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RIDING THE CRISIS

Paper submitted by Office of National Statistics, United Kingdom with contributions from Statistics Sweden and Federal Statistical Office, Germany¹

Summary

It is not possible to put forward a simple blueprint for dealing with crises, for no two cases will ever be exactly the same. But it should never be forgotten that it is all too easy to get a bad press and never easy to clear up the mess afterwards. Therefore prevention is always better than damage limitation. The best forms of prevention are through better education of the customers (media) and improved communication (particularly within the statistical institutions). Restoring a battered reputation and renewing confidence will stem from these two measures and from being right, consistent, co-operative, responding quickly and generally being alert to what is going on around in the political and wider world.

The FSO Germany conclude thus:

The Federal Statistical Office attaches the utmost importance to maintaining a positive and constructive relationship with the media. A comprehensive information service for the media and well-trained staff, who are experienced in recognising the risks when dealing with the media, as well as a clear and transparent relationship with the journalists – these are the bases of the Office's press policy aimed at establishing among the media, and thus the public at large, its profile as an objective, independent and modern information provider well acknowledged among experts.

Press work is a matter for the top management level. Especially in cases of "malicious" journalism – which fortunately are rare – it is always advisable not to establish direct contact between statistical experts in the specialised departments and the journalists because in such contacts the trusting attitude of statisticians inexperienced in such situations may easily be taken advantage of.

I would concur with most of this except the final paragraph where we in the UK adopt the opposite approach. We allow, and even encourage, direct contact between journalists and statisticians – despite their sometimes misguidedly trusting attitude! We would not dream, however, of 'throwing them to the lions'. That would be gross irresponsibility on our behalf!

We work hard to try to help our front line statisticians to understand the ways of the press and only allow them to talk directly to the press once they have been on a training course. This procedure, despite its inherent risks, has stood us in good stead over the years. It has built a greater trust between us and the media and because there is direct contact between the statistician and the journalist it has reduced at least one layer where errors or misunderstanding could creep in. It might sound like we are trying to do our press officers

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out of a job . . . but time has always shown there is great need for sound experienced press officers, particularly when it comes to a crisis!

Finally, three points on dealing with a media crisis that strike me as paramount:

1. Never lie.
2. Don't try to cover up.
3. Always move quickly, robustly and from the top!

Media Crises . . . from time to time we all get them. Sometimes it's our own fault; sometimes it's because of a misunderstanding or misinterpretation; and sometimes it's because of pure mischief. But what and where are the dangers and how can we best avoid them? How can we deal with them as they happen? And how can we repair the damage?

CONTROVERSIAL ISSUES

1. Before we can avoid a crisis it is useful to establish some likely battlefields. There are many 'friction' points or 'areas of controversy' from which a crisis may emerge.
2. To begin with, censuses, surveys and statistical inquiries can be an immediate source of conflict with the public, industry and hence the media.
3. It is at this point where the data collectors meet the public that almost anything can happen – and sometimes does. Population Censuses are such massive exercises that in the UK we recruit and dedicate special teams to deal with the publicity and media campaigns. However, Censuses, surveys and inquiries are the 'sharp-end' of data collection when we actually extract information from the public and business. Not everybody likes being asked questions; and we should not be surprised when objections are raised – rightly or wrongly. Sadly, some of these people will take their complaints to the media before trying to resolve them with the statistical institution.
4. Examples of issues that make 'good media copy' are:
 - ◆ intrusive questions (government and agencies 'prying into personal business that should be none of its concern');
 - ◆ confidentiality (worries that personal information may get in to the wrong hands);
 - ◆ burden on business (too many 'unnecessary and over-detailed questions' from government and agencies making it impossible for businesses to operate efficiently).
 - ◆ Compliance costs.
5. Sometimes it is the type of data we are collecting that is potentially troublesome. For instance collecting information on children, sexuality, race, migration, family relationships, income/earnings, health, taxation and religion.
6. While the above points are issues we have to deal with in day-to-day running of our proper business, there are other conflict points which may be described as 'political'. These broadly include:
 - ◆ independence of the statistical office;
 - ◆ objectiveness of its data, reports and findings;
 - ◆ politicians wanting to use data for party political point-scoring;
 - ◆ deliberate sophistry by government (using narrow interpretation of data to suit a politician's purpose);
 - ◆ limits to accuracy of data; and
 - ◆ leaks of market-moving data.

7. The Federal Statistics Office of Germany has some very pertinent points to add to this:

“Education is the starting point”, David Marder emphasises when describing how official statistics should deal with the press. We fully agree with that statement: It is only by press-oriented, informative and transparent cooperation with journalists - and based on good products - that we can achieve a positive public awareness of the statistical offices' profile and range of products and services.

Stories in the media *about* official statistics are a basis for information of the media by statistics. In supplying the population and economic agencies with information, the media have a ‘multiplier’ function. This is why the Federal Statistical Office uses press releases and press conferences to provide the media with detailed information on the work of official statistics, data protection, and the efforts to keep the response burden to a minimum. Much of that information can be accessed at any time through the Internet.

Surveys, particularly with private households but also with businesses, are prepared including extensive press activities in order to create a positive attitude towards the survey among the respondents. The results of previous surveys are presented in an appealing manner to make the press eager to receive the new results and thus to draw attention to statistics and their usefulness. Information material on the survey – comprehensive and easy to understand – is made available to the journalists. Also, brochures and leaflets containing results of the preceding survey are distributed.

As soon as available, the results of the current survey are disseminated through numerous press releases. For that purpose, we choose topics representing "real life", thus appealing to the public at large. The source is always mentioned. To inform the citizens and to support future surveys, the results are published every year in an attractively designed brochure giving comprehensive information on the survey and the way it is carried out.

Major economic indicators are regularly explained in detail to the media and to experts from banks and other associations by means of press briefings and specific seminars. This is done from the outset to avoid possible misinterpretation and confusion. Very intensive discussions were held on the occasion of converting national accounts to the ESA 1995. Before measuring the convergence criteria of the Maastricht Treaty, which was essential for Germany's participation in the third stage of the European Economic and Monetary Union, comprehensive information was given to the press interested in the matter, for example regarding the differences between national and European accounts.

Such transparency and general information of journalists, experts and citizens has proved highly useful. Anyone knows: Trying to persuade the Federal Statistical Office of an open information policy means preaching to the converted!

RESPONSE - THE 4 Ms

8. There are some key areas where statistical institutes could be vulnerable to a crisis in the media. We all live in this tinder-box of potential media disaster, but it usually needs a spark to ignite the flames. The likely spark for those flames could come from one or more of what I call the 4Ms – **M**istakes, **M**isunderstanding, **M**isinterpretation and **M**ischief. The Federal Statistics Office of Germany adds a fifth **M** – **M**isuse. Whether it's four or five Ms, what then can we do to control the fire?

9. **Mistakes** . . . don't make them! – but, if you do, don't make them worse! Sloppiness in producing the data needs to be eradicated.

10. That said, we all know the pressures under which data are produced and we also all know that the media expect the published product to be perfect in every way. Although we may know that published data are a trade-off between timeliness and accuracy, others don't. We are criticised if the figures have to be revised later and we are criticised if the figures aren't produced 'instantly'. This is a no-win situation. The media are unlikely to be sympathetic to our hand-wringing or tear-stained explanations! However, we must all be seen to be responding quickly to correct any errors while at the same time not making new ones.

11. The FSO Germany suggest three rules:

- (a) avoid mistakes at all stages of statistical production and dissemination, because they undermine the office's credibility;
- (b) correct mistakes rapidly while communicating overtly and transparently – and when correcting mistakes, which often involves stress, avoid making new mistakes!;
- (c) in critical situations maintain a clear press policy with internal and possibly external coordination and clearly defined responsibilities towards third parties. Press policy is a matter for the top management level!

➤ Case study (UK): *What if the figures we have put out are so seriously wrong that the markets and government policy and strategy may be affected? In 1998 the UK ONS ran into trouble with its Average Earnings data. In truth, the final outturn showed the errors to have been less major than was originally perceived. However, the 'mix' that created the crisis was potent. There was misunderstanding, political manipulation, city indignation, and calls for resignation . . . a true feasting of the vultures on the crippled beast!*

Actions taken started with suspension of the series (a move that created some new problems of its own) and the launch of an inquiry into getting the figures right. Efforts were also made not to let damage done from the discrediting of one series from discrediting the whole output of the organisation. Telling the truth and keeping the media and customers in the picture was seen as positive. However, the inquiry dragged on for far longer than was desirable. Damage to the series still echoes two years later but, in the main, other series remain credible.

An earlier error in a consumer prices series was dealt with by an immediate correction and apology and, in fact, was turned into a positive by media who saw it as 'refreshing' that a government agency was being open and honest.

12. However, being 'open and honest' about one's failings is not a recourse we should have to use often. The more mistakes you make the less credibility the organisation will have. The media will call into question the competence of the institute. Preventing errors is an objective that goes without saying but in our experience error-avoidance has been improved by early and significant involvement of the press office and dissemination unit, particularly when it comes to presentation of new or altered series.

13. Of course, not all bad publicity is a result of our own failings. **Misunderstanding, misinterpretation and sheer mischief** are all more common causes of grief. I've interpreted FSO Germany's **Misuse** to be a mixture of the latter – a sort of 'mischievous misinterpretation'!

14. To understand how these may trigger a crisis we need to look closely at our own media. There are now many global or cross-continental media, but, in the main, institutes need to know and understand how the media in their own country work. How objective are they? Do they have their own agenda? Do they have a political master (whether overtly or less obviously)?

15. The UK media may not be typical of that in other countries and my comments may seem extreme but many of these traits will show up in media of other countries.

16. Every newspaper and most other media outlets have their own agenda and reports and headlines are written to that agenda. The media are partisan and separation of facts from opinion, in fact, rarely exists. In a desperate quest for stories journalists combine journalistic licence – the massaging of facts to capture and hold attention – with gross over-simplification, selection (discarding of inconvenient qualifications), interpretation (a sort of ‘heroic’ deduction), and, of course, sensationalism, prejudice and opinion. The whole thing adds up to commercialism in a world of intense commercial rivalry – they’re in it for the money!

17. The media turn ‘speculation’ into an art form. They will use non-attributable (secret) sources and mischief-making gossips (all with their own particular agenda) to publish a story that fits their own pre-conceptions.

18. The media frequently rush to judgement ignoring their duty to balance and responsibility and are so often consumed with dubious conspiracy theories, they are reluctant to see anything at face value or even the simple truth.

19. It is always worth remembering in any strategy to gain a smoother ride in the press that journalism is NOT ‘a search for truth and beauty’. One of the disbenefits of having a ‘free press’ is that the media are free to be wrong and usually are. But they can also be nasty, outrageous, awkward and shamelessly irresponsible.

20. The media also move as a herd. If one moves one way all the others are likely to follow; so even if you manage to correct a mistake in one area it may be already too late to prevent the juggernaut from rolling.

21. The experience of the Swedish Statistics Bureau also bears much of this out:

“It is always difficult to weigh the pros and cons of responding when statistical data are misused or when adverse comments are made about Statistics Sweden. On the one hand, if one responds one runs the risk of prolonging a negative discussion and of drawing more people’s attention to it. But on the other hand, observant readers may believe that criticism is justified if no response is forthcoming.

“Where Statistics Sweden is concerned, we have no hard and fast policy on responding to adverse comments in the press; we assess each case individually. Of the total of 800 to 1000 press cuttings each month in which Statistics Sweden is named, generally only a handful are the kind that might lead us to consider whether to make a comment. In recent times we have more often chosen to respond to criticism than to refrain from doing so when adverse criticism has been expressed or statistics have been interpreted in an obviously erroneous manner. We generally do not respond to personal columns in anecdotal style, satirical attacks that include no criticism based on facts, or individual interpretations.

“Where misunderstandings or misinterpretations are involved, or when the quality of our statistics is called into question, we always issue a rejoinder. In our experience, the newspapers publish Statistics Sweden’s comments or corrections in roughly half of all cases. We do not believe that the work we have put into elaborating a response is in vain in the other cases, as Statistics Sweden’s rejoinder probably ends up in the newspaper’s archives alongside the original article. This at any rate means that the same mistake will not be repeated, at least not by the same newspaper.

“The initiative in writing a response or a correction can either be taken by the Director-General, the Chief Press Officer or the statistician concerned. When it is purely a matter of correcting facts, it is the statistician concerned in the subject matter area in question who writes the text, even if it is the Chief Press Officer who later contacts the editor.”

22. FSO Germany also has a couple of concrete examples:

Example 1 – A ‘shocked minister’ and a work of fiction!

Pensions and the question of whether their funding is ensured for the future are an explosive political issue in Germany. Any newspaper article creating the impression that the authorities responsible for pension planning disagree on the relevant basis for calculation will definitely be a success with the readers.

The business magazine Capital provided an example last year:

It published an article concerning the minister of social affairs, Mr. Riester. Its headline was “Riester trapped” and it included a picture of the minister with the caption “Helpless. The minister of social affairs, Mr. Riester, needs a completely new pension formula”. In the list of contents, the article was referred to as “Federal Statistical Office shocks Riester”. The text explained that the ninth population forecast of the Federal Statistical Office in Wiesbaden would mess up the ministry's pension plans. It was stated that “The Wiesbaden-based authority is making a U-turn” and the President of the Federal Statistical Office was quoted as saying “Let’s stop glossing things over!”. What had happened?

Nothing! The quotation was completely fictitious, the author had never talked to the President of the Federal Statistical Office about the matter. At the time, the ninth population forecast had not even been published by the Federal Statistical Office. The Office had issued no figures at all on the issues of pensions and the average age of the population in the period before the article was published.

The name and the reputation of the Federal Statistical Office and of its President were misused to start a political mock fight.

The reaction of the Federal Statistical Office was very determined:

- On the very day of publication of that Capital issue, the Office published a press release correcting things and stating the facts: "The Federal Statistical Office firmly rejects the attempt of Capital to politically misuse the Office and its President in the current discussion on pension policy. According to the Federal Statistics Law, the Federal Statistical Office is bound to strictly observe the principles of neutrality, objectivity and scientific independence. Ever since it has existed, the Office has applied those principles with no consideration for political or media opportunity."
- Moreover, the Office published again the really relevant figures on average age and gave specific explanations.
- The Federal Statistical Office immediately contacted the ministry, agreeing with it on how to deal with the media.
- The President of the Federal Statistical Office lodged a complaint with the German Press Council and obtained a preliminary injunction that the article must no longer be distributed. The German Press Council ensures voluntary self-monitoring of the printed media in Germany. On the one hand, it defends the freedom of the press in Germany. On the other hand, it develops guidelines for journalistic work and endeavours to make doubtful practices in the press sector disappear.

Result:

- The immediate correction was a success: Other media about to take up the story were discouraged from doing so. The lack of journalistic integrity shown here by Capital was well noticed in press circles. The ministry and the Federal Statistical Office did not allow themselves to be divided, their declarations stating the facts were in agreement with each other, mutual accusations did not occur. The general public realised that the Federal Statistical Office attaches great importance to its neutrality, objectivity and scientific independence.
- The complaint lodged with the German Press Council was a partial success. Although the magazine was sold with the article and the publisher did not have to pay fines, the publisher was publicly reprimanded. The public at large (and the author of the article) will not have failed to notice that.

Example 2 – Doubters from outside and a Saturday response

When the convergence criteria for participation in the third stage of the European Economic and Monetary Union were first published for the Federal Republic of Germany, a researcher of a renowned German economic research institute doubted in an interview that the calculation of net borrowing was correct. A regional politician demanded that the calculation be critically checked. The data were presented in a press conference on Friday morning, while the interview was held in the afternoon of the same day.

The interview with the researcher was referred to on Saturday morning by a national radio station. Considering the political explosiveness of the issue, it was absolutely necessary to immediately react the same day. Any delay would have seriously damaged the Office's reputation. A press release was distributed to the press agencies in the afternoon and broadcasting a counterstatement was arranged for the major TV news programmes that evening. The press covered the controversy on Sunday and Monday.

On Monday morning, the Office contacted the research institute, and both institutions issued a more detailed press release. At the same time, the Office was also backed by the ministry of finance and the other economic research institutes.

On Wednesday, a top-level discussion was held with the institute, followed by a press release in which the institute again admitted its error and confirmed the Office's calculation to be correct. Having reacted immediately and clearly and having communicated in an open and transparent manner with the press at all stages allowed the Office to manage the crisis without damage.

23. A couple of particular points struck me from these examples. The first case was a fine example of 'outrageous fiction' and 'shameless irresponsibility'. The importance of fast-footedness and of speaking with one voice with the Ministry were particularly important. This does not happen by accident – alertness and effective lines of communication are essential to achieve this. The second example also showed the need to be alert and be quick – even at weekends. The Saturday response was very impressive – how many of us have the capacity to be so robust so quickly at the weekend?! I was also impressed by the way the outside institute was brought 'onside' so effectively.

WHAT TO DO?

24. What can we do? Education is the starting point. We need to help the journalists who use statistics regularly to understand how and why they are compiled, how they should be used and what are the limitations of the data.

25. This may encourage a more mature use and interpretation of data in the media. Regular seminars and briefings can help but it must always be remembered journalists do not like being lectured (they know everything already!). You may have to dress up your teach-ins with some sort of news as bait or many journalists wouldn't come. Having said that. In the UK we have recently used our own in-house trainers and statisticians to explain to journalists the mysteries of how we produce national accounts. It was well-received and will, I'm sure, have positive benefits in the future.

26. There are of course some simple guidelines to follow including such things as:

- ❖ Agree the line to take and make sure that everyone (press officers and officials) sticks to it.
- ❖ BUT be ready, prepared and willing to modify the line as a situation changes.
- ❖ Ensure that Ministers and top officials are kept informed where appropriate.
- ❖ Never criticise other government departments, agencies or private organisations or the figures they may put out (stoking up a row is meat and drink to the media!).
- ❖ Ensure that press office is told of anything that might cause a presentational problem.

27. Options when bad news is out and spreading are (in ascending order of activity):

- ❖ Do nothing in public. Frequently the best option. Adding fuel to a fire is often the last thing you want. However, behind the scenes defensive material should be gathered and made available to press officers in case the story escalates.
- ❖ Talk to the reporter the next time they are encountered to steer them to a more favourable course/attitude.
- ❖ Talk to the reporter immediately and express the urgency of putting the issue right.
- ❖ Write to the reporter's superior for his/her information.
- ❖ Demand that a correction be printed/broadcast.
- ❖ Issue a press statement.

28. Every situation needs to be judged on its own merits and there are two equally powerful schools of thought which on one hand say you should always tend to the 'do-least' scenario, while others would argue you should go in hard every time. The first scenario leaves you open to being seen as a 'soft touch'. The latter scenario opens up the spectre of 'a row' and additional negative coverage. I note that Statistics Sweden say: "Where misunderstandings or misinterpretations are involved, or when the quality of our statistics is called into question, **we always issue a rejoinder**".

29. In the UK we now use systems of 'rapid rebuttal' across most areas of government where policy comes under criticism. This is of course rather harder to do when you are dealing almost wholly with data rather than policy. With policy it is usually possible to build in response to criticism in the formation of the policy and have something positive to say to counter negative coverage. This is possible with data where it can be foreseen they are likely to cause controversy – less so where someone blunders.

30. Even then, it is impossible, even with the most active and rapid rebuttal system to counter every example of inaccuracy or bias. To try to do so could lead to hopelessly inadequate responses.

31. The Statistics Sweden procedure is as follows:

“If – or perhaps it would be more accurate to say, when – a crisis arises, it is important that the appropriate action be taken. It can then be of vital importance that the staff has been trained in managing a situation of crisis.

“General advice on crisis communication with the media naturally applies to offices of statistics too.

“One fundamental rule is that it is never possible to hush something up once it has hit the headlines. Once the media have drawn attention to a mistake, it is futile to hope that the criticism will die down if one refrains from making a response.

- The best thing that can be done is to discover any mistakes or inaccuracies oneself, so as to keep the information initiative. This enables one to take subsequent measures more on one’s own terms, to assume a more offensive attitude.
- Corrected information must be distributed as promptly as possible.
- “Admit you were wrong”, “don’t lie” and “apologise” are other pieces of advice that media consultants consider important.
- In crisis situations it is also important that agreement exists on who is responsible for contacts with journalists. Further, these people must be available at all times.
- It can be an advantage to distribute a correction late in the day so as to give the daily newspapers limited time to notice it. The chances of the correction being given a lot of space diminish if it reaches the news room late in the day.

“Naturally there is no guarantee that one will succeed in moderating public attention to non-desirable facts or situations. But Statistics Sweden did make successful use of these procedures on one occasion when the wrong method of estimation was used in a commissioned piece of work and the result was given a lot of space in the media. The correction, with accurate figures, was printed in an inconspicuous place, but this time no critical comments were directed towards Statistics Sweden.

“The above strategy can function in the case of isolated mistakes if they do not occur too frequently. In situations of crisis where the criticism has political undertones, e.g. in connection with a Population and Housing Census, a confidence capital that has been built up over a long period can quickly crumble, regardless of whether relations with the media have been conducted according to all the rules of the game. It may be possible to reduce the negative publicity if the situation has been handled in the manner outlined above.”

32. I’m not so sure about the propriety of deliberately issuing something late in the day in order that the media don’t have time to do much with it! Perhaps this would be a good topic to discuss in session.