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## Crisis Response Leadership

### “Will Leaders and Companies Ever Learn from Their Mistakes?”

By **James E. Lukaszewski**,  
*ABC, Fellow IABC, APR, Fellow PRSA, BEPS Emeritus*

Among the most frequent questions I get when speaking to groups or talking to clients, and especially to victims and survivors, are:

- “Why do companies and their leadership continue to make the very same mistakes time and time again?”
- “Don’t they read the papers?”
- “Don’t they watch the news?”
- “Don’t they talk about how to avoid the problems they see their colleagues, peers and friends having?”

It’s a question of ethical leadership.

The simple and direct answer is, very rarely. Businesses don’t learn because the typical response to a crisis is focused more on forgetting than learning. The first inclination is to punish the innocent, next, to cover up the misdeeds of the powerful; and then purge the organization of anyone remotely associated with the problems, including the chief executive, sometimes the CFO and even the general counsel.

These summary cultural executions effectively deny the organization the opportunity to learn how to detect, prevent and deter such circumstances from occurring again because the only people who can teach these things are the perpetrators who were responsible in the first place. But they are gone, or muzzled by their attorneys.

The Penn State circumstance is the most complete recent example of this flawed but continually accepted strategy.

**Phase One:** Denial, disbelief and Institutional Deafness: Ignoring the circumstances and allegations, questioning credibility and motives, and discrediting those making the allegations.

**At Penn State:** Internally the early reports were clearly delayed, ignored, discouraged, and discredited for eleven years.

**Phase Two:** Victim confusion. The institution and the perpetrators claim that they are just as much the victim as those who they have been alleged to have assaulted, intimidated and otherwise harmed. The voice of doom speaks, “If this continues, the institution could be harmed.”

**At Penn State:** As the scandal became more real, institutional defensiveness kicked in all the way to DEFCON 5, the official feeling of being under attack and forced to respond.

**Phase Three:** The phony internal investigation strategy stage which prolongs the denials before finally determining either that the allegations are bogus or that, “It was an isolated incident”. In the process, the victims are further discredited; the challenging authorities are demeaned.

**At Penn State:** Victims, media, and any naysayers were actually set upon by students, faculty and community members. All the while, the chief known perpetrator, Mr. Sandusky, and others in the administration were at liberty to try to cover their criminal activities and abusive behaviors, including Mr. Paterno. Ultimately, Mr. Freeh was retained and produced a devastating outside, independent analysis and recommendations.

**Phase Four:** The head-fake shifting blame to everyone else but the folks in charge.

**At Penn State:** The perpetrators, even the police and the co-conspirators, protected each other until the forces of public pressure absolutely required that they be exposed and removed. All this happened, despite a clear pathway of culpability from within the organization in athletics and moving up to the very top.

**Phase Five:** Failing to truly punish the guilty or subject them to corrective behaviors. Two extraordinary consequences occur:

- First: the loss of knowledge of how these problems came about from those who have a better understanding of the entire organization than anyone, the perpetrators.
- Second: an entire avenue of learning for the institution and subsequent cultural modification is removed.

**At Penn State:** Early on there was an extraordinary movement to begin forgetting the incident as quickly as possible. Even now, the University is on the public relations defensive to continue the process of eradicating these incidents from their memory through extensive PR efforts.

**Phase Six:** Punishing the innocent. Along comes the first of a series of sanctions aimed at the institution, but hits the students instead, missing the perpetrators, the collaborators, and the facilitators.

**At Penn State:** They welcomed the sanctions largely because they themselves couldn't figure out what to do that would be publicly and internally acceptable.

**Phase Seven:** Bury or hide all the remembrances to ensure forgetfulness. This approach, involving forced forgetfulness, denies the victim's validation for their suffering and demeans and diminishes the beneficial impact of those who are able to stand up and bring comfort and justice to the afflicted.

**At Penn State:** They removed one statue of Mr. Paterno, but left another in place.

**Phase Eight:** Persecution of the innocent is piled on by outsiders.

**At Penn State:** The NCAA sanctions the school by taking away years of victories, punishing thousands of students no longer attending the University, including those who attended honorably while in school. The NCAA has, like so many intervening outsiders, provided a distraction rather than a solution. The University of Minnesota has announced that it will not recruit athletic students from Penn State.

What is learnable from this tragedy?

1. Culture change requires that the University preserve, expose, disclose and continuously discuss these criminal behaviors rather than simply eradicating them from the life, even the history of the organization.
2. The perpetrators and those found guilty should be required to make periodic appearances to subject themselves to public and survivor questioning to help others understand the sources, nature, and scope of damage to deter future, similar criminal behavior.
3. Traditional, puffy public relations is the exact opposite of what's needed and will encourage the cover up of previous, and perhaps current, negative administration activities. Public Relations signals an end to additional ongoing disclosures, and diminishes and demeans the important culture changing activities going on.
4. The new compliance structure should continue investigating, be vigilant, and impose compliance. The facts, information and data should be disclosed continuously as discovered. This monitor must focus on present senior administrators of the institution. Their predecessor's lack of leadership, complicit behavior that still goes largely undiscovered and unpunished. And, given half a chance, history demonstrates that the new interim administrators are weak and likely to follow or be pushed into similar repulsive behaviors.

5. Culture change occurs through a continuous senior leadership based effort to remind, remember, rehearse, and revisit the circumstances that permitted the victimization of these children. The cultural change goals are to ensure that such events and circumstances are deterred, reported, investigated, prosecuted and prevented.

How long does culture change take? Well, let's see. When will the victims stop being victims?

The student body insults and punishments will continue, but now by former friends.

This is the old psychology idea that spreading the pain and suffering out among a much larger base of individuals, helps all affected heal or help in the healing. The real effect is that the guilty feel innocent and the innocent feel even guiltier. Believe it or not, there are many who would call this good, therapeutic practice. Ask a victim or their surviving relatives if that's how they feel.

We find this same delusional notion in other fields... In Public Relations your gaff is covered up and reduced in intensity if you can gather a cluster of third parties around to you to protect you and distract others. In industry the old axiom was, “Dilution is the solution to pollution.”

There has to be a better way. These patterns of willful ignorance, organized forgetfulness, organizational deafness, and the love of yesterday are what give management and leadership the opportunity to say nothing, learn nothing and do nothing.

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