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OTHER VOICES

Lessons From Toyota

By Andrea Obston

As a crisis communications manager and Toyota owner, I'm being asked me how I'd deal with their current situation, I'd say Step No. 1 (and maybe 2 and 3) is this: Take back control of your own reputation before there's nothing left of it.

Toyota — long-seen as the paragon of quality control, respect for employees and customer service — has strayed from its principles. It's taken them so long to kick into gear that it's shaken customer trust. That delay has magnified the damage. The bedrock of crisis management is one principle: Seize the day before the day seizes you. The longer you wait, the longer the road to recovery.

There are a few lessons the rest of us can learn here:

Act Now or Give Control of Your Reputation to Someone Else — The biggest shocker was just how slow Toyota was. The first time I heard from Toyota was on Feb. 7 — 16 days after the company announced the recall of my Camry along with 2.3 million others. By not proactively communicating until then they allowed every blogger, talk show host and even a hysterical Transportation Secretary (I believe his advice to me was to pull over and run away from my car as fast as I could) to shape Toyota's reputation. After spending half a century nurturing their reputation, you'd think they'd want to protect it.

See Beyond the Operational Issues — The Toyota Way was built on a slow and reasoned approach to problem-solving driven by a laser-like focus on detail. This narrow mindset may have caused them to see focus most of their solely on the operational site of things; putting concentration exclusively on the fix. Good for them. As the owner of a car that routinely stops when necessary, I like that. As a crisis manager, I see that narrow approach as dangerous. A broken reputation is just as hard to fix as a broken product.

Pay Attention to the Good Moves — There are positive lessons to be learned from what Toyota eventually did. I've been getting regular e-mails about what Toyota's doing,

including an invitation to a Digg Dialogg with Toyota's U.S. Division President Jim Lentz. And, the company's new ads acknowledge the problem and the damage it's done to consumers' trust. Dealers are staying open late to tackle the problem. In addition, Toyota execs have broken their silence. In a recent op-ed in the Washington Post, President Akio Toyoda apologized, promised to learn from the company's mistakes and announced the formation of a safety advisory group and a North American quality control center.

Don't Throw the Employees Under the Bus — While waiting for my car to be fixed, I noticed a Toyota mission statement touting the importance of their employees. Lovely words, but when I got into the office of one of my favorite Toyota people, my service manager, I found him feeling less than important. I've dealt with this man through three Camrys and two dealerships. He is a very positive person. I have never seen him so down. He told me after Secretary LaHood's "ditch your Camry remarks" their phone lines jammed. Yet, he couldn't tell the callers anything because he had no information from the company. When he asked them for an update they told him to watch the news. Learn from that. Customers need people-contact to build loyalty — to a product and to a company. And, the best way to build that loyalty is to give your employees the

ammunition they need to fight the good battle on your behalf. Not just when they join the company, but every day. In good times and bad. When the product works and when it doesn't. Especially when it doesn't. They deserve information and credit maintaining those relationships on your behalf.

People judge a company by how it behaves under stress. While slow off the mark, I expect Toyota show its true character and bring its considerable resources into play to rebuild public trust. It won't be easy. For a company that built its reputation on quality and reliability, the fall from grace has been an especially

steep one. The road back will be steeper.

What we can all learn from Toyota is that a reputation is built on trust, tested by reality and nurtured by employees. A crisis can and will test a company operationally and financially, but that's not the worst of it. The loss of trust is the toughest thing for a company to recover. ■



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► **'Seize the day before the day seizes you. The longer you wait, the longer the road to recovery.'**

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