



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2022/2023 ACADEMIC YEAR
FOURTH YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF EDUCATION**

**COURSE CODE: CPR 4101
COURSE TITLE: CRISIS COMMUNICATION**

DATE: 14TH DECEMBER, 2022

TIME: 1430-1630

INSTRUCTIONS TO CANDIDATES

Question ONE is compulsory
Answer any other TWO questions

Question One

Read the following text concerning a crisis and answer the following questions:

On the 20th of April 2010, the petroleum industry has been marked by the largest maritime disaster oil spill in its history known as the Deepwater Horizon oil spill. This accident was caused by an outstanding explosion and has resulted in the killing of eleven people. Five months after the explosion and until the announcement of the completion of sealing of the oil well, some 780 million gallons of crude leaked into the sea, causing the most considerable damages in the USA from an oil disaster, not only on the environment, but also on economy and on the regional tourism. The damages produced by this accident were also particularly considerable for BP. The company was facing simultaneously two main issues: the biggest spill oil in the US history and considerable financial and reputation losses.

At the financial level, BP shares loosed on June 25, 2010, nearly 7% and fell to its lowest level since 14 years in the London Stock Exchange. In addition, the BP stock market valuation, which was \$182 billion on April 20, dropped to \$ 89 billion on July 2, 2010. As for the company's reputation, it has dramatically collapsed not only in the U.S.A. but also worldwide. According to Covalence, an organization that tracks the ethical reputation of multinationals, BP's reputation has fallen sharply as the spill has progressed without a resolution. BP was then awarded the grade E, the lowest grade attributed by Covalence in a ranking used by ethical investors. In addition, a PR Week/One Poll's survey conducted about one month before the accident showed that the public feels that BP has not done enough to stop the leak. This reputation loss persisted till yet. Almost a year after the Deepwater Horizon oil spill, the "12th Annual Harris Interactive U.S. Reputation Quotient (RQ) Survey," (released on May 2 by research group Harris Interactive polled over 30,000 Americans between December 2010-February 2011) revealed that, among the 60 most visible US companies, BP was second from last with a score of 49.82 and concluded that BP was still perceived by Americans as one of the companies with the worst corporate reputation in the USA.

Furthermore, BP faced growing calls for boycott of its products. In mid-June 2010, the number of Facebook group called "Boycott BP" grew to almost 640,000 fans. An anonymous activist has joined the fun by establishing a fake BP Twitter account called @BPGlobalPR and started sending out messages about the Gulf oil spill to Twitter. A month after the explosion, @BPGlobalPR had 190,035 followers while the BP account, @BP_America had only 18, 826 followers. At last, BP was facing thousands claims and lawsuits from many actors such as fishers, hotels, restaurants as well as NGOs like the Animal Welfare Institute (AWI) and other animal

protection and conservation organizations. To deal with the spill oil as well as reputation and financial losses, BP mobilized substantial means and expended a great deal of effort. The company particularly started up its communication machine in the hope to reduce and even to repair reputation damages. However, crisis management and communication experts' opinions differed on whether BP has successfully or unsuccessfully communicate with its stakeholders during the crisis.

- a) Describe the crisis in the passage above. (4mks)
- b) From the passage, discuss at least 4 characteristics of a crisis (8mks)
- c) Did BP handle the crisis effectively? Explain. (14mks)
- d) Would you have handled it differently if you were in charge? How/ Why not? (4mks)

Question Two

Recently Kenyatta National Hospital faced a crisis in which a child lost its life due to the negligence of the doctors. Describe the measures you will institute at KNH as the Public Relations Officer to avoid such a crisis.

(20mks)

Question Three

- a) Define organisational crisis. (2mks)
- b) Discuss the types of crisis an organisation is likely to encounter. (8mks)
- c) Recently one of the managers of Kenya Bureau of Statistics was arrested on grounds of corruption. Discuss the effects of these crisis on KEBS Organisation. (10mks).

Question Four

- a) Precision Airline Tanzania suffered a plane crash on early November and lost 20 passengers. Explain how as the communications officer of Precision Airline you will effectively communicate this crisis before and after it has occurred. (15mks)
- b) Which crisis communication theory best suits your type of organisational conflict? Explain (5mks)

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