

Findus horsemeat scandal
- How should they handle a new food scandal?

MANAGEMENT DECISIONS

Alternatives and Decisions

This section will present three different alternatives related to how Findus Sweden's executive group, could decide to handle the new food crisis, that has started to evolve in the beginning of the year 2018. After the three options have been presented, they will be risk assessed and subject to a management decision, in order for one choice to be decided upon.

Alternatives

What actions should Findus take this time, how should they manage and handle the situation?

Alternative A: Take the blame, scapegoat phenomenon like last time

The first alternative suggested for Findus Sweden is to take the blame like they did last time with the horsemeat incident. Findus can therefore be considered a scapegoat and should in this alternative take the blame for the whole incident, even though other companies and suppliers might be responsible. Further, Findus could just be one actor affected out of many, they might therefore not be alone in the matter. They should act like last time, and tell the truth about their role in the scandal, be open about it and present an action plan with a campaign on how to win their customers back.

Alternative B: Blame game within the industry

The second alternative for Findus Sweden is to get the whole industry to address the problem and for Findus to state that they are not alone in suffering such problems in the industry and concerning their value chains. Therefore, in this alternative Findus plays the blame game with the industry. This means that they will try and pass the blame on to more actors so that they are not the sole actor being responsible for the incident. Furthermore, gaining the ear and support from industry organisations to collectively address the problem.

Alternative C: Keep a low profile and blame the supplier

The last alternative is for Findus Sweden to keep a somewhat low profile as the incident unfolds and not be as active as they were the last time. Keeping a low profile would mean not taking a lot of interviews, or providing any press conferences. However, they would actively communicate on social media and through information they can control. Findus will instead blame the actual supplier that in fact caused the problem.

Management decision and risk assessment

This section will discuss what we perceive as potential risks regarding the management decision for each and every option.

Alternative A: Take the blame, scapegoat phenomenon like last time

- One risk with being a scapegoat in a new incident for Findus Sweden is that they are jeopardizing their reputation and trust with their customers. Findus might not be able to save their reputation twice. Their customers might not be convinced by their campaign and their loyalty might shift to another brand.
- Findus corporate brand, Nomad Foods Europe, might also be affected and the spill over effect can impact other brands owned by Nomad Foods Europe.
- The brand image and brand identity might be harmed by a new scandal.
- The connection to crisis communication. Findus has previous experience in dealing with crisis communication, how prepared are they now? Maybe they already have a crisis team that is well prepared, which is strength within the company or perhaps they are assuming it will not happen twice.
- According to script one should be open, transparent and admit to being at fault, does that apply here? One should admit the problem and explain their action plan.

Alternative B: Blame game within the industry

- The account of responsibility within the industry. If Findus takes the responsibility, how can they avoid being the only ones taking responsibility?
- Level of communication, Findus needs to communicate but at the same time defend their reputation against others.
- The customer concern, Findus should still care for their customers and at the same time defend their image.

Alternative C: Keep a low profile and blame the supplier

- Without taking full responsibility, Findus could lose their trustworthiness with their customers since the supplier is still under contract with Findus.
- Responsibility for suppliers, the level of control regarding suppliers.
- Relationships, the value of protecting business relations.
- The control of communication in a crisis situation. To be able to control the flow of information in order to avoid being a laughing stock in media.