Samantha is the chief risk officer of New Frontier Energy (NFE), a natural resource multinational, whose operations include oil and gas extraction, transportation and refining. NFE has just completed a new pipeline from a major oilfield to a coastal refinery which runs through a protected wildlife area. Days before it opens, a prominent anti-corruption blogger tweets that he has proof the company paid bribes to local authorities to secure the route and a favourable environmental impact assessment. Within hours, thousands of environmental activists and socially conscious celebrities are attacking NFE across various social media platforms, calling for a boycott of outlets selling its products.

The rise of social media as a dominant method of communication is revolutionising the job of risk managers. The adage that reputations are built over years but can be destroyed in an instant is truer than ever, as social media connects the public in faster and more targeted ways, amplifying concerned stakeholders’ voices and publicising crises in real time. But while social media creates new dangers for risk exposure, it also provides new opportunities to respond to a crisis.

Luckily Samantha is a modern CRO and knows the steps to ensure social media is part of her strategy.
Samantha understands that social media is a pipeline to and from the public and media. Studies have shown that approximately 71% of US adults use Facebook and 23% use Twitter; and that 25% of verified Twitter users are journalists. Social media has long been a part of her broader risk management, and crisis communication strategy.

NFE can use social media to quickly telegraph reassurance to key stakeholders including employees, commercial partners and NFE’s shareholders. With all three groups most likely to be followers of the company’s social media, Samantha can quickly assure them that their personal security, jobs, delivery schedules and the pipeline project’s itself are secure ensuring the company’s value.

Samantha knows that staying safe and prepared requires constant vigilance. Samantha and the risk department have been present on, monitoring, and filtering social media for references to NFE for months, and were quickly aware of the blogger’s allegations.

Some executives and risk officers believe that social media’s interactive and connected nature means a loss of control; that allowing the public to interact with messaging creates more risks than it prevents. Samantha realises the world is changing. Allowing stakeholders to create content and be involved helps NFE collect information about a crisis faster from those directly involved and can be used to rally supporters. Organically, support for NFE begins to build from followers especially those who will benefit from the pipeline, such as partners, consumers and employees.

In this scenario, a sound social media strategy enabled Samantha and NFE to remain informed and respond flexibly to a major crisis, protecting their reputation, while building new user and client communities who will demonstrate brand loyalty both in cyber space and the real world.

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