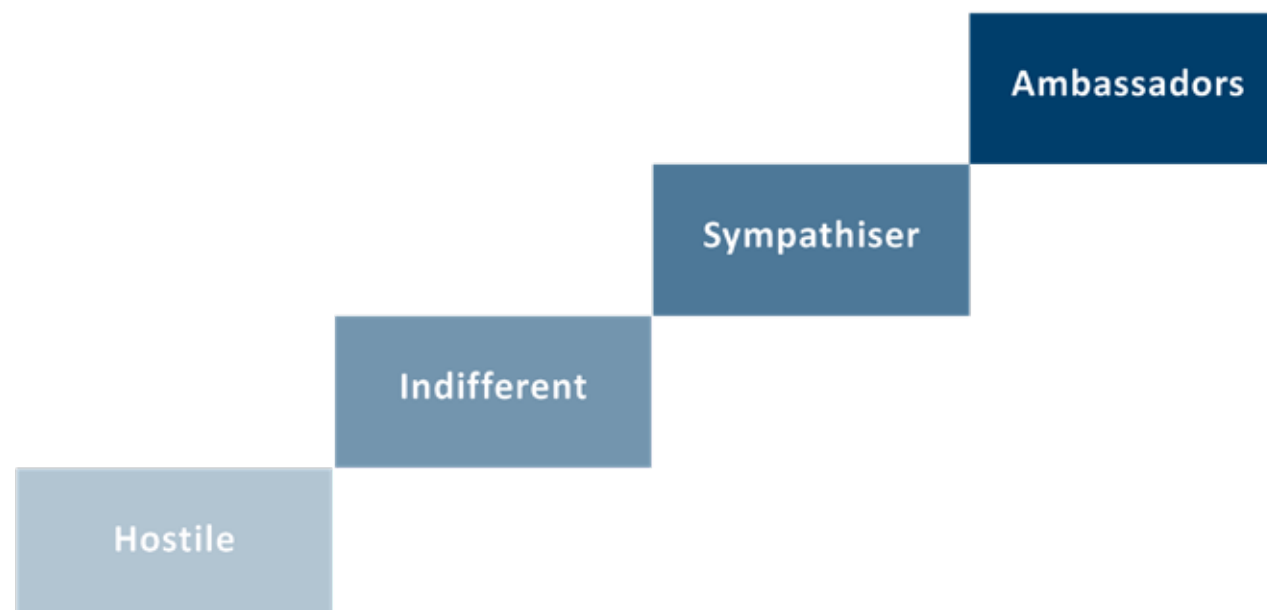
- Ensure a proactive mobilisation of trained personnel for stakeholder communication and handling
- Prioritised communication to relevant stakeholders based on the strategic Incident Potential to gain trust and to reduce negative consequences

What if you end up in a conflict with your partner?

Joint operation and incident, but:

- Different responsibilities
- Different focus
- Different goal

Be prepared!



13.6 Information Management

A crisis always seems to appear at the worst-possible time. A crisis - identified by being a threat to “normal business” - often occurs unexpectedly. It is sudden, meaning we experience pressure related to time, coupled very often with little or no control.

Crisis situations could include such scenarios as:

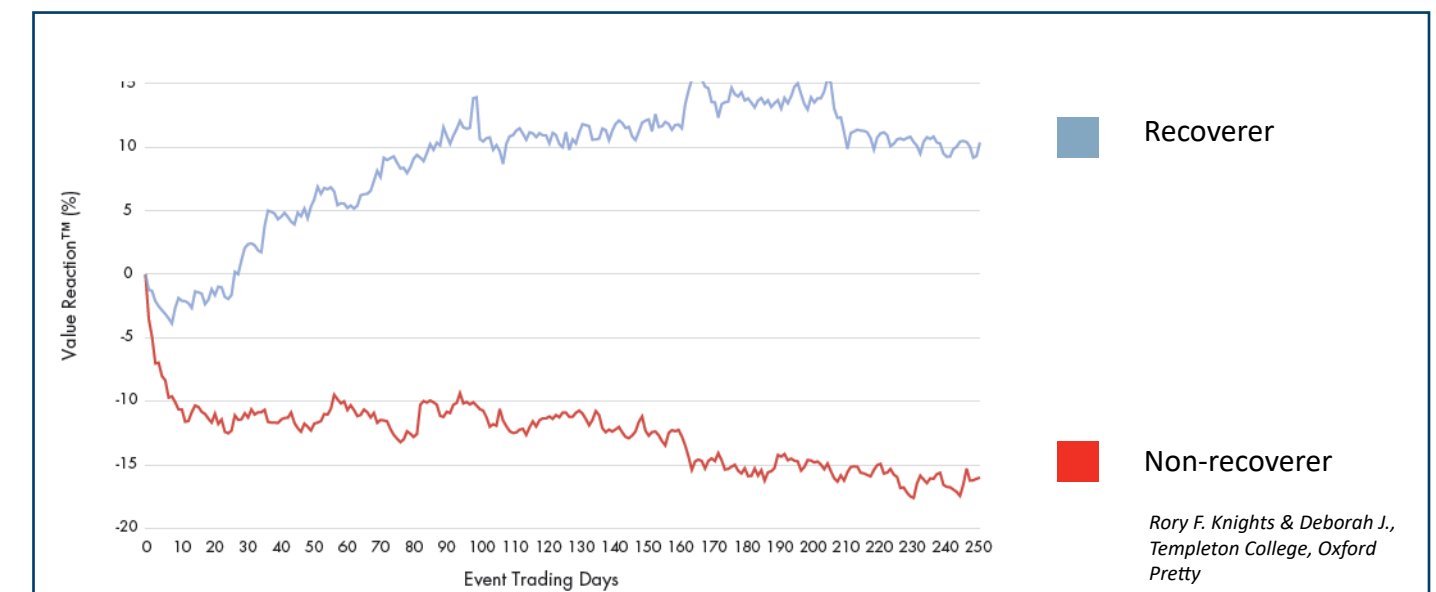
- Transport accidents
- Personal injuries / deaths
- Breaches of ethical guidelines
- Negative media attention
- Legal charges
- Conflict with supplier / customer

- Social dumping (using cheaper labour than usually available at point of production or sale)
- Pollution

How we deal with such a crisis can determine the future of our company.

The figure below shows that doing “the right things” are vital. The graph shows Recoverers of a crisis situation suffering an initial loss of 5% followed by a 5% increase after 50 days.

By comparison, the Non-recoverers experienced an initial loss of 11% and a 15% drop after 12 months.



The Management’s ability to handle the crisis was crucial to the outcome.

Tip 18

Learn from the Recoverers:

- Strong and visible CEO
- Rapid, credible response
- Coordinated internal and external communications
- Honest and sensitive communication

CRISIS COMMUNICATION TOOLBOX

To ensure a structured approach to your crisis communications, you should ask yourself the following questions and keep monitoring incident development:

Ownership

- Is it our incident?
- Role and responsibility
- Victim?
- Did we know, or should we have known?
- Could we have done something?

Stakeholders

- What does our stakeholder map look like?
- Who are the most important stakeholders and what is our relationship to them?

Media

- Public interest?
- Local, national or international interest?
- Worst-case media pressure?
- Do we have sufficient resources?
- Is our Management Team available?

Development

- Small issue becoming a large issue
- Local issue becoming a national issue
- Non-political issue becoming a political issue
- Corporate issue becoming an authority issue

Tip 19

- *Take early control (holding statement)*
- *Make strategic decisions*
- *Think “worst case”*
- *Communicate core values*

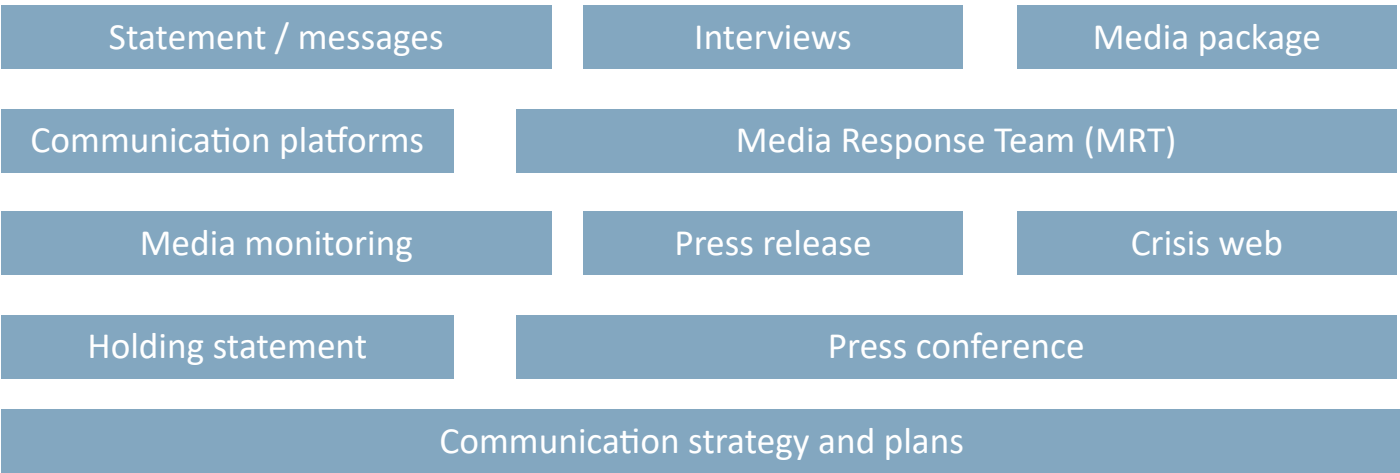


Figure 13 - Elements of Crisis Communication

Tip 20

Crisis Communication – Best Practice:

- | | |
|--|---|
| • <i>Good, rapid and trustworthy information</i> | • <i>Stick to core messages</i> |
| • <i>Clear roles and responsibility</i> | • <i>Drive and efficiency – be proactive</i> |
| • <i>Availability</i> | • <i>Words, symbols – a visible leader</i> |
| • <i>Focus</i> | • <i>Demonstrate control – take ownership</i> |

NOTES

NOTES

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