

CHOOSING AN APPROPRIATE CHANNEL AND ORGANIZATIONAL PATTERN

An organization's ability to handle difficult situations with tact and empathy powerfully influences the perceptions of employees, local citizens, and the public at large. As a skilled communicator, you will attempt to deliver bad news in such a way that the recipient supports the decision and is willing to continue a positive relationship. To accomplish these goals, allow empathy for your audience to direct your choice of an appropriate channel and outline when presenting a logical discussion of the facts or an unpleasant idea. Use tactful and effective language to aid you in developing a clear, yet sensitive, message.

7-1a Channel Choice and Commitment to Tact

Personal delivery has been the preferred medium for delivering bad news because it signals the importance of the news and shows empathy for the recipient. Face-to-face delivery also provides the benefit of nonverbal communication and immediate feedback, which minimizes misinterpretation of these highly sensitive messages. Personal delivery, however, carries a level of discomfort and the potential for the escalation of emotion. A voice on the telephone triggers the same discomfort as a face-to-face meeting, and the increased difficulty of interpreting the intensity of nonverbal cues over the telephone only adds to the natural discomfort associated with delivering negative information.

You must be cautious when you deliver bad news electronically, whether by email or electronic postings. While you might feel more comfortable avoiding the discomfort of facing the recipient, the impersonal nature of the computer might lead to careless writing that is tactless and lacking in empathy, and, perhaps, may even be defamatory. Stay focused and follow the same communication strategies you would apply if you were speaking face-to-face or writing a more formal message. Regardless of the medium, your objective is to help your audience understand and accept your message, and this requires empathy and tact.

"You're fired" became a familiar phrase immortalized by Donald Trump on the hit show *The Apprentice*.

If the bad news is presented in the first sentence, the reaction is likely to be negative.

Though such bluntness might work on television, it is rarely recommended in actual work situations. Tactlessness can have serious effects when your personal response fails to soothe negative feelings and ensure a harmonious relationship with a customer, client, or employee. You might find it difficult to show tact when you doubt the legitimacy of a request or simply don't have the time to prepare an effective bad-news message. When this conflict exists, you must remember that any message delivered on behalf of the company is a direct reflection on the company's image.

7-1b Use of the Inductive Approach to Build Goodwill

Just as good news is accompanied by details, bad news is accompanied by supporting reasons and explanations. If the bad news is presented in the first sentence, the reaction is likely to be negative: "They never gave me a fair chance," "That's unfair," "This just can't be." Having made a value judgment on reading the first sentence,

receivers are naturally reluctant to change their minds before the last sentence—even though the intervening sentences present a valid basis for doing so. Once disappointed by the idea contained in the first sentence, receivers are tempted to concentrate on *refuting* (instead of *understanding*) supporting details.

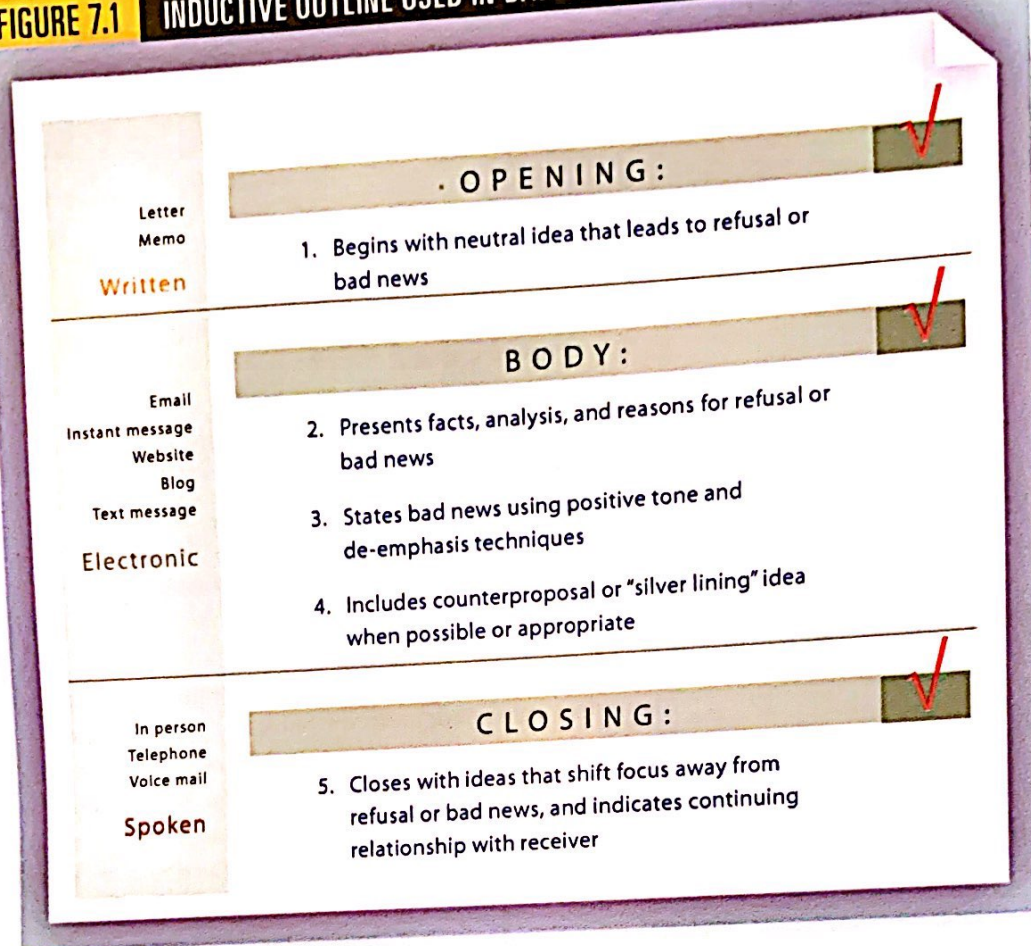
From the communicator's point of view, details that support a refusal are very important. If the supporting details are understood and believed, the message might be readily accepted and good business relationships preserved. Because the reasons behind the bad news are so important, the communicator needs to organize the message in such a way as to emphasize the reasons.

The chances of getting your audience to understand the reasons are much better *before* the bad news is presented than *after* the bad news is presented. If the bad news precedes the reasons, the message might be discarded before this important portion is even read, or the disappointment experienced when reading the bad news might interfere with your audience's ability to comprehend or accept the supporting explanation.

The five-step outline shown in Figure 7.1 simplifies the process of organizing bad-news messages. These five steps are applied in messages illustrated in this chapter.

Although the outline has five points, a bad-news message may or may not have five paragraphs. More than one paragraph might be necessary for conveying supporting

FIGURE 7.1 INDUCTIVE OUTLINE USED IN BAD-NEWS MESSAGES



well-written explanations are not likely to make a reader impatient. They relate to the audience's problem, present information not already known, and help your audience understand. However, if a receiver becomes impatient while reading a well-written explanation, that impatience is less damaging to understanding than would be the anger or disgust that often results from encountering bad news in the first sentence.

7-1c Exceptions to the Inductive Approach

Normally, the writer's purpose is to convey a clear message and retain the recipient's goodwill;

reasons. In the illustrations in this chapter, note that the first and final paragraphs are seldom longer than two sentences. In fact, one-sentence paragraphs at the message's beginning look inviting to read.

You might speculate that your audience might become impatient when a message is inductive. Concise,

thus, the inductive outline is appropriate. In the rare circumstances in which a choice must be made between clarity and goodwill, clarity is the better choice. When the deductive approach will serve a communicator's purpose better, it should be used. For example, if you submit a clear and tactful refusal and your audience submits a second request, a deductive presentation might be justified in

THE INDUCTIVE SEQUENCE OF IDEAS HAS THE FOLLOWING ADVANTAGES:

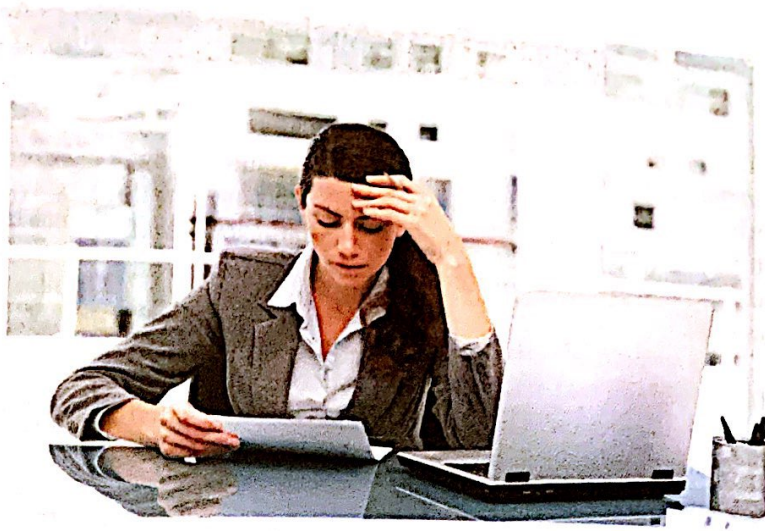
- ▶ Sufficient identification of the subject of the message without first turning off the audience.
- ▶ Presentation of the reasons *before* the refusal, where they are more likely to be understood and will receive appropriate attention.
- ▶ Avoidance of a negative reaction. By the time the reasons are read, they seem sensible, and the refusal is foreseen. Because it is expected, the statement of refusal does not come as a shock.
- ▶ De-emphasis of the refusal by closing on a neutral or pleasant note. By showing a willingness to cooperate in some way, the sender conveys a desire to be helpful.

PLACING A REFUSAL IN THE FIRST SENTENCE CAN BE JUSTIFIED WHEN ONE OR MORE OF THE FOLLOWING CIRCUMSTANCES EXIST:

- ▶ The message is the second response to a repeated request.
- ▶ A very small, insignificant matter is involved.
- ▶ The request is obviously ridiculous, immoral, unethical, illegal, or dangerous.
- ▶ The sender's intent is to "shake" the receiver.
- ▶ The sender-recipient relationship is so close and longstanding that satisfactory human relations can be taken for granted.
- ▶ The sender *wants* to demonstrate authority.

the second refusal. Apparently, the refusal needs the emphasis provided by a deductive outline.

In most situations, the preceding circumstances do not exist. When they do, a sender's goals might be accomplished by stating bad news in the first sentence.



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7-2 DEVELOPING A BAD-NEWS MESSAGE

Developing a bad-news message following the inductive outline is challenging. The following suggestions will aid you in writing the (1) introductory paragraph, (2) explanation, (3) bad-news statement, (4) counterproposal or "silver lining" idea, and (5) closing paragraph.

7-2a Writing the Introductory Paragraph

The introductory paragraph in the bad-news message should accomplish the following objectives: (1) provide a buffer to cushion the bad news that will follow, (2) let the audience know what the message is about without stating the obvious, and (3) serve as a transition into the discussion of reasons without revealing the bad news or leading the audience to expect good news. If these objectives can be accomplished in one sentence, then this sentence can be the first paragraph.

Here are several ideas that can be incorporated into an effective beginning paragraph:

- **Compliment.** A message denying a customer's request could begin by recognizing the customer's promptness in making payments.

- **Point of agreement.** A sentence that reveals agreement with a statement made in the message could get the message off to a positive discussion of other points.
- **Good news.** When a message contains a request that must be refused and another that is being answered favorably, beginning with the favorable answer can be effective.
- **Resale.** A claim refusal could begin with some favorable statement about the product.
- **Review.** Refusal of a current request could be introduced by referring to the initial transaction or by reviewing certain circumstances that preceded the transaction.
- **Gratitude.** In spite of the unjustified request, the audience might have done or said something for which you are grateful. An expression of gratitude could be used as a positive beginning.

AVOID THE FOLLOWING WEAKNESSES WHEN WRITING THE INTRODUCTORY PARAGRAPH:

- ▶ **Empty acknowledgments of the obvious.** "I am writing in response to your letter requesting . . ." or "Your message on the 14th has been given to me for reply" wastes space and presents points of no value. Beginning with I signals the message might be writer-centered.
- ▶ **Tipping off the bad news too early.** "Although the refund requested in your letter of May 1 cannot be approved . . ." might cause an immediate emotional reaction resulting in the message being discarded or it might interfere with understanding the explanations that follow.

The neutral statement "Your request for an adjustment has been considered. However, . . ." does not reveal whether the answer is "Yes" or "No," but the use of "however" signals that the answer is "No" before the reasons are presented. Such a beginning has about the same effect as an outright "No."

- ▶ **Starting too positively so as to build false hopes.** Empathetic statements such as "I can understand how you felt when you were asked to pay an extra \$54" might lead the audience to expect good news. When a preceding statement has implied that an affirmative decision will follow, a negative decision is all the more disappointing.

7-2b Presenting the Facts, Analysis, and Reasons

The reasons section of the bad-news message is extremely important because people who are refused want to know why. If a message is based on a sound decision, and if it has been well written, recipients will understand and accept the reasons, and the forthcoming refusal statement, as valid.

To accomplish this goal, begin with a well-written first paragraph that transitions the reader smoothly into the reasons section. Then develop the reasons section following these guidelines:

- **Provide a smooth transition from the opening paragraph to the explanation.** The buffer should help set the stage for a logical movement into the discussion of the reasons.
- **Include a concise discussion of one or more reasons that are logical to the reader.** Read the section aloud to identify flaws in logic or the need for additional explanation.
- **Show audience benefit and/or consideration.** Emphasize how your audience will benefit from the decision. Avoid insincere, empty statements such as "To improve our service to you, ..."

STUDY THE FOLLOWING EXAMPLES THAT USE TRANSITION STATEMENTS TO ACHIEVE A COHERENT OPENING:

Your employment application package has been reviewed by Human Resources.

Human Resources personnel ...

Following your request for permission to submit a proposal to continue subsidizing employees' access to exercise facilities, we reviewed recent records of attendance.

In the past two years, attendance ...

Reveals the topic as a reply to a recipient's employment application.

Uses "Human Resources personnel" to transition from the first to second paragraph.

Reveals the subject of the message as a reply to an employee's request.

Uses "recent" and "attendance" to tie the second paragraph to the first.

- **Avoid using "company policy" as the reason.** Disclose the reason behind the policy, which likely will include benefits to the reader. For example, a customer is more likely to understand and accept a 15% restocking fee if the policy is not presented as the "reason" for the refusal.

The principles for developing the reasons section are illustrated in Figure 7.2: a letter written by an attorney refusing a request to represent a client.

7-2c Writing the Bad-News Statement

A paragraph that presents the reasoning behind a refusal at least partially conveys the refusal before it is stated directly or indirectly. Yet one sentence needs to convey (directly or by implication) the conclusion to which the preceding details have been leading. A refusal (bad news) needs to be clear; however, you can subordinate the refusal so that the reasons get the deserved emphasis. The following techniques will help you achieve this goal.

- **Position the bad-news statement strategically.** Using the inductive outline positions the bad-news statement in a less important position—sandwiched between an opening buffer statement and a positive closing. Additionally, the refusal statement should be included in the same paragraph as the reasons, since placing it in a paragraph by itself would give too much emphasis to the bad news. When the preceding explanation is tactful and relevant, resentment over the bad news is minimized. Positioning the bad-news statement in the dependent clause of a complex sentence will also cushion the bad news. This technique places the bad news in a less visible, less emphatic position. In the sentence, "*Although the company's current financial condition prevents us from providing raises this year, we hope to make up for the freeze when conditions improve,*" the emphasis is directed toward a promise of raises at another time.
- **Use passive voice, general terms, and abstract nouns.** Review the *emphasis techniques* that you studied in Chapter 3 as you consider methods for presenting bad news with human relations in mind.
- **Use positive language to accentuate the positive.** Simply focus on the good instead of the bad, the pleasant instead of the unpleasant, or what can be done instead of what cannot be done. Compared with a negative idea presented in negative terms, a

FIGURE 7.2

DEVELOPING THE COMPONENTS OF A BAD-NEWS MESSAGE

Selecting a law firm to represent your organization provides a continuity of services that better protects your officers, board of directors, and investors. It is an important decision that requires careful consideration from a range of perspectives.

One important consideration is protection against a conflict of interest. One of our current clients is a key competitor with your firm. For that reason, we believe it is in your best interest to select another law firm to represent your organization and protect you from any potential negative charges.

If our current client list changes, we will contact you about our availability in case you are still looking for a law firm to represent you. We appreciate the trust that you hold in our services.

Reveals the subject of the message and transitions into reasons.

Supports the refusal with logical reasoning.

States refusal positively and clearly using complex sentences and positive language.

Ends with a forward-looking message to enhance goodwill.

negative idea presented in positive terms is more likely to be accepted. When you are tempted to use the following terms, search instead for words or ideas that sound more positive:

Words That Evoke Negative Feelings

complaint incompetent misled
regrettable error inexcusable mistake
unfortunate failure lied neglect wrong

Words That Evoke Positive Feelings

accurate concise enthusiasm productive
approval durable generous recommendation
assist energetic gratitude respect

- **Imply the refusal when the audience can understand the message without a definite statement of the bad news.**

By *implying* the “No” answer, the response has the following positive characteristics: (1) it uses positive language, (2) it conveys reasons or at least a positive attitude, and (3) it seems more respectful. For example, during the noon hour one employee says to another, “Will you go with me to see this afternoon’s baseball game?” “No, I won’t,” communicates a negative response, but it seems unnecessarily direct and harsh. The same message (invitation is rejected) can be clearly stated in an *indirect* way (by implication) by saying “I must get my work done,” or even, “I’m a football fan.” Note the positive tone of the following implied refusals:

Implied Refusal

I wish I could.

Had you selected our newest calling plan, you could have reduced your monthly rates by 10% or more.

By accepting the new terms, Southern Wood Products would have doubled its energy costs.

Underlying Message

- Other responsibilities prohibit, but recipient would like to accept.

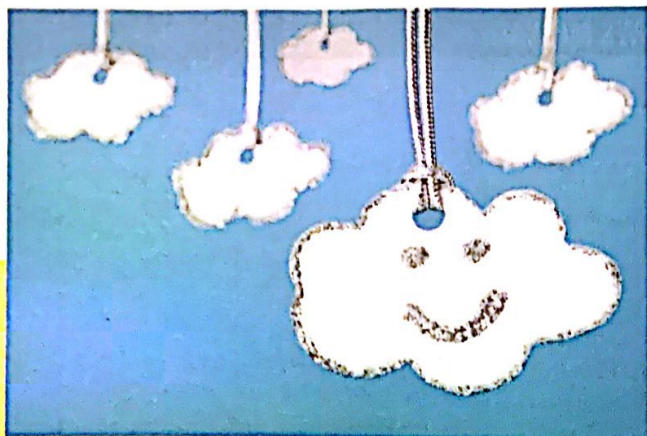
- States a condition under which the answer would have been “Yes” instead of “No.” Note the use of the subjunctive words “had” and “could.”

- States the obviously unacceptable results of complying with a request.

7-2d Offering a Counterproposal or “Silver Lining” Idea

Following negative news with an alternative action, referred to as a **counterproposal**, will assist in preserving a relationship with the reader. Because it states what you *can* do, including a counterproposal might eliminate the need to state the refusal directly. The counterproposal can follow a refusal stated in a tactful, sensitive manner. When global Internet services and media company AOL

counterproposal in a bad-news message, an alternative to the action requested that follows the negative news and can assist in preserving future relationships with the audience



Offering a counterproposal or "silver lining" idea can assist in preserving a relationship with the receiver of bad news.

was faced with laying off 2,000 workers, the silver lining offered was a generous severance package and aid in transitioning to other job opportunities.¹

While the counterproposal might represent a tangible benefit, at times it is more intangible in nature. For instance, in a letter that informs a job applicant that he or she was not selected to fill the position, the counterproposal might be an offer to reconsider the applicant's résumé when other appropriate positions become available. Any counterproposal must, of course, be reasonable. For instance, when informing a customer of an inability to meet a promised delivery deadline, an unreasonable counterproposal would be to offer the merchandise at no charge. A reasonable counterproposal might be to include some additional items at no charge or to offer a discount certificate good for the customer's next order.

When no reasonable counterproposal is apparent, the sender might be able to offer a silver lining thought that turns the discussion back into the positive direction.

For instance, a statement to tenants announcing an increase in rent might be followed by a description of the improved lighting that will be installed in the parking lot of the apartment complex. When offering a counterproposal or silver lining statement, care must be taken to ensure that the idea does not seem superficial or minimize the recipient's situation.

7-2e Closing Positively

After presenting valid reasons and a tactful refusal, followed by a counterproposal or silver lining statement, a closing paragraph should demonstrate empathy without further reference to the bad news. A pleasant closing paragraph should end with an empathetic tone and achieve the following goals:

- **De-emphasize the unpleasant part of the message.** End on a positive note that takes the emphasis away from the bad news previously presented. A statement of refusal (or bad news) in the last sentence or paragraph would place too much emphasis on it. Preferably, *reasons* (instead of bad news) should remain uppermost in the audience's mind. Placing bad news last would make the ending seem cold and abrupt. When no reasonable counterproposal is apparent, the sender might be able to offer a silver lining thought that turns the discussion back into the positive direction.
- **Add a unifying quality to the message.** Make your final sentence an *appropriate* closing that brings a unifying quality to the whole message. Repetition of a word or reference to some positive idea that appears earlier in the message serves this purpose well. Avoid restatement of the refusal or direct reference to it. This paragraph is usually shorter than the preceding explanatory paragraphs, often one or two sentences.

AVOID INCLUDING THE FOLLOWING TYPES OF STATEMENTS IN THE CLOSING PARAGRAPH:

- ▶ **Trite statements that might seem shallow and superficial.** The well-worn statement "Thank you for your interest" is often used thoughtlessly. It might seem shallow and superficial. "When we can be of further help, please do not hesitate to call or write" is also well worn and negative. *Further help* might seem especially inappropriate to someone who has just read a denial.
- ▶ **Statements that could undermine the validity of your refusal.** The statement "We trust this explanation is satisfactory" or "We hope you will understand our position" could be taken as a confession of doubt about the validity of the decision. Use of position seems to heighten controversy; positions are expected to be defended. Saying "We are sorry to disappoint you" risks a negative reply: "If it made you feel so bad, why did you do it?" It can also be interpreted as an apology for the action taken. If a decision merits an apology, its validity might be questionable.
- ▶ **Statements that encourage future controversy.** Statements such as "If you have questions, please do not hesitate to let us know" could also be perceived as doubt and possibly communicate a willingness to change the decision. If the decision is firm, including this type of closing could result in your having to communicate the negative message a second time.

- **Include a positive, forward-looking idea.** This idea might include a reference to some pleasant aspect of the preceding discussion, or a future aspect of the business relationship, resale or sales promotion, or an offer to help in some way. Consider the following closures that apply these suggestions:

Reference to some pleasant aspect of the preceding discussion:

"Your decision to refinance your mortgage last year was a wise choice." Home mortgage and other provisions had been mentioned in the earlier part of a letter to a client who was refused a double-indemnity settlement.

Use of resale or sales promotional material:

"Selecting our new hybrid Breeze with its 50-miles-per-gallon fuel usage was a wise decision with today's gas prices." A reminder that the hybrid has superior gas mileage will assist in regaining goodwill after a customer's request for free repair has been refused.

An expression of willingness to assist in some other way:

Specifically, you might offer an alternative solution to the audience's problem, or useful information that could not be presented logically with the bad news. *"Our representative will show you some samples during next week's sales call."* The samples are being proposed as a possible solution to the reader's problem.

Note that the closing paragraph in Figure 7.2 is a positive, forward-looking statement.

7-3

REFUSING A REQUEST

It's a good idea to use the inductive approach (reasons before refusal) for refusing requests for a favor, an action, or even a donation. Present clear, understandable reasons in a way that minimizes the audience's disappointment.

You can examine an agent's refusal to provide an organization with a speaker in Figure 7.3.

FIGURE 7.3 GOOD EXAMPLE OF A REFUSAL FOR A FAVOR



2700 Rosehill Way • Canton, OH 02139-2700
• Phone 617 555-8700 • 617 555-7961

September 12, 2017

David Joseph, President
Global Reading Project
385 Quaker Lane
Chicago, IL 83331

Dear David:

You are commended for your commitment to providing books to disadvantaged children around the globe. Learning to read provides children with the opportunity to gain an education and better contend with our competitive world.

The recent opening of your 20th library marks an important milestone in your organization's efforts. It deserves significant recognition of your organization's progress, and selecting a notable speaker for this event is important in attaining press coverage. Unfortunately, my client, author Jack Squires, believes that the topics of some of his books may not align with your organization's best interests.

I do represent a number of other authors that may better meet your needs. If you are interested in having a discussion about having one of the other authors that I represent speak at your event, please call me at 888-2351.

Sincerely,
Nandini
Nandini Forouk
Publishing Agent



• Introduces the subject without revealing whether the answer will be "Yes" or "No."

• Gives reasons that will seem logical to the reader.

• Subordinates the refusal by placing it in the dependent clause of a complex sentence. Alludes to providing help in another form.

• Closes positively with a counterproposal. Conveys goodwill and provides a telephone number.

Format Pointer
Signs first name only because the writer knows the receiver well.

STUDY THE TECHNIQUES USED TO CUSHION THIS BAD-NEWS STATEMENT:

Although Richardson Contracting was selected as the building contractor, expertise with environmentally friendly construction techniques was considered a plus for S and S Builders.

- ▶ States what was done rather than what was not done.
- ▶ Includes a positive idea ("expertise with environmentally friendly construction techniques") to accentuate a positive aspect and cushion the bad news.
- ▶ Uses passive voice ("Richardson Contracting was selected") to depersonalize the message.
- ▶ Places the bad news in the dependent clause of a complex sentence ("although Richardson Contracting was selected"). The positive idea in the independent clause ("expertise with environmentally friendly construction techniques") will receive more attention.

This response to prior correspondence uses the same principles of sequence and style that are recommended for messages that *initiate* communication about unpleasant topics. The same principles apply whether the communication is a spoken message, letter, memo, or email message.

Companies have learned that building employee relationships is just as important as developing customer goodwill. Refusing employees' requests requires

sensitivity and complete, honest explanations, qualities that are not included in the bad email in Figure 7.4.

The manager's hasty and vague response to a valued employee's request to create an exercise facility uses a direct, blunt approach. In the revision illustrated in Figure 7.5 (on page 125), the manager takes the time to prepare a response with a detailed explanation supporting the refusal and a genuine respect for the employee.

FIGURE 7.4 POOR EXAMPLE OF A REFUSAL TO AN EMPLOYEE'S REQUEST



New Message

To: Tim Hansen [thansen@HLEngineering.com]

From: Wilma Leonard [wleonard@HLEngineering.com]

Subject: No Exercise Facility This Year

Tim,

How can you consider asking for our company to fund and construct an exercise facility for employees?! Our employees are here to work, not to work out.

We are not in the business of exercise, and the cost of constructing such a facility would be enormous. With the economy the way it is, now is not the time for requesting such expenditures. If employees want to stay in shape, they can do it on their own time, before or after work or on the weekends.

I will see if I can get some nearby exercise facilities to give employees a cut rate, but I can't guarantee any results.

States refusal before explanation.

Uses negative language and a condescending tone without giving a complete explanation for the refusal.

Offers possible alternative, but the reluctant tone seems insincere.

FIGURE 7.5**GOOD EXAMPLE OF A REFUSAL TO AN EMPLOYEE'S REQUEST****New Message**

To: Tim Hansen [thansen@HLEngineering.com]
From: Wilma Leonard [wleonard@HLEngineering.com]
Subject: Request for Employee Exercise Facility

Hi Tim,

Because we want you to work at the highest level possible, your suggestion to construct an employee exercise facility on site has been carefully considered. Taking a break from work to exercise is an excellent way to energize employees and to ensure a healthy workforce.

Constructing an employee exercise facility on site would be a time-consuming and expensive project because of architectural, labor and building material costs. Construction of a 1,000-square-foot facility and fitting it with the required exercise equipment would cost nearly \$200,000.

In response to your idea, I am checking with existing exercise facilities located near our offices to see if we might arrange a reduced membership fee for employees. The company might also be able to subsidize a portion of the fee with the savings in reduced sick time that you mentioned.

Tim, I will get back to you as soon as I have gathered information about the costs of membership at local facilities.

Regards,
Wilma Leonard
Human Resources Manager
HL Engineering, Inc.
Tampa, FL 90349
509-823-4211, Fax 509-823-4200
wleonard@HLEngineering.com

Cushions the bad news with a sincere compliment for the employee's suggestion.

Transitions to reasons and provides a complete explanation for the refusal.

Restates the reason to justify refusal.

Includes logical alternative and closes with a positive look toward future expansion.

Format Pointers

Sends message by email—the medium preferred by the recipient.

Includes .sig file to identify the writer and provide contact information.

7-4**DENYING A CLAIM**

Companies face the challenging task of refusing claims by customers while also maintaining goodwill and building customer loyalty. Claim refusals are necessary when a warranty does not apply, has expired, or a customer has misused the product. Companies must also write refusals when customers ask for something that a company simply can't do. For example, many retailers charge customers a \$25–40 fee on returned checks. A retailer who receives a customer's

request to waive the charge must refuse because the claim is inconsistent with the retailer's policies and objectives.

The inductive approach is helpful in communicating this disappointing news to customers. Presenting the explanation for the refusal first leads customers through the reasoning behind the decision and helps them *understand* the claim is unjustified by the time the refusal is presented. Tone is especially important when denying claims. Present the reasons objectively and positively without casting blame or judgment on the customer for

the problem. Avoid lecturing a customer on the actions he or she should have taken to avoid the problem. Finally, close the message with resale or sales promotional material that indicates that you expect future business. Although disappointed with your decision, customers continue doing business with companies who make fair, objective decisions and communicate the reasons for those decisions in a positive, respectful manner.

Assume a manufacturer of LED screens received the following email from a customer:



New Message

To: Gala Foster [gfoster@blueice.com]
From: Lisa Thompson [lthompson@skiskatesurf.com]
Subject: Refund error

Please issue a credit to my account for \$254. Although you accepted the four pairs of skis I returned, you only credited my account for \$1,569.75. Because I could find no explanation for the discrepancy, I assume an error has been made.

The company's return policy allows customers to return unsold merchandise at the end of the holiday season, subject to a 15% restocking charge. The return

policy is printed clearly on the inside cover of its catalog and in bold print at the bottom of both the printed and Internet order forms. Telephone operators explain the restocking charge to customers placing orders via the company's toll-free number.

The customer's inquiry shows a lack of understanding of the return policy. Although a frustrated company representative might question why the customer can't read the return policy, the response must be more tactful than that illustrated in Figure 7.6. The example in Figure 7.7 reveals the subject of the message in the first sentence and leads into a discussion of the reasons. Reasons for the restocking fee, including benefits to the customer, precede the refusal. The tone is positive and respectful. The refusal statement uses several de-emphasis techniques to cushion its impact, and the final sentence turns the discussion away from the refusal with reference to future business with the customer.

FIGURE 7.6 POOR EXAMPLE OF A CLAIM DENIAL

Bad

Your message questioning your statement has been received. I am sorry, but we cannot adjust your account as you requested. Clearly, the statement is correct.

Each of the order forms you have completed states that returns are subject to a 15% restocking charge. Surely you saw this information printed in **bold print** on the order forms, and our telephone operators also explain our return policy thoroughly when customers place orders. I am sure you can appreciate the cost and effort we incur to restock merchandise after the holiday season is over.

Thank you for doing business with us. If you have any further questions, please do not hesitate to call or message us.

A more tactful explanation of the reason for the refusal might prepare the reader for an implied refusal at the end of the paragraph.

The conclusion does not build goodwill because it is too generic.



HUNTINGTON SURF & SPORTS

1905 BEACH BOULEVARD
HUNTINGTON BEACH, CA 97501-7313

TELEPHONE: 800-555-6000
FAX: 800-555-0583

January 24, 2017

Lisa Thompson
Ski, Skate, and Surf
1905 South Pacific Street
San Pedro, CA 97501-7313

Dear Ms. Thompson:

Restocking of Returned Merchandise

The Blue Ice skis you stocked this past season were skillfully crafted and made from the most innovative materials available. Maintaining a wide selection of quality skiing products is an excellent strategy for developing customer loyalty and maximizing your sales.

Our refund policies provide you with the opportunity to keep a fully stocked inventory at the lowest possible cost. You receive full refunds for merchandise returned within 10 days of receipt. For unsold merchandise returned after the primary selling season, a modest 15% restocking fee is charged to cover our costs for holding this merchandise until next season. The credit applied to your account for \$1,569.75 covers the merchandise that you returned at the end of December.

While relaxing from another great skiing season, take a look at our new Blue Ice skis and other items available in the enclosed catalog for the 2015 season. You can save 10% by ordering premium ski products before September 10.

Sincerely,

Gala Foster

Gala Foster
Credit Manager
Enclosure: Catalog

Legal and Ethical Consideration
Avoids corrective language that might insult, belittle, or offend.

• Uses a subject line that identifies the subject without revealing the refusal.

• Uses resale to cushion the bad news and leads into an explanation.

• Presents a clear explanation of the reasons behind the policy with emphasis on the ways that the reader benefits.

• Implies a refusal by stating the amount credited to the account.

• Shifts the emphasis away from the refusal by presenting a silver lining sales promotion for next season's merchandise.

• Specifies enclosure to emphasize the importance of exact items.

7-5

DENYING CREDIT

Once you have evaluated a request for credit and have decided "No" is the better answer, your primary writing challenge is to refuse credit so tactfully that you keep the business relationship on a cash basis. When requests for

credit are accompanied with an order, your credit refusals might serve as order acknowledgments. Of course, every business message is directly or indirectly a sales message. Prospective customers will be disappointed when they cannot buy on a credit basis. However, if you keep them sold on your goods and services, they might prefer to buy

WHY EXPLAIN CREDIT DENIAL?

- ▶ Writers can show the fairness of the decision.
- ▶ Receivers are entitled to the truth.
- ▶ Receivers can learn to adjust bad habits.

from you on a cash basis instead of seeking credit privileges elsewhere.

When the credit investigation shows that applicants are poor credit risks, too many credit writers no longer regard them as possible customers. They write to them in a cold, matter-of-fact manner. They do not consider that such applicants might still be interested in doing business on a cash basis and might qualify for credit later.

In credit denials, as in other types of refusals, the major portion of the message should be an explanation for the denial. You cannot expect your audience to agree that your "No" answer is the right answer unless you give the reasons behind it.

Both writers and readers benefit from the explanation of the reasons behind the denial. For writers, the explanation helps to establish fair-mindedness; it shows that the decision was not arbitrary. For readers, the explanation not only presents the truth to which they are entitled, it also has guidance value. From it they learn

to adjust habits and, as a result, qualify for credit purchases later.

Because of the legal implications involved in denying credit, legal counsel should review your credit denial messages to

Fair Credit Reporting Act

a federal law that provides consumers the right to know the nature of the information in their credit file and gives them other protections when they apply for and are denied credit

ensure that they comply with laws related to fair credit practices. For example, the Equal Credit Opportunity Act (ECOA) requires that the credit applicant be notified of the credit decision within 30 calendar days following an application. Applicants who are denied credit must be informed of the reasons for the refusal. If the decision was based on information obtained from a consumer reporting agency (as opposed to financial statements or other information provided by the applicant), the credit denial must include the name, address, and telephone number of the agency. It must also remind applicants that the **Fair Credit Reporting Act** provides them the right to know the nature of the information in their credit file. In addition, credit denials must include a standard statement that the ECOA prohibits creditors from discriminating against credit applicants on the basis of a number of protected characteristics (race, color, religion, national origin, sex, marital status, and age).

To avoid litigation, some companies choose to omit the explanation from the credit denial letter and invite the applicant to call or come in to discuss the reasons. Alternately, they might suggest that the audience obtain further information from the credit reporting agency whose name, address, and telephone number are provided.

7-6

DELIVERING CONSTRUCTIVE CRITICISM

A person who has had a bad experience as a result of another person's conduct might be reluctant to write or speak about that experience. However, because one person took the time to communicate, many could benefit. Although not always easy or pleasant, communicating

about negatives can be thought of as a social responsibility. For example, a person who returns from a long stay at a major hotel might, upon returning home, write a letter or email message to the management commending certain employees. If the stay was not pleasant and weaknesses in hotel operation were detected, a tactful message pointing out the negatives would probably be appreciated. Future guests could benefit from the effort of that one person.

Before communicating about the problem, an individual should recognize the following risks: being stereotyped as a complainer, being associated with negative thoughts and perceived in negative terms, and appearing to challenge management's decisions concerning



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hotel operations. Yet such risks might be worth taking because of the following benefits:

- The communicator gets a feeling of having exercised a responsibility.
- Management learns of changes that need to be made.
- The hotel staff about whom the message is written modifies techniques and is, thus, more successful.
- Other guests will have more enjoyable stays in the hotel.

When making the decision to communicate about negatives, the primary consideration is intent. If the intent is to hurt or to get even, the message should not be sent. Including false information would be *unethical* and *illegal*. To avoid litigation charges and to respond ethically, include only specific facts that you can verify, and avoid evaluative words that present opinions about the person's character or ability. For example, instead of presenting facts, the message in Figure 7.8 judges the staff member sent to work on a project management team. Overall, the message is short, general, and negative. By comparison, the revision in Figure 7.9 on page 130 avoids potential legal and ethical problems by reframing the situation as a direct request. Not all criticisms can be reframed in this manner, but reframing negative messages is a solution to many potential bad-news situations.

Framing is a persuasive technique used to influence a receiver's perception of a situation. To "reframe" is to

When making the decision to communicate about negatives, the primary consideration is intent

take a particular approach to a situation and redefine it. In the example provided in Figure 7.8, the writer has decided to take a critical approach to solving a team assignment problem. As discussed, certain legal and ethical risks can arise from this definition of the situation. These risks can be avoided by reframing the situation, not as one of criticism, but as an opportunity to make a direct request. A direct request is a much less risky, less challenging communication situation because most direct requests are routine and noncontroversial. As

Figure 7.9 indicates, reframing the situation as a direct request reduces the need to discuss Patton's abrasive manner and enables the writer to focus on the positive attributes that Cho brings to the situation. In other words, the writer has redefined a potential negative situation into a positive one.

Reframing negative situations is almost always a preferred method for dealing with bad news, unless doing so is deemed manipulative or deceptive.

7-7

COMMUNICATING NEGATIVE ORGANIZATIONAL NEWS

Being able to initiate messages that convey bad news about an organization is as important as responding "No" to messages from customers/clients and others outside

FIGURE 7.8 POOR EXAMPLE OF A CONSTRUCTIVE CRITICISM

Bad

I am writing to request that you replace Glen Patton as the corporate communications rep on the ProTech version 5.1 project management team. He is dogmatic and arrogant and refuses to let anyone else on the team get a word in. It's bad enough that he tries to dominate team meetings, but, on top of this, he often doesn't know what he is talking about.

Glen may be knowledgeable about product promotion, but he doesn't have the team communication skills that are needed to collaborate in a positive, productive manner with his teammates. Is there someone more cooperative that you could move to the team?

This information should be placed in a second paragraph that describes specific behaviors in order to maintain neutrality.

The close would be better at maintaining goodwill if it were more positive in tone and content.

New Message

To: Ken Sutter [ksutter@corpcomm.protech.com]
From: Anita Ruiz [aruiz@marketing.protech.com]
Subject: Request Team Replacement

Hi Ken,

I know your resources may be spread a little thin with all the projects that the company has going right now, but would it be possible to find a replacement for Glen Patton on the ProTech version 5.1 team?

Tina Cho worked on the previous product version and was very effective at suggesting important product features wanted by customers. Although Glen is a valued member of your team, he doesn't have the knowledge of the product that Tina brought and, thus, is less effective in helping the team identify and develop desirable marketing features.

Tina has also worked with the team and meshes well with their communication dynamic. This is an important element of teamwork for assuring a positive, productive work climate.

I don't know about Tina's availability at this time, but I would be happy to meet with you and discuss product team assignments more broadly. I am happy to consider moving some of my people around if it would help make this request possible.

Best,

Anita
 Anita Ruiz, Marketing Manager
 ProTech Solutions

Frames the situation as a direct request.

Provides good reasons for honoring the request.

Ends with a suggestion that makes honoring the request easier for the recipient.

Legal and Ethical Considerations

Avoids legal and ethical concerns by reframing a potential criticism as a direct request.

Format Pointer

- Uses letter channel rather than email to communicate a sensitive message.

the company. Employees and the public are seeking, and expecting, *honest* answers from management about situations adversely affecting the company—slumping profits, massive layoffs, bankruptcy, a variety of major changes in the organization, and negative publicity that affects the overall health of the business and retirement plans, to name a few.

Managers who can communicate negative information in a sensitive, honest, and timely way can calm fears and doubts and build positive employee and public relations. Effective managers recognize that employee morale, as well as public goodwill, is fragile—easily damaged and difficult to repair. If handled well, these bad-news messages related to the organization can be opportunities to treat employees, customers, and the general public with respect, thus building unity and trust.

Strong internal communication is a key to involving employees in corporate strategies and building an important sense of community. Transparency can have a positive effect on an organization's culture. According to a recent workplace survey, open, honest communication between corporate leaders and employees can lead to a more productive and ethical workplace. According to Deloitte Chairperson Sharon Allen, motivating communication patterns are "increasingly critical to retaining talent and preserving the health of today's organizations."²

Obviously, business and competitive reasons prevent a company from always being completely transparent with its staff, but every attempt should be made to do so when possible. The best companies use a variety of communication tools that promote an open exchange of honest, candid communication and welcome input from

employees. Newsletters, email updates, town hall or focus meetings, videoconferencing, phone calls, and discussion boards drive home relevant messages and allow employees to pose questions to management. This quality two-way communication involves employees in corporate strategies; employees who are aware of company goals and potential problems feel connected and accountable. Informed employees are also better prepared for bad news when it must be shared.

7-7a Breaking Bad News

Assuming this long-term commitment to keep employees informed, the following suggestions provide guidance in breaking bad news to employees and the public³:

- **Convey the bad news as soon as possible.** Timeliness will minimize damage caused by rumors and will give employees the concern and respect they deserve. Nestlé Purina and others in the pet food industry acted early and effectively to recall potentially deadly pet food tainted with wheat gluten from China and to assure pet owners that steps were in place to ensure healthy ingredients would be used in the future.⁴
- **Give a complete, rational explanation of the problem.** Be candid about what is happening, why, and its effect on employees, customers, and the public. Provide enough detail to establish your credibility and provide context so that your audience can understand the situation. Stressing positive aspects will provide needed balance and avoid sugarcoating or minimizing the severity of the news to the point that the message is misunderstood. Bridgestone, makers of Firestone tires, was criticized for botching its recovery efforts from claims of accidents being caused by faulty tires when it initially attempted to blame Ford for the problems instead of taking responsibility and seeking corrective actions.⁵
- **Show empathy.** There is really no good way to break bad news, such as the announcement of layoffs or closures, to employees. The economic downturn and job insecurity have resulted in increased stress for many employees, which raises the potential for workplace aggression. However, methods that reflect respect and proper timing reduce the likelihood of an emotional boil over.⁶
- **Respond to the feelings.** Allow people adequate time to react to the bad news. Listen attentively for understanding, and then address the concerns, issues, and potential problems presented.



There is really no good way to break bad news, such as the announcement of layoffs or closures, to employees, but methods that reflect respect and proper timing reduce the likelihood of emotional scenes in the workplace.

- **Follow-up.** Let people know what will happen next—what is expected of employees or customers, and what the company will do and when. Plan to repeat your explanations and assurances that you are available to respond to concerns in several communications that extend over a given time.

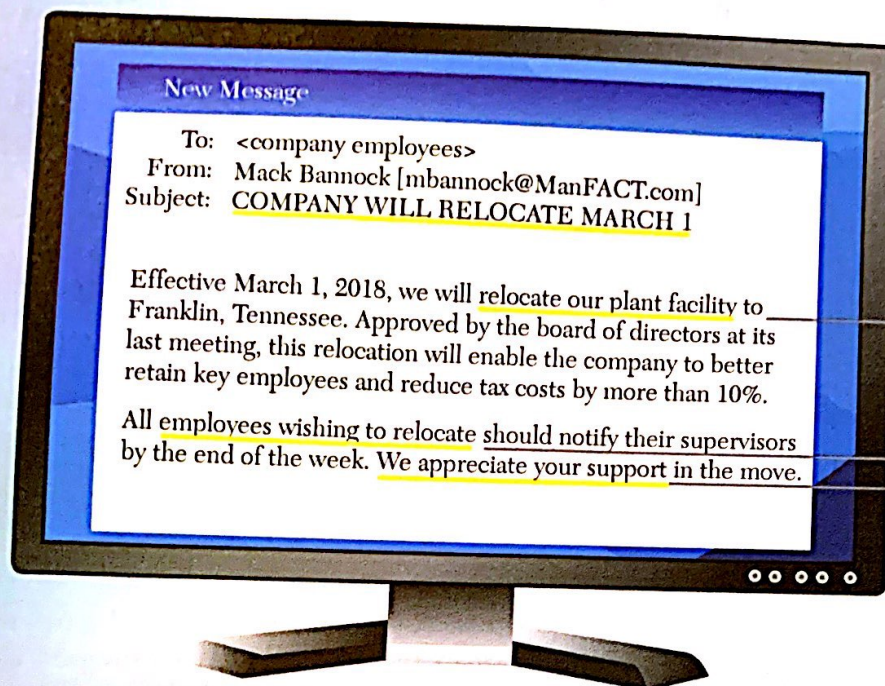
Consider the company president who emailed employees about a relocation of the company's manufacturing facility (Figure 7.10). The president should not be surprised to learn that employees are resisting the relocation; some perceive the company to be an enemy for uprooting families from their homes simply for financial gain. In the revision (Figure 7.11), the president anticipates the employees' natural resistance to this stunning announcement and crafts a sensitive message.

A printed memo is a more effective channel for communicating this sensitive and official information, rather than the efficient, yet informal, email message. The revision indicates that the company's internal communications (newsletters and intranet) have been used to prepare the employees for this negative announcement. Thus, the official memo is no surprise; nor is the company's commitment to listen to the employees' concerns and to provide up-to-date information as it develops.

7-7b Responding to Crisis Situations

Crises can occur in any organization, disrupting business activity and posing significant political, legal, financial, or governmental impacts. Crisis situations can result from various events, including accidents, weather-related disasters, equipment failures, procedural errors, and

FIGURE 7.10 POOR EXAMPLE OF A MESSAGE ANNOUNCING NEGATIVE ORGANIZATIONAL NEWS



Introduction should serve as a buffer to naturally lead the reader to the "bad news."

Additional paragraphs should be added to provide an explanation for the move.

The close should let people know what will happen next and what the company will do.

deliberate maliciousness. When crises occur, the communication that is offered can either help ease situations or worsen them. Rather than waiting for a crisis to occur, an organization should examine its state of preparedness and have a carefully considered plan of action that includes the following steps:

- **Anticipate potential crises in terms of areas of vulnerability and what could happen.**
- **Establish emergency procedures, including an alternate command center and chain of command.** Ensure that more than one employee is media trained and able to respond appropriately if needed.
- **Identify who will need to be contacted, and plan for multiple means of disseminating information.** Cellphones and text messaging have proven themselves valuable when other contact means might not work, but keep in mind that telecommunication circuits can be overloaded in mass disaster situations, necessitating multiple means for sharing news.
- **Ensure current contact information is available for employees, media, and other pertinent parties.**
- **Maintain an up-to-date fact sheet about the company, its products/services, locations, and operations.**

RESPONSE IN A CRISIS

In responding to a crisis, the message conveyed is extremely important in reassuring employees and business partners, and in shaping public opinion. These guidelines can help ensure an effective message:

- ▶ Determine what your message is, and prepare a checklist of what it should contain before writing.
- ▶ Keep the message simple, and arrange it in logical sections.
- ▶ Include verbiage that demonstrates your concern, compassion, and control.
- ▶ Prepare separate messages for internal and external audiences, including the appropriate level of detail.

While crises can seldom be predicted, an organization can position itself to respond to them appropriately when they do occur by preparing for crises before they occur.

Adequate pre-crisis planning is necessary for a rapid, effective crisis response—the second stage of

FIGURE 7.11**GOOD EXAMPLE OF A MESSAGE ANNOUNCING NEGATIVE ORGANIZATIONAL NEWS****INTEROFFICE MEMORANDUM**

TO: All Employees
FROM: Mack Bannock, President
DATE: January 4, 2017
SUBJECT: Proposed Plan for Managing Future Growth

Our company has weathered the recent recession by taking advantage of international business opportunities in Southeast Asia. Our location in Southern California has provided us a well-educated and skilled workforce to produce the innovation needed in today's automobile market.

However, the rise in the cost-of-living due to high taxes, comparatively high housing costs, and relatively higher costs for food and utilities has made it more difficult to retain top employees. The cost of living in Southern California is 15% higher than in many other parts of the country. The school system in Los Angeles is one of the poorest in the country in terms of graduation rates from high school. Similarly, L.A. ranks at the top of the list in terms of time spent commuting on overcrowded freeways.

Housing prices, although dramatically lower than they were several years ago, are still well above the national average, particularly in safe neighborhoods with good schools. All of these issues make it much more difficult to retain skilled employees who have the option to move to other parts of the country without these challenges. In fact, three of our top engineers have left in the past year, citing the high cost of living and poor school system as their reasons.

While relocating could provide a long-term economic benefit to the company in terms of tax savings, moving out of Los Angeles could enhance the quality of life for all of us. Consequently, we have been working with state and local governments in other parts of the country to find an area with a lower cost of living, good neighborhoods and schools, and a skilled labor force. This search has led us to identify Franklin, Tennessee, a thriving suburb located approximately 18 miles south of Nashville, as our new plant location.

Your supervisor will explain the logistics of the relocation at your next team meeting. In the meantime, please visit the Franklin link on the company intranet to read more about what Tennessee can offer us and our families. Check back for updates on the FAQ page designed to provide responses to your concerns. Now let us work together for a smooth transition to Franklin.

Uses the subject line to introduce the topic but does not reveal the bad news.

Uses a buffer to introduce the topic familiar to employees through previous communication and leads into reasons.

Provides a rational explanation, including benefits.

Presents the bad news while reminding receiver of the benefits.

Follows up by assuring continued exchange of timely information through discussions and web pages.

Ends with a positive appeal for unity.

Legal and Ethical Consideration
Uses memo channel rather than email for conveying a sensitive message.



"You have a major fiasco at 10:30, followed by a shocking scandal at 2:15."

crisis management. A key task during crisis response is to identify the type of crisis in order to better develop communication messages. Three broad types of crises exist: victim, accident, and preventable crises.⁷ In a victim

crisis, the organization is viewed as a victim of the event. This type includes natural disasters, workplace violence, product tampering, and rumors. In an accident crisis, the event is considered unintentional or uncontrollable by the organization, and includes accidents or harm from technical errors or equipment failure. In a preventable crisis, the event is considered purposeful and includes accidents or harm caused by human error as well as organizational misdeeds such as fraud.⁸

After identifying the type of crisis, you can select the appropriate components of an effective crisis message, as depicted in Figures 7.12 and 7.13.

Figure 7.14 provides an example of an effective response to an accident crisis. It includes the appropriate crisis communication components of showing concern, explaining corrective actions, providing instructions, and giving a brief justification.

During a crisis, the organization should monitor the situation carefully and provide quick and accurate communication to all stakeholders through all available communication channels. After the crisis has passed—the post-crisis stage of crisis management—the organization should carefully plan and create a consistent stream of messages to help repair any damage to its reputation sustained by the crisis.

FIGURE 7.12 COMPONENTS OF CRISIS COMMUNICATION RESPONSES

Concern	Express concern for all affected by the crisis.
Corrective Actions	Describe specific steps the organization is taking to correct the problem.
Instructions	Tell those affected what to do to stay informed and to protect themselves.
Excuse	Deny intent to harm, or point out inability to control events.
Justification	Minimize the perceived damage of the crisis.
Compensation	Offer money or gifts to victims.
Apology	Take full responsibility for the crisis.

Sources: W. T. Coombs (2007). Protecting organization reputations during a crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review* 10 (3), 163–176; W. T. Coombs (2004). Impact of past crisis on current crisis communications: Insights from situational crisis communication theory. *Journal of Business Communication* 41 (3), 265–289; W. T. Coombs & S. J. Holladay (2002). Helping crisis managers protect reputational assets: Initial tests of the situational crisis communication theory. *Management Communication Quarterly* 16 (2), 165–186.

FIGURE 7.13 TYPES OF CRISES AND APPROPRIATE MESSAGE COMPONENTS

Type of Crisis	Concern	Corrective Actions	Instructions	Excuse/Justification	Compensation/ Apology
Victim	X	X	X		
Accident	X	X	X	X	
Preventable	X	X	X	X	X

Sources: W. T. Coombs (2007). Protecting organization reputations during a crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review* 10 (3), 163–176; W. T. Coombs (2004). Impact of past crisis on current crisis communications: Insights from situational crisis communication theory. *Journal of Business Communication* 41 (3), 265–289; W. T. Coombs & S. J. Holladay (2002). Helping crisis managers protect reputational assets: Initial tests of the situational crisis communication theory. *Management Communication Quarterly* 16 (2), 165–186.

FIGURE 7.14 EXAMPLE OF CORPORATE WEB SITE POST FOR A VICTIM CRISIS

At 4:30 p.m. this afternoon (March 12), EastAir Flight EA3201 was involved in an incident upon landing at Los Angeles International Airport. All passengers and crew have been deplaned from the aircraft, and 23 passengers and crew who sustained non-life-threatening injuries have been transported to local hospitals for observation and treatment.

Shows concern.

EastAir personnel are currently on site providing assistance to passengers, and additional EastAir teams are on their way to provide additional support. This assistance will include:

1. Providing accommodations for passengers and families until transportation to their final destination can be arranged.
2. Arranging for transportation to final destinations of passengers and families.
3. Providing access to counseling services for passengers and families as needed.

Explains corrective action.

No further details are available at this time; however, EastAir will provide regular updates on Twitter and on its website at EastAir.com as information becomes known. Family members who seek information about passengers on Flight EA3201 may telephone EastAir at 1-800-912-7099.

Provides instructions.

EastAir will be cooperating fully with authorities in their investigation.

"We at EastAir are greatly relieved that no one was critically injured," said Clyde Gotham, Executive Vice President and Chief Operating Officer of EastAir. "Yet we fully appreciate that this has been a very unsettling experience for our customers and their families, as well as our employees, and we are focused on caring for all those affected. We will also fully cooperate with the Transportation Safety Board as it begins an investigation to determine the cause."

Provides a brief justification.

Flight EA3201 was carrying 133 passengers and five crew members at the time of the incident.