

## **UBER**

Uber went from one of the most celebrated brands in the world to one of the most reviled in a matter of months. The ride-hailing company started 2017 off in hot water when it was revealed that CEO Travis Kalanick was serving on an advisory council to President Trump. The hashtag DeleteUber was born and Kalanick announced that he would be stepping down from the council shortly after.

The hashtag made a comeback in February, first when Uber continued operating at JFK International Airport during a taxi strike in protest of President Trump's immigration ban, sparking a company crisis. And second, when ex-employee Susan Fowler Rigetti leveled claims of sexual harassment and gross HR misconduct at the company. Kalanick announced an immediate investigation into the issue, but early investors voiced concerns over the impartiality of the internal investigation and the company's private arbitration clause.

The hashtag really gained momentum a few days later, however, when video surfaced of Kalanick arguing with an Uber driver about a drop in driver pay. Kalanick released a statement on Uber's website saying, "I must fundamentally change as a leader and grow up." But for many Uber customers, the damage was done and the video was viral.

February 2017 also saw Uber slapped with a lawsuit from Google. The technology giant claimed Uber stole technology from their self-driving vehicle division, Waymo. So far, this case isn't going in Uber's favor either. The tech darling is also in hot water for using technology called Greyball to elude authorities worldwide, and has seen several executives, including their head of communications, step down.

How has Uber handled the negative attention? While the company continues to release statements concerning each incident, it's hard to ignore the fact that missteps keep piling up. A lack of transparency has been Uber's biggest failing in handling much of the public interest. A heartfelt letter from the CEO promising to be a better leader won't get the company far unless the public sees steps and actions taken to get there.

### **Tasks:**

1. Assess whether this was an example of good or bad crisis management.
2. Suggest a procedure for solving the situation in Uber suitable in your opinion.
3. Suggest a suitable method of crisis communication.