







<u>Crisis Management</u> Toyota & Tylenol: Only the "T" is Similar

by Richard Earle Regis Group Affiliate

Many old friends have e-mailed me since the world's largest automaker reacted in crisis mode to reports that faulty engineering had caused a number of fatal crashes. "How would you have done it differently?" they asked, knowing that I had been Creative Director on Tylenol after the cyanide tampering incidents in 1984 and 1986 (covered in an Agenda article last June -Click here to see it) and that I had helped them recover their number #1 position in the marketplace each time. I was flattered to hear Brooke Gladstone on NPR's "On the Media" call it "The Gold Standard;

February 2010

<u>Professional Coaching Secret #7</u> Nobody Knows You Better Than Your Future Self

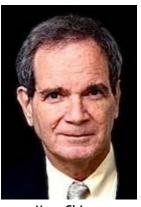
by David Basch Regis Group Affiliate and Professional Certified Coach (PCC)

What would it be like to have an older, wiser person to rely on for guidance and help in making choices?

How about having a best friend, someone whose guidance and wisdom never seems to fail and whom you trust implicitly?

Imagine how wonderful it would be if this is someone who knows you so well that they have an uncanny way of guiding you successfully along your journey no matter what the situation.

A wise person at your side And wouldn't it be great if that all-knowing all-wise person was always at your side, sort of like a genie in a lamp. But this tale I weave is no fairy tale. Such a person exists and here is the good news. You have that person naturally built into your own system.



Marc Chinoy

<u>President's Letter</u> Less is Still Not More

A Message that is not for the Faint of Heart In this time of financial turmoil, many organizations have taken the logical step of cutting back on costs in order to survive. When this is done in a considered way, this can be a critical action.

In order to proceed both promptly and effectively, many enterprise leaders have elected to start with a "no-wrong-answers" planning agenda as a first step, and very quickly find themselves with a list of tough choices of what might be immediately cut.

When the decision is to cut significantly (or in some

the moon landing of corporate consumer relations." But she also added "America planted the flag. But it hasn't been back there since!"

My immediate answer is that yes, I would have done some things differently, but that Tylenol had a much easier problem; the tampering was apparently the work of a lone outsider. It had nothing to do with design or engineering or ignored warnings, which is reported in most news coverage to be the case with Toyota. Johnson & Johnson stood ready to take the blame if the FBI (which they invited into their factory) had found any evidence of carelessness or sabotage on the production line. They would have taken their lumps, but stood ready to admit the problem, and fix it immediately. The second tampering incident, in 1986, prompted them to go out of the capsule business, due to the fact that J & J Chairman James Burke was unconvinced that any method of sealing the capsules devised by his design team would be foolproof.

This cost the company many millions. But within a few months they had replaced the Tylenol capsule with the gelcap, which had many of the same features, but none of the risks. And soon they were No. #1 again.

The electronics issue

Obviously, Toyota can't afford to scrap 9 million cars, but I hope that their current "fix" is better researched than last year's hastily-blamed floor mat. There is some evidence that the recently-announced Prius brake problem is due to an electronic "issue" with the micro processor. There are millions of Toyota owners who I'm sure today are nervous about the "fix" of a small shim being welded to their accelerator pedals, now

It's called your "future self." Your future self is that imagined future that you're always striving to achieve, that perfect picture of a life you wish to live and way of being that you just know is meant for you.

Answers from deep inside

In coaching, I help clients imagine their future self. They then seek guidance from their future self by asking him or her key questions or addressing troubling issues of the day. Your future self will provide the answers from a deep and authentic place inside you.

This is your idealized self telling you what you are meant to be. It is your very own built in GPS system. Like a good GPS it will give you adjustments and alterations as you go along, but ultimately you will arrive at your destination.

OK how do you get in touch with your future self? Normally this exercise is facilitated by a trained coach but it is possible to do a version of it on your own.

Coaches tip

Do this exercise.* Be in a comfortable place and begin to imagine your future self. It's best to do this exercise in a quiet, safe and private place to allow your imagination to flourish. Either lie down on a mat or sit comfortably and let your imagination soar. It helps to imagine yourself on a journey to a distant land.

Given the opportunity to access it we all have wonderfully creative imaginations and the facility to project the future. Keep your eyes closed and avoid distractions.

cases surprisingly little) into customer access and support, what starts as a tough decision runs the risk of escalating into a potential kill-shot.

A Rude Surprise

Those who believe that "everyone will be doing it", as regards their competitors' intentions to proceed to reduce core services, may be in for a rude surprise when the competition decides to ramp up both customer contact and related market messages.

In today's market the flip side to "Caveat Emptor" is "Seller Beware" when it comes to positioning.

The background financial crisis will end, and those left standing can anticipate an enhanced and potentially loyal customer base, if they make the effort to both "be there" for customers and communicate the correct message to them right now.

Regards,

Marc



<u>BizSpeak:</u> The Big Tent

Definition:

Definition: This reference to a CAMP MEETING REVIVAL speaks to all that so much of the control of their car is "drive by wire."

What we Learned

The circumstances are quite different, But there are some things we learned from Tylenol that Toyota might have done:

- 1. Stop advertising. The first night the Toyota story dominated my local news channels, tales of the failed floor mat recall and tragic family death tolls were surrounded by lots of local Toyota Dealer February Sales pitches and even some national campaigns for the problem models filled with words like "reliability." I cringed every time I saw one next to a story about unreliable performance.
- J & J Chairman Burke had us immediately pull all Tylenol advertising. It only took one urgent phone call from our media department.
- 2. Take a deep breath and wait.

Even though we had prepared advertising that stated the company's position and the steps they were taking, we had to do massive amounts of consumer research to convince Burke that the consumers were okay with paid ads from J & J. And when we did go on air, the tone was positive and informative.

3. Be Positive. Be specific.

The Toyota "crisis" campaign quickly produced and currently running at very heavy weights is apologetic ("in recent days our company hasn't been living up to the standards you expect from us,") but non-informative. Even their new tagline "Moving Forward" really says nothing reassuring. I wanted to hear how they had proved that the tiny shim would fix the problem, and how tests had incontrovertibly shown that it was not an electronics issue, especially after the floor mat misstep. They

Into the Future

Bring yourself some 15 to 20 years into the future. Get a very clear and specific picture of you in the distant future. Depending on your age, pick an arbitrary future age when you can see yourself as an older, wiser person.

To get grounded in the future, ask yourself some fundamental questions such as: What do you look like, what are you wearing, where are you living, and who are you with? Specifically describe what kind of space and environment you find yourself in.

Once there, you can have a conversation with this wiser being and ask your future self for advice and counseling about something you are dealing with in your life today.

Try to be at ease

Try to be completely at ease in this role play as you are both asking the question as you and then answering it as future you. Looking back from being old enough to have gained wisdom, your future self is guiding you along the way, telling you exactly who you are and where you are going.

Own this future person as you. Trust him or her as if the voice of god were directing your life and live into it now. That is your future self, your best friend guiding you today.

* I want to acknowledge The Coaches Training Institute where I first learned about the future self exercise. those well meaning efforts to build large coalitions from diverse groups.

Related Terms:

Grand Slam, Potlatch

How it Sounds:

"Frank really believes he will get all the management of the five Western Groups under THE BIG TENT when it comes time to redefine the market segments."

"If he can do it, that will be the GRAND SLAM of all time."

For More BizSpeak, check out the Book.
<u>Click here.</u>

have had many months to gather this data and use it to make a convincing case. It's too much detail for a :30 spot, but they could summarize it in the TV ad, and refer to a web address or a detailed print ad containing it.

4. Who's in charge? Admittedly, Toyota is a multi-national company, but the first corporate face we saw was the US Toyota President, who rather meekly promised to do better, ("thank you for your patience and understanding") followed by the Japanese CEO, who came before the media bowing, and then tried to bow out thirty minutes later. James Burke became the trusted face of Tylenol, readily accessible, appearing on 60 minutes, Donohue, etc. as the strong face of a guy in charge, ready to fix the problem. And fix it he did.

Focus on the Future

Guest Predictions: Roger Clark

Guest Predictions is a regular feature in which we ask leaders in a number of professions questions that affect us all.

Roger E. Clark is an environmental lawyer and self-styled energy geek who works for The Reinvestment Fund (www.trfund.com) and its Sustainable Development Fund in Philadelphia. He provides financing for renewable energy, energy conservation and efficiency and other clean energy technologies and projects and is active in energy policy issues at the state and local level. Roger served as Chief Counsel for the Pennsylvania Energy Office and worked for legal services programs in Carlisle, Pennsylvania and Fairbanks, Alaska.

Q: What changes in your professional environment in the past 3-5 years have you found to be the most beneficial?

A: I believe the old paradigm of jobs-vs-environment is dead and the American people reject the dangerous drill-baby-drill approach to our energy needs. Citizens today are ahead



Roger Clark

of our political leaders when it comes to energy and environmental issues. This commitment rises and falls a bit with the price of oil, the state of the economy and other international events, but Americans support a clean environment and they want solar and wind and other renewable energy solutions.

Q: What changes have been the most troubling to you?

A: Energy is a very big business and the old fossil fuel industries have huge war chests to spread their self-serving messages. The environmental issues we face are very complex and can be confusing to people. The negative environmental consequences of our actions and inactions are frequently not immediate but are more long term.

At times it seems we the people are losing our capacity to address complex issues. Reshaping our economy and our culture to respect and live within environmental realities requires hard work over an extended time. Many powerful interests are hoping we get distracted and lose our concentration. We all need to step beyond the sound bites and the angry commentators and educate ourselves about these complex issues and think hard about the way forward.

- Q: How will globalization (e.g. the emergence of new global powers, such as China and India) affect your professional area in the near term?
- A: If China and India continue to fuel their economic growth with 1950s coal plants, we are all in trouble. The flip side of this concern is who will develop the clean energy technologies and products that the world will buy. China has its eyes on this prize, but hopefully the U.S. does as well.
- Q: What significant challenges might be anticipated in your professional area in the next few years?
- A: I recently read that people view a home energy audit the same way they think about a colonoscopy. The clean energy folks need to make energy conservation and efficiency exciting and cool. Wasting energy and conspicuous consumption need to be viewed as

serious breaches of good manners and form.

Q: What are the greatest challenges confronting young professionals in Western culture today?

A: I believe all human beings have three fundamental tasks: to know and love God, to know and love each other and to know and love our planet. All of us need to figure out how each of us individually can best do that work. Fortunately, there are countless ways to choose from for mastering all three tasks.

The Regis Group, Inc.
102 North King Street | Leesburg, VA 20176 | 703 777-2233 | www.regisgroup.com

