

## Crisis Management in the Australian Nursery Industry

There are a number of issues which have the potential to escalate into a crisis and cause serious adverse commercial and reputational impact to the Australian nursery and garden industry, both at an individual business level and at a state or national organisation level. As an industry we must take the opportunity to be prepared to address these issues before they arise.

In this month's Nursery Paper NGIA Policy and Technical Officer Chris O'Connor explains what a crisis is in the nursery industry, the importance of crisis management, steps to take during a crisis and where to turn to if you need help with a crisis.

# Crisis Management in the Australian Nursery Industry

In the nursery industry a crisis can be defined as 'any event that adversely affects, or has the potential to adversely affect, the safety or health of consumers, employees or the general public; your industry reputation, products or assets; trust or confidence in your industry stakeholders and your financial position either immediately or over time'.

Leading on from this we can then define crisis management as 'the identification, management and control of any such incident'.

### Why does the nursery and garden industry need to be aware of crisis management?

In June 2010 two major tomato growers in Bowen Queensland experienced large scale crop poisoning. One grower alone lost over 7 million plants. A reward of \$200,000 was posted by Queensland Police to assist in the perpetrators arrest. Picked up by the media, the incident was discussed for weeks afterwards with a heavy focus on the escalating price of tomatoes.

More recently in November 2012 an outbreak of Legionnaires disease in the Canterbury region of New Zealand was reported on by the media with one such report entitled 'Gardeners anxious over Legionnaires outbreak'. Ten people were hospitalised and one person sadly passed away from Legionella that was attributed to compost and potting media. Nursery and Garden Industry New Zealand (NGINZ) undertook a lot of work to support growers and issued fact sheets and media statements to clarify the facts. This reassured the industry and the public and reiterated safety measures on handling composts and potting media.

Both of these examples are close to home for our industry and highlight that we are at potential risk of suffering from a crisis, which may have long term impact upon the public perception and reputation of our industry.

Industry recognised the potential of these risks and in 2007 Horticulture Australia Limited (HAL) initiated an across industry project AH07033 – *Horticulture Industry Crisis Management Guidelines*. The project produced a comprehensive **Incident Response Protocol** which could be adapted to each of the horticultural industries at organisational and individual business levels. NGIA used this document as the basis for its Nursery Industry Crisis Management Guideline. Part of the guideline is the formation of an Incident Management Team (IMT) which is a group of identified NGIA staff who will take key roles to handle the crisis from an industry perspective.

Let's look at the process of crisis management in our industry. Crisis management can be examined in three tiers.

Tier 1 – Contained incident. The incident can be controlled internally, and is contained locally and will not cause any reputational damage to an individual business.

Tier 2 – Uncontained incident. The incident is uncontained, it is not clearly defined, it is escalating and may include a wider region external to the business and the likelihood of reputation damage is high. At this level the State Association and NGIA would become involved to assist in managing the crisis and other parties such as government agencies may also become involved.

Tier 3 – Crisis. This is when the incident has become a crisis and has led or is leading to public criticism. The incident may have spread to include multiple businesses and may also impact multiple industry sectors. At this tier the State Association, NGIA and government agencies would be involved along with the involvement of HAL.

## Recognising a Crisis

You are likely to have a crisis if one or more of the following apply:

- Lives or health of consumers, employees or the public is threatened
- The incident has the potential to cause damage to the reputation of your business or the nursery and garden industry
- The environment is threatened
- The incident is likely to or has been reported in the media
- External agencies such as regulatory authorities, law enforcement or government departments have become involved

## Business considerations

All business contains some element of commercial risk but there are some non-commercial risks that are also applicable to any business. Many of these risks are unexpected and require skill sets that are outside of the usual experience of managers and business owners to control.

So what can we do? The best course of action is to first identify potential crisis incidents and record these in a register. These could include generic hazards such as; natural disasters (drought, storm, flood, fire), terrorism, sabotage, bomb threats, product contamination, theft, data loss, and accidents.

Your register should also contain:

- the risk or likelihood of these potential incidents occurring
- the worst case scenario and the most likely scenario
- mitigation and preventative strategies

An example of a register can be seen in Table 1. This table contains a summary of nursery industry hazards, the risk or likelihood of these occurring, worst case scenario/most likely scenario, as well as mitigation and preventative strategies. This is a useful start when developing your register.

Within your business, an incident management team should also be established with roles and responsibilities clearly defined. Positions in this team should include an incident manager, media/communications representative, product recall coordinator, a team facilitator and an administrative coordinator. The senior manager/owner should ensure that everyone understands their position and role in the team. The senior manager/owner should also have a position in the team to facilitate quick decisions in relation to crisis. Preparing an effective crisis management plan is the next stage. A good plan will help to control the incident rather than letting the incident control us.

## The objectives of the crisis management plan should be:

- To ensure the health & safety of employees, customers and the public
- To remove any threat to life or safety in conjunction with relevant authorities
- Protect the long term reputation and commercial interest of the company and industry
- Ensure that services are returned to customers as soon as possible
- A rapid end to the crisis and a return to normal business operations

Key factors to consider in your crisis management plan should be:

- An **initial response protocol** which indicates actions to take in the event of an incident occurring such as persons to contact and emergency shut off procedures if applicable.
- **Templates** for the flow and recording of information e.g. initial situation report, a log sheet recording times of conversations and actions, and a post- crisis review form
- **Escalation triggers** and a guide for identifying when a crisis is escalating
- **Contact details** and when to involve; Key stakeholders, Emergency Services (Police, Fire, Ambulance) Health departments, State industry body, NGIA, HAL , external consultants e.g. solicitors, public relations
- **Success factors** for each identified hazard which will help to indicate end state objectives and measures of control.

Contingency Plans should also be considered such as:

- A **product recall** procedure, how will you undertake this, what data is required, who is responsible, how will it be communicated?
- **Emergency quality assurance testing** for example of potting media, who will undertake this? What are the contact details?
- A **media response plan**. This should indicate who is responsible for dealing with the media and should also include some potential question and answers.
- **Bomb threat procedures**: Do you have a template for recording information and questions to ask, who you need to contact?

## Hints during a crisis

To assist industry, NGIA has established a Crisis Management Hotline which can be reached on **1300 905 885**. This number should be used.

One important point to remember during a crisis is to document and track all communications and actions undertaken. This is of importance not only if the crisis is handed on to other agencies to control, but also to review after the crisis to see what learning's can be taken from the event. There may also be legal implications of the crisis for which this evidence could be useful.

Guidelines for crisis management planning can be found on the HAL website. An additional resource which may be useful is the Emergency Management Plan Guide & Template by the Federal Government Department of Industry Innovation Science Research and Tertiary Education. Aimed at the individual business level, it is also supported by a free app which can be used to record your plans. Details of both are listed under further information.

## Crisis Management Hotline

As part of this protocol, NGIA has developed a communication procedure to assist businesses in the event of a crisis. This procedure has been put into a poster format (Figure 1) and should be placed in a prominent position in your business and followed at all times in the event of a possible crisis situation.

A 24 hour hotline (1300 905 885) is provided as the first step in handling a crisis situation. This number will connect you with NGIA staff members who will assist you in handling all aspects of the crisis situation. NGIA has experience in dealing with media and can ensure that a consistent industry message is given to the public and that the right information is communicated to industry. This management of communication and media also allows business managers/owners to focus on the crisis at hand without interruption. This ensures that the industry can maintain its sound 'through-chain' reputation and enable rapid response to a potential or actual threat that could result in an industry crisis.

NGIA will also act as a coordinating body to direct efforts in combating the crisis and ensure that the relevant authorities are involved. This is especially important with issues that fall into multiple regions and jurisdictions.

Another major area that NGIA will be involved with during a crisis is the provision of technical support especially in situations such as biosecurity incursions.

### Summary

The best way to deal with a crisis is to avoid the crisis in the first place. By carrying out some basic risk assessments of your business, you may be able to identify and address potential issues before they happen. Having an effective crisis management plan will also enable your business and our industry to react in a timely and effective manner, ensuring the protection of our people, the public, the environment, our industry reputation and our livelihoods.

Most importantly, if you suspect you may be experiencing a crisis, make sure you call the 24 hour industry crisis management hotline on **1300 905 885**.

**Table 1 – Potential crisis incidents for the nursery and garden Industry**

Potential Incident	Worst case scenario	Likely Scenario	Ramifications	Mitigation	Preventative
Potting Media Crisis including; Legionella/Melioidosis Contaminated potting media/ Pathogens in soil/media	Death resulting from Legionella.	Hospitalisation of affected individuals.	Product recall and loss in consumer confidence. Impact on business and industry reputation.	Health warnings on potting media bags.	Follow warnings on potting media bags (i.e. dust mask, gloves and keep media moist).
Biosecurity incursion	Restriction of nursery stock movement/ destruction of tainted nursery stock. Biosecurity incursion spreads.	Some inconvenience on site, limited reduction in stock movements.	Loss of revenue from impacted businesses. Impact on industry reputation.	Follow Industry best practice Farm Management System (FMS). Be aware of biosecurity risks	Sound on farm hygiene. Embrace Nursery Production FMS, specifically BioSecure HACCP.
Poisonous plants	Death resulting from ingestion of poisonous plant material.	Hospitalization of affected individuals.	Product recall and loss in consumer confidence. Impact on business and industry reputation.	Warnings on labels. Follow National Plant Labelling Guidelines. Educational material e.g. Nursery Papers.	Greater uptake of NGI Plant Labelling Guidelines. Educational material circulated to the general public.
Pesticide contamination of environment (i.e. river, water source etc.)	Loss of aquatic flora and fauna	Penalty impact notice issued.	Impact on business and industry reputation.	Follow Industry Best Practice through the Nursery Production Farm Management System (FMS). Read educational material through Nursery Papers and on the NGIA website	Follow Industry Best Practice through the Nursery Production Farm Management System (FMS).
Pesticide residue in edibles	Death resulting from ingestion of tainted edibles.	Hospitalisation of affected individuals.	Product recall and loss in consumer confidence. Impact on business and industry reputation.	Maintain a Pesticide Register. Educational material through Nursery Papers and on the NGIA website Follow Industry Best Practice.	Embrace industry developed resources (i.e. pesticide diary, training courses etc.). Follow Industry Best Practice.



# What steps to take in a crisis situation

A crisis is any event that adversely affects, or has the potential to adversely affect, the safety or health of consumers, employees or the general public; your industry reputation, products or assets; trust or confidence in your industry stakeholders and your financial position either immediately or over time

**1**

## Phone 1300 905 885 (24 hrs)



- If you suspect a possible crisis
- If you are experiencing difficulties that may become a wider crisis
- If you aren't coping with a crisis

**2**

## Wait for more information



- Wait for NGIA to issue you with the 'industry message'
- Refer all enquiries to NGIA
- Refer the media to NGIA

**3**

## Support the industry message



- Maintain the industry's position at all times

**NGIA - protecting the assets and wellbeing of the Australian Nursery Industry!**  
[www.ngia.com.au](http://www.ngia.com.au)

### Further Information

The following websites offer additional information on crisis management:

Australian Government Department of Industry Innovation Science Research and Tertiary Education  
<http://www.business.gov.au/Howtoguides/Thinkingofstartingabusiness/Whatplanningtoolscanhelpme/Pages/Emergencymanagementplanttoolsguides.aspx>

Horticulture Industry Crisis Management Guidelines Version 1.0

<http://www.horticulture.com.au/librarymanager/libs/121/HAL%20HorticultureIndustry%20Crisis%20Management%20Guidelines.pdf>

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