MOVING BEYOND MEDIA FEAST AND FRENZY: IMAGINING POSSIBILITIES FOR HYPER-RESILIENCE ARISING FROM SCANDALOUS ORGANIZATIONAL CRISIS

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I

INTRODUCTION

When an organization finds itself mired in scandalous crisis, it is often impossible to see the proverbial light at the end of the tunnel—or to imagine that anything *good* can be realized once the organization emerges from that tunnel. Most organizations consider themselves lucky should they survive the crisis while retaining even a fraction of their reputation or public trust. Returning even to the status quo might be hailed as a feat of true organizational resilience.

As organizational scholars in schools of management, we research organizational crisis and error from an organizational behavior perspective. Research on organizational crises and crisis management is a longstanding, cross-disciplinary tradition with roots in sociology, psychology, political science, communications, and public relations, among other fields. Here we employ an organizational perspective in considering how organizations can quell crises that have spread far beyond their organizational borders. In particular, we share a special interest in understanding how organizations can be "hyper-resilient" in the face of a crisis so that they are not just quickly returning to the status quo once the dust settles, but rather using the crisis as a springboard to becoming even better than before. In light of our interest in how organizations can transcend resilience, we explore here how organizations can turn the poison of

scandalous crisis into an opportunity for renewal and test the limits of our thinking in the context of the high-profile Duke lacrosse scandal. But first, what is meant by "organizational crisis," and how does a high-profile scandal such as the one involving the Duke lacrosse players represent such a crisis?

II

HIGH-PROFILE SCANDAL AS A TYPE OF ORGANIZATIONAL CRISIS

An "organizational crisis" begins as an organizational problem. One way of determining when it becomes a crisis is by considering what such incidences as product tampering, employee violence, or senior-management fraud have in common.[1] Each of these events presents some form of threat to a central product or service line, an essential business unit, or the organization as a whole.[2] Any event that threatens the well-being and safety of the organizational community, the community members outside of the organization, or the legitimacy of, or public trust in, an organization, can truly be called a crisis.[3] Further, organizational crises are events that hyperextend the organization's resources and capacities and involve high-impact decisions that take it into uncharted waters.[4] Even those organizations that have excellent problem-solving skills find that they are threatened by the nature and complexity of the problems encountered in a crisis.

Whereas all organizational crises share some basic features, high-profile scandals present special challenges. Such cases are notable in that they involve especially intensive media and public scrutiny of the events in question and of the individuals and organizations involved or implicated. It is indeed the public response that defines a scandal: "A transgression that became known to others but elicited no response from them would not give rise to a scandal, since scandal is shaped as much by the response of others as it is by the act of transgression itself."[5] Although scandals have long been mediated by technologies—dating back to broadsheet newspapers—in the age of Internet, anyone can jump into the public debate over such a scandalous organizational crisis, whether his or her views are based in fact or fantasy.

Scandal is also distinct in that often the crisis is one of confidence or legitimacy; in the political or public arenas, the loss of legitimacy may be as much of a death knell as the public's discovery of a manufacturer's unsafe product.[6] Organizations that are soothed by and develop crisis responses from

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1. Christine M. Pearson et al., *Managing the Unthinkable*, 26 ORGANIZATIONAL DYNAMICS, Autumn 1997, at 51, 51.

2. *Id.*

3. *Id.*

4. *Id.* at 51–52.

5. JOHN B. THOMPSON, POLITICAL SCANDAL: POWER AND VISIBILITY IN THE MEDIA AGE 20 (2000).

6. Elizabeth A. Hamilton, *An Exploration of the Relationship between Loss of Legitimacy and the Sudden Death of Organizations*, 31 GROUP & ORG. MGMT. 327 (2006).

the notion that public opinions are a misrepresentation of what *really* happened can be ambushed when they realize that the fuel for a scandal is not necessarily what *is* true, but what people believe to be true or want to believe is true. The fact is that scandal can result from and be fueled by a total distortion of reality.

Scandals of this kind are also dissimilar to other forms of organizational crisis because they tend to become a stage upon which ongoing societal conflicts are acted out. For example, when Denny's Corporation was accused of a longstanding pattern of discrimination against nonwhite customers, the accusations and ensuing legal battle spotlighted ongoing racial tensions in the United States.[7] Many other corporate scandals of the recent past (for example, that involving Enron)[8] are fueled by perceptions of corporate greed and a breach of ethical standards. Such scandals also spotlight mistreatment of "ordinary people" by the privileged class.

> [It is important to] separate out the two distinct realms of discourse that are operative in . . . scandal: the formal legal one, [and] the informal public one. Each realm has different standards of judgment, and plays a different role. The formal, legal realm is organized to determine the legal guilt or innocence of the individuals accused, while it should be clear that the public realm—that diffuse and loose amalgam of both formal and informal communications—cannot determine individual legal guilt or innocence.[9]

The recognition of the two "realms of discourse" accompanying organizational scandal highlights particularly the ways in which the public realm must become a cultural site worthy of equal attention to the involved organizations.[10] Organizations must engage the legal and the public notions of accountability and responsibility, even if these notions seem irrational to a traditional business sensibility that is based only on *truth* and *facts*.

In sum, these ideas suggest that organizations face particular challenges in managing events that trigger a public scandal. Any actions, decisions, or public statements (or lack thereof) made in the heat of the moment can quickly fuel the crisis to even more-extreme levels. First-order crises about the "facts" can quickly evolve into second-order crises about the reaction to the "facts."[11] Further, organizations failing to realize that the scandal moves far beyond a set of legal facts or trusting that all will be vindicated when the real facts are revealed are likely to be missing the boat in their crisis response. Such scandals are the site where society is playing out its deepest problems and concerns about longstanding social ills: scandals involve deep human needs to identify "good" and "evil," and to avenge bad behavior.

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7. *See generally* JIM ADAMSON, THE DENNY'S STORY: HOW A COMPANY IN CRISIS RESURRECTED ITS GOOD NAME AND REPUTATION (2000).

8. Richard W. Stevenson, *Why a Scandal Became a Spectacle*, N.Y. TIMES, Feb. 17, 2002, § 4 (Week in Review), at 1.

9. Linda Martin Alcott, Director of Women's Studies at Syracuse University, Speech at the Inauguration of the Institute for the Study of the Judiciary, Politics, and the Media at Syracuse University (Sept. 19, 2006).

10. *Id.*

11. THOMPSON, *supra* note 5, at 24.

In the face of these challenges, most organizational leaders would simply be glad to emerge from the scandal with their organizations' reputations relatively unscathed and with organizational and community members relatively unharmed. After tiresome damage control, the urge to "get back to business," to get out of the limelight of media and public scrutiny, and to put the crisis behind the organization is likely to be quite strong for the organization's leaders and members. To expect that the organization can actually use the crisis as a basis for renewal and rejuvenation may seem not only counterintuitive but also overly demanding after such trying experiences. The leadership of many organizations are simply relieved and fortunate to have returned to a state of normalcy, so efforts to use the crisis as a springboard for positive change are not even considered. Other leaders of other organizations intuit that there are powerful lessons embedded in the crisis, but their learning stops when they have determined how not to let that same bolt of lightning strike twice. This is in line with the oft-cited criticism that the U.S. Army is preparing to fight the *previous* war.[12]

Is it really possible that an organization can use its experience with a high-profile scandal as a springboard for renewal and positive change? The next section offers examples of some organizations that have faced crises and have benefited from the springboard. This ability to transform negative events into organizational transformation and renewal can be called "hyper-resilience": such organizations achieve much more than simply bouncing back to the status quo (that is, resilience), but use their experiences to move to previously unrecognized levels of organizational effectiveness. The lacrosse scandal at Duke University illustrates the ways in which an organization can transform the trauma associated with scandal into an opportunity for positive organizational transformation.

III

THE LACROSSE SCANDAL: FROM CRISIS
TO RENEWAL—OPPORTUNITIES FOR TRANSFORMATIONAL CHANGE

On a fateful night in March 2006, an exotic dancer arrived ready to perform at an alcohol-infused party held by the Duke lacrosse team.[13] Who would have known that the dancer, hired by members of the team, would later accuse three players of raping her at the party and that these accusations would lead to a spiral of media frenzy and public scrutiny that would put Duke in the spotlight for months to come? The dancer was African American, had served in the U.S. military, was a student at the cross-town, historically black North Carolina Central University, and apparently was supporting herself through exotic

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12. *See, e.g.*, Thomas Vinciguerra, *Waging Small Wars, Then and Now*, N.Y. TIMES, Nov. 28, 2004, § 4 (Week in Review), at 7.

13. Susannah Meadows & Evan Thomas, *What Happened at Duke?*, NEWSWEEK, May 1, 2006, at 40.

dancing.[14] Although the three white male players publicly and steadfastly asserted their innocence, the county district attorney indicted the young men.[15] Following university protocols, Duke President Richard Brodhead placed the two students who had not yet graduated on interim suspension.[16] President Brodhead also suspended the remaining games on the lacrosse schedule out of concern—at least in part—for the safety of the team members.[17] In the months following the alleged incident, a firestorm of media and public interest swept around the case, in no small part because the case involved hot-button issues such as race, class, and gender.[18]

In time, it became clear that there was no case for rape on that March night, resulting in the university's offer to fully reinstate the accused players, as well as in the district attorney's removal, disbarment, and conviction for criminal contempt of court for withholding evidence that would have exonerated all members of the Duke lacrosse team.[19] In the wake of the scandalous crisis, President Brodhead formed five different committees on campus, each of which was charged with examining various aspects of Duke's response to the scandal and uncovering underlying issues that may have contributed to the crisis.[20] A close reading of the committees' reports shows that Duke had an interest in, and the potential to learn from, its experiences.[21] But is it really possible that Duke University could use this scandalous crisis as a springboard for organizational renewal and change?

Organizational crises present (at least) six opportunities for crisis renewal and transformation that organizations can experience in the wake of unfortunate circumstances.[22] These outcomes are (1) seeing stakeholder relationships in a new light, (2) reasserting or reshaping organizational mission and values, (3) recognizing vulnerabilities, (4) engaging in issue leadership, (5)

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14. Samiha Khanna, *Mother, Dancer, Accuser*, NEWS & OBSERVER (Raleigh, NC), April 16, 2006, at A1.

15. Benjamin Niolet et al., *Lacrosse Players' Lawyers Object*, NEWS & OBSERVER (Raleigh, NC), Mar. 30, 2006, at A1; Benjamin Niolet et al., *Third Duke Player Indicted*, NEWS & OBSERVER (Raleigh, NC), May 16, 2006, at A1.

16. Duke Office of News & Communication, Looking Back at the Duke Lacrosse Case (July 3, 2007), *available at* http://news.duke.edu/lacrosseincident.

17. *Id.*

18. Meadows & Thomas, *supra* note 13.

19. Duke Office of News & Communication, *supra* note 16.

20. *Id.*

21. William G. Bowen & Julius L. Chambers, The Duke Administration's Response to Lacrosse Allegations (May 4, 2006); James E. Coleman, Jr. et al., Report of the Lacrosse ad hoc Review Committee (May 1, 2006); Academic Council Student Affairs Committee, An Examination of Student Judicial Process and Practices (May 1, 2006); Campus Culture Initiative Steering Committee, Report of the Campus Culture Initiative Steering Committee (Feb. 15, 2007).

22. Judith A. Clair & Ronald L. Dufresne, *Changing Poison into Medicine: How Companies can Experience Positive Transformation from a Crisis*, 36 ORGANIZATIONAL DYNAMICS 63, 65 (2007) [hereinafter Clair & Dufresne, *Changing Poison*]; Judith A. Clair & Ronald L. Dufresne, *Phoenix Rising: Positive Consequences Arising from Organizational Crisis*, *in* POSITIVE PSYCHOLOGY IN BUSINESS ETHICS AND CORPORATE SOCIAL RESPONSIBILITY 143–64 (Robert A. Giacalone et al. eds., 2005).

renovating underlying organizational structures, and (6) better understanding the wholeness of organizational life.[23] Even organizations facing scandalous crises might find ways to transform the difficult circumstances of scandal into an opportunity for positive transformation, and the Duke scandal serves as a basis for exploration. Before moving forward, however, it is important to emphasize that none of these consequences is likely to be stumbled upon by luck. They are instead brought about by leaders—both formal and emergent—throughout the organization who seek through daily encounters to transform the world around them and who see crisis as an opportunity to continue doing so.

A. Seeing Stakeholder Relationships in a New Light

One way an organization can achieve hyper-resilience following a scandalous crisis is through heightened attention to stakeholder relationships. This may take the form of either recognizing one's impact on a previously unrecognized stakeholder or realizing the importance of a formally minimized stakeholder. "Town–gown" issues invariably arise whenever large institutions like Duke exist within a relatively less-privileged community, and the issues are heightened even more when the majority of the students are from elsewhere and do not share demographic backgrounds (that is, are relatively more privileged—educationally, financially, and in other ways—than those in the surrounding community). The crisis that beset Duke University appears to have strengthened the recognition of the local civic community as a strategic partner. The lacrosse scandal not only revealed Duke's close stakeholder relationship with its immediate campus neighbors, but also the university's legal relationship with public authorities such as the Durham Police Department and the county and state prosecutors' offices. With these new insights, Duke seemed to have an opportunity to strengthen its public image, to better respond to stakeholder concerns, and to transform its relationships with stakeholders. In fact, some of the committee reports relied specifically on reaching out to the community, neighborhoods, and organizations (such as the police) as a basis for building insights about vulnerabilities and opportunities for change. These reports offer evidence that the scandal itself paved the way to potentially stronger and more-direct relations between Duke and its surrounding stakeholder community.

B. Reasserted or Reshaped Organizational Mission and Values

Hyper-resilience can also be seen when organizations emerging from crises recognize the need for and work to reassert or reshape organizational missions and values. Kierkegaard referred to this idea as "upbuilding,"[24] which in this context entails using the organization's self-image in the public domain as a

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23. *Cf.* Clair & Dufresne, *Changing Poison*, *supra* note 22, at 65.
24. Douglas Steele, *Introduction* to SOREN KIERKEGAARD, WORKS OF LOVE (Douglas Steele trans., 1938) (1847).

motivator to remind itself of what it really wishes to be.[25] In the aftermath of the alleged rape scandal, Duke was portrayed by some—including *Rolling Stone*— to be a bacchanalian, elitist institution, and the lacrosse team to be a microcosmic depiction of this image.[26] This portrayal may have contributed to President Brodhead's naming of the Campus Culture Initiative Steering Committee, charged with studying the campus culture since the university recognized that, guilty or not, the players involved were embedded in a culture that may have contributed to underlying problems. The committee observed,

> [L]ast spring's lacrosse event and its ensuing controversies evoked strong emotions and discussions about issues of race and gender, class and privilege, difference and respect, athletics and academics, and town and gown. While these social and cultural issues have long been of concern in our larger society and on Duke's campus, these events publicly challenged Duke to closely re-examine itself to find more effective ways to enhance the sense of social responsibility and mutual respect among members of its community.[27]

Brodhead called for the university to take the lead in reasserting and reshaping its own values around inclusion and diversity, and the committee identified ways to do so by, for example, addressing inherent, hierarchical social structures related to class, race, and gender within Duke's community.[28] This initiative seems to have had the potential to move beyond simply recovering by learning surface lessons; it instead sought deeper, long-lasting change. Whether this change is realized depends heavily on the organization's ability to translate its new insights and good intentions into meaningful action.

C. Recognizing Vulnerabilities

Crisis can be invaluable in exposing organizational risks:

> A brush with crisis acts as a reality check. Crisis can not only reveal risks that leaders and other decision makers had so far not recognized, but also can temper out-of-control or poorly monitored organizational behaviors and decisions. Just as the alcoholic hits rock bottom before giving up alcohol abuse, so too must some organizations experience a brush with major failure for leaders to be ready to change organizational behaviors for the better. . . .
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> . . . [A]n organizational crisis can also shake up inaccurate assumptions held by leaders, managers, and/or employees about what is occurring and why. This increased awareness can facilitate learning from crisis, if an organization is more ready to critically examine organizational blind spots and vulnerabilities. While it's painful, managers and leaders would have probably never learned how to be more effective without the crisis experience.[29]

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25. Richard P. Nielsen & Ron Dufresne, *Can Ethical Organizational Character Be Stimulated and Enabled?: "Upbuilding" Dialog As Crisis Management Method*, 57 J. BUS. ETHICS 311, 312 (2005).

26. Janet Reitman, *Sex & Scandal at Duke*, ROLLING STONE, June 15, 2006, at 70.

27. Campus Culture Initiative Steering Committee, *supra* note 21, at 1.

28. Letter from Richard H. Brodhead, President, Duke University, to the Duke Community (April 5, 2006).

29. Clair & Dufresne, *Changing Poison*, *supra* note 22, at 67.

A previously unrecognized vulnerability evident in the wake of the Duke lacrosse scandal is the organization's lack of control (relative to other kinds of organizations) over which organizational members make public statements—and then, when and for what purpose. Beyond the effect of statements of individuals in the public domain, the crisis was inflamed by public statements made by faculty and students. The airing of disagreements among organizational members over the facts and implications of the scandal further exacerbated the crisis. It would be unusual in most corporate settings for organizational members to freely speak out in public about the circumstances of an event or issue facing the company, unless the member was an organizational leader or spokesperson, a whistleblower (protected—ostensibly—by federal law), or a *former* employee. Ironically, what would normally be considered a strength in any university—rich and public discourse around organizational and community issues—became a source of vulnerability for the university as individuals within the Duke community voiced their personal reactions to the case. The challenge for Duke under these circumstances was to recognize that this aspect of university life was both a vulnerability and a strength, to find ways to engage the inevitable debates in ways that would build its core strengths rather than undermine them, and to learn from such disagreements in a context of respectful and honest dialogue.

D. Engaging in Issue Leadership

In the crisis-management and crisis-communication communities, issue management refers to an organization's developing a coherent set of talking points that will help the organization minimize long-term reputational damage.[30] Again, the goal of this approach is resilience. For a hyper-resilient outcome, however, some organizations move beyond issue management and instead engage in issue leadership. Issue leadership means that public crisis can afford an organization the opportunity to take a leadership role in engaging with a problem that similarly plagues other organizations. Others can therefore learn vicariously without suffering the personal costs of their own crisis. For example, in the medical field, highly publicized errors led Johns Hopkins to become an issue leader on patient safety and the Dana-Farber Cancer Institute in Boston to become an issue leader on avoiding medication errors.[31] Given the public nature of issue leadership and the public airing of "dirty laundry" it entails, this form of hyper-resilience is not possible when an organization has a bunker mentality, as when legal action is pending. Since the issues at work in the Duke case—race and gender, openness and privacy, class and privilege, difference and

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30. Kate Miller, *Issues Management: The Link Between Organization Reality and Public Perception*, PUB. REL. Q., Summer 1999, at 5.

31. *Remaking American Medicine: The Silent Killer* (PBS television broadcast Oct. 5, 2006); Richard A. Knox, *Overdoses Still Weigh Heavy at Dana-Farber More Than Year After Tragedy, Cancer Institute Works to Balance Research Mission, Crucial Details of Patient Care*, BOSTON GLOBE, Dec. 26, 1995, at A1.

respect, athletics and academics, town and gown—are faced by virtually every university in the country, there was a real opportunity for Duke to take a public leadership role on any or all of these issues. It would seem that Duke's commitment to engage in conversations such as *The Court of Public Opinion*[32] indicated at least an attempt at exercising issue leadership.

E. Renovation of Underlying Organizational Structures

All organizations, especially organizations that have existed for some time, have deep-rooted structures in the form of reporting relationships, technologies, and physical structures such as office layout. These structures become deeply engrained approaches to organizational functioning because they are efficient or effective. Or perhaps they arose for idiosyncratic reasons but soon became taken-for-granted ways of functioning. Scholars who study organizational change recognize that such structures can make change difficult under normal circumstances.[33] When change is on the horizon, people may resist because they fear that they will lose the efficiencies associated with "the ways we've always done things." Often, people rely on the ways that things were always done rather than on new practices because they lack the time, energy, or will to make changes. For example, despite the shifting technological landscape around it, Eastman Kodak long clung onto its identity as a photographic film company, thereby becoming a late entrant into the digital imaging market.[34]

Organizational crises, however, offer an impetus, a necessity, and an opportunity to change deeply engrained structures in ways that would not have been possible otherwise. In the most extreme cases, crises result in the literal destruction of organizational structures, as in organizations demolished in the events of 9/11.[35] In such cases, the crisis, while tragic in losses and costs incurred, offers new and fresh opportunities to build organizational structures from the ground up. Although in some ways it would be comforting to rebuild the structures to replicate their precrisis form, the crisis brings the possibility for a hyper-resilient response that reimagines what structures might be more effective. Such was the hyper-resilient response by investment bank Sandler O'Neill + Partners to its near-destruction on 9/11.[36] The company not only reconstructed its physical and electronic infrastructure, it sought new lines of business and committed itself to caring for employee and family well-being— not just profitability.[37]

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32. Duke University School of Law, *The Court of Public Opinion: The Practice and Ethics of Trying Cases in the Media* (Sept. 28–29, 2007).

33. *Cf.* KURT LEWIN, FIELD THEORY IN SOCIAL SCIENCE (1951).

34. James Bandler, *Kodak Shifts Focus from Film, Betting Future on Digital Lines*, WALL ST. J., Sept. 25, 2003, at A1.

35. *Cf.* Steven F. Freeman, Larry Hirschhorn, & Marc Maltz, *The Power of Moral Purpose: Sandler O'Neill & Partners in the Aftermath of September 11th, 2001*, ORG. DEVELOPMENT J., Winter 2004, at 69.

36. *Id.*

37. *Id.*

In crises such as a scandal, the limits of entrenched structures may be exposed to the organization, and its impetus for creating change can be stronger than previously. For example, in the Duke lacrosse case, it is evident that the "silo" approach to organizational structure, wherein each department tends to see issues through its limited departmental perspective, obstructed vital communications within Duke, and slowed down top administrators' awareness of critical information and the organization's response to the scandal.[38] The scandal further exposed the problems that can arise when there is a separation between the athletic and the academic sides of the organization, and underscored the need for an integrative community. Although organizations experiencing scandal (and not the physical destruction of organizational structures) do not have the opportunity to literally build new structures from the ground up, the scandal does provide legitimization and an urge for change that may not have existed previously. Organizational members who may have resisted change in the past may be more aware of the need for and more open to making changes.

F.   Enhanced Understanding of the Wholeness of Organizational Life

Organizations frequently function as if there is organizational life and nonorganizational life, and never the two shall meet. To illustrate, many organizations assume that emotions have no place at work, and that employees will be most effective if they leave their emotional lives at home.[39] However, organizational crises—which frequently involve death, destruction, failure, and other ills—highlight that emotions need to be recognized as part of organizational life and that failure to appreciate the emotional aspects of work-life, especially in a crisis, can actually fuel the flames of a crisis. Further, positive emotions—such as passion and compassion—can improve rather than diminish organizational effectiveness.[40] Organizations that have experienced a crisis may be better able to recognize passionate and compassionate feelings of organizational members and stakeholders, and to tap into those feelings as a source of renewal.

For example, while painful and hurtful, one thing the Duke scandal exposed was the diverse and strong feelings within the Duke community about issues of race, class, and gender.[41] The scandal at Duke provided a bird's eye view of these differences, and while the sting of disagreements may still have been evident in the university community, leaders at all levels of the university had an opportunity to recognize the diversity of emotions and personal experience within that community and to tap into the strength of feeling as a motivating

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38.   Bowen & Chambers, Duke Administration's Response, *supra* note 21, at 14.

39.   Clair & Dufresne, *Changing Poison*, *supra* note 22, at 69.

40.   Jane E. Dutton, Monica C. Worline, Peter J. Frost, & Jacoba Lilius, *Explaining Compassion Organizing*, 51 ADMIN. SCIENCE Q. 59 (2006).

41.   Anne Blythe & Jane Stancill, *Frustrations Boil at Duke*, NEWS & OBSERVER (Raleigh, NC), Mar. 28, 2006, at A9.

force to create positive change. To undertake change within a contentious environment, such as one involving scandal, would entail great skill at managing emotions at all levels of the organization.

As a second illustration, organizations frequently fail to appreciate that the ills and strengths of their communities are also likely to be evident within the context of the organizations themselves. For example, regarding diversity and inclusion, many organizations assume that racial, ethnic, religious, class, or gender strife is not present in their organization, or has been well-managed. Although the organization may have tried to effectively manage its diverse workforce, the organization itself may be embedded in a local community or, more broadly, a geographic area where such issues are prevalent and unresolved. A brush with scandal of the kind experienced by Duke University highlights how the organization is interrelated with its broader community. This makes evident that Duke must both encourage a more diverse and inclusive environment within its own walls as well as be a force for change within the civic community as a whole.

There is some evidence, based on President Brodhead's public statements and the committees' reports, that the lacrosse scandal crystallized the inequalities within Duke's own community and the community at large and indicated that leadership for change was needed within and outside of the Duke University community.[42] Duke has a real opportunity—one that may not have been recognized or fully appreciated in the past—to break down the false barriers between, and embrace the wholeness of life within, diverse communities.

IV

NEXT STEPS TO CREATING POSITIVE
TRANSFORMATION: BARRIERS AND OPPORTUNITIES

Seeking positive transformation or hyper-resilience in the midst of a scandalous crisis is in many ways about managing tensions. There is tension between the motivation to get on with the organization's life and the motivation to ask the deeper—and more painful—questions that may crystallize the broader lessons to be learned. There is tension between leaders presenting themselves as competent and confident and their being, in fact, humble, uncertain, and vulnerable. There is tension between *knowing* what really happened and recognizing what others *think* really happened. There is also the ongoing tension between attending to the day-to-day challenges and duties of running the organization and attending to the practices and commitments that can ward off crisis or enable a hyper-resilient response.

The management of these tensions is by no means an easy exercise. It is the exceptionally rare organization that can mindfully realize even one of the

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42. Committee Reports, *supra* note 21; Brodhead Letter, *supra* note 28.

aspects of hyper-resilience discussed above. One reason for this is the incredible time pressure organizations and their leaders face during a scandalous crisis. In the for-profit business world, time horizons have been compressed from the long-term down to quarterly earnings reports and further down to daily—and even minute-by-minute—share prices.[43] Even minor issues that affect share price negatively can merit extensive coverage on 24-hour news channels such as CNBC. Today, businesses, governments, universities, and any other organization imaginable exist in a world where news needs to be generated and covered around-the-clock and where nameless bloggers can inform and misinform millions with a keystroke. Organizations, then, feel great pressure to act decisively, and successful problem-solving may still leave the deeper issues unexamined. When dozens of news trucks lined up on Duke's campus, it was undoubtedly even more challenging to think imaginatively, openly, and reflectively about how the entire community might grow through the public scandal.

Another reason why hyper-resilience is so difficult to achieve is because of the competing interests of organizational stakeholders. There can be wildly varying views about what response an organization should pursue, depending on if one is asking—in the classic business example—owners, managers, employees, customers (past, present, and future), suppliers, neighbors, regulators, competitors, et cetera. The most salient stakeholder tends to be the one with the loudest voice, and often that voice can argue for a quick return to the status quo. The problem of competing interests is exacerbated in more-organic organizations like universities where it may be impossible for administrators, faculty, staff, and students to agree on what the crisis is about or even that there is a crisis in the first place. For example, while the Duke lacrosse case seemed to gain national traction as a scandalous crisis involving issues of race, class, and gender, some members of the Duke community framed the issues instead in terms of higher-education institutions' role as advocates for civil liberties.[44]

There are often multiple orders of crisis or scandal[45]—and this appears true in the Duke lacrosse scandal as well. On the first order, the crisis may have been about what did or did not happen in that house on the night of the lacrosse party. Framed in these terms, it appears that the first-order crisis was one of "out-of-control," privileged student-athletes. On the second order, the crisis may have been about how Duke and its community responded to the allegations of the first order. Here, the crisis may have been about any number of things: a rush to judgment by civic and university authorities, academic freedom of faculty to advocate their perspective, due process for the accused

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43. *The McKinsey Global Survey of Business Executives: Business and Society*, MCKINSEY Q., July, 2006, at 33.

44. STUART TAYLOR, JR. & KC JOHNSON, UNTIL PROVEN INNOCENT: POLITICAL CORRECTNESS AND THE SHAMEFUL INJUSTICES OF THE DUKE LACROSSE RAPE CASE (2007).

45. THOMPSON, *supra* note 5, at 24.

and for the nonaccused lacrosse players and coaches, "trial" in the court of public opinion, and concern for public safety. Depending on one's perspective, the second-order crisis could have been about any, all, or none of these issues. Even more confounding in this case was that, as the public eventually learned, there was no legal case underlying the first-order crisis. One political scientist's model of scandal assumes that something untoward does in fact happen to trigger the cascade of obfuscation, leaking, and reacting that constitutes the first days of scandal.[46] Yet when nothing (legally) untoward happens initially, scandal can still explode. How then, in this fractured domain, might an organization possibly focus on anything other than mere survival?

V

CONCLUSION

One of the enduring insights from the research on organizational crisis management is that effective crisis management begins long before crisis strikes. It follows that the management of tensions inherent in seeking hyper-resilience following a scandal must also begin long before the scandal erupts. This is not to say that every possible scandal or crisis be scripted with a playbook. Rather, organizations need to engage in practices and habits that will increase their chances of realizing hyper-resilient outcomes when the time comes. Three such disciplines are a commitment to personal transformation, a commitment to interpersonal engagement, and a commitment to experimenting with learning structures.[47] Taken together, if these disciplines were adopted seriously throughout an organization, the likelihood of hyper-resilience would be greatly enhanced.

The idea behind developing a commitment to personal transformation is the need for leaders to develop a more post-conventional worldview in which paradox and tension are welcomed, not shunned. A post-conventional worldview recognizes that perception and reality can and do differ, and that reasonable people can draw radically different conclusions based on seemingly identical stimuli. A commitment to interpersonal engagement is about seeing organizations as human systems and human—not technological—accomplishments. This discipline entails being curious and engaging in dialogue with others to uncover their assumptions and blind spots. Last, a commitment to experimenting with learning structures challenges organizations to find ways to learn collectively from relatively minor failures—both potentially to avoid larger failures and to have the means to learn from larger failures. Learning structures can be after-action reviews or other techniques to ensure collective reflectivity and to encourage everyone in the organization to take ownership of the learning process. It should be apparent that these three disciplines are cumulative. It is impossible to take interpersonal engagement seriously without

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46. *Id.*
47. Clair & Dufresne, *Changing Poison*, *supra* note 22, at 72.

caring about personal transformation, and learning structures will fail without commitment to learning from each other.

Perhaps one of the reasons why hyper-resilience following organizational crisis is so rare is that organizations and leaders that commit to these disciplines are exceptionally rare. At its heart, this rarity highlights the deep tension between our assumptions that leaders should be decisively heroic and the need for leaders to be vulnerably open. In the final analysis, while organic organizations such as universities may be susceptible to difficulties in managing crises or scandals due to their fractured natures, such organizations may prove to be the best training grounds for the type of organizational leadership that is open and curious for multiple perspectives. As such, they may provide the best hope for realizing hyper-resilience in the face of scandalous crisis.