Full Length Article

A balance theory approach to stakeholder network and apology strategy

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A B S T R A C T

Apology is an important area of research in crisis communication. Scholars have largely explored apology from an organization-centric, dyadic approach. We argue that this type of research has made unrealistic assumptions about a much more complex social system and may be challenged by increasingly interconnected social reality. This paper uses Structural Balance Theory and Stakeholder Network Management Theory to develop a model and several testable propositions to guide the way organizations respond to a crisis.

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1. Introduction

Apologies are symbolic rituals performed by those who have committed offensive acts to show their regret for those acts and earn forgiveness from people who have been offended (Benoit, 2015; Goffman, 1971; Tavuchis, 1991). Public apologies often receive significant attention from the mass media, public, and scholars. Apologies are an especially important topic in crisis communication (Coombs, Frandsen, Holladay, & Johansen, 2010), and researchers have analyzed apologies by many individuals and organizations, including corporations, politicians, celebrities, and governments (Benoit, 2015). Scholars generally agree that determining when and how to apologize is a strategic communication decision with considerable consequences (Benoit, 2015; Bisel & Messersmith, 2012; Coombs, 2007).

In general, genuine apologies must contain acknowledgements of responsibility and expressions of remorse (Benoit, 2015; Lazare, 2004). Some argue that apologies should include other elements too, such as promises not to repeat the offense or offers of reparations (Bisel & Messersmith, 2012; Hearit, 2006). Researchers have observed that many public statements of remorse are actually *pseudo*-apologies or *non*-apologies (Gruber, 2011; Kampf, 2009; Lazare, 2004). Such statements may use words like "I'm sorry," but they also try to minimize offenses or avoid taking responsibility for them (Lazare, 2004; Kampf, 2009). There are even some situations where pseudo-apologies are more effective than genuine apologies (Bentley, 2015; Eisinger, 2011).

Indeed, simply offering a genuine apology when someone expresses anger is not necessarily the most effective crisis response. For instance, in some situations full acknowledgements of responsibility create liability problems (Hearit, 2006);

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in other cases, the organization may need to consider the conflicting interests of different stakeholders, and an apology may please one group but offend another stakeholders (Bentley, 2015).

In this article we advocate for a move away from a sender-centered, dyadic understanding of apology, which only considers the relationship between a pair of actors at a time. As noted by Rowley (1997), organizations do not merely respond to one stakeholder group at a time. Rather, organizations are subject to stakeholder influence within the networks comprised of organizations and multiple stakeholders. Therefore, under many situations, apology decisions need to consider competing and even conflicting stakeholder interests. Coombs and Holladay (2010) also note that crisis communication as a field needs to move away from a sender perspective to a receiver/stakeholder perspective. Further, the digitized communication context challenges organizations and scholars to embrace new theoretical models to guide their crisis response, as the prevalence of social media often requires organizations to formulate appropriate responses quickly within the networked context of social media, which is complex and sometimes difficult to navigate.

This article draws upon Structural Balance Theory and Stakeholder Network Management Theory (Rowley, 1997) to suggest how organizations can and do select the most effective apology response to a crisis. We argue that understanding the interconnected relationships between organizations and their various stakeholder groups enables crisis managers to determine whether it is more strategic to issue a genuine apology, a pseudo-apology, or no apology at all. We also propose a theoretical model to describe the most strategic crisis responses in complex social systems. We illustrate our propositions using examples from previous studies and actual apologies. Moreover, we maintain that a stakeholder network management approach is made possible by the increasing convenience and availability of social media data. These data make it easier to analyze connections and improve our understanding of how networks mediate organization-stakeholder relationships and use such data to aide organizations' decision making. Our model and testable propositions contribute to theory building and practice in the field of crisis communication in the age of the networked society.

One additional observation is worth making here. Offensive actions and public apologies have important ethical dimensions that deserve careful consideration. While we argue that genuine apologies are not always strategic or necessary, we reject any attempt to deceive or take advantage of stakeholders. Further research on the ethics of apologies and pseudo-apologies is warranted, but it lies beyond the scope of this article.

2. Apology and pseudo-apologies

In times of crisis, communication is a key element of stakeholder relationship management (Ulmer, 2001). Public apologies are an important form of crisis communication (Coombs et al., 2010; Ihlen, 2010). Apologies are rhetorical acts aimed at repairing one's public image (Benoit, 2015) and relationships (Tavuchis, 1991) after one has violated social norms. This article focuses on organizational apologies as a form of stakeholder relationship management.

According to Benoit (2015), there are many different strategies for responding to accusations of wrongdoing. Most of these strategies are defensive, seeking to deny or minimize one's guilt. Apologies are unique because they involve accepting guilt and showing remorse for offensive acts, a process Benoit (2015) calls mortification. As such, apologies are a particularly complex rhetorical strategy (Benoit, 2015; Coombs, 2007). Goffman (1971) described an apology as "a gesture through which an individual splits himself [sic] into two parts, the part that is guilty of an offense and the part that dissociates itself from the delict and affirms a belief in the offended rule" (p. 113). In essence, apologies seek to demonstrate that offenses are not representative of an offender's true nature (Schlenker & Darby, 1981).

Situational Crisis Communication Theory (Coombs, 2007) suggests that apologies are an appropriate response when an organization is clearly responsible for a crisis. However, because genuine apologies may invite lawsuits, and because they are normally accompanied by reparations or corrective action, genuine apologies are often the most costly type of crisis response. Thus, when organizations are not responsible, or only partly responsible for a crisis, it is usually more appropriate for them to defend themselves.

We believe organizations have an ethical duty to apologize for harms they know they have caused. As Coombs and Holladay (2008) have stated, "It is unethical to evade responsibility when it is known" (p. 256). However, Situational Crisis Communication Theory is primarily based on stakeholder perceptions of the situation, not the organization's perception. No matter how convinced leaders of an organization are that they are not to blame, if key stakeholders insist on blaming the organization, an apology may be necessary. Sometimes activist groups who oppose an organization's mission are quick to demand an apology for any crisis, even if the organization is not the cause of that crisis. If organizations cannot defend themselves successfully, they may need to apologize whether they agree with their critics or not.

Organizations often respond to public pressure for apologies with pseudo-apologies (Gruber, 2011). According to Lazare (2004), pseudo-apologies may involve: 1) offering a vague and incomplete acknowledgement; 2) using the passive voice; 3) making the offense conditional; 4) questioning whether the victim was damaged; 5) minimizing the offense; 6) using the empathic "I'm sorry"; 7) apologizing to the wrong party; or 8) apologizing for the wrong offense (p. 86).

Offenders may issue pseudo-apologies because they do not really feel responsible for a situation. They may also issue pseudo-apologies because they do not want to incur liability (Hearit, 2006) or because genuine apologies are too humiliating (Tavris & Aronson, 2007). Bentley (2012) and Kampf (2009) have suggested that pseudo-apologies can be used strategically in political contexts to avoid showing weakness toward one's political opponents.

Indeed, pseudo-apologies can be effective in certain situations. Often, the goal of an apology is to bring closure to an unfortunate episode and convince the news media to move on to other stories (Hearit, 1994). Pseudo-apologies may accom-