



Crisis Case
Study

TWITTER, ELON MUSK & TESLA

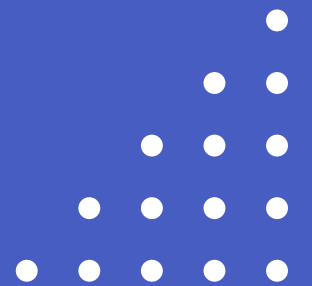
ABBY CAGE, KAITIE WALTERS,
JILLIAN DONELLY





VIDEO

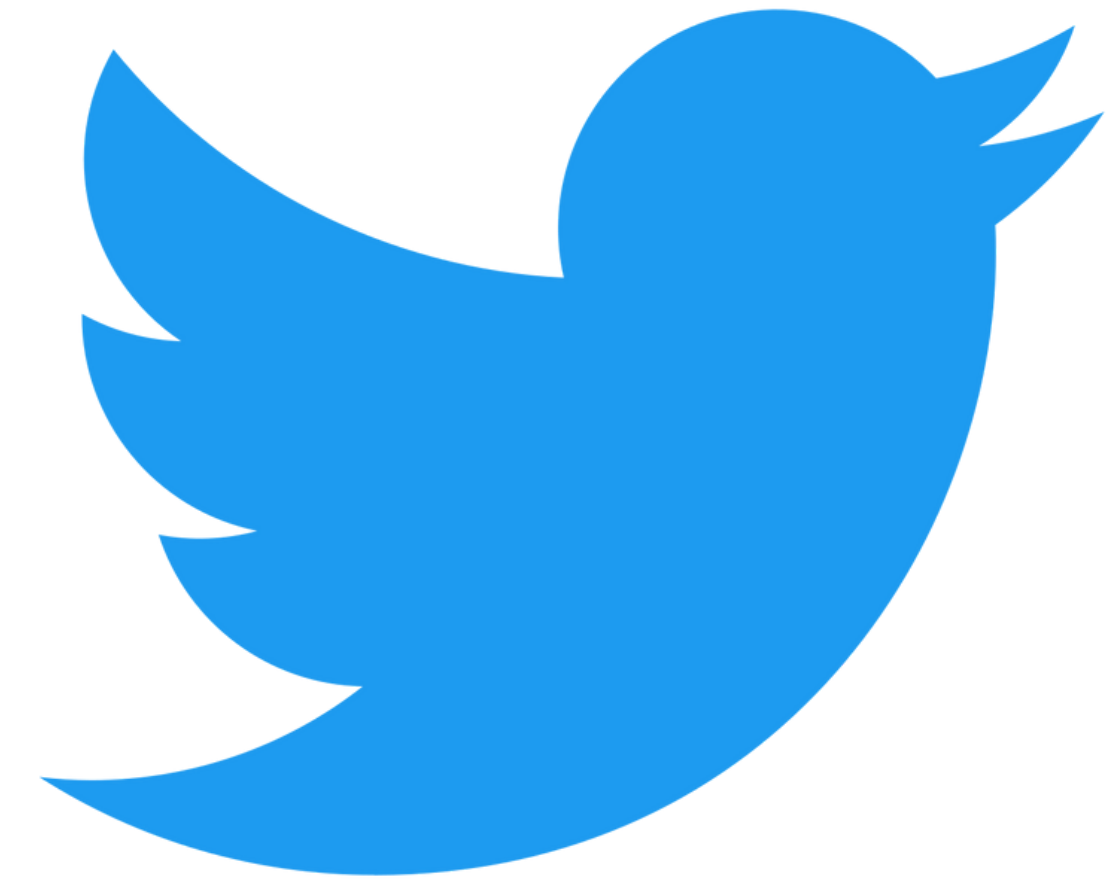
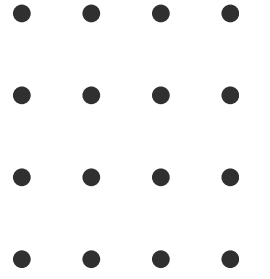
[Elon Musk-Twitter dispute: Judge orders October trial for lawsuit over acquisition agreement | CNN Business](#)





CASE STUDY

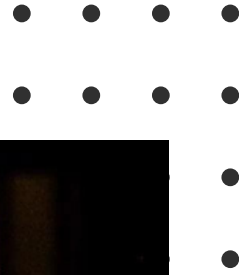
- Elon Musk is the face of Tesla Inc and all other companies he is co-founder of currently.
- 38 lawsuits have been made against the company; many involve the segregation of black workers and mistreatment of black employees.
- Musk bought Twitter for 44 billion dollars after the Twitter board made him keep his word by suing him when he tried to back out the deal abruptly.
- Fired 3,700 employees in one day with no warning with an email saying this was their last day.
- Promised 3-month severance pay to higher paid position workers. He did not follow through on the promise.
- Multiple lawsuits have been enacted against him and Twitter by former employees.



BACKGROUND - TWITTER

- Created in 2006.
- Designed for public circles to discuss finance, politics, sports and more.
- Company went public in 2013.
- Company faced decline over several years.
- Elon Musk offered to buy company to "fix it" in 2022.
 - Tried to take back offer but was sued instead and pressured into finishing the deal.

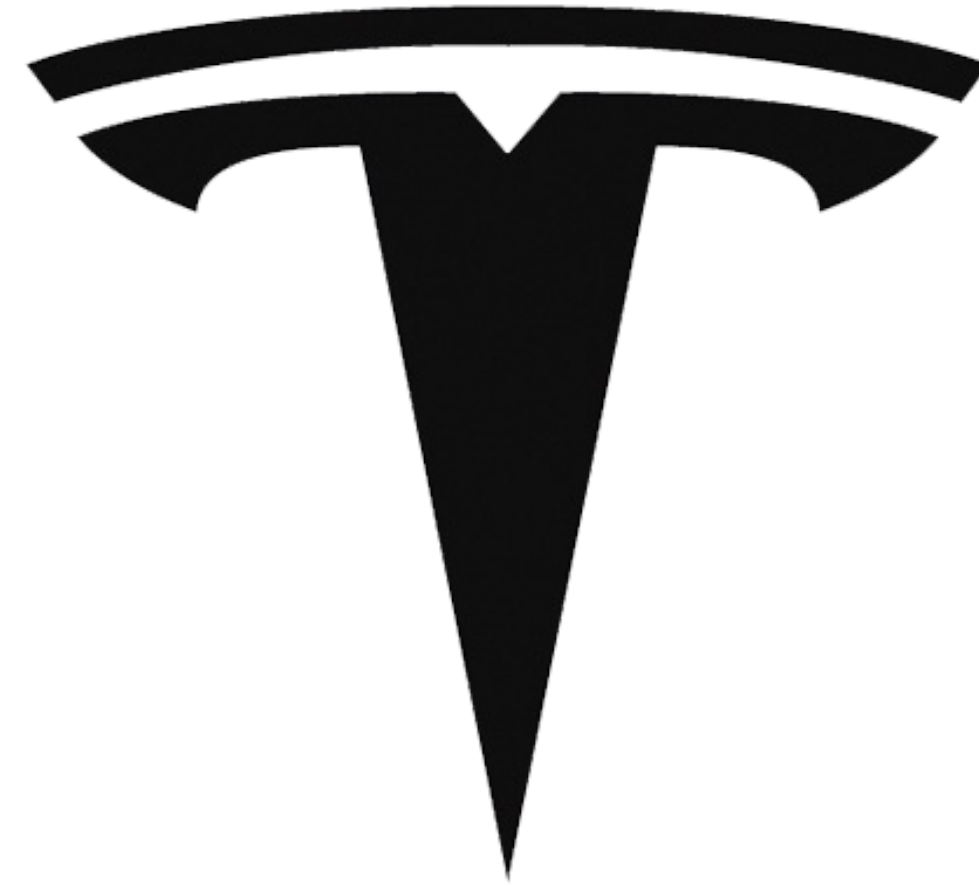
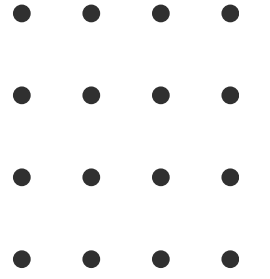




BACKGROUND - ELON MUSK

- Co-founder, CEO and chief engineer of SpaceX.
- CEO and co-founder of Tesla.
- CEO of Twitter (bought in 2022) and currently owns 74% of the company.
- President of the Musk Foundation.
- Founder of The Boring Company.
- Currently holds stock in previously owned companies.
- Second richest man in the world, took the top spot for one month in 2021.





BACKGROUND - TESLA

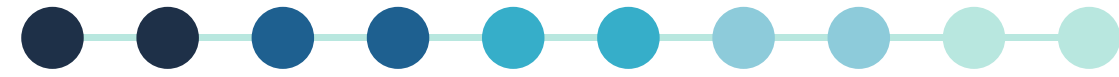
- Founded 2003 by Martin Eberhard (CEO) & Marc Tarpenning (CFO).
 - Elon Musk initially funded Tesla Motors in 2004, later became CEO in 2008.
- Known for electric cars.
- Multiple battery issues, hostile work environment and sexual allegation issues since the start of the company.



A network diagram consisting of approximately 20 light blue human silhouettes connected by thin grey lines. The silhouettes are arranged in a roughly circular pattern, with some lines extending to the edges of the frame. In the top right corner, there is a small cluster of blue dots.

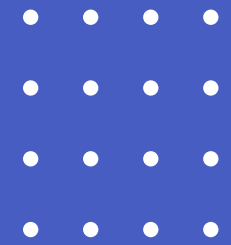
THIRD PARTIES INVOLVED

- Twitter employees.
- Tesla employees.
- Attorneys of Tesla, Twitter, Elon Musk and the plaintiffs.
- Social media and news networks covering the crisis.



TYPE OF CRISIS

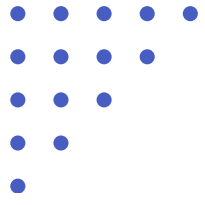
RUMOR/WORKPLACE VIOLENCE



Five Stages of Crisis

1. Detection
2. Prevention/Preparation
3. Containment
4. Recovery
5. Learning



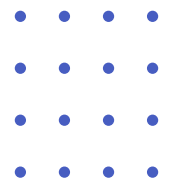


RESULTS

- › Crisis is still ongoing.
- \$200 billion in financial losses.
- Severe damage to credibility and reputation



"Let that sink in"



LESSONS LEARNED/CONCLUSION



Elon Musk ✓
@elonmusk

Now I'm going to buy Facebook and delete it haha

9:12 AM · 4/25/22 · [Twitter for iPhone](#)

136K Retweets **27.2K** Quote Tweets **950K** Likes





QUESTIONS?

