

Crisis Communication:

The Risk-versus-Cost Dilemma (*Page 1*)

Copyright © 2004 by Peter M. Sandman and Jody Lanard. All Rights Reserved.

Risk management cannot avoid cost-risk tradeoffs. And risk communication cannot avoid talking about them. The dilemma is especially acute in crisis communication, when cost considerations are likeliest to seem inappropriate. Here's how to discuss the issue.

1. *Discuss cost-risk tradeoffs as a dilemma, not a no-brainer.* Arguing cost as a reason not to take precautions is offensive. Arguing that you will take "all possible precautions" regardless of cost is dishonest and incoherent. The only intellectually respectable position is that you must make difficult decisions about which precautions are cost-effective ... and which ones you can afford.
2. *Share the dilemma.* In considering tradeoffs between safety and money, bear in mind that when it is the public's safety and the public's money, it should therefore be the public's decision. (The question is more complicated when it is one group's safety and a different group's money.) You may have special expertise on the shape of the cost-risk curve. But how much to spend for how much additional protection is a values question, on which you have no special expertise at all.
3. *Raise the issue before the crisis.* Post-crisis discussions of what precautions should have been taken are a kind of Monday-morning quarterbacking. After bad things have happened, then obviously in hindsight we should have done more to prevent them. The more useful discussion comes before the crisis, when the answer is far less obvious.
4. *Remember that "cost" isn't just money.* Precautions against terrorism, for example, have costs in freedom, privacy, and convenience. A thorough consideration of cost-risk tradeoffs must consider all the costs, not just the financial ones. And don't neglect opportunity costs -- the things you won't be able to do if you do this instead.
5. *Help people anticipate how they will feel if they guess wrong.* Aside from getting the benefit of their wisdom, your goal in sharing the cost-risk dilemma is to get buy-in, so people feel part of the decision -- and keep feeling that way even after a crisis materializes. This works only if you help them anticipate how it will feel if we buy a hundred million vaccine doses and the disease peters out ... or if we decide not to vaccinate and the epidemic strikes.

Crisis Communication:

The Risk-versus-Cost Dilemma (*Page 2*)

Copyright © 2004 by Peter M. Sandman and Jody Lanard. All Rights Reserved.

6. *Show you know this is hard stuff to bear, but expect people to bear it.* People like to pretend they don't have to make hard choices -- and then blame officials for making them secretly and (in hindsight) badly. When sharing hard choices, it is important to do so with compassion. But remember that we all make emotionally difficult cost-risk tradeoffs in our own lives. Parents, for example, balance their children's safety against other priorities. We do it with considerable angst. But we do it. If we don't do it much on policy issues, it's not because we can't; it's because we're not usually asked to.