KELLEY SCHOOL OF BUSINESS
INDIANA UNIVERSITY

The real-time power of Twitter: Crisis management and leadership in an age of social media

Daniel A. Gruber [a], Ryan E. Smerek [b], Melissa C. Thomas-Hunt [c], Erika H. James [d,*]

[a] Medill School of Journalism, Media, Integrated Marketing Communications, Northwestern University, 1870 Campus Drive, Evanston, IL 60208, U.S.A.
[b] School of Education & Social Policy, Northwestern University, 2120 Campus Drive Evanston, IL 60208, U.S.A.
[c] Darden School of Business, University of Virginia, P.O. Box 6550, Charlottesville, VA 22906-6500 U.S.A.
[d] Goizueta Business School, Emory University, 1300 Clifton Road, Suite 530, Atlanta, GA 30322, U.S.A.

KEYWORDS
Crisis;
Social media;
Leadership;
Expertise;
Twitter

Abstract   This article focuses on crisis management and leadership by executives, boards, and institutions and applies research on resilience, power, and sensemaking in the analysis of the ousting and subsequent return of a chief executive by the board of directors. Insights are shared on the transparency of information, the power of social media, the role of leaders in a crisis, and the ability of different voices to be heard and exert influence in our social media age. This case study provides a set of recommendations for leadership and crisis management in the contemporary business environment by showing how a crisis can be fueled by social media. Twitter is analyzed as a source of real-time news and information, which can have a significant impact on organizations and their strategies. Furthermore, implications for new executives are highlighted, with a focus on how their initial sensemaking process shapes the ability to respond to a crisis.
© 2014 Kelley School of Business, Indiana University. Published by Elsevier Inc. All rights reserved.

1. Organizational crises in and around social media

Organizational crises can be catalyzed by a variety of factors and can have devastating consequences. Crises have been defined as "rare, significant, and public situations that create highly undesirable outcomes for the firm and its stakeholders"

* Corresponding author
  E-mail addresses: d-gruber@northwestern.edu (D.A. Gruber),
ryan.smerek@northwestern.edu (R.E. Smerek),
thomashuntm@darden.virginia.edu (M.C. Thomas-Hunt),
erika.james@emory.edu (E.H. James)

(James & Wooten, 2010, p. 17). In the contemporary business environment, crises have become more frequent and severe (James, Wooten, & Dushek, 2011). One of the reasons for this increase in salience and severity is social media, as organizations struggle to make sense of how to manage and lead in this new ecosystem (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). Social media has accelerated the speed at which information is shared, amplified the reach of messages, and solidified the ability of disparate individuals to organize. Some crises originate on social media, while others start offline and are brought to social media only if they are otherwise not resolved. The microblogging site Twitter has become one of the most powerful social media platforms through which organizations communicate with stakeholders (Alexander & Gentry, 2014). Therefore, it is critical that scholars and practitioners understand the real-time power of Twitter and its implications for crisis management and leadership.

In this article, an unprecedented sequence of events at the University of Virginia (UVA) is analyzed to illuminate theoretical and practical implications of managing crises in the age of social media. On Friday, June 8, 2012, after serving as president of the university for 2 years, Teresa Sullivan was asked to resign by the head of the Board of Visitors (BOV) due to the strategy—or perceived lack thereof—of the university. The subsequent firestorm on the Charlottesville, Virginia campus and on social media among students, alumni, faculty, the media, and other key stakeholders, led the board to reinstate Sullivan less than 3 weeks later. While the mainstream media documented the events with great interest, it was social media (e.g., Twitter, Facebook, YouTube) that actually participated as an active medium for the sharing of news and information in real time, enabling stakeholders to express their opinions and rally together. Social media became a mechanism through which to push for transparency and action from the board. Moreover, this organizational crisis at UVA was self-inflicted, as it originated from actions by the university's board and exposed a critical organizational blind spot: The decision making and sensemaking of the board were disconnected from social media, where the crisis was growing and stakeholders were organizing. The metaphorical fire of the crisis that originated offline, prompted by a board decision, continued to grow on social media, and ultimately the only way to remedy the situation was to reverse course and reinstate the ousted president. This reinstatement on June 26, 2012, resulted in a surprising display of unification, with the stakeholders rallying around the president and, ultimately, the university.

This article results from the distillation of empirical evidence gathered during the events, as well as in the aftermath. A search for articles in news publications about the UVA presidential crisis was conducted to form the foundation of our analysis. Several of these news articles were based on Freedom of Information Act requests spurred by social media, which led to the release of e-mails between board members. The e-mails were a major focus of the analysis. Official statements and speeches from the BOV and the president were also studied. Social media posts, hashtags, and groups on Twitter and Facebook were examined both during the crisis and in the aftermath of the events. Finally, it is important to note that two of the authors of this article were faculty members at UVA when the events occurred and provided a distinctive perspective on this research through the combination of their academic expertise and personal insights.

Although the empirical evidence comes from an example in higher education, broader implications of this research can be extracted for organizational theory and for practitioners. This case study provides a number of theoretical extensions and practical insights to successfully navigate crises on social media. Social media was one of the major catalysts for the release of information in the UVA crisis. By studying the released e-mails of subgroups of the BOV, the decision making and actions that ignited and fueled the crisis are brought to light. This rare look at the e-mails of a board illuminates how different domain expertise can impact the strategic direction of an institution, as well as how a board makes decisions when only a few people are driving the agenda on an issue (Proell, Thomas-Hunt, Sauer, & Burris, 2013). Furthermore, the traditional media mentions and subsequent social media posts regarding phrases and talking points used by key stakeholders to communicate around the crisis (e.g., strategic dynamism, incremental leadership) advance the understanding of how social media amplifies traditional media. Finally, leadership strategies are examined to highlight the distinction between incremental change and aggressive transformation in organizations, with a focus on the ramifications of these disparate approaches for social media. Ultimately, we illuminate the real-time power of Twitter: the ability to listen and learn as decisions are made, by monitoring reactions and directing the appropriate course of action.

2. Competing logics of leadership

At the core of the crisis was a philosophical difference about leadership between members of