Deliver Bad News Carefully

Keep your bridges intact.
The $6B+ Memo

March 28, 1979:
Cooling malfunction, partial meltdown of core

What’s the best way to deliver this message?

- $973M to decontaminate over next 12 years
- Close to $2M/year loss for replacement energy
- Plans for 51 new plants scrapped
- $918M in 2012 dollars to finish decommissioning (AP, 8-29-13)

(World Nuclear Association, 2014)
Use one of two methods to deliver bad news:

- Direct Method
- Indirect Method
Use the direct method when the news is insignificant:

"We will no longer be serving chocolate milk in the break room."
Use the **direct method** when the news is urgent:

"The ship is on the reef."
Use the **direct method** when you know the reader prefers directness (boss, friend):

"We didn't get the contract."
Use the **direct method** when the reader expects a "no":

"We can't give you a year's paid leave from your cook position at McDonald's."
To Use the Direct Method:

Deliver the bad news in the first sentence.
Use the **indirect method** when the news is particularly bad (but not urgent):

A death

Going out of business

Layoffs
Use the **indirect method** when you don't know the reader well:

Customers

Superiors
Use the **indirect method** when you are working with cultures that prefer the indirect method.
To Use the Indirect Method:

• Start with a buffer
• Announce your purpose
• Justify your decision
• Deliver the bad news
• Close on a positive note
Start with a Buffer:
neutral, relevant, supportive, short

- A point of agreement—
  The economy is suffering.

- A sincere compliment—
  Although your qualifications are strong . . .

- Not “Thank you”

- Start with a buffer
- Announce your purpose
- Justify your decision
- Deliver the bad news
- Close on a positive note
Start with a **relevant buffer:**

Important information regarding your account.

RE: Your credit card account ending in 3431

Dear Mary G Forte:

Thank you for being a valued customer. We appreciate the opportunity to serve you.

We periodically review our customers' accounts to ensure we are offering each cardholder the most appropriate credit line. In some cases, we discover we have extended customers more credit than they are likely to use or need. Given the size of your credit line and the way you have historically used your account, we have adjusted the credit line on your card to $11,000.

This new credit line still gives you the flexibility to handle day-to-day spending and unexpected expenses. In addition, you continue to enjoy a range of valuable benefits, including 24-hour fraud monitoring with zero liability for fraudulent charges.

It's a good idea to review your credit reports periodically. Our decision was based in part on information provided by the following credit reporting agency. You may obtain a copy of your credit report by contacting Equifax Credit Information Services, P.O. Box 740241, Atlanta, GA 30374-0241, or you may call them at 1.800.685.1111.

If you have questions or need assistance with your account, please call 1.800.726.5628, Monday through Friday from 8 a.m. to 5 p.m. Eastern.

Again, thank you for allowing us to serve you. We look forward to continuing to meet your credit needs.

Sincerely,

Card Services
Use positive phrasing as much as possible:

Your qualifications aren’t good enough.

Although your qualifications are strong, we are looking for a PhD.
Announce your purpose early in the message.

First or second sentence
Explicit

• Start with a buffer
• Announce your purpose
• Justify your decision
• Deliver the bad news
• Close on a positive note
Justify your decision:

• Try to stress reasons that benefit someone other than the company or yourself.
  — A credit limit that high would reduce your credit score.
• Avoid relying on company policy—explain the reason for the policy instead.
  — The warranty runs out after two years because we only stock replacement parts for two years.
• State the strongest reasons first.
  — We have no money to pay you.
• Omit weak reasons.
  — You dress funny.
• Start with a buffer
• Announce your purpose
• Justify your decision
• Deliver the bad news
• Close on a positive note
Deliver the bad news:

• Present the bad news as a logical outcome of the reasons you have given.
  —Because the economy has been so bad, we need to close the shipping division.
• Apologize ONLY if it’s you or your company’s fault. (Check with the legal department first.)
• Don’t get defensive.
  —We can’t help it if the economy is poor.
• Make a refusal definite or clearly implied.
• Continue to use positive phrasing

• Start with a buffer
• Announce your purpose
• Justify your decision
• Deliver the bad news
• Close on a positive note
Use positive phrasing as much as possible:

We cannot extend credit to you.

When your salary reaches $60,000 per year, we can extend credit to you.
Close on a positive note:
original, friendly

- Counter proposal
  - Please apply again next year.
- Sources of help
  - HR can give you the information you need to extend your insurance.
- Remember the action request (both methods).

- Start with a buffer
- Announce your purpose
- Justify your decision
- Deliver the bad news
- Close on a positive note
Avoid the following:

• Anticipating problems
  —If you don’t receive the notice in time . . . (unless that’s really likely)
• Speculating on others’ feelings
  —You may disappointed that the phone doesn’t come in hot pink.
• Revealing doubt
  —We may not be able to extend credit . . .
• Inviting needless communication
  —Let us know if you have any other questions.
May 8, 2006

Ms. Elizabeth D. Anderson, Public Relations Supervisor
Bowtie Press
3 Burroughs
Irvine, California 92618

Dear Ms. Anderson:

Mrs. Cheney asked me to thank you for your kind invitation to attend the cocktail reception at the National Press Club on May 20. Although she appreciates the support your invitation represents, she is unable to accept at this time.

We know this response comes as a disappointment, but the demands on Mrs. Cheney’s schedule make it difficult to accept many wonderful and worthwhile invitations that she receives, such as yours.

I know that Mrs. Cheney would want me to thank you for your interest and to send her very best wishes for a successful event.

Sincerely,

Anne Marie Gunther
Director, Scheduling and Advance for Mrs. Cheney

On behalf of Mrs. Bush, thank you for your kind letter. Mrs. Bush is grateful for the opportunity you presented and your invitation received every consideration. However because of the large volume of requests she receives and the tremendous demands on her calendar, it will not be possible to arrange such an occasion.

Mrs. Bush has asked me to pass along her best wishes and her appreciation for your interest. "

Sincerely,

Mary Elizabeth Farr
Director of Scheduling for the First Lady