A GROUNDED THEORY RESEARCH ON THE REPUTATIONAL CRISIS MANAGEMENT PRACTICES OF CHINA'S COLLEGE MANAGERS IN THE SOCIAL MEDIA AGE

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ABSTRACT

Colleges in China are experiencing many internal challenges in recent years that have the potential to develop into reputational crisis if not properly handled. One such challenges come from the management of student affairs. In the social media age, after a student has filed a complaint, a reputational crisis might take place if the college manager is not able to handle the complaint effectively in time. However, many college managers in China have not yet developed the ability to manage college crisis in the context of social media effectively, and there is a dearth of literature that focuses on such topics hitherto. Hence, we conducted the current grounded theory research to study the approaches that college managers used in their crisis management, and the problems that they faced.

Keywords: Social Media; College Crisis Management；China

INTRODUCTION:

Colleges in China are experiencing many internal challenges that have the potential to develop into reputational crisis if not properly handled (Qu & Nie, 2011). One such challenge is student affairs management in the social media age.

In the previous decade, after a student has filed a complaint, college managers could afford to handle the complaint at their own leisure (Jiang, 2011). At those times, the student might have to wait for a very long time for the college manager to respond to the complaint, and the manager had a lot of power over how the complaint is handled. Even if the manager is biased in the process of handling the complaint, given the power imbalance between the college manager and the student, the student would have little chances to address their grievances.

In the social media age, after a student has filed a complaint, a reputational crisis might take place if the college manager is not able to handle the complaint effectively in time. For example, if the college manager is biased against the student when handling the complaint, or if the student is impatient and cannot wait for the college manager to reply, the student can turn to the social media to attract public attention, and a reputational crisis may occur when the post by the student has gone viral and has attracted negative public opinions to the college. Many college managers in China have not yet developed the ability to manage college crisis in the context of social media effectively (Jiang, 2011), and there is a dearth of literature that focuses on such topics hitherto (Yang, Ou, & Li, 2005). Hence, we conducted the current grounded theory research to study the approaches that college managers used in their crisis management, and the problems that they faced. We were interested in knowing whether the practices of college managers fit the new social media context, and how the new environment has influenced college policies. We chose to focus on reputational crisis in this paper because reputation is very important to colleges. It impact on the quality of faculties and students that it can attract, and it also affects the amount of resources that it can get from the society. For the sake of simplicity, the term "crisis" in the following paragraphs refers to "reputational crisis".

LITERATURE REVIEW:
What is College Crisis?

Scholars conceptualize crisis differently. From a behavioral perspective, Herman (1972) believed that crisis is a scenario whereby the decision maker perceives a threat. The decision maker is usually caught off guard, and they have limited time to make a decision. From a social perspective, Rosenthal and Charles (1989) believed that crisis is a threat to the fundamental values and structure of a society. To handle a crisis, the manager must make critical decisions under time pressures and uncertainties. From a corporate perspective, Heath (2001) proposed crisis to be an uncertain event that could lead to negative impacts in an organization and its employees, products, services, assets, and reputation. In the guide passed by the US Department of Education (2003), a crisis in school is defined to be situations whereby school leaders have to make decisions with insufficient time, information, and resources. Based on the impact source of a crisis, the crisis faced by schools can fall under one of the following three categories: catastrophic crisis, managerial crisis, and reputational crisis.

From a collegial perspective, Lou and Li (2006) proposed that college crisis is usually a harmful emergency that occurs suddenly. It is usually uncontrollable, and it has characteristics unique to the collegial context. For example, college students are a group of vibrant and daring individuals. They are social media savvy and are also capable of magnifying the impact of a crisis using social media.

Crisis Management in College:

Crisis management often concerns the handling of issues that have progressed to the point that it is beyond control, and when a crisis occurs, many managers tend to focus on reducing the casualties (Heath, 2001). However, to control a crisis effectively, managers have to pay attentions to the three time phases of a crisis: pre-crisis, occurrence of crisis, and post-crisis (Heath, 2001; Yan, 2005). For example, before a crisis has occurred, the manager should take preemptive actions based on warning signs that they have observed to prevent or to prepare for the crisis. During a crisis, the manager should focus on resolving the crisis and to reduce their damages. When the crisis has passed, the manager should learn from the crisis and take actions to prevent future crisis from occuring.

Focusing on the different time periods of a crisis, scholars discussed how managers can preempt and manage crisis effectively. For example, Lou and Li (2006) discussed the importance of such factors as college strategy, crisis management team, communication, resources guarantee, and college culture to

effective crisis management. Wang and Zhang (2006) discussed how colleges can build their crisis management system by strengthening their leadership policy, decision policy, warning policy, training policy, evaluation policy, and communication policy. Zhang (2011) discussed how to manage college crisis by managing online public opinions.

METHODOLOGY:

We adopted the grounded theory research approach for this research (Glaser & Strauss, 1967). Grounded theory research is a qualitative research methodology that involves the researcher collecting data and proposing a potential explanation for the observed phenomenon using inductive logic (Kalhour & Ng, in press). We chose our participants using theoretical sampling, and we collected the data by conducting semi-structured interviews with the participants. Based on the literature review, we formulated 13 guiding questions for interviews. Sample questions include: "has your college designated a particular department to handle crisis"; "does your college has a set of well-defined crisis management policy"; and "will the college management update their crisis management policy to reflect the changes in the environment". We made an effort to include participants from different groups to make sure that we have a comprehensive view of our research topic. The interviews were transcribed at the end of each session to minimize biases in the data due to recollection error. Then, the data from each participant was analyzed and compared. When the point of data saturation was reached, the interviews were stopped. We interviewed 21 participants in total at the end of our study. They were college managers, academics, and students from a major university from China's Jiangsu Province. The participants that we chose were either in-charge of, or were familiar with, issues that concerned public relation affairs, employee affairs, and student affairs in college context. They were chosen because they could provide meaningful insights to the crisis management policies and practices in college.

FINDINGS:

Based on our interviews, we found that college crisis management could be divided into three phases: prevention phase, resolution phase, and reflection phase.

Crisis Prevention Phase:

The prevention phase was believed by our participants to be the phase that had the lowest cost in crisis management. At this phase, college managers took proactive actions to prevent a crisis from materializing and causing negative effects on the college's reputation.

First, our participants were actively engaged in public impression management to build a strong positive image for the college that could withstand negative news. Our participants believed that one effective way to build a such a positive image was to let the public hear more positive news about the college than negative ones. For example, they posted news on the college that could bring positive influences to the college's reputation on all of their social media platforms frequently, and they also made sure that reporters from the major news agencies were informed whenver such positive news were available. By doing so, our participants believed that even when a reputational crisis occurs at the college, the positive image that it has in the public's mind can withstand the negative influence of the crisis.

Second, when a complaint is received from a student, our participants acted on the complaint within the "golden four hour" to make sure that it is properly handled before it becomes a crisis. One of our participants commented:

"Crisis usually takes place when the responsible department does not act in time. It will be too late for us to do something when the news is put on the social media"

Third, our participants monitored the behaviors of their students and faculties actively. They believed that while students were social media savvy, they might not be mature enough to act rationally when they have complaints. When a complaint is received, the college managers would take actions immediately, and they would also make sure that the student is counselled to prevent the student from turning to irrational cyber-behaviors on the social media. In the event that a reputational crisis is due to the inaction or inappropriate action of a faculty in handling the student's complaint, our participants commented that they would make sure that the faculty will not be let off unpunished.

They believed that the punishment of the faculty could contribute to the salvaging of the college's reputation from the crisis, and it could also become a warning tale to the other faculty members to make sure that they will handle future complaints with more care, thus reducing the chances for such events from developing into a

crisis in the future. For example, one of our participants commented:

"Our college's system makes sure that every faculties are accountable for their actions. If somebody's inaction or delayed action has caused a complaint to deteriorate into a college reputation crisis, I will make sure that everybody involved will be accountable for their actions."

Crisis Resolution Phase:

This is the phase when a complaint has attracted enough negative public opinions on the college in the social media, and has thus evolved into a college crisis. Our participants commented that while sometimes a college might be driven to the crisis resolution phase by the inaction of the responsible college manager, the college might also be caught off-guard by the sudden occurrence of a crisis.

Regarding the first scenrio, many of our participants commented that one problem that many college managers had was that they tend to take no action when a complaint is received, and they tend to hope that it would disappear by itself when they had the chance to resolve it before it turns into a crisis. Thus, as a rule of thumb for crisis prevention, our participants suggested that whenever a complaint is received, actions must be taken within the "golden four hours".

Regarding the second scenario, one of our participants provided a good example of how angry actions of students could lead to a college reputation crisis. In our participant's case, when the semester was approaching its end, their students were spending most of their free time revising their works at the college's library. Many of them studied at the library from when it has just opened till it is closed late at night. As there were limited seats in the library, the competition for seats was very intense. One student was frustrated from being unable to get a seat at the library, and they took a picture of the seat that was filled with the books of another student who went to the washroom, and posted the picture on the social media claiming that the college had "sold" the seat to a "rich kid". This post soon attracted the attention of the press, and many reporters requested to interview the college's management. Worried that the news might go rampant and cause negative influences on the college's reputation, the college's public relations manager invited the reporters to the college's library, and the head of library showed the reporters around to proof that the news was fake. Shortly after, the public relations manager invited the reporters to the library again, and asked them to help to publish more positive news about the college to reduce the negative image that the previous student post had inflicted upon the college.

Many of our participants suggested that while this type of reputational crisis that was caused by the "rash action" of students was not common, it occurred infrequently from time to time. Such crisis is usually caused by behaviors that were beyond the university's control, and college managers usually could become aware of the event only when it has become a crisis.

Crisis Reflection Phase:

This is the stage where our participants reflected on what had happened during a crisis, and what they could have done better, thereby coming up with ideas to prevent future crisis from occuring.

Many of our participants commented that they wished that they have built a pre-warning system for crisis management. They believed that with such a system, they could react to sudden events with speed, reduce the negative impact of a crisis, improve the efficiency of resolving a crisis, and ideally, resolve a crisis before it has yet to materialize. Many of them believed that such a system should have the following components: information evaluation, crisis test, crisis identification, and decision making. This system must be able to predict and warn the manager of an impending crisis, and it must be able to delay the pace of a complaint developing into a crisis to give the manager enough time to organize their resources to prepare for its impact, and to make the correct decision as soon as possible.

However, interestingly, while many college managers expressed their need for such a pre-warning system, not many of them have started to build one. On one hand, they know that they need a crisis pre-warning system to make themselves more effective and efficient in responding to a crisis, but on the other hand, they did not start to build the system. One of our participants commented:

"Many colleges, not only us, lack a crisis management system. Most of the time, we will collect information manually to supervise student affairs and to prevent a crisis from happening. If something happened, we will gather and filter the information that we have, and make decisions based on the information. Apparently, this traditional approach to crisis management is not suitable for the social media age."

One potential cause of this phenomenon was college managers in China tended not to share their crisis management experiences with outsiders. Many college managers believed that they would lose "face" if outsiders knew about the crisis that they have experienced. While many college managers talked about the importance of information sharing with the other colleges, many of them chose not to share their crisis management experiences with outsiders, and they usually relied on their own limited experiences when they were handling a crisis. Thus, due to the limited amount of information and knowledge that college manaegrs had, they faced problems when they were trying to build a crisis pre-warning system. Another potential cause was the management of colleges in China had not placed enough attention on college crisis management. In comparision to spending their resources in preventing something that may not happen from occuring, college managers prefered to spend their resources on ends that could bring more tangible outcomes. Thus, even in those colleges that had started to build a crisis pre-warning system, they did not engage the help of professionals. The comments of one of our participants aptly reflected the unimportant position that crisis management system construction project had in the mind of college managers:

"Our college is building a crisis pre-warning system. Some of our faculties from the IT department has started to build the system with their students. We will keep those companies that can offer us a crisis management system in view to learn from them, in order to build a sound crisis management system of our own. Soon, we will implement the system in our college."

In short, while they knew the channels to get professional help to build a sound crisis management system, they were not willing to buy the tested system. Rather, they placed their hope on student projects. They hoped that one of their students could come up with a good system in the near future, and they could implement the system in the college for free.

Nevertheless, while college managers were unwilling to spend large amount of resources on building a crisis management system, they were willing to engage in preventive measures that involved little costs. For example, they believed that the openness and connectedness of the social media has given almost everybody the chance to become a reporter. As a college crisis is usually developed when a big number of college students believe and help to spread negative news regarding the college at social media platforms, many college managers believed that if college students have good "social media cultivations", it can reduce the chances for a crisis taking place at the college. That is, college managers believed that if college students are able to make the right decision and act in the right way when they are using the social media, and if they can prevent themselves from being exploited by unethical social media users who spreaded untrue inflammatory news, they will have less chances to be involved in the spreading of such news, thereby reducing the chances for a crisis to develop in the college. Thus, many college managers had asked counsellors to conduct talks to teach college students the "correct" social media etiquette. Some of them had even planned to make such talks into formal courses that students can take to gain course credits.

DISCUSSION:

In this research, we interviewed college managers to study the approach that they used in their crisis management, and the problems that they faced. During our investigation, we found one interesting phenomenon: when a complaint is filed, many college managers were not bothered to take actions on it, and they would take actions only when it has caused a reputational crisis to occur. By the time a crisis has occurred, they would then spend more resources than what they could have spent if they have taken actions at the early stage to reduce the casualties caused by the crisis, and to salvage the college's reputation (Xiao, 2008).

Nevertheless, in the short run, college managers could only maintain their current crisis management practices as it would be unlikely for them to develop and implement a set of new crisis management system that is suitable for this social media age in a short time. The abrupt change into a new management system without a period of test and adaptation is likely to have more harms than benefits. However, in the long run, colleges in China must build and implement a set of crisis management system that allows it to predict and control a crisis in the age of social media (Wu, 2003; Yang & Chen, 2007).

CONCLUSION:

Social media has placed the actions of college managers under the limelight. With the aid of the social media, college students can turn a complaint into a reputational crisis in a short period of time when college managers

are unable to handle the complaint effectively in time. This has made college crisis management harder, and college managers must learn how to handle crisis in the new environment.

While we have made several humble contributions, this research has its limitations. First, this study was based on the interviews that we conducted with participants from a major university. This might limit the generalizability of our findings. Future research should verify our findings with samples from other colleges. Second, this study was based on samples from a Chinese university. Given that managerial practices and policies might be influenced by such factors as national culture, the findings of this study might be unique to the Chinese context. Future research should be conducted in different national context to contribute a more holistic view of college reputational crisis management.

ACKNOWLEDGMENT:

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