Blue Moon Consulting Group

Higher Education Leadership in Crisis

A GUIDE TO PREPARING FOR AND PREVENTING CRISIS ON YOUR WATCH



"The way to gain a good reputation is to endeavor to be what you desire to appear"
-Socrates

Colleges and universities recognize that a strong reputation leads to high quality faculty, the recruitment of a dynamic student body, supportive and active alumni, a competitive edge in research and grants, as well as the support of local communities and government authorities.

Given this, Presidents and Chancellors across the country and around the world have supported increasingly sophisticated and expensive branding campaigns in order to help differentiate their institutions in a competitive marketplace.

Yet all of this work, time, and money spent on brand building, has the potential to be completely undone by one major issue or crisis.

BUILD AND PROTECT

As school "CEO," an unfortunate role Presidents play is being the "scapegoat" should things go terribly wrong. But a loss of leadership credibility is not an inevitable outcome of a crisis – rather it is an inevitable outcome of ineffective crisis management.

As your school's leader, you are the steward of your institution's reputation. But what does that actually mean? Bottom line, it means that it is imperative that you give at least half as much focus and time to reputational risk management—essentially protecting your school's reputation—as you do to building its brand.

PROACTIVE REPUTATIONAL RISK MANAGEMENT

Built on a solid risk management program, Reputational Risk Management is a framework & process that identifies strategic opportunities as well as risks; effectively manages crises or significant issues when they do arise; and creates the reservoir of goodwill among the multiple stakeholders your organization requires to thrive.





THE NATURE OF CAMPUS CRISES

When preparing for crises, on many campuses there is an expectation that there will be little to no warning at the advent—shots are fired, a tornado touches down. While it is critical to prepare for these events, this focus on what is really "emergency management" has given colleges and universities a false sense that they have a "crisis management" capability in place when, in fact, they do not.

Ninety percent of crises that impact schools—and invariably undermine the credibility of the President—are what we refer to as "self-inflicted." They run the gamut from sexual assault and violence on campus to inappropriate handling of finances and data; from faculty misconduct and academic fraud to IP theft, animal rights and patient care.

Unlike terrorism or a natural disaster, in these self-inflicted crises, neither you nor your institution will be considered a "victim" or viewed as suffering from a terrible event perpetrated by external forces outside of the school's control. Self-inflicted crises tend to be the inevitable result of poor decisions and/or poor oversight, evolving over weeks if not months. As such, they require a completely different approach from crises that are the result of random acts of violence or natural disasters.

Relying on a crisis management "playbook" based on an outdated understanding of the risks that face an institution of higher education puts your organization, and you personally, at significant risk.

WHAT IS A CRISIS?

One of the earliest books on crisis management defines a crisis as the following: "a serious threat to the basic structures or the fundamental values and norms of a system, which under time pressure and highly uncertain circumstances necessitates making vital decisions."[1]

At BMCG, we define a crisis as an immediate threat to your organization in which events are unfolding rapidly, accurate information is scarce, and the pressure to respond is high. It is the exact moment when strategic decision-making is the most critical. Unfortunately, it is also the moment when you recognize that the very processes you rely on day-to-day are simply not engineered to navigate the treacherous and fast-moving waters.

1. Coping With Crises: The Management of Disasters, Riots, and Terrorism
Uriel Rosenthal, Michael T. Charles, & Paul T. Hart, 1989



THE ODDS ARE NOT IN YOUR FAVOR

Newspapers are littered with examples of Presidents who have been either forced out or who, post-crisis, came to the conclusion that they would prefer to "spend more time with their family."

In addition to the normal challenges every leader faces, there are three main reasons why the survival rate for University and College Presidents and Chancellors in crisis is so low:

1. An academic institution's traditional management model, with its focus on shared governance and consensus building, is uniquely ill equipped to manage the dynamics of a fast-evolving crisis.
2. Having risen through the ranks of academia, former professors of astrophysics and deans of the philosophy department are suddenly expected to transform into the role of mayor of a small city—a role few are equipped to manage effectively, particularly first timers.
3. Brutal campus politics, unresolved issues, and long forgotten grievances become forces unto themselves during a crisis; exacerbating risk, prolonging turmoil, and effectively blocking resolution.

YOUR ROLE IN PREPARING FOR CRISES:

Failure in crisis is not inevitable. Indeed, with a little forethought and the right institutional culture, it should be possible for any organization and its leader to survive a crisis with reputation not only intact but burnished due to the quality of the response.

Priority 1: Establish a Culture in which "Bad News" is Shared

Priority 2: Recognize the Role of Team Dynamics on Decision-Making

Priority 3: Demand an Expeditious, Predictable and Repeatable Process

Priority 4: Understand Your Role as the "Face" of the Institution.

1 ESTABLISH A CULTURE IN WHICH "BAD NEWS" IS SHARED

One of the most important determinants of success during a "self-inflicted crisis" is how early you become aware of the issue or situation. "Why didn't we learn about this earlier?" is the oft-heard refrain echoing around Administrative offices.

It is important, as the university or college leader, for you to establish a culture on campus in which bad news can be shared in a fault-free environment. Too often, however, leaders quickly become isolated and disconnected from the campuses they lead. While this risk is minimized to some degree on smaller campuses, recognize that there can be cultural barriers that cause leaders to have an overly optimistic assessment of the state of their school.

This is driven by a number of factors including:

1. Subordinates tend to want to be perceived as competent–accomplishments and meeting milestones often results in good news overwhelming any less optimistic news.
2. Bad news, when it is shared, is often portrayed as something that happened in the past but which has now been fixed. Because one individual or one team may not understand the full strategic picture, this dynamic tends to exacerbate the risk of a situation becoming worse and information being received too late.
3. The well-known concern of "shooting the messenger" can lead to chronic under-reporting of negative issues.
4. The larger the power differential between the person reporting and who is being reported to, the less likely bad news will be shared. So as President, you may be the last to find out.

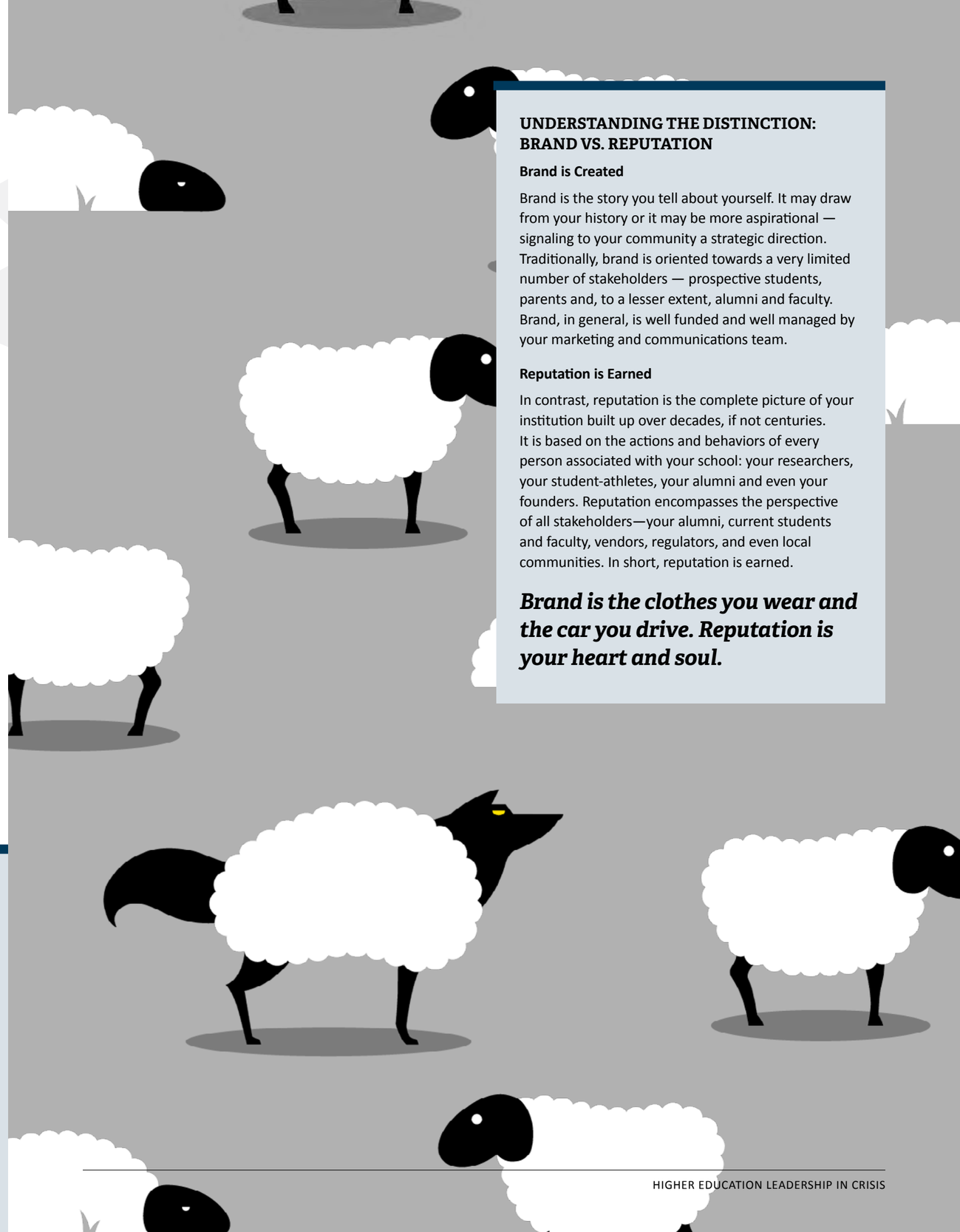
CRISIS PLAN CHECK

Integrate the following into the ***Incident Reporting*** section of your plan:

- A clear, fault-free process to report bad news that should not have to go directly to the President or Chancellor. In fact, putting yourself at the center of this is only likely to reduce effective reporting. Campus Counsel, the Head of Communications, or your Chief of Staff are good candidates for points of contact.
- A "screening process" should be defined to evaluate the information in the context of what else is going on in the organization. What does this information mean?
- A clear link between this reporting process and the criteria for activation of your Crisis Management Team (CMT) and other teams. What is the appropriate level of response? Is this a potential crisis or something else? Who "needs to know?" and who "needs to act?"

ACTION ITEMS:

- Be proactive. It is not only critical to effective crisis management but impossible to mitigate a situation if you find out about the situation too late!
- Establish an open door policy and reputation for taking all concerns seriously – not just from students but from all stakeholders. There is a natural inclination to minimize or disbelieve bad news. Don't.
- Trust but verify – a healthy dose of skepticism regarding rosy accounts about the school will serve you well.



UNDERSTANDING THE DISTINCTION: BRAND VS. REPUTATION

Brand is Created

Brand is the story you tell about yourself. It may draw from your history or it may be more aspirational — signaling to your community a strategic direction. Traditionally, brand is oriented towards a very limited number of stakeholders — prospective students, parents and, to a lesser extent, alumni and faculty. Brand, in general, is well funded and well managed by your marketing and communications team.

Reputation is Earned

In contrast, reputation is the complete picture of your institution built up over decades, if not centuries. It is based on the actions and behaviors of every person associated with your school: your researchers, your student-athletes, your alumni and even your founders. Reputation encompasses the perspective of all stakeholders—your alumni, current students and faculty, vendors, regulators, and even local communities. In short, reputation is earned.

Brand is the clothes you wear and the car you drive. Reputation is your heart and soul.

2 RECOGNIZE THE ROLE OF TEAM DYNAMICS ON DECISION-MAKING

Crises are inherently difficult to manage, not just because of the range of negative potential impacts it may have on your organization, but because of the psychological pressure it puts on you as its leader. Research has demonstrated that the stress induced by crisis can handicap your ability to make good decisions and exacerbate the already existing risks of team dynamics on decision-making.

AVOID "GROUP THINK"

Group think is the tendency for a team to emphasize consensus at the expense of critical thinking and decision-making. In a group think situation, the team prioritizes information that agrees with the prevailing point of view; undermines information from those that disagree; and, in general, exerts pressure to conform and reach consensus – even when none exists. In this dynamic, new or "junior" members of the team are less likely to bring up information until they understand whether or not it conforms to the view of the group. In fact, all team members tend to stay silent or rationalize their dissonant point of view/information as "unimportant," even when they know that not sharing may lead to poor decision-making.

It is your responsibility to understand this team dynamic and actively work to counter it by seeking differing points of view. One way to do this is to have everyone share their perspective of the risk before rather than after decisions are made. While there are challenges associated with operating as a group, research also suggests that even an imperfect team approach, with its differing perspectives and broader view, is more effective than going it alone. This is particularly true when the situation becomes more nebulous, complex and unpredictable—like a crisis!

CRISIS PLAN CHECK

Integrate the following into the ***Response Structure*** section of your plan:

- CMT Leadership – Identify a trusted lieutenant who can manage this process without you – Campus Counsel is typically a good choice, as your (A)VC of Communications may be too busy with communications-related tasks to easily serve in this capacity.
- CMT Membership – Do not allow this to simply default to your direct reports or your Cabinet. Rather, it should be a pre-selected team of leaders who have the expertise and authority that is critical for effective response. For example, Campus Counsel and Communications must be core members whether or not their roles are VP/VC or they are direct reports. Aside from a small, core group, additional extended team members should then be included as needed, based on the specifics of the event or expertise required.
- The parameters of your role – Include clear expectations regarding your level of engagement with the CMT, need for information updates, specific decisions you expect to be flagged and reserved for you, and actions or recommendations that you need to review or need to share with the Board.

UNDERSTAND YOUR ROLE AS "DECIDER"

As your school's leader and the one ultimately responsible for the stewardship of its reputation, it is completely understandable that you will want to be intimately involved at each step in discussions and deliberations about the crisis. However, you should recognize and understand the significant influence you can have on the thinking of your team. The dynamic required to fully assess the situation, get the team to share the risks and consequences, and to come up with some viable options is very hard to accomplish when the President is in the room. It is more likely that your team will be second-guessing what you want to happen or hear, deferring to your wishes or assessment, however inaccurate, ill-advised or even uninformed that may be.

A better approach, would be to step back at points—to actively give your team some time and space to deliberate, discuss and openly disagree as peers. Encourage them to fully assess the risks and consequences of the event and to come up with some viable options along with expected outcomes so that you can make the final decision when the time comes.

3 DEMAND AN EXPEDITIOUS, PREDICTABLE AND REPEATABLE PROCESS

It is remarkable how being in a crisis often leads to internal confusion, lack of clarity regarding priorities, and disparate parts of the institution – Alumni Relations and Student Affairs, for example—believing that they are both "on first." So often, the impact and reputational damage caused by a crisis is magnified by the actual – or perceived(!) – lack of internal discipline and ineffective, uncoordinated response. This lack of a repeatable, predictable and efficient response to crisis is inexcusable – and as President you must have an expectation of discipline and rigor. After all, it is not just your institution's reputation, but, your job and your reputation that are on the line!

As outlined earlier, you should be giving your team the opportunity and the space to discuss, assess the risks, and formulate viable options and recommendations. It is imperative, however, that you be very clear about your expected engagement including:

- How much and how often they should be briefed
- What issues they want flagged and which actions/recommendations they would like to review
- Which decisions they reserve for themselves
- What needs to be shared with the Board and who should do that

CRISIS PLAN CHECK

Integrate the following into the ***Management Process*** section of your plan:

- Clear definition around your role and your expectations for the CMT process reflecting your personal preferences, and the degree of confidence and trust you have in your team.
- Clear accountability for program management, awareness, and training.

ACTION ITEMS:

- Build a Crisis Management Team (CMT) that trusts each other's experience and perspectives.
- Ensure that dissonant points of view are encouraged.
- Give your team the space to work it out.
- Focus on strategic priorities

ACTION ITEMS:

- If you don't know what the "crisis plan" is at your school, make it a priority to find out.
- If your role is defined as limited to "declaring a disaster" (as it often is in Emergency Management Plans) and seemingly everything else is going on in the Emergency Operations Center, more definition and thought needs to be given to your role. *If your plan is owned by your police department or facilities, it's probably not everything you need.*
- If your team has never participated in an exercise focused on managing response to reputational risks – i.e. those self-inflicted crises as opposed to natural disasters or active shooters – schedule one.

4 UNDERSTAND YOUR ROLE AS THE "FACE"OF THE INSTITUTION

Standard crisis management advice—and, in fact, the natural inclination for most Presidents—is to quickly and publicly take responsibility for the events and issues that occur on their campus. We disagree.

This advice is really only suitable to "victim" types of crises—natural disasters, active shooter, etc. In fact, during these types of events, it is not only appropriate but relatively risk-free for you to reflect the anxieties felt on the campus—to demonstrate empathy, concern and compassion, as well as a determination to move on, learn from the events and emerge an even stronger institution. It is important, however, to remember, these types of crises reflect only about 10% of the total. When facing the far more common "self-inflicted" crisis, it is absolutely critical that you proceed more cautiously as the "face" of the institution. Specifically, we recommend that you:

BEWARE OF "OWNING" THE CRISIS

As President, you need to create the perception of a leader who clearly takes responsibility but who is not intimately involved in every little thing that goes on at your campus. Unfortunately, the fastest way to "own" an issue is to become closely associated with it by becoming the spokesperson. Doing so at the outset makes it simply impossible to recede into the background as things develop. Media and other stakeholders will expect your continuing visible presence and close association with the issue which can lead to you, personally, being indelibly marked (and potentially damaged) by the issue more than your actual involvement warrants. If you are clearly front and center, it's more likely that responsibility for any failures will be laid at your door.

Creating distance, especially at the outset protects not just your presidency, but the reputation of the institution. As the embodiment of the institution, it is imperative that you rise above any isolated incident.

CLEARLY DELEGATE

Particularly in the early stages of a crisis, it is not that clear what other "shoes" may drop. Having someone closer to the issue – the Athletic Director, the VC of Student Affairs etc. – serve as the initial spokesperson will give you breathing room. It also preserves your ability to engage later, should the situation further deteriorate.

LEAVE ROOM TO ESCALATE

This is not to say you are silent. A typically effective model is for the President to provide to the community a written statement clearly outlining/disclosing the facts and showing concern, empathy, understanding and a determination to resolve the underlying issue.

Included in this statement should be a clear delegation of on-going management to a senior administrative member. By taking this route, you have the opportunity to demonstrate leadership without getting caught in the inevitable back and forth that will ensue over the next several days, weeks and potentially months.

ACTION ITEMS:

- Establish critical distance. While you are the President, you do NOT need to own every issue that occurs on campus.
- Focus communications on direct engagement with critical stakeholders – which is not the same as doing media relations.
- Less is More! In self-inflicted crises, you can easily increase interest and exacerbate risk to you and your institution by saying more than you need. At the same time, drip-drip-drip disclosures are the equivalent of death by a thousand cuts. The best course is to get all the facts, disclose it, address it, move on.

As President, your legacy will be determined by how you both build and protect the institution you have been charged to lead.

In this, crises can be a great leveler. They put your leadership style and your ability to motivate, inspire and drive behavior to the test.

With the right preparation and culture, it should be possible for your institution (and you) to not just survive but thrive following a crisis..



FOCUS ON CRITICAL STAKEHOLDERS, NOT THE MEDIA

Anxiety about the press can, unfortunately, become an overriding concern for any leader in crisis. This is natural – one poor performance during a "20/20" interview or a poorly considered social media post can change the impression stakeholders have about your leadership for a long time to come. While understandable, this focus on media can be counterproductive.

Rather than thinking about how to deal with the press; a more effective communications strategy is to meet the expectations and information needs of the stakeholder(s) most impacted by the crisis. If key stakeholders are satisfied—be they parents, students, alumni, trustees, faculty, regulators or the local community—with the substance, timing and sequencing of information, it is far more likely that criticism will be muted. Keep in mind that with social media, every grievance can be amplified – and accusations of being more concerned with media relations than with faculty relations or student relations in almost every instance exacerbates risk and criticism.

EVALUATE YOUR PRIORITIES

Any decision regarding your role in media relations needs to be weighed against the other roles you need to play in broader stakeholder communications – coordinating with the Board and/or the Office of the President in a multi-campus system; making one-on-one calls with key alumni, donors, legislators, academic leaders and others in the community; as well as serving as ambassador to those directly impacted by the issue or event. Direct engagement with these stakeholders – particularly when not designed as a "photo op" but an opportunity for genuine engagement – can be highly effective both in building support for the response taken by the administration and, tangentially, in the media optics of the response priorities.

Remember, the impact a crisis can have on your organization has less to do with the event itself than the perception of the response. Of your four priorities, crisis communications, perhaps more than any of the others, defines and magnifies the perception of the response effectiveness.

CRISIS PLAN CHECK

Integrate the following into the ***Crisis Communications*** section of your plan:

- Identification of the critical stakeholders with whom you will need to engage, including those not in the spotlight.
- The approval process for key communications documents (such as community-wide announcements, press releases, holding statements etc.) and the degree of engagement / approval expected.
- Defined, default spokespeople for a range of issue areas anticipated to pose significant reputational risk to the institution as well as a process for identifying and escalating communications to the President.
- Expectations regarding media training for your entire senior leadership team.

Strategic Clarity, Tailored Support

ABOUT BLUE MOON CONSULTING GROUP

Blue Moon Consulting Group is a boutique consulting firm focused on higher education. We provide insight, counsel, and experience to help college and university leaders **prepare proactively** by anticipating issues and becoming crisis-ready; **respond effectively** to preserve stakeholder trust; and **build with purpose** by advancing their strategic vision.

WE'VE BEEN THERE

Blue Moon Consulting Group understands the broad range of risks that you face. Our team has been in the trenches with organizations in crisis for decades. We know what works, what doesn't, and how to prevent needlessly making the situation even worse. We've supported institutions of higher education to manage their response to protests, academic scandal, child molestation, data breaches, activism, and a range of financial, social and ethical issues. We'll help you avoid the mistakes that many organizations make as well as seize potential opportunities that a crisis can present. We help ensure that you not only survive but emerge stronger.

WE'LL HELP YOU PREPARE

Don't wait until an issue or crisis event is upon you. At Blue Moon Consulting Group, we've created world-class crisis management programs for every type of campus—from small private colleges to state-wide university systems with multiple campuses and affiliated healthcare organizations and research facilities. We've conducted training sessions for Presidents and their teams on crisis leadership and we've held multi-location and multi-team functional and tabletop exercises focused on decision-making, policy, and reputational risk.

There's no easy, off-the-shelf answer to solving one of the biggest challenges institutions of higher education face today. But Blue Moon Consulting Group has developed a rigorous, comprehensive and proven methodology to reduce the impact of reputational risk. We'll help you get ready.

Blue Moon Consulting Group

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OPTIMISM IS NOT A STRATEGY.