



**AMERICAN PUBLIC TRANSPORTATION ASSOCIATION**



***CRISIS MANAGEMENT FROM INSIDE OUT***  
***Leadership APTA – Class of 2012 research project***

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## LEADERSHIP APTA TOPIC-2012 CRISIS MANAGEMENT FROM THE INSIDE OUT

### I. INTRODUCTION-DEFINING CRISIS

What comes to mind when “crisis” is spoken within your place of employment? What constitutes a crisis? Is it an accident resulting in a service interruption, injury, or fatality? Do budget shortfalls, service cuts, or staffing reductions create crisis? Can political pressure and influence create crisis?

In our research, we discovered that “crisis” is centered on the human reaction to uncertainty and stress. With this definition in mind, our team focused on understanding the strategies that organizational leaders were using to manage crisis within their respective agencies.

In our extensive interview process, we learned that many CEOs and other industry leaders have developed thoughtful ways of caring for their employees during times of crisis that have led to better immediate and long-term solutions within their organizations. Armed with this information, we found three common themes throughout our interviews that we were able to summarize during our case studies:

- Employee reactions
- Management reactions
- Lesson learned

In addition, our research focused on two types of internal issues not typically described as crises to illustrate the focus on the human reaction.

The *first* area of focus examined employee responses to failures in transit service delivery and program implementations. The *second* area of research studied problems arising from corporate and agency mergers and reorganizations. To counterbalance our research on an internal crisis, we also studied examples of an external crisis and how industry leaders have reacted and helped their employees through the difficult times that caused stress within their organization. Our research provides insightful ways in which industry leaders can address, mediate, and mitigate crisis within their organizations.

### II. METHODOLOGY AND RESEARCH

More than 24 different leaders from diverse industries including transit, aviation, government, and highway organizations took part in our research to define an internal crisis, and to develop the means for managing the crisis and its impact on internal staff.

In order for our team to define internal crisis, we prepared a series of interview questions for the participants who took part in our research. As a result, more than 20 questions were developed, and the team member performing the interview was able to choose a minimum



of five sample questions as the basis for initiating dialogue with each organization. Please see Appendix A which lists all the interview questions.

These interview questions had two purposes. The first was geared towards getting a better understanding of the types of crisis that CEO's and other industry leaders deal with, and the second was geared towards gaining additional insight into the strategies these CEO's and industry leaders use to manage human reactions associated with these crises.

It is important to note that our initial research set out to develop a single tool box that could compare established protocols for dealing with external crisis to situational issues internal to an agency. As we quickly learned through our interviews, every situation is different and even established protocols need to be modified when dealing with crisis. The common thread that we found is that every leader has the power to mitigate a crisis by guiding employees in a direction that provides less stress, more certainty, creative thinking, and overall empowerment.

### III. INTERNAL CRISIS: SERVICE AND PROJECT DELIVERY

We first examined the challenges involved in providing service and completing projects on time and on schedule to the public. Projects facing near-term deadlines can cause high stress levels for employees and therefore increase the opportunity for internal organizational crisis. Our case studies cover examples of these situations in the context of working with employees to create solutions while working under external political pressure.

The first type of internal crisis that the team reviewed was the challenge in providing service and projects to the public while working under a deadline.

#### **The METRO Extension (2007), Société de transport de Montréal, Canada**

##### **Overview**

The Société de Transport de Montréal (STM) has operated a network of underground METRO transit since 1966. In the early 2000, the Quebec government requested the extension of the METRO to Laval, Montréal (a distance of approximately 3.23 miles). The authorities requested that the extension be ready for revenue operation by April 2007, which gave staff only a few years to complete the project. The subway extension included the addition of three new stations and STM would be responsible for construction and operation of the extension. The local government put a lot of pressure on STM to complete this project in a short period of time, and to make sure the project was completed under budget, and within the aggressive scheduling timeline. As a result, STM employees were required to meet the demands of the political expectations by acting quickly and responding to this daunting challenge.

##### **Employee Reaction**

The employees responsible for the implementation of the extension were placed in a very stressful situation. The external pressure to deliver the subway extension, combined with

internal pressure to come together as a team and to accomplish the task created a daily high-stress work environment.

### Management Response

Carl Desrosiers, Executive Director of Operations at that time, described his role as being responsible to help reduce the stress of this situation by trusting his employees. He believed that empowering them to perform their duties was an expression of trust in their abilities. Mr. Desrosiers believed that when employees felt well-supported, they were likely to work harder and expend greater efforts to complete the task at hand. For him, this time was a defining leadership moment. He enabled employees to feel confident and they responded by giving the best of themselves by working harder and expending extra effort to deliver the project on schedule.

### Lessons Learned

Mr. Desrosiers learned that while creating a collaborative process of encouraging employees in stressful times, the organization must also be careful to identify reachable goals and have reasonable expectations.

## Financial Crisis and Project Delivery-RTD FasTracks Program, Denver Colorado

### Overview

Some of the most critical issues that Phil Washington had to work through when beginning his role as General Manager were those surrounding the economic downturn due to lack of sales tax revenue generation and impacts on the ability for RTD to deliver projects. This was a situation that caused a great deal of uncertainty and stress, not only because it dealt with commitments to voters, but also because it resulted in concerns from inside the agency in terms of what work would be conducted, what projects would be implemented, and whether or not staff would be affected.

Mr. Washington discussed these financial challenges and how he collaboratively planned and moved forward with his management team. He discussed that you must focus on prioritization when you have limited resources and that this is key to making progress when financial issues come into play. He also discussed that moving forward, the entire team must understand that two things are true:

- You are not going to make everyone happy.
- Due to financial constraints and challenges, you may not get all of the projects completed as fast as you would like. In today's world, the market (private sector and government partnerships) will dictate how you can leverage available funds to get projects completed.

One important mechanism for dealing with the internal crisis from the financial fallout was to develop a Lessons Learned document in 2009. As Mr. Washington states in this document "Every successful organization learns from the past and improves for the future" (Report, 4).

The document describes lessons learned in nine specific categories: Planning/Environmental Studies, Cost Estimating, Revenue Forecasting, Railroad Right of Way, Property Acquisition, Management, Policies/Procedures, Project Delivery, and Communications. Lessons learned are defined as “general statements that describe good practices or innovative approaches that are shared to promote repeat application. They may also be descriptions of challenges or areas for improvement that are shared to provide continuous improvement” (Report, 4).

The document, 2009 Lessons Learned Report can be accessed at: [http://www.rtd-fastracks.com/main\\_54](http://www.rtd-fastracks.com/main_54).

### **Employee Reaction**

The employee reaction to the financial crisis was that of uncertainty. Project delivery is important to the public, but also to those whose jobs it is to deliver this work within the agency. In addition, the public perception of the agency was important to those who worked there.

### **Management Response**

Management response to the financial crisis was strong and communicative. Mr. Washington stressed the importance of honest communication, both internally to the employees and externally to the public. He also believed in empowering employees to learn from the past, plan for the future, and be engaged in a plan in which to do so.

### **Lessons Learned**

The lessons learned regarding the issues raised internally due to the financial crisis were literal in that the staff worked to put together a document that outlined all of the critical aspects of the situation. This document was helpful in engaging the staff to think about what was not in their control and also what could be done in the future to avoid potential problems. Mr. Washington stated that it was important to “engage staff in planning for the future and in making adjustments to make better forecasts.” This approach was a positive way in which to involve staff to provide focus and to re-direct energy and have a productive outcome.

## **Centralized Control of METRO Société de Transport de Montréal**

### **Overview**

Major METRO computer systems implemented in 1988 had exceeded their usable life. New operational issues and safety standards required the STM to embark on an aggressive plan to renew, adapt, and implement new centralized control systems for METRO.

Centralized control was a complex technology project integrating existing and new technologies to METRO. It was planned to integrate more than 140,000 points of metro interfaces including power, signaling, train control, lighting, messaging displays, security, escalators and elevators that enable all facets of METRO operations.

### Employee Reaction

The adoption of an ambitious schedule in 2003 and the underestimation of the complexity of the project by all stakeholders hindered the project's ability to be smoothly implemented within time and budget constraints.

The project staff felt pressure to deliver the centralized control system while communication problems with the external project consultant further complicated matters.

### Management Response

To safeguard against delays caused by technological problems and possible increases in project costs, STM put in place a recovery plan involving the contractor responsible for the project and STM employees.

During this period, the main direction of public affairs (Odile Paradis, Principle director of public relations) recommended that STM should act with transparency and explain to the media the many challenges of the project.

The recovery plan put in place in March 2010 was successful. On one hand, the schedule and budgets were met and secondly, the progress made so far continues to meet the demands of today's operations.

Today, the centralized control works 24 hours-a-day. The employees who have worked very hard to deliver the project are really proud of this achievement. They were under pressure for a long period of time but received support from the board of directors, managers, and steering committee. This was a major factor for the success of the project.

## IV. INTERNAL CRISIS: MERGERS and REORGANIZATIONS

Mergers and reorganizations were discussed by many of those interviewed and were described as times of stress and uncertainty for leadership. We discussed approaches to planning and implementing mergers and reorganizations and provide case study examples that cover different aspects of how each was handled with employees.

### **Northern Arizona Intergovernmental Public Transportation Authority, Flagstaff Arizona**

#### Overview

In 2000, enabling legislation was passed to allow for a merger of transit providers under the Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) in Flagstaff Arizona. The Cities of Flagstaff and Sedona; the Counties of Yavapai and Coconino; and Northern Arizona University all provided separate transit services and were operating within a relatively close proximity, sometimes overlapping boundaries.

Jeff Meilbeck was the Transportation Services Director for Coconino County prior to the development of NAIPTA where he is now the General Manager and was responsible for the merger of these organizations and discussed the reasons that it was important to the region.

The merger would allow for: more collaboration in the region; stronger coordination and cooperation in applying for grant funds; more efficient use of facilities, vehicles, and equipment; cost sharing; shared expertise; and staff specialization. Beyond the initial merger which created NAIPTA, Mr. Meilbeck discussed the importance of ongoing reorganizations in the transit industry stating “Reorganizations are as important to consider every year as budget plans. They are critical. If you are not open to reorganizations, you are out of step and at risk of losing your edge in the industry.”

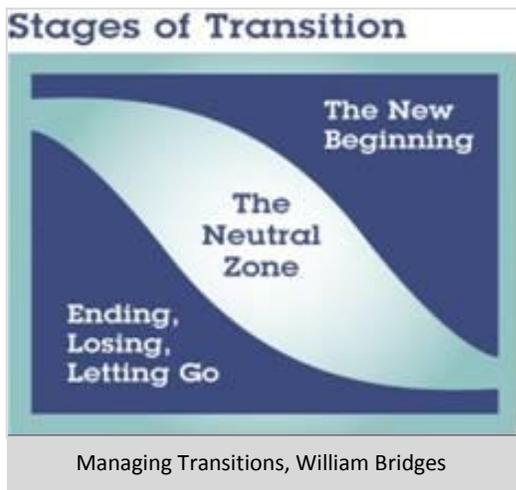
### Employee Reaction

Mr. Meilbeck discussed the stressful situation that was created by the merger and reorganization of the transit providers and emphasized that he was aware of this aspect of the process and the need to work with everyone to mitigate concerns. He noted, “The employee answering the phone doesn’t necessarily live in the same world of policy and reorganization and can feel out of touch with the process.”

### Management Response

Considering the reaction of staff was critically important to Mr. Meilbeck in the planning and implementation of the new single agency. He discussed the research that he conducted to better prepare himself to construct and apply a process that created the least amount of stress for those potentially affected. He cited the book Managing Transitions by William Bridges and discussed the ideas that were generated from his research.

He discussed the importance of understanding what staff experiences during each of three phases of transition as shown in the figure (left). Mr. Meilbeck clearly put the care of the employees first and made sure that everyone was part of the process.



**Lessons Learned**  
The involvement of the staff in the planning and implementation of the merger/reorganization under NAIPTA was critical to the success and the overall welfare of the employees.



Mr. Meilbeck, drawing on the model in Managing Transitions by William Bridges, summed up his process by stating “Work with

employees through change with the four “Ps”: Have a Purpose, Draw your Picture (vision), Plan your actions, and give staff the opportunity to Participate.”

## **Valley Metro and the Regional Public Transportation Authority, Phoenix Arizona**

### **Overview**

There are many different reasons organizations merge and/or reorganize including addressing inefficiencies, budget reductions, and increasing lines of communications. Whatever the reasons, more often than not, the internal staff reactions are usually not positive and typically lead to rumors, uncertainty, fear, anxiety, and stress because organizations typically overlook the human aspect of the reaction.

We interviewed Steve Banta, CEO for Valley Metro in Phoenix, AZ who was in the midst of completing a merger between two agencies: Valley Metro Rail and the Regional Public Transportation Authority (RPTA). As CEO, Steve had some challenges with trying to facilitate the merger between these two organizations. Steve noted during our interview that “the political will was there, however, there was still some reluctance from some of the member cities to move forward with a merger.”

Nevertheless, and even in the midst of a down economy, Mr. Banta saw this as an opportunity to combine the two agencies under one brand (Valley Metro). He wanted people to think differently about transit in the Phoenix Metropolitan area, and his vision for the region was to develop a “Total Transit Network.”

### **Employee Reaction**

Merging and reorganizing are not easy, as internal crisis tends to develop as a result of several variables including fear, uncertainty, instability, perceived value, and the possibility of losing one’s job as a result of a reduction in force. Some of these issues are self-induced, while others are a result of management failing to communicate their goals within their organization. Inevitably, these issues eventually lead to rumors, misinformation, and even valuable employees entertaining other career opportunities outside of the agency. Mr. Banta was fully aware of all these possibilities, but instead of pretending these possibilities didn’t exist, he developed a plan and established his leadership team to assist him in implementing his strategic plan for the organization.

### **Management Response**

In an effort to provide an objective and neutral perspective moving forward, Valley Metro enlisted the services of an outside consultant to evaluate the two organizations and positions between the agencies. This was important because an outside consultant provided impartiality that internal management could not. They interviewed key staff and provided feedback to the CEO regarding how the organization should be consolidated to achieve the following goals:

- Optimizing the use of existing talent and resources
- Promoting collaboration and open communication

- Maximizing efficiencies
- Developing a roadmap for the future.

Afterwards, Valley Metro held an “all staff” meeting to discuss how the integration of the new organization would be performed, and to present the new organizational chart. During the meeting, Mr. Banta took the time to be honest with his staff and answer their questions. He did this by being open, transparent, and direct. Oftentimes, leaders are hesitant to be transparent in their immediate responses because of the fear of the reaction to bad news.

Mr. Banta made it very clear that as a leader of an organization, you should always be open and honest. When an employee asked whether there will be layoffs, his response was a direct “yes.” He also stated that leaders should always be direct. If you are direct, then there is less likelihood of rumors because your message has been clearly communicated. This also helps employees deal with the stress of worrying about the unknown.

He concluded that as a CEO “you should always take the opportunity to engage your employees, and you must be comfortable in your own skin so that when you communicate, your message can be clearly heard.”

### Lessons Learned

CEO and industry leaders should always be open and honest with their employees, and try to find ways to engage and communicate with them during times of uncertainty. They should also strive to achieve transparency in the workplace and be comfortable as they deliver their message to their organizations.

Many times the fear of the reactions to crisis can be mitigated by simple honest and open communication. Ultimately, your response to these crises will not always be openly received, but the value in your honest answers will allow your staff to respect and trust you, because they know you care.

## V. EXTERNAL CRISIS AND THE INTERNAL REACTION

External crises also create stress and uncertainty for the staff involved. Communication and leadership during times of external crisis is critically important in managing reactions and in helping to implement the important steps to mitigate these emergencies.

Several examples of external crises are provided through the case studies described and include those lessons learned shared by management in caring for their employees during these stressful situations.

### **Fatal accident involving a bus driver, Société de transport de Trois-Rivières, Canada**

#### Overview

The Société de transport de Trois-Rivières is a small transit agency. Only over 130 employees work for the agency which operates 23 bus routes in a city of 130,000 people.

A few years ago, a fatality occurred. The bus driver was very upset by the incident. At that time, there was no support program for employees in these situations. The driver received support from a supervisor who was not well-prepared to offer adequate assistance.

### **Employee Reaction**

Due to the lack of support, this situation caused tremendous frustration among staff.

Employees felt that the company was not properly suited to support them in times of major crises.

### **Management Response**

The General Director noted that the agency needed all stakeholders of the company to participate in the development of protocols or emergency plans.

### **Lessons Learned**

Internal crises can have very significant impacts. If these crises are not addressed early enough, the consequences would be detrimental to the internal and external aspects of the agency.

The effects of the crisis may result in a demobilization which affects the quality of service offered to customers.

## **Employee Death on the Job, TheBus, Oahu Transit Services, Inc., Honolulu, Hawaii**

### **Overview**

Two of TheBus mechanics were involved in a tragic accident while fixing a stalled bus. One mechanic was killed while trying to identify problems with the bus.

### **Management Response**

Oahu Transit Services President and General Manager, J. Roger Morton immediately contacted the Mayor and headed over to the accident scene. When he arrived to the location, the local news media had already converged on the scene and was asking specific details of the accident.

Mr. Morton emphasized that it was essential for him to provide accurate, factual, and timely details to them in order to maintain control of the situation before the evening news deadline. "I've always believed that it is important to maintain credibility and open communication with the media to the extent that you can keep a good relationship with them even in times of disaster like this."

Oahu Transit Services' Assistant General Manager, Kenneth Hong, and Human Resources' Personnel Supervisor Dani Suzawa were also in motion, notifying corporate attorneys and insurance officers and readying employee assistance programs. "Employee assistance has to



be readily available immediately to accommodate the employees involved,” said Suzawa. “You can’t wait or delay and expect them to deal with their emotions on their own.”

### Employee Reaction

While employee deaths are infrequent at TheBus, this accident had additional ramifications that required extra care and sensitivity from Mr. Morton. One of the mechanic’s daughters was also an employee of the company, working as a clerk in TheBus’ Transportation Administration department. Once able to gather the basic facts and early investigation of the accident, Mr. Morton called victim’s wife and daughter.



Mr. Morton was initially advised by company attorneys to provide no statement or comment on the accident to the victim’s family. “After contacting the family and being told that no one would explain to them what had happened, against our attorneys’ instructions I shared the confirmed facts with them.” He knew that this would aid in the family’s grieving process and prepare them mentally to see the accident scene on the evening news and the following day’s newspapers. They appreciated his honesty and thanked him for being the first to make them aware of the details of the tragic accident.

“When something occurs, it is important to tell the truth to assure the public that the situation is secured, safe, and that we are concerned for the public and our own... that we care as an organization,” said Mr. Morton. In the several days following the accident, Oahu Transit Services provided grief counseling to employees at operating and maintenance division sites.

Special care was exercised to provide specific coverage in the maintenance department to employees who were close peers of the mechanics. Personnel Supervisor Suzawa extended specific employee assistance psychiatric help to the daughter of the victim, the other mechanic, and the bus operator who called in about the stalled bus. This focused effort to reach out and offer assistance to a widespread group of individuals has a long-term effect on employee wellness. Six years later, all three employees are still productive members of Oahu Transit Services ‘ohana (family).

### Lessons Learned

This accident and fatal injury had the potential to instigate a negative portrayal of the transit agency. However, with skillful management of media expectations, the decedent’s ‘ohana or family, employees, and the riding public, much drama, ensuing litigation, and damage to the company’s image was averted. Other lessons learned:

- Be up front and timely with the truth on all levels: to the media, the company, to the employees and families involved.



- Establish and maintain a relationship of trust with the media to combat adversarial reporting.
- Communicate personally with employees and their families per local customs and traditions.
- Deploy psychiatric employee assistance programs immediately to deal with stress and grieving.
- Show through action that the company cares about the public and their organization as a family does.

## **Driver death in tragic circumstances, Réseau de transport de Longueuil, Canada**

### **Overview**

In September 2010, a driver died in tragic circumstances. The incident is reported by the media essentially linking the death and events of attempted assaults at bus stops. The deceased driver was identified by colleagues as having a resemblance to the composite sketch released of the aggressor. The story is blown out in the media and the transport company is left with this situation to manage.

### **Employee Reaction**

Co-workers are believed to have harassed the driver. The General Director was left with information that was not of the same level as those in the media. The reaction rate and extent of action would have been different had he had more comprehensive information at the time.

The agency was unaccustomed to this kind of crisis. It operates in a political environment where anxiety is palpable in this situation.

### **Management Response**

For the General Director of the Réseau de transport de Longueuil, his first concern was to take care of the affected employees in his agency. His second priority was to restore the work environment as soon as possible. Moreover, as information became clearer and more available, his priority was to disseminate truth, even if the media continued to sensationalize the story.

### **Lessons Learned**

For the General Director this episode reminded him of the importance of having in hand the most complete information possible to be able to act appropriately and promptly. He drew several lessons from this crisis:

- Investigate all events immediately of any kind even if they seem trivial at the time
- Have crisis management procedures defined in terms of both internal and external communications
- Gather all information as quickly, accurately, and completely as is practicable before making any official statements

- Involve outside professional crisis managers as soon as it is appropriate

## **Bus Operator Fatality on the Job, LA Metro, Los Angeles, California**

### **Overview**

A patron with mental illness boarded an LA Metro bus with the intent of harming the operator. After paying the fare, the man approached the operator and requested him to stop the bus. As soon as the bus was pulled over, the patron opened fire and killed the operator.

### **Employees Reaction**

Initially, many operators (rank-and-file) were shocked, but also feared for their safety. Several employees articulated that they were discontent with current management and contacted their unions and several Board members for some kind of “change” in their work environment.

### **Management Response to the Fatality**

Mr. Art Leahy, CEO, quickly responded to this fatality by immediately going to the scene of the crime. He quickly met and communicated with the Sergeant in Charge to determine the details of the fatality. With a clear understanding of the situation, he met with the Chief Operating Officer along with the Field Supervisor at the scene to determine the next course of action/communication.

Mr. Leahy also directed the Sheriff’s to expand their current deployment to include all the bus lines. He did not want any “copy-cat” incidents and ordered for the Sherriff’s staff to be on the bus lines for the next 90 days.

Mr. Leahy also went to the division where the deceased operator had worked. He met with all the operators at the division and communicated the details of the crime. He also made sure to listen to the operators who had many questions about the incident and his approach in ensuring the safety of all the operators. He also spoke with the victim’s family, expressed his condolences and emphasized the agency’s commitment to support them during this time of great loss.

Mr. Leahy continued to communicate with his COO, Media Executive Officer, and several Board members throughout the day, to guarantee that correct information was being provided to everyone (especially the employees).

The next day, he debriefed his staff and continued working with the media about this incident. Mr. Leahy and his staff worked with the deceased employee’s family on the funeral arrangements and made certain that he participated in the funeral. He has continued in visiting the divisions and made certain that he was available to meet with any operator who wished to speak to him about this fatality. Mr. Leahy has made concerted efforts to meet with the employee’s family.

## Lessons Learned

- “Ride towards the gun-fire” – It is critical for the CEO and/or managers to be at the scene of the crisis.
- “Act, with acts of courage” – Make sure that you act and address the crisis at hand with conviction and courage.
- “Show that you care” – Be visible and available for your staff.
- Demonstrate calm, control and never over-react – As the leader of your organization, you have to make certain that you calmly address and deal with the chaos of the event.

## VI. BEST PRACTICES AND LEADING THROUGH CRISIS

Whether dealing with internal or external crises, our team heard applicable messages in terms of best practices when working with employees to lessen the uncertainty and stress of each situation.

Some control of crisis situations can be found by helping to manage the negative reaction of staff by leading in a supportive and positive way, working towards goals, and communicating clear messages. The following summary highlights some of the message points applicable to leadership in all crisis situations.

### Leading by Example

Setting the tone as a leader is important, especially during crisis situations. It may be easy to focus on one particular solution to a multitude of issues that are in play at one time; however, the spotlight externally and internally is always on the individuals who are at the helm. Leading by example also means taking care of yourself, getting rest, and staying healthy.

During stressful times, bad decisions can be made simply from lack of sleep, and your employees will follow your lead in terms of when to take a break. It is also important to be fully aware that you are the person directly responsible for communications and that translates into your requirement to inform others, including staff. Stéphane Forget, Executive Director, External relations and strategic planning, at STM stated “The main challenge in these (crisis) situations is to ask (myself) how I am informed to make the right decisions and how I inform (my staff and stakeholders).”

Benjamin Limmer, Valley Metro, also discussed the importance of leadership in standing behind an agency’s decisions and setting the positive tone for teamwork when working to implement a management request. In regards to leading by example, he stated “Always justify what you do and focus on making progress. Do your job well, even in times of uncertainty.”

## Empowering and Trusting Employees

In several interviews, our team heard statements about working with employees to manage crisis situations internally. Enabling employees to do the right thing to carry out important actions was a common theme. Zoe Richmond, Director of Public Affairs at Union Pacific, stated that it is “important to empower people to act within their area of expertise. Empower staff to make decisions based on their knowledge areas...it helps in times of crisis.” The Union Pacific is a very large organization with a multitude of both technical and policy experts. In every crisis situation, it is important to give staff the knowledge and tools to correct a problem, and the authority with which to do so.

This can often lead to a more quick response and a team that is immediately focused on correcting a situation. Jennifer Toth, State Engineer, Arizona Department of Transportation, echoed this message when discussing the importance of empowerment before, during, and after crisis situations. “People generally know how to do their jobs. Learn from them. Learn from operators, maintenance people, others, they will teach you. A wealth of information comes from inspectors...take the opportunity to learn from them,” said Ms. Toth.

Ms. Toth, also noted that it was important to be engaged during times of crisis by being the conduit to providing staff with what they need to do their jobs, especially if that job entails acting in an emergency situation. In certain situations, especially in transportation, it is important to clearly understand the point of view of maintenance as the end user and many times the front line when things go wrong.

This message of connecting and empowering employees was also stated by others in our interviews:

“Always keep in touch with employees and give importance to the relationship you have with them.”

- *Pierre Del Fante, General Director, Réseau de transport de Longueuil*

“In order to be successful, you will need to develop a good track record with employees. Employees usually respond better when they know that the GMs/CEOs are interested in their welfare.”

- Richard Sarles, CEO, WMATA

“It is particularly important to maintain regular contact with front line managers since they are in direct contact with the delivery service that involves customers and drivers.”

- Pierre Del Fante, General Director, Réseau de transport de Longueuil

## Communication Strategies

“Communication is key” can sound cliché and sometimes be forgotten because it is so commonly stated. However, communication during times of crisis is at the core of the

outcome in every situation. Communication sets the tone because it is the conduit for information. In terms of crisis, the timeliness of solutions, and the way in which employees are able to cope, it is how, when, where, and what information is shared that makes all of the difference in the outcome. One point noted by several of the individuals that we interviewed was that of needing to have confidence as a leader because that sets the tone of your messaging.

Several key quotes regarding communication during crisis are noted below:

“Stay calm, provide only the information that you know to be true, if you can’t answer a question, say so.”

- *Steve Banta, CEO, Valley Metro*

“The main challenge lies in communication. We need to offer much support to staff and make employees feel that managers and we have confidence in them.”

- *Bernard Blanchet, City Councilor and member of the STM board*

“We must inform employees and stakeholders of the situation with constant communication and accurate (to stick to the basics). Ensure that employees have the information before customers.”

- *Denise Vaillancourt, Executive Director, STM*

“During times of financial crisis, provide as much information as you can to your staff and take a team approach in dealing with the potential sacrifices.”

- *Jennifer Toth, State Engineer, Arizona Department of Transportation*

“Credibility carries you the furthest. Therefore having good relationships are important for people to believe you.”

- *Carolyn Flowers, CEO, Charlotte Area Transportation System (CATS)*

“Communicate what you know, bad news can’t be ignored. Always try to maintain the appearance of being in control.”

- *Shana Ellis, Tempe AZ Councilmember and Valley Metro/RPTA Board Member*

“Employees and the general public cannot tolerate the unknown. Inform must be a reflex. There are always questions and answers that are prepared in order to properly inform employees. They need to feel supported and well aware of the situation.”

- *James C. Cherry, CEO, Aéroports de Montréal*

### Taking Every Situation as It Comes

When our team began this research project, we thought it would be a very straightforward and somewhat methodical process to learn about how agencies dealt with external crises by following protocols and translate those tools to dealing with internal issues and staff.

It was eye-opening for us to understand the multitude of factors that come into play during each and every situation that comes up on a daily basis for many agency leaders and how this is handled each time. Two quotes noted here emphasize the importance of focus as a leader in knowing that every situation is unique, every person may interpret issues differently, and everything requires some level of sensitivity and understanding.

“Never become desensitized-treat everything that affects people with the attention that it deserves.”

*- Shana Ellis, Tempe AZ Councilmember and Valley Metro/RPTA Board Member*

“No matter how many protocols you have in place, when incidents happen, there are new issues to address. Be flexible and thoughtful in responding to situations. “

*- Debora Ostreicher, Deputy Aviation Director, City of Phoenix Aviation Sky Harbor International Airport*

## VII. CONCLUSION

Crises have one common thread: they cause stress and uncertainty in the individuals experiencing them. Two specific definitions of crisis that we focused on in our research include Merriam Webster’s definition – “a psychological or social condition characterized by unusual instability caused by excessive stress” – and Dictionary.com’s “a dramatic emotional or circumstantial upheaval in a person’s life. “These, as well as other published definitions of crisis, focus on the individual and what is experienced during a crisis event.

Understanding that the magnitude of a crisis is directly related to the reaction of individuals makes managing the situation within an agency more critical. Our research, therefore, focused internally on employees in crisis situations and the importance of communication and care of these individuals.

Our case studies covered many lessons learned and ideas from transportation agencies both in the United States and Canada. We hope that our research may provide ideas and best practices shared by industry leaders with consideration that even in uncertain and stressful situations, the actions of leadership can mitigate the magnitude of a crisis.

## VIII. APPENDIX A: INTERVIEW QUESTIONS

1. What do you consider your defining moment of leadership to be?
2. What was the darkest moment that you remember in your career?
3. What is the most difficult task you have encountered as a CEO?
4. How do you control the spread of damaging rumors (often more interesting than fact) within your organization?
5. Which is easier to manage, an internal or external crisis? Who is a tougher judge of management, the employees or the public?
6. Can you describe a critical situation (internal or external) that you didn't control anything but you had the responsibility to fix? Describe the situation and tell us how you managed it. What were the biggest issues you had to address and what did you learn about it?
7. Every agency must cut staff or budgets from time to time. What is your strategy to deliver bad news to the staff? What works and what doesn't?
8. Sometimes there are external major crises you simply can't see coming such as weather disasters or bridge collapses. These situations are usually managed with well-known protocols for the outside crisis. However, how do you manage in the same time the inside situation with a high level of stress for the operational staff? Do you have procedures to support them? Can you describe a crisis situation where the staff did not have enough support? What were the effects of this lack of support?
9. When rumors of staff cuts are pending, what do you do to keep productivity up? Do you talk to the staff? What do you tell to reduce stress and keep them working?
10. Are there stories that made the headlines for weeks that were very bad for the company image? What were your responsibilities in these situations and how did you get through this?
11. What are the best practices to manage crisis situations inside and outside?
12. Can you please discuss an incident in your career where you felt you had to prepare to respond or immediately respond to crisis (where protocols did not exist) and your insight/planning improved the outcome?

13. Can you provide your thoughts on discussing “bad news” with an organization and how that can be done in a proactive way?
14. We are looking at three internal types of crisis: reorganizations, budgetary issues/bankruptcy, and workplace violence. Can you discuss ways in which to either prepare for or respond to one or more of these crises that can create a positive outcome?
15. What would you like to learn as part of the outcome of our research?
16. Are there other staff people that you would recommend we speak with?
17. We understand that most organizations have procedures in place to deal with major crisis that impact their transit system, so that impacts on the general public can be minimized (i.e. Fare increases, natural disasters, service disruptions due to accidents, storms, suicide, etc.). However, does your organization have any procedures in place to deal with crisis that may affect internal staff and workforce morale (i.e. scandal, death threats, threat of bodily harm, disgruntle employees, re-organizations, budget/staff reduction)?
18. Follow up question: There is probably no sure fire way to deal with these type of crisis in the work place, as each situation is different. Have you ever been in a situation mentioned above, and how were you able to lead your organization in the aftermath?
19. With the state of the current economy, agencies are being asked to more with less money. In many cases budgets are being cut. How does your organization deal with this type of situation, and how do you balance between the thin line of reducing service operations and/or recommending staff reduction.
20. Follow up question: When budget cuts are pending, whispers abounds within an organization, and in some cases rumors become the reality that internal staff live by. How does a CEO deal with controlling the rumors, and instilling reassurances with a hint of a reality to their staff to help maintain office morale and productivity during difficult times?
21. Have you ever been a part of, or are you in the midst of a reorganization effort? If so, how did you handle the anticipation and anxiety felt by staff coupled with the responsibly to streamline your organization.
22. Follow up (If they’ve done it before). What worked during the reorganization effort? What didn’t? What would you have done differently?

23. Follow up (if they are in the midst of reorganization) What are your major concerns? Do you have a support system in place to help you thoroughly evaluate the impacts of each major decision? How are you keeping employees engaged through these times?