

Case Study: BP Oil Spill

Sierra D. Sanchez

Department of Business

New Mexico Highlands University

Professor Raymond Romero

March 7, 2025

BP Oil Spill: A Bad Example of Public Relations

On April 10 of 2010, an oil spill occurred in the Gulf of Mexico, contaminating the ocean, and putting marine life at danger. The oil rig was owned and operated by BP. It exploded due to natural gas igniting and then causing an explosion. It's known as the biggest marine oil spill to have occurred. Workers were injured or some died due to this incident. BP should have been willing to take accountability and make things right for our environment, the marine life, and the workers and their families. However, that was not the case. It was vital that they also mitigate any further damage. They were going to be held responsible for the damage they caused.

Instead, BP was quick to claim that it was not their fault, shifted the blame, and did not show remorse for what had happened. As a manager or business owner, it's important that they take responsibility for any negative actions that happen on their watch. CEO Tony Hayward stated that he wanted his life back and that he wanted it to be over more than anyone. He failed to show any compassion or empathy for others by acting like it only affected him. He was more worried about getting his own life back instead of helping the families of the lives he took. He later apologized, but many felt as though it wasn't sincere.

The BP CEO did not handle this issue properly. I would correct his statement by instead starting with an apology, not deflecting the blame, and making a guarantee that I would do my best to prevent any further damage and that I would make things right with the people that I affected. I would show more sincerity and compassion for the marine life and ecosystem that I destroyed during the incident. The National Commission stated that the spill attributed it to negligence and time-saving measures that the government should have been regulating under their watch (Parllardy, 2025). This tells us that they were taking shortcuts, and it was BP's fault. I would take full responsibility and show that I care about the effects of my actions.

Wells Fargo: Another Bad Example of PR

On December 21 of 2013, Wells Fargo was named in an investigative report by the Los Angeles Times. It addressed the unrealistic cross-selling goals and how they caused thirty employees in Southern California. Employees felt inclined to use deception and aggressive tactics to meet their sales quotas. Well Fargo claimed that they would fire those that were guilty of these bad practices that affected consumers' private information in the process (Tayan, 2019). The issue was when they claimed that Wells Fargo did not have an overbearing sales culture. They claimed that the handbook addresses that type of conduct, and it discourages it, so they believed they had enough ethics training to protect them. However, it was still their responsibility to deal with this issue with caution and care. Instead, they chose to blame their employees.

In late 2016, Wells Fargo announced that they would pay \$185 million to settle the lawsuits and admitted that about two million accounts were created in a short, five-year period (Tayan, 2019). This meant that they knew that it was their fault for expecting managers and employees to meet unrealistic goals continuously for years. They claimed that this was only 1 percent of the banking community that was dishonest and that it does not indicate what the broader culture of Wells Fargo is like. Consumers would disagree because this instance would show them that there may be a chance they would one day be affected by the "small percentage" of dishonest people in the company. Stocks began to fall, and Wells Fargo suffered because of it.

If I were the CEO of Wells Fargo, I would apologize for the damage we caused to the customers. I would also apologize to the employees that we pressured to meet unrealistic goals that we profited off of. Lastly, I would assure everyone that I would be evolving the company culture so that nothing like that ever happens again.

Tylenol Catastrophe: A Good Example of PR

On September 28 of 1982, consumers began getting sick and dying from taking Tylenol as a simple pain reliever. Over seven people died after taking cyanide-laced Tylenol. All of these instances occurred in Chicago where bottles of pain medication were being tampered with and causing a big issue for the parent company, Johnson and Johnson. The difference between this instance and the BP spill or the Wells Fargo scandal, is that the CEO James Burke received a Presidential Medal of Freedom and was named one of the greatest CEOs by Fortune magazine (Wharton, 2012). He stood out from other CEOs because of his approach to resolving this issue with grace and empathy.

James Burke is a good example of a public relations crisis management response. He was able to convince the shareholders to spend \$100 million to recall all the affected products and relaunch Tylenol with tamper-proof packaging to prevent any future damage (Wharton, 2012). He knew that the correct way to manage this situation was to get all of the products pulled off the shelves and then later release them with a safer alternative that would not allow tampering. Burke stated that it's all about the consumer and his and the company's beliefs were in the right place. I like that he had his values and intent in the right place.

The Johnson and Johnson CEO stayed in contact with the news stations and federal government agencies to maintain transparency and keep the public informed of the company's efforts to make things right. He took responsibility for what had happened and met the challenges that came with it. He believed in the company's reputation and was confident that reparations could be made. In the end, the company remained profitable and overcame this issue. CEOs like Burke serve as a notable example of the right communication strategies.

The Bottom Line: Effective Communication Makes A Difference

Instances like the BP oil spill of 2010 and the 2013 Wells Fargo scandal remind us that proper communication goes a long way. It's important for businesses to take accountability when they affect consumers, their own staff, and others. Communicating ineffectively can look exactly like a CEO showing no empathy. They shift the blame and find an excuse for whatever damage they caused. The statements made by both companies signified the lack of care that they showed. Their choice of words and their lack of urgency in fixing these situations only made things worse. BP and Wells Fargo both lost out on money due to large settlements, crashing stock prices, and a lack of sales due to the fact that consumers absolutely did not trust them.

Not showing compassion or apologizing made the affected workers and customers feel as though these CEOs did not feel any remorse for the occurrences that affected so many. It's vital that managers and business owners handle our mistakes with grace and make things right. Not only so we can continue to be profitable, but also to take care of the most valuable people in our companies: the consumers and the employees alike. Any good manager will apologize, find a solution, and prevent any further damage. These CEOs could definitely learn from the Johnson and Johnson CEO, James Burke.

If I had to write my own statement in response to the BP oil spill, I would say something like, "I'm so sorry for all the lives that were affected under our watch. Our valued employees, the marine life, and the ecosystem has been negatively affected by our actions here at BP. I'm committed to making things right and mitigating any further damage. My goal is to make things right for everyone. Here at BP, we take pride in fixing our mistakes." I would do my best to reassure everyone affected that I understand where we went wrong and that I'm willing to fix it.

References

- Encyclopedia Britannica. (2025, February 15). *Cleanup efforts*.
<https://www.britannica.com/event/Deepwater-Horizon-oil-spill/Cleanup-efforts>
- Knowledge at Wharton. (2012, October 2). *Tylenol and the legacy of J&J's James Burke*.
<https://knowledge.wharton.upenn.edu/article/tylenol-and-the-legacy-of-jjs-james-burke/#:~:text=%E2%80%9CThe%20credo%20is%20all%20about,The%20credo%20helped%20sell%20it.%E2%80%9D>
- Shogren, E. (2011, April 21). *BP: A textbook example of how not to handle Pr*. NPR.
<https://www.npr.org/2011/04/21/135575238/bp-a-textbook-example-of-how-not-to-handle-pr>
- Tayan, B. (2019, February 6). *The Wells Fargo cross-selling scandal*. The Harvard Law School Forum on Corporate Governance. <https://corpgov.law.harvard.edu/2019/02/06/the-wells-fargo-cross-selling-scandal-2/#:~:text=The%20independent%20investigation%20concludes%20that,in%20identifying%20and%20mitigating%20risk?>

