

# Exxon case study

Business



The people of Exxon were affected because of the company's poor public relations strategy. This strategy by Lawrence Rail, the chairman and chief executive of the Exxon Corporation at the time of the spill, consisted of many communication errors. His mistakes consisted of not visiting the Prince William Sound area after the event to help express the company's concern and put the public at ease. His second mistake was not consulting with the public at all. But the biggest mistake was that Exxon's chairman, Lawrence G. Rail, sent a succession of lower-ranking executives to Alaska to deal with the spill instead of going there himself and taking control of the situation in a forceful, highly visible way.

This gave the impression that the company regarded the pollution problem as not important enough to involve top management. Exxon decided to concentrate its news briefings in Valdez, a remote Alaskan town with limited communications operations, complicating the problem of disseminating information.

Even *Oil & Gas Journal*, hardly an industry critic, complained. "Exxon did not update its media relations people elsewhere in the world," the journal said. Instead, it "told reporters it was Valdez or nothing" (Holus, 1989).

Exxon's public relations mistakes destroyed their credibility in the eyes of the public and media and also ended up costing the company 2.5 billion dollars in damages and a major loss in consumers of their product. Another major group of people who were greatly affected were the citizens of Prince William Sound.

They were major affected by this accident not only because their main source of water was filled with oil but also their environment was greatly damaged because of the spill. Walsh (Mar. 2009) stated this In his article, a result of the spill, one of the worst ecological disasters in history, and the populations of those species have yet to fully recover.

The lucrative herring and salmon fisheries are still damaged ? by one estimate, the spill cost local fishermen nearly \$300 million” (p. ). The secondary and external publics during this case would be people who use products from Exxon and they were affected because the way Exxon choose to handle this situation therefore losing credibility and losing consumers Decease AT want napped In Alaska I en marginal puddles In tens case would be people who follow big news stories and environmental news. They were not irately affected because they were not in the area this is Just a story that caught their attention.

One thing Exxon did right is they released news from the event but it was mainly focused on how the ship repairs are going to cost them copious amounts of money. The news releases should have been for the concern of the people of Prince William Sound and its environment but they failed to do that.

It took a week after the accident before Exxon responded about the accident this left the media and the community with a bad impression of the communication with the public. The mistakes continued when Exxon released an article in the newspapers 10 days after.

This left the readers and public with the impression of “ too little too late. ” With this poor communication that Exxon had with the people and the media left people confused. What would have happened if this crisis occurred with today’s media and technology? Technology could have greatly helped the people of Prince William Sound because with aspects of Backbone, Twitter and many other ways to communicate with the public this could have brought people to try and help clean up the environment and repair some of the damage that the disaster caused.

This could have also greatly helped Exxon with communicating with the citizens and the media and also make it easier voice their concern. Today’s technology could have made people more aware. Bryan Walsh one of the leading writers for Time magazine wrote, “ It’s been Twenty years since the Exxon Valued tanker ran aground in southeastern Alaska on March 24, 1989, spreading an 11-million-gallon crude-oil inkblot into Prince William Sound, the formerly pristine coastal waters once again appear clean and untouched” (Walsh Junk. 009) Could have the time for the clean-up been shorter with today’s technology? With recent events like Hurricane Sandy they have used social media to try and get people to donate and help. The global market would have greatly helped this situation.

Global news could have a big hand in helping with repairing the damage and communicating with the public about the accident. Organizations across the world could have sent representatives to help and voice their concern. The global market could have affected Exxon in a negative way cause the massive global media is also seeing their mistakes.

An organizations main goal should be its image in the public eye and to always have great communication with the public and the media. If an organization fails to do that it can lead to a disaster.

Oxen's actions are a main example with what not to do when faced with a crisis. The Valley's accident ending up costing Exxon 2.5 billion dollars in damages and went down as one of the most devastating environmental disasters but it is how Exxon choose to handle it that also made this event one of the suggest mistakes in public relations history.