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Behind the Masks of Silence:

How Leaders Can Overcome Organizational Trauma

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ABSTRACT

Crises in organizations have become a common experience for managers and staff all over the globe. Some of these crises show signs of traumatic experience. If not handled properly, the collective trauma experience seems to disappear under the surface behind a mask of silence leading to dysfunctional behavior of the organization. Based on the principles of clinical organizational psychology with aspects like corporate culture, authentic or dysfunctional leadership, social defenses and anxieties this paper will look into the definition of trauma, crisis, culture and identity in organizations. Different to individual trauma there is not ample research on organizational trauma. This paper will try to bring together the state of research in psychology, psychotherapy, neurobiology and leadership.

Traumatic experience in organizations leads to specific symptoms and observable behavior. Appropriate, timely and authentic leadership reaction to trauma as well as a combination of the grief work process and compassion will be identified as key success factors for managing trauma in organizations and to avoiding post-traumatic stress disorder (PTSD). A number of cases derived from structured interviews will underline this theory.

The objective of this thesis is to provide guidance to senior management how to diagnose a traumatic event in an organization and how to effectively manage and overcome it.

KEYWORDS

CONTENT

INTRODUCTION

Those who are emotionally hurt perceive silence as protection. Those who are emotionally hurt do not choose silence but are brought to silence by their environment.

Boris Cyrulnik

Events like the financial crisis of 2008 (Lehman) as well as the terrorist attacks on the World Trade Center (9/11/2001, New York) or the ecological disaster around the Fukushima nuclear accident (2011, Japan) have had massive socio-political and economic consequences that have been and continue to be subject to research and analysis. The assumption of this paper is that not only individuals but also organizations can face trauma. However, the impact of such traumatic events on the organizations that experience them as perpetrator or victim has not been systematically analyzed. At the same time, this seems to be important as such events have a huge impact on people and coping with traumatic experience seems to be essential for moving on as an organization.

Trauma after existential threats to human beings can lead to depression and stuckness seriously damaging the capability to interact with others in society. Now, is there something like an organizational trauma in organizations that is similar or in addition to trauma experienced by individuals? If so, how does it develop? How does it go on? What are the consequences on the culture of an organization? How can it be managed effectively, if at all? How can organizational post-traumatic stress disorder be avoided?

Ever since the first industrial revolution - at about the same time psychological trauma research began to evolve- there have been disastrous events of traumatic dimension seriously affecting the success of organizations: railroad disasters, mining accidents and major company insolvencies after greedy speculation. The decades of the world wars certainly caused another tide of massive traumatic experiences. Over the past 25 years, there seems to

be yet another accumulation of events due to quantum advances in technology and drastic market changes with its respective challenges (see above). There is limited research on symptoms and impact of trauma on the well-being and success of organizations (e.g. Dutton et al., 2002 or Kahn, 2003). At the same time, it would seem that if indeed organizations experience trauma, then we can extrapolate from current understanding of individual trauma to assume that similarly for organizations time is also of the essence post-event. It could be argued that if not handled properly, the collective trauma experience may disappear under the surface and behind a mask of silence leading to patterns that might negatively affect organizational culture and performance.

We know a lot about individual trauma and trauma therapy with its different schools of psychotherapy. We know company crisis analysis and management as well as risk management as newly established domains of corporate governance after the Enron crash and the Deepwater Horizon oil disaster. We have also seen lots of papers on effectively managing massive downsizing and restructuring of companies and how to keep them going. What is still missing is a generally accepted definition of an organizational trauma in differentiation to 'regular' crisis, its impact on organization's primary task and its culture. We would like to see what happens under the surface: existential anxieties, social defenses and emotional capabilities of the management in light of such a terrifying experience.

What can you expect from this paper?

To date, there is no research scientifically demonstrating or proving the existence of organizational trauma, there is not even a final definition as there is for individuals. However, this paper will demonstrate from both theoretical research as well as practical case examples that there is a compelling argument for the existence of organizational trauma. Can trauma be cured? Even for traumata of individuals scientists and experts are debating if it can be fully

cured or just contained (Tedeschi and Calhoun 2004, Brauchle, 2012). The author's theory is that trauma in organizations can be dealt with successfully; and this paper will show how.

Prior to developing methods of managing such traumatic experience it is necessary to start with a base lining exercise: it is well known that there is individual trauma as part of the DSM definitions of mental disorders. To get to the level of an organization one has to look at the identity, personality and culture of organizations. This paper will explain the personality of an organization and show that such structure does have an identity of its own. According to Ed Schein, Emeritus of the Sloan School of Management at MIT in "Organizational Culture and Leadership" (2010), a culture has in addition to observable artifacts and espoused values a set of (tacit) shared assumptions of an organization based on collective experience. It will be shown how culture develops and how it is being affected by traumatic events.

The paper will also propose a definition of trauma in organizations in contrast to 'regular' crisis. It will then explain the process of the development of a trauma in an organization as well as its symptoms. There is reference to the fight-flight-freeze syndrome of individuals. Basically, it is all about shame and guilt with its defense mechanisms like aggression, scapegoating, leaving the organization. Companies usually only manage the operational necessities of traumatic situations, they tend not to touch the emotions or reactions like shame, guilt and consequential defense patterns. This paper will amongst others discuss the case of a pharmaceutical company that sold a product which caused serious epiphenomena: for decades they have stayed silent and denied (masks of silence) in courts and public. We will see that if trauma is not managed right away it will stick with the organization and lead to a 'state of miasma' (Prof. Gabriel, 2012), depression or melancholy (S. Freud, 1917) and eventually to a Post-Traumatic Stress Disorder (PTSD).

The longer it sticks, the harder it is to get over it.

The paper will show what organizations have to look at when facing trauma. To overcome the effects of organizational trauma an integrated model is proposed. It combines cognitive and somatic/emotions-oriented approaches with the latest in neurobiology and the principles of authentic leadership:

-        The impact of the 'molecules of emotion' in human bodies (Pert, 1997) and the adverse effects of them getting stuck by a traumatic experience are integrated with the healing effect of actions and symbols of compassion to be shown by executive management: context for meaning and context for action.

-        It is the high task of management to build a story that gives meaning to the organization while digesting the traumatic event

-        An authentic leadership style is essential: Care about your people, keep your people openly informed. Immediate and periodic information on the status of the traumatic event greatly reduces anxieties of staff. It even activates cooperation and energy.

-        The other decisive success factor in effectively managing organizational trauma is the professional application of the grief work process to the aftermath of an organizational trauma: aggression-denial-memories-despair-open space-vision (Owen, 2008) helps to get over the loss.

This theory is underpinned by a number of case examples. The information provided in the cases has been obtained by structured interviews with partners all over the world. A very interesting facet of this qualitative research is the mask of silence shown by some of the organizations targeted for an interview. The process of not getting to an interview by eloquent silence is a story in itself and will be an integral part of the cases chapter. These organizations seem to be in a state of chronic post-traumatic stress disorder.

The different cases include such diverse events as the take-over of the East German Railroads by the West German Rail, the divestment of a business unit with a large factory in a corporate conglomerate, the fate of Argentinian companies in 2001/02 during the predecessor to the Lehman crash 2008 and an internal traumatic event at a UK health organization.

A synopsis of the theoretical model and the cases will summarize the underlying patterns and elaborate recommendations for leaders in traumatic event situations. The proposed model integrates compassion, authenticity, stories and meaning, timely information, and grief work. By applying this model organizations will be empowered to overcome organizational trauma and to reach a state of post-traumatic growth.

More detailed scientific research is recommended to generate a broader statistical basis and to test and further develop the concept.

RESEARCH AIMS AND OBJECTIVES

There were two key questions that this paper was supposed to provide research on:

a) Is there such a thing as organizational trauma?

b) Supposed there is, can it be resolved or successfully managed from a leadership perspective? And how?

It will be ad a) important to demonstrate that not only individuals can suffer trauma but also organizations by means of sharing experiences and feelings and by projecting this on other groups of the organization.

It will be ad b) as important to find out or at least iterate on the question if trauma in organizations can be healed or just contained by cognitive and/or emotional approaches. And it is intended to show how this can be done, ideally in a comprehensive approach.

The objective is - if not to find a final clarification – to profoundly define the relevant subjects and to transparently demonstrate mission critical factors in both diagnosing and managing traumatic events in organizations.

The complex of PTSD or post-traumatic stress disorder will only be touched as a potential consequence of not effectively managing the immanent traumatic stress phase.

LITERATURE REVIEW

There is ample research and literature available on crisis in general, but surprisingly only limited research on trauma in organizations. And if there is something on trauma in organizations, then it is usually about individual trauma in risky and dangerous work environments. There is fewer literature on organizational trauma and some of the papers start with organizational trauma as a given, underlined by a list of examples for such events, but without clear definitions.

So the research started with the search for definitions like personality, identity and culture of organizations getting then to definitions of trauma and traumatic events in organizations based on the DSM-V (2013) diagnostic criteria. The main source however was Edgar Schein's standard work on organizational culture (2010). Many basic elements for this thesis are described in his book. Also first hints on how to manage organizational trauma were described by Schein when talking about the role of leaders in emergency situations and the importance of stories to provide meaning with a religion-like function.

Bonisch (2010) gave good definitions and showed the symptoms of a PTSD. Micale and Lerner's book "Traumatic Pasts: History, Psychiatry and Trauma in the Modern Age" (2001) provided very good insight into the history of trauma research and early mass traumatic events in the first and second phases of the industrial revolution.

The next step was to find literature on a process description of organizational trauma. Actually none could be found that was covering the subject exhaustively. The process description and the main possible consequences had therefore to be built by amalgamating existing literature on individual trauma with articles and books on crises in organizations as well as papers on organizational change.

Exactly the same holds true for the question of how an organizational trauma can be best managed comprehensively. Again the storyline had to be put together by designing a theory around existing partial analyses. These were mainly publications on authentic leadership ("Leadership Mystique", Kets de Vries' (2006) and others), compassion (article "Leading in Times of Trauma", Dutton, Frost, Worline, Lilius & Kanov, 2002), meaning (Schein, 2010, "Man's Search for Meaning", Frankl, 1984) and storytelling (Schein, Dutton, Frankl). Later in the research the grief work process ("Wave Rider: Leadership for High Performance in a Self-Organizing World", Owen, 2008) and neurobiology ("Molecules Of Emotion", Pert, 1997) came to it. Eventually, the freshly published German edition of the book "Sauve-toi, la vie t'apelle", by Cyrulnik (2013) brought well thought-through ideas and theses on how human beings interact with each other in times of trauma. This book is based on the personal experience of its author, a well-known psychiatrist, in occupied France 1940-45.

Literature research was done in several stages. By putting above mentioned dimensions together a new theory was developed. The literature research process had four evolving stages.

Stage 1

Broadly collecting everything that seemed to be relevant for the subject starting with electronic research on the search item 'organizational trauma'. The results were disappointing as under this specific item hardly anything could be found.

At this stage the author expanded the search categories and codes to everything around (managing) crisis as well as anything on diagnosing and managing or curing individual trauma. It became an iterative process surrounding the subject from all perspectives and thus getting to the core. In this stage broad definitions and the general symptoms and process steps of (individual) trauma were studied. A parallel interview with a professor and trauma expert (Gernot Brauchle, Hall b. Innsbruck, Austria) provided a first good understanding and raised the critical aspects (definition of trauma, shame and guilt as main consequences). He also provided some assumptions early in the work process: e.g. trauma in organizations is not scientifically demonstrated and it is difficult to define and to measure. And he also brought some interesting facets on PTSD vs. PTG which stands for post-traumatic growth. - The literature recommendation by INSEAD Faculty on corporate miasma (Gabriel, 2012) and subsequent communication with its author was an eye-opener to consequences of traumatic events on organizations even if the paper is designed in a bigger context. All this stimulated further research.

Stage 2

In stage 2 the first interview candidates were approached. They asked for an up-front interview questionnaire. For this questionnaire literature research was focused on the definition of organizational trauma as well as the different process steps either leading to a resolution of the trauma (PTG) or to a depression and eventually a PTSD.

In this stage the research on shame and guilt started ("The Mask of Shame", Wurmser, 1994) as well as first looks at the neurobiological aspects of trauma with interesting approaches like the emotions-based somatic experiencing as per Peter Levine (2010) and Anngwyn St Just (2006). Articles by Mias De Klerk ("Healing Emotional Trauma in Organizations", 2007) were also studied in this phase. "Using Jungian Archetypes to Explore Deeper Levels of Organizational Culture" (Jeanne Aurelio, 1995) next to Tarja Ketola's thoughts on the

Jungian context in "Taming the Shadow: Corporate Responsibility in a Jungian Context" (2008) also were part of this stage together with the works of William A. Kahn (2003) and Wilfred R. Bion (1961).

Stage 3

During the interview period some patterns appeared regarding ways and means to overcome organizational trauma. This led to specific drilling down research on the theories that had been developed, such as early authentic leadership action as well as emotional vs cognitive aspects. Next to Peter Levine Luise Reddemann (2006) and Pierre Janet (Hard, Brown, Van der Kolk, 1989) provided insight into trauma therapy for individuals. Here the books "Molecules of Emotion" by Pert (1999) and "Wave Rider" by Owen (2008) provided the missing links to close the loop. Another important finding in this stage was the discovery of the HBR 2002 paper "Leading in Times of Trauma" (Dutton et alia, 2002). Mirroring this research results against the meanwhile structured analyses of the interviews led to the final logic structure of this thesis which was pinned down in a flow diagram (see appendix B). It was checked against Alexander and Margarete Mitscherlich's "*Die Unfähigkeit zu trauern*" (1967), a master piece on Germans' coping with the guilt and shame of the Nazi times. Valuable insight was obtained from an interview in "DieZeit/Zeit Magazin" (2013) with Christof Koch, a German-American scientist, who reflected on the mechanisms of the human brain in the cognitive and emotional digestion process of external and internal impulses.

Stage 4

Continued conversations with Faculty, business and private contacts provided even more book recommendations on trauma research (neurobiological processes behind the unconscious) and on traumatic experiences, e.g. during the German re-unification with apparent masks of silence described in books by a regional (eastern) scene of authors.

Recently published books like Boris Cyrulnik's "*Sauve toi la vie t'appelle* (Rette dich, das Leben ruft, 2013)*"* were integrated at this late stage as mentioned before.

Summary:

This staged literature research process evolved over time with a gradual development and refinement of the theory of the thesis. Case examples were integrated stepwise into the theory development process.

<div align="center">METHODOLOGY</div>

The original concept on methodology was to use narratives to come to a compilation of few, but exciting stories. This was based on the assumption that only few individuals would be ready to openly talk about such sensitive matters. For this reason a quantitative approach did not make sense right from the start. The process later on indeed turned out to be cumbersome, yet led to some very interesting cases and patterns helping to create a theory in the middle of the work process. Thus the methodology developed from case study to grounded theory.

This case-based, grounded theory study was structured as follows:

a) Research literature and current state of science on individual and organizational trauma: papers and books on organizational culture, personality and identity of organizations, definition of trauma vs. crisis, process of trauma and post-traumatic stress disorder as well as post-traumatic growth, neurobiological aspects in trauma research including molecular research, cognitive vs. emotions-based therapies, shame and guilt, social defenses, organizational miasma, depression, leadership styles in crises and traumatic situations, the grief-work process.

b) Create and organize files for data.

c) Read through literature, make notes and develop initial codes and theories.

d) In parallel develop ideas on potential interview partners and cases.

e) Approach interview/case targets and try to get appointments for interviews.

f) Analyze behavior of interview targets including analysis of refusals to give interviews.

g) Conduct interviews and elaborate a preliminary theory on trauma process and potential methods to overcome traumatic situations by means of management tools and actions.

h) Structure and sort cases in line with theory.

i) Analyze and summarize cases for underlying patterns.

j) Further literature research deep-drilling on open points and grey areas to build and refine the logic of the theory.

k) Select one or two main coding categories for central phenomenon.

l) Develop integrated comprehensive intervention model and probe it.

DESCRIPTION OF RESEARCH SETTING AND DATA GATHERING

Why This Topic

In the past two decades we have seen a number of massive events affecting organizations. Cases like the end of the Soviet system 1989/90, the financial crisis around Lehman Bank in 2008 or the terrorist attacks on the New York World Trade Center in 2001 have shaken the political, financial and societal systems. Rapid market changes and new technologies like the internet and social media have had a big impact on businesses worldwide. Also, there have been several cases of deemed traumatic experience in the environment the author was working in during the past 10 years which led to his special interest in the subject. Many experts talk about the overall political and socio-economic issues arising out of this. Others are doing research on the impact of traumatic experience on individuals who were part of such events. The question of how they affect organizations and how they could be professionally managed has rarely if at all been touched. Silence as a defense for emotional hurt might play a role in this context.

If that kind of events causes such a huge impact on organizations, wouldn't it be beneficial to have reliable expertise and advice available for a better handling of such experiences?

What finally brought the author to this topic was the studying of organizational culture during the INSEAD Consulting and Coaching for Change Executive Master Program. Ed Schein's benchmark work "Organizational Culture and Leadership" (2010) defines culture as a set of shared assumptions that are - by definition - historical and sometimes tacit or unconscious. This organizational culture building process has an anxiety reducing function. The shared basic assumptions could even be based on crisis or traumatic experiences. And now the question is: can it be that a negative experience is so massive for an organization that the arising anxiety leads to an organization's dysfunctional traumatic behavior which does not go away with time (as in a regular crisis)?

The underlying theme is that organizations do not only have a culture, but also a collective identity and psyche which can generate collective feelings and can even lead to legal, yet avoidable implications (e.g. organizational failure, insolvency).

So the author's theory is that if an organization has a collective psyche it can also suffer from organizational trauma. The main challenge is to differentiate organizational trauma from organizational crisis, to describe the phenomenon and to show it in suitable real life case studies.

The title "Behind the masks of silence" was actually only developed while working on the paper and facing such reaction by a number of entities contacted for interviews.

The fact that there is not that much research and publications on the subject raised the motivation even more.

Professor Yannis Gabriel's paper on Corporate Miasma, "Organizations in a State of Darkness: Towards a Theory of Organizational Miasma" (2012) gave a strong indication that

there are specific issues to be taken into account when trying to successfully manage traumatic events.

The idea is to create some kind of guidance for managers to discover and manage acute cases of traumatic experience and build a model theory around this.

The chosen cases deliberately excluded organizations where the author played a role in to make sure that personal bias and conflict of interest would not interfere with scientific work.

How The Author Got Access

The study was conducted in five countries. Representatives of seven organizations were interviewed. Further four organizations were contacted but refused to give an interview. However, there were interesting patterns shown by the organizations that refused personal exchange. The communication with those entities revealed a lot of insight into how organizations perceive and react to organizational trauma, actually leading to the title of the thesis. This will be addressed and analyzed in the paper.

A kick-off interview was conducted two months prior to the first interviews with trauma affected organizations. The interview was with a leading professor of psychology at the University Hall in Tirol, Austria. Since the early 1990s Professor Brauchle is an acclaimed and highly respected trauma expert and crisis consultant and advisor. This interview served as foundation laying exercise: first literature research and first assumptions were tested with this expert. Valuable deeper understanding could be gained out of this interview, e.g. a generic definition of trauma, the main consequences of traumatic events, opinions on organizational trauma and how to handle and cure trauma.

The subsequent data collection from representatives of trauma affected organizations was based on a structured interview guideline with a question list. During the interviews additional questions were asked depending on the individual course of the conversation.

This questionnaire (see appendix A) was fully designed by the author to match the research setting. No suitable questionnaires were found except for the ones dealing with individual trauma. The questionnaire consists of open and closed questions leaving room for discussion. It was built around the results of the first block of literature research on the subject and the kick-off interview. The questionnaire was sent in advance to all participating parties and to most of the ones who refused interviews. The interviews were conducted in person, only overseas locations were interviewed via e-mails/Skype/telephone. In some cases follow-up discussion clarified questions and open points.

How Case Targets Were Selected

The first step was a definition exercise: there are three systemic entities that can be affected by traumatic events:

1.   an individual solely

2.   a group or organization with its individual members, e.g. a family or a company

3.   a meta group such as a state, a culture or an ethnos

The first objective was to work on something new and "unexplored".

The second objective was to work on something that has marketing potential for change consulting and coaching.

There is plenty of research on individuals' trauma, so 1. was not an option. 3. is interesting, but does not make sense to analyze without having understood 2. So the decision was to look at 2.

The Process of Finding Interesting Cases

The basic idea was to test a grounded theory against case examples. It appeared therefore recommendable to identify phases of rapid change or revolutionary transformation in recent

history, to spot industries with high pressure and stressful working conditions (e.g. health or logistics sector) and to look for accidents and disasters with massive impact. This was done by means of:

- creative brainstorming of the author searching his collective historical memories

- recommendations from Faculty at INSEAD Business School

- creative brainstorming with friends and family

- exchange with colleagues and other acquaintances

- search in existing business and client contacts for potential cases

- web based research on disasters, catastrophies, accidents, major company break-downs and the like.

In this phase an interesting observation was made. The author's personal recollection of some cases of presumed traumatic experience was checked and researched in the World Wide Web. However, it was not possible at all to find any trace or source for those events. For example, parts if not all executive management members of a well-known German family enterprise active in the FMCC market some 25 years ago were killed in the crash of their company jet. There is another example of a similar tragic plane crash affecting the senior management of a UK power generation company some 15-20 years ago. Again, not the slightest trace in the web on this event. The trauma expert Prof. Brauchle confirmed to the author that companies, especially family enterprises, tend to clean the www from such recollection. And it was confirmed that there is technology available to manipulate collective remembrance. This was a first early hint at the masks of silence.

The decision on the final selection of the cases was driven by above reasoning as well as by practical aspects like availability and openness for interviews.

The following list of areas of interest was identified, without claiming to be exhaustive:

1. the so-called "9/11" terrorist attacks on the Twin Towers of the World Trade Center in New York 2001

2. accidents where parts of or the whole senior management of a company got killed

3. the 1989/90 peaceful "revolution" in East Germany after the fall of the Berlin wall and its impact on companies of the former German Democratic Republic (GDR)

4. systemic financial crises in Western societies with global impact such as the 2008 Lehman Brothers collapse in the US or the 2001/02 national finance crisis in Argentina

5. ecological disasters like the 2010 BP oil platform Deepwater Horizon accident

6. Massive health problems caused by products of chemical/pharmaceutical companies' and the impact of such an event on the respective company

7. Companies or parts thereof having undergone massive change, e.g. restructuring or divestment to a new owner

8. Traumatic events in a stressful work environment like police or health system operations

Respective entities according to the target case generation process further up were contacted with following results:

ad 1. A New York investment bank that lost two thirds of its staff in "9/11" had set up a remarkable coping process with the traumatic event: setting up of a philanthropic foundation and employee oriented measures: However, no response at all to several attempts on different ways to establish communication. Hence no case here.

ad 2. As mentioned earlier some of the companies in mind appear to have cleared all public recollection. No case here either.

ad 3. A very big topic with huge impact on the people and employees involved in the system change after 1989/90. A key case of this thesis is the take-over of the East German Railroads by the Western Deutsche Bundesbahn. Another case is that of a re-acquired eastern subsidiary of a West German retail conglomerate with subsequent massive restructuring.

ad 4. Here three cases will be shown from the Argentinian financial crisis 2001/02.

ad 5. One case from Asia will be presented.

ad 6. The paper will discuss the case of a German pharmaceutical company, 50 years after the event still in a stage of silence and defense.

ad 7. Another major case of the thesis is covering the divestment of a business unit of a German conglomerate to a third party against the will of the staff and middle management.

ad 8. The case of a team traumatic experience with their boss in health care will be discussed.

The Selected Cases, Clustered By Their Deemed Success In Managing Trauma

Presumably successful, but not open for an interview

Investment banking company headquartered in WTC lost two thirds of its workforce during the 2001/9/11 attacks. The CEO then successfully restructured the whole company and set up a foundation for victims and survivors (as mentioned before). The firm was contacted from five different directions including a mail sent directly to the HR director of the company. The request was not answered at all. The case was not further analyzed.

Unsuccessful and not open for interviews

German pharmaceutical company responsible for severe adverse reactions to one of their prescription drugs leading to malformation of small children in the 1960s. The

company was sued for it, but never publicly apologized or took over full responsibility for the proven facts. In a drawn-out process with this family owned business the author got in touch with the company's press officer. Although this manager considered the subject to be very interesting he doubted openness of the company leadership for an interview. The formal written request has then finally been forwarded to the company owner. Until now there was no reaction or answer.

Asian utility company facing a major ecological and environmental disaster after an accident in one of their plants. The interview had been prepared through intermediate contacts for a period of over three months, but was eventually not approved by management. Management were saying that the crisis was still so acute that they would not be in a position to reflect about the event. So silence prevailed.

Major (West) German retail-company restructuring their Eastern subsidiaries after the Berlin wall came down in the 1990s. The company used to own the Eastern branches before the war and got them back by (general) political decision ("restitution over indemnification"). Personal contacts to a former manager revealed symptoms of traumatic experience. The formal request to the corporate press department first led to silence and subsequently ended in a statement that there was no trauma, but a successfully managed business challenge.

These cases will be further analyzed and discussed as their behavior shows patterns.

Unsuccessful, but open for an interview

The state-owned East German railroad company in the process of the 1989 take-over by the West German railroad company. The East German railroad was headquartered in (East) Berlin and had nearly 300,000 employees. After 1990 it faced a major management shake-out and drastic staff reductions. Interview partner was a former member of the - regionally organized - directorate of the organization (first management line) responsible for one of the

Southern regions of the country. At that time he was managing more than 50.000 employees. The organization is today part of the Deutsche Bahn AG, still majority state owned with lots of problems after a planned going public that was called off by the government for quality and financing issues.

Successful (with interviews)

Divestment case of a business unit of a leading German multinational company in the year 1992. The selling process began secretly without internal communication. It was done against the will of employees and middle management. The entity with its big factory was located in the German capital and faced a shift of paradigm by changes in market and innovation. Corporate management feared the loss of competitiveness and decided to divest the unit that once was a proud and solid bottom line contributor. The entity produced printers for IT businesses. Interview partner was the former CEO of the business who was installed later in the process. He eventually rescinded the divestment to the first purchaser. The business was later successfully sold to another acquirer.

Three Argentinian companies during the major national financial crisis 2001/02: one was an engineering company with 40 employees at the time. Interview partner was one of the former managing directors. The second company was an IT service company with 10+ employees. Interview partner was the CEO/founder. The third entity is a major utility operating a power distribution network. Interview partner was a senior director of the company at the time.

A UK health service-company with a staff related internal team trauma case a few years ago. Interview partner was one of the team members being next to others bullied and harassed by a senior team member.

As described under 6. the concept was to probe the findings and theories of the literature research as well as the identified scientific discussions during the interviews and to do additional research after the interviews to complete the theory.

ANALYSIS AND FINDINGS

Potential interview partners were contacted, in some cases several times over a longer period of time (up to three months). Interviews were either refused or confirmed and then conducted by using the questionnaire described above. In case of refusal the communication process of not getting there was analyzed and mirrored against the findings of the research on the subject. The results of the interviews that were conducted were also compared to the research findings. Literature research findings were clustered and set up as a grounded theory. Theory building was iteratively done in two parallel processes a) theory development and b) conducting of case interviews to demonstrate the viability of the approach. The theory was continuously checked with the cases and refined further during this process with adjustments commensurate with the progress, the findings and new impulses from additional literature sources available only after the interviews. Challenge here was the serendipity of ever more new aspects during research, also crossing the scientific faculty boundaries from psychology over psychotherapy to neurobiology and management and leadership techniques.

Organizational Trauma Theory

As mentioned before there is ample research on individual trauma, few articles on organizational trauma, and the few ones only highlight facets of the subject. So the challenge was to locate the papers and books on the subject that revealed interesting facets and to integrate them into one comprehensive new approach. In practical terms: Data analysis suggested integrating so far unconnected research on neurobiology (e.g. Pert, 1997), somatic experiencing (Levine, 2010), corporate miasma (Gabriel, 2012), trauma research and the grief

work process (Owen, 2008) as well as new concepts of leadership, i.e. the authentizotic leader

as described by Kets der Vries (2006) or compassion as management tool in crisis and trauma

situations (Dutton, Frost e.a., Leading in times of trauma, 2002).

In a first step we will now look in detail at the theoretical basis provided by literature to create

the groundwork and the comprehensive concept of this paper. In a second step we will discuss

the cases in light of the theory.

Author's theory: The author's theory is that not only individuals, but also organizations

can develop trauma in light of existential experiences. Such a traumatic event has an impact

on how members of the organization cope with the experience to carry on with their lives. As

DeKlerk (2007) states, "Unresolved emotional trauma is a significant barrier to employee

performance within many organizations" (p. 49). The second theory is that such events can

be managed effectively.

Definitions and concepts

Individual trauma: "Trauma has become a metaphor for the struggles and challenges

of late twentieth century life" (Micale & Lerner, 2001, p. 1). Post-traumatic stress disorder

was fully acknowledged as psychological medicine category in 1980 in the APA's (American

Psychiatric Association) 3rd edition of the Diagnostic and Statistical Manual of Mental

Disorders (DSM) based on research on Vietnam veterans. Historically, from the 17th century

onwards, trauma carried mainly physical meanings, i.e. the pathological and physical effects

of a blow. The 19th century then brought considerable innovation and research on the human

nerve system leading in the 1870s to the clinical field of neurology (Micale & Lerner, 2001).

At the same time the industrial revolution and its technological developments led to massive

man-made disasters such as mining or railroad accidents affecting a whole lot of people.

Thereafter, continued innovation and mass-production led to a devastating modernization of

warfare with unimaginable atrocities and traumatic experiences leading into turn of the 21st century disasters like oil platform or tanker averages, nuclear or chemical plant explosions, terrorist attacks or mega deals in mergers & acquisitions that failed and caused massive lay-offs. In addition, deregulation of global markets and the impact of the internet created promise and peril for work conditions and business success seeing many traditional companies disappear. All those events affect both individuals and their organizations.

Trauma means "hurt" or "wound" and is defined as per DSM-5 (2013) as exposure to actual or threatened death, serious injury or sexual violation. The exposure must result from one or more of the following scenarios, in which the individual directly experiences the traumatic event, witnesses the traumatic event in person; learns that the traumatic event occurred to a close family member or close friend (with the actual or threatened death being either violent or accidental); or experiences first-hand repeated or extreme exposure to aversive details of the traumatic event (not through media, pictures, television, movies unless work-related). Even witnesses or receivers of information can thus be affected by so-called secondary trauma. Trauma is about destroying one's structural principles, putting its identity at stake and is characterized by absolute helplessness against the intrusion. In other words the system is out of tune and it does not bounce back to its original state as there are "broken connections" (St. Just, 2006 as cited by Bert Hellinger Instituut, 2013 p. 1, and St. Just, 2013, p. 2).

Trauma vs crisis: What is the difference between a crisis and a traumatic experience? Seeger, Sellnow and Ulmer (1998, p. 231-295) say that crises have four defining characteristics that are "specific, unexpected, and non-routine events or series of events that [create] high levels of uncertainty and threat or perceived to threat an organization's high priority goals." It is a loss of inner balance with massive anxiety, however, the system still functions, it is not breaking down. A crisis is perceived as belonging to life, a trauma is not.

What happens in traumatic situations? A trauma starts with a physical or an emotional hurt. This can be precipitated by situational events or likewise by developmental transactions over (a long) time, e.g. child-abuse. According to Herman (1997 as cited by Kahn, 2003, p. 366) "traumatic reactions occur when action is of no avail. When neither resistance nor escape is possible, the human system becomes overwhelmed and disorganized." Usually, an acute massively threatening event sets intensive energy free.

Aspects of evolutionary neurobiology: The human brain structure has – simplified - three main systems: the neo-cortex with its logical thinking capabilities, the limbic system with the emotions and finally the brain stem or reptile brain where all instincts from past generations have been stored. In the event of a life threat there is the so-called fight-flight-freeze reaction that has developed from reptiles and first mammals: the immense energy in such stress situation is being transformed by the limbic system into either fight or flight reactions. If none of this is feasible, the brain stem makes the individual/animal pretend to be dead (freeze) for a certain time to either collect all available power for a surprise counter-attack or to stay in freeze until the enemy has lost interest in the presumably dead body. The fight-flight-freeze reaction is stimulated by this brain structure, but also, and importantly, causes molecules of emotion (Pert, 1997) linked to the brain by the poly-vagal system with two distinct branches of the vagus, i.e. the tenth cranial nerve. Dr. Pert proved that there are molecules of emotion: emotions and experiences are being stored on receptors/neuropeptides of the body's system, there is an integration of the nervous system, the immune system and the endocrine system. In traumata stress overwhelms the body and mind and molecules get stuck leading to a blocked system which in turn can cause dysfunctional behavior. It becomes necessary to release the tension un-blocking those molecules by addressing the blocked emotions thus freeing up the (negative) energy that makes body and mind dysfunctional. It is

a two-way-street mind-body and body-mind. The approaches are: conversations, touching people and soothing minds by this. This is extremely important and will be revisited later.

Trauma process: As a summary, no escape leads to psychological emergency. The system is stuck on high alert, frozen energy develops with strong emotions and especially pain. Interestingly, according to Levine (2010) wild animals do not develop trauma. They physically shake this frozen energy off and thus get relieve from it. Some human beings are more resilient to traumatic events (see Cyrulnik below), many others become stuck and develop feelings of <u>guilt and shame</u>, the two main consequences of traumatic events. Shame has its origin in Anglo-Saxon *"scamu"* with the Indo-German meaning of *kam* [= to cover] (Wurmser, 1994). It is an affect where the individual is anxious of being devalued by others ("I am bad."). Shame has an object pole (shame of someone) and a subject pole (shame of something). Guilt is the violation of a moral standard, real or self-imposed ("I have done bad."). Guilt can be compensated by serving a sentence, a shame is always a question of perception and psychological coding: it does not go away easily and usually requires treatment as Professor Brauchle mentioned during the 2013 interview with the author.

Reaction to trauma can be very different and is depending on current life situation, social context, the kind of traumatizing experience (man-made or accidents) and one's own coping capability (genetic disposition, learned behavior, communication skills, etc.). An important criterion is described by Boris Cyrulnik (2013): the bonding capacity of an individual (the higher the more resilient) stemming from a secure childhood environment in combination with its capabilities to build and tell a story.

Trauma affected individuals can consequently develop dysfunctional behavior like re-experiencing, avoidance (denial, silence), negative cognitions and mood, and arousal (DSM-5, 2013). After an acute phase of 3-6 weeks and if not managed adequately it can lead long-term to a post-traumatic stress disorder (PTSD).

PTG: According to Tedeschi & Calhoun (2004) and Brauchle (2012) post-traumatic growth (PTG) can be developed through a new and different look onto past events through cognitive reframing of experiences. Alternatively, somatic and emotions based neurobiological approaches (Pert, Levine) can also lead to PTG. The grief work process comes into play at this stage and will be analyzed in more depth when later looking at organizational trauma.

Organizational trauma: first we have to clarify if organizations can have an identity and personality of their own. There are numerous definitions on identity. Erikson (1968) summarizes it as how we internally view ourselves and in relation to others. Personality, as per Kets de Vries, Korotov, Florent-Treacy (2007, p. 91), is the aggregate of "certain constellations of character traits - archetypes - that recur on a regular basis", in other words specific response patterns of the individual. Schein (2010, p. 14) says "organizational culture is to a group what personality or character is to an individual". He continues (p. 17) that "culture influences all aspects of how an organization deals with its primary task, its various environments and its internal operations. (…) Culture provides patterning or integration of the elements into a larger paradigm or "Gestalt" that (…) resides at a deeper level". Schein defines organizational culture as a pattern of shared (tacit) basic assumptions in addition to observable artifacts and values. It is about survival, growth and adaption as well as internal integration. Culture is being passed on to the next generations. The human mind needs cognitive stability. So "any challenge or questioning of a basic assumption will release anxiety and defensiveness" (Schein, 2010, p. 29). The assumptions work as defense mechanisms helping the organization to function. Culture is being tested when organizations are facing issues not under control. Such events do need according to Schein (2010, p. 110) "a theory of what is happening and why in order to avoid anxiety". So groups must develop explanations to deal with crisis situations. This is the functional equivalent to religion and mythology! One of the embedding mechanisms of culture is how leaders react to critical

incidents and crises. These reactions will lead to a modified culture with new norms. In general, it is all about story-telling helping to effectively overcome stuckness. We will revisit this construct later when we probe the cases against this theory.

At this point we can sub-summarize that organizations do have a personality and identity of their own being reflected in their culture. The extrapolation now is that if individual traumatic experience leads to individual personality impact, then traumatic experience in organizations can also affect the culture and identity leading to organizational trauma.

Here is a proposal for a definition of trauma in organizations opposed to crisis:

A stressor from outside or inside the organization causes a massive acute event that is overwhelming the coping capabilities of the organization(al part) affected by it. Alternatively, a slow, continuous impulse is undermining the organizational system leading likewise over time to a traumatic effect.

The individuals of the organization are overwhelmed by this impulse, activating intense energy. Others around them feel the same, identify and associate themselves with this traumatic event thus causing a projection to again further groups in the organization. The classical fight-flight-freeze impulse gets activated collectively. As there is no escape from the event and its consequences a state of collective psychological emergency evolves. The group system gets stuck on high alert, it cannot bounce back to its regular operating mode (Levine, 2011). Pert (1997, p.275) says:

Bainbridge Cohen is very accurate understanding how trauma and stress are forms of information overload: impulses are rejected by the brain and bounced back to other areas of the central nervous system where they are stored in both the autonomic and somatic tissues.

Strong emotions are stirred and cannot be ventilated: pain, aggression, then guilt and/or shame. The two trauma phases of individuals apply accordingly to organizations: an

immanent 3-6 weeks phase and - if not cured by then - a long-term post-traumatic stress disorder. The process works like this: frozen energy causes shame and guilt. Unresolved anxieties in organizations lead to a mode of depression or melancholy (i.e. deprived self-worth as per Freud, 1917) described by Gabriel in State of Miasma (2012) leading to a passive attitude with parallel scapegoating and withdrawal into the inner self: strong loss of energy, activity and ability to act out. Pathological reactions occur like dissociation, i.e. attention and emotions detached from the environment, and de-realization (Mitscherlich, 1967). Social defenses are being developed: splitting, projections and most of all denial. This leads to an overall silence, i.e. blocked communication paralyzing the organization. An increasing number of staff and managers, often the stronger and resilient ones (Cyrulnik, 2013), leave the organization in order not to be drawn into this neurotic state (Gabriel, 2012).

How can organizational trauma be discovered? As per Kahn (2003) there are following symptoms of an organizational trauma, irrespective of it coming from an acute event or a slowly developing process:

- loss of focus on primary task of the organization

- development of subgroups unrelated to the primary task (pulling apart)

- development of overly personal relationships

- optimizing oneself (income, schedule, job description)

- lack of problem solving capacity; plus as a consequence following social defenses:

- forced silence, no public discussion, culture of rumors ("conspiracy of silence")

- emotions (anxieties, crying, rage and furor, nightmares)

- victimization, punishment, scapegoating, threats, taboos (no talk rules)

- distancing, depression, feelings of shame and guilt

In aggregate this shows a complete stuckness of the organization. It is undoubtedly difficult to diagnose because so much happens under the surface and the syndrome often develops in

incremental steps. One will need open communication and trustful relations to get to the critical points.

How can organizational trauma be cured or effectively managed? The theory of this paper is that the following three setting levers have to be integrated once an organizational trauma is diagnosed:

1.   the grief work process

2.   compassion (authenticity) to be demonstrated by executive management

3.   an explanation, a story to provide meaning for what has happened and why

All of these contribute to making the frozen energy "flow", getting the molecules of emotion moving again and shaking off the impact of the traumatic event.

Again Pert (1997, p. 147):

I believe that repressed emotions are stored in the body – the unconscious mind – via the release of neuropeptide ligands, and that memories are held in their receptors. Sometimes transformations occur through the emotional catharsis common to the many body-mind therapies that focus on freeing up emotions that have gotten lodged in the psychosomatic network, but not always.

Individual therapeutic approaches are for example Pierre Janet's Three Phase Model (Van der Hart et al., 1989): stabilization-identification and modification of traumatic memories-personality re-integration. Some therapists like Brauchle (interview, 2013) concentrate on cognitive approaches, others integrate emotions and somatic aspects (Van der Kolk, 1988, Levine, 2010, Reddemann, 2006) to cure intrusive re-experiencing and constrictive symptoms (avoiding, denial). We are extrapolating this to the organizational level and are proposing the three levers mentioned above:

1.   The grief work process (Owen, 2008)

A key element to avoid depression mode after traumatic events is the proper application of grief work. There are several process definitions for grief. Different to the Kübler-Ross (1969) six step model and Kets de Vries (2006), Owen's definition (2008) is applied here: Grief is a process consisting of six process steps: first there is <u>shock and anger</u> about a loss (of stability, a person, a systemic setting). Next comes a <u>phase of denial</u>: people simply say "this can't be true" and search for proof that it is not true. But it is. Third comes the <u>memories phase</u> where you remember the situation before the event. Fourth is a <u>phase of despair</u>: this phase of no hope must be passaged in order to avoid circling back to phases one or two thus developing a post-traumatic disorder with depression or melancholy. After despair you get to phase five, the <u>open space</u> as Owen (2008, p. 189) calls it: a silent cleaning, the "holiest moment" as he puts it, asking yourself: "what are you going to do with the rest of your life"? A phase of wondering and imagination. From here you enter phase six, the <u>vision phase</u>, where you build a blueprint of the future. Assistance in this process is of help: in phase 1 you show empathy, in phase 2 you cannot do much, just create a chance to "catch breath". In phase 3 you provide the traumatized ones a suitable environment to tell tales, in phase 4 don't protect the who suffer from despair, it must be passaged with gentle touch (mind-wise). And don't rush the open space phase 5, the re-framing phase. Then phase 6 will be reached naturally.

2.   Compassion by management

In general the role of management (Kets de Vries, 2006, et al.) is to provide direction, protection and discipline in an authentic way: care about your people, keep them well informed and be (more than) empathic. Dutton & Frost (2002) have analyzed this further based on the 9/11 attack on the World Trade Center. They state that trauma in organizations leads to pain, confusion and a disruption of daily routines which has a huge impact on the level of anxiety of the organization. Members of the organization have to go on the other day,

but how? By "the very nature of their position (…) leaders are supposed to demonstrate compassion, thereby unleashing a compassionate response throughout the whole organization" (Dutton & Frost, 2002, p. 55). This compassion goes beyond pure empathy. It consists of two levels: leaders provide context for meaning and context for action.

Context for meaning: leaders use communication to establish an environment for free expression and discussion- let the pain, the pressure out, avoid silence and guilt, e.g. the survivor syndrome: why did I survive? (see also 3. below)

Context for action: alleviate the pain sufferers' fate - take care of basic needs and routine services (e.g. cash payments, transport services, food supply), show symbolic gestures like Queen Mother staying in London during the World War II bombings (Dutton & Frost, 2002, p. 56). And mourn with them, actually the link to the grief work process as per 1. above. According to the authors this can be measured in a matrix of scope-scale-speed-specialization. So leaders show humanity and avoid a rift between the employees and the management thus increasing the commitment of all for the organization and finally contributing to the meaning making process. Which directly leads to the third lever.

3.   The provision of meaning by telling a story

Man's brain is structured in a way that it filters the loads of information it is digesting to create a perceived reality that makes sense to him or her: we are creating a story (Koch, 2013). This explains why different people tend to sometimes have totally different perceptions of what has happened. It must all make sense to an individual's story. And the story is needed to survive. Viktor E. Frankl has described this convincingly and dramatically in his book 'Man's Search for Meaning' (3rd ed. 1984) where he shows that you need an overarching goal to survive a concentration camp. He who did not get up in the morning was usually dead in the afternoon. Frankl (1984, p. 105) says: "Man's search for meaning is the primary

motivation in his life (…)" So especially in times of traumatic events, the meaning can get lost as the story collapses because there are events that cannot be explained by the individual. Schein (2010) has spent a chapter on the story telling required to put events into meaningful context. This in a general sense is the function of religion, superstition and myths: explain the unexplainable. In organizations leaders have to cover this role to overcome stuckness while managing the unmanageable, especially after traumatic events. They have to provide a story of what and why and what next.

If these three levers are professionally addressed by leaders and staff (and if needed by coaches around them) then an effective healing of the effects of trauma in organizations with all its masks of silence can be achieved. It would then be stored in the organizational memory changing the culture ideally in a way of a post traumatic growth (Schein, 2010).

Cases

  Cases of silence or denial (no interview granted), trauma unresolved

Back in the 1960s the family owned German pharmaceutical company Davidsberg (name changed) had introduced a new barbiturate to the market. It later turned out that this drug caused severe side effects leading to malformations with new born babies. The company was forced to take the product from the market, but refused to take over responsibility for this. Consequently, they were sued by victims' families. Litigation took two and a half years. The company was defensive and reluctant to cooperate in the uncovering of events. Pressure from the public, the press and victims apparently only reaffirmed the company management in their defensive position. A settlement was finally reached. The company paid a multi-million Deutsch Mark amount into a foundation for the victims. In turn no senior manager was convicted. The discussions about this case continued for many decades in the public where Davidsberg never apologized to the victims. Only the first non-family director of the

company did formally apologize fifty years later (2012). The assumption of the author is that management and employees suffer from repressed traumatic feelings of guilt for thousands of disabled children. The company was approached for this study several times starting with the head of the press department. At the same time above mentioned first non-family CEO surprisingly left the company over "strategic differences". This slowed down the communication process on a trauma interview. The assumption is that this massive disaster in the 1960s had caused a trauma in the company and developed a PTSD over time which was passed on to the next generation(s). The three month iterative process of trying to get permission for an interview eventually ended in the forwarding of the request to the owner and board chairman of the company…with no answer at all. The masks of silence continue way into the new century without any opportunity to create a meaningful story or allow employees and management to get into the grief mode to overcome the syndrome.

Another more recent event hit an Asian company two years ago: one of Leeco's (name changed) production plants got destroyed in a cyclone causing a veritable ecological disaster because hazardous materials got into the environment and contaminated a whole region. The safety system and measures within Leeco later turned out to be inadequate. Public and press criticism put enormous pressure on Leeco. In early 2013 Leeco was approached indirectly via industry contacts of the author. An informal communication link was established and messages were exchanged over a period of three months. Albeit general concerns about the openness of Asians to talk about failure an honest interest for exchange was felt. However, after ten weeks senior management decided not to grant an interview at this acute stage: "(…) we are still in the middle of trying to technically solve the problems; (…) we might be open once we have resolved this (…)". Interestingly, one of the indirect contacts revealed that employees and also management are increasingly getting frustrated with working for a company that is not able to solve the problems, not even to adequately communicate them,

and about working for a company that is being bluntly criticized by the public and the government without seeing any effective response or measures by senior management. In the meanwhile, increasing numbers of staff and management are leaving an organization that is apparently stuck in a state of miasma: the ones leaving do not want to be associated with this painful development as the author's contact says. The author's theory is that two years after the event Leeco is already in a state of PTSD even though the acute problem solving is not finished yet. Shame seems to make people sad and guilt may be perceived mainly by managers leading to silence within the company or to employees leaving it. Leeco's technical performance continues to be seriously affected by this state of the organization. No story is provided by the leaders of the company about what is happening and what this is all about or good for. Typical symptoms of an organizational trauma apply (see pg. 30).

The next case under this heading is a bit different: it is about a major German retail store chain, called Steinheim (name changed). A contact of the author had mentioned to him that he, the contact, was in charge of one of Steinheim's stores in East Germany in the 1990s. After German reunification 1989/90 they were - based on federal legislation and like many others - restituted their old entities and assets in the former German Democratic Republic. As the former Eastern market had collapsed, they had to undergo massive restructuring laying-off significant numbers of well-trained and highly committed staff. The contact mentioned emotionally moving situations (anxieties, rage, tears), overly personal relationships and a depression-like state of miasma covering the store in the 1990s and the city of the store until today. A visit of the author to the city early 2013 confirmed this perception. Eventually and after restructuring or closing stores Steinheim managed to survive this challenge and is today a successful operation. Repeated attempts to get into discussion with the organization's press department on a potential interview were not answered. The author's contact himself was also not willing to officially talk about the experiences made. Some eight weeks later the author

sent an email to the press officer articulating that silence on such events is not an untypical defense pattern. This email was answered: within a couple of days: As per Steinheim:

The challenges of reunification were an entrepreneurial challenge and not a traumatic event. Like many other companies they took over all employees and in line with the founder's culture trained them in new processes and modernized the whole set-up. Thousands of employees today are contributing to the continued success of the company.

There was not a single word on any lay-off or store closing, no word on the hardship and anxieties of management and staff during this phase. All in all a presumed text book case of a successful integration of new company entities. A possible trauma is denied. The assumption based on eye-witness stories is that there must have been some sort of traumatic experience due to the magnitude of change. Like Cyrulnik (2013, pg. 138) puts it: not the emotionally hurt ones are choosing silence, but their environment makes them stay silent. Apparently, there seems to be no interest in touching the topic openly. This last case in a sense, however, demonstrated that management was able - even if in hindsight - to create a story of necessary and successful measures securing the jobs of the survivors. The experience of the ones involved in this revolutionary change of a complete system is not addressed, though. As per the unofficial interview with the former manager the trauma apparently still sits in the organizational culture of the eastern stores, an official story of denying it helps to manage the trauma and keep it under the surface.

Summarizing above non-interviews we can see typical response patterns to traumatic events: silence and denial with limited or no contribution of management to solving the acute impact of traumatic events. Trauma-typical sentiments like shame and guilt may have contributed.

Case(s) With Interviews, Trauma Not Managed Effectively

We stay in the period of German re-unification with our next case. In a detailed interview a former first line executive manager of Deutsche Reichsbahn, the East German state-owned railway operations company, shared insight into the merger process of the two German rail operators, Deutsche Bundesbahn (DB) and Deutsche Reichsbahn (DR) in the years 1989 to 1994. Karl Müller (name changed) had spent all of his professional life with the Reichsbahn. The communists of the German Democratic Republic (GDR) surprisingly never changed this old name from German Empire days, because government was quite insecure and anxious that western powers would question the GDR legal rights to operate the West Berlin S-Bahn (light rail system), a big cash cow for the regime… Karl Müller mentions that the railway operations continued despite all the political revolution-like change of the system in 1989/90 and independent of who ruled in Berlin. He was heading operations in one of the ten or so regions of the GDR reporting to the head of the Reichsbahn who at the time was always also the GDR minister of transportation. This shows the important role of the railway in the GDR: both to keep the economy going and be ready to serve in a military conflict as the backbone of infrastructure. When the wall came down in November 1989 the German "re-unification" process started. It seemed to be clear for most of them involved that the new unified system would look like the western part of Germany, both politically and economically. In a year's time, West German government basically took over the east integrating all political and economic structures into the western system. This was financed by a unification fund. Most of the people in both parts felt that the west had won. Consequently, the West German Bundesbahn (also state-owned) started the merger process with the Reichsbahn. Karl Müller says: "After it became apparent that the GDR system would disappear, it was clear to the executives of the east that they would be pushed aside sooner or later. Common sense would tell you this." But for the time being he stayed in his function and, when restructuring started, he even got another region to manage on top, now being responsible for more than 50.000 employees. Rumors went round that massive restructuring would come soon due to the

inefficiency of the eastern rail system, but no official statement. The west had first co-managed the eastern rail, then placed western managers one at a time. Also Karl Müller was approached in October 1990: "Now we have a successor for you". But no one showed up. In April 1991 same message: "now we have a successor." In general all senior positions of the east were posted as open and every job holder had to reapply for his position where it was clear that a person from the west would get the job, classical methods of hostile take-over.

All these rumors, piecemeal and indirect information led to a creeping frustration and some sort of miasma: some became depressive, others denied, again others were discussing ways of defense. But as the general perception was that the easterners were not familiar with the official and the hidden rules of the game they felt totally insecure and inferior. So, no open opposition could develop, although Karl Müller sensed massive unrest amongst staff and management: waiting for the execution with no information on when and how. They all felt the hidden and "mean" agenda that all formerly leading individuals had to disappear. Of course the ones who were involved with the secret state service of the east ("Stasi") had to go immediately once they were uncovered. Insecurity grew, anxiety, agony and low moods led to a lack of decision making and gave more reason to take people out. Many employees were terminated their contracts, others left on their own and went on early retirement because they couldn't stand this mobbing-like process. The few ones who had enough self-esteem tried to find other jobs in engineering or other companies. Many good and experienced people left and the railway company should never recover from this brain drain in the decades to come. The headcount was, by the way, reduced by 45% from 253,000 to 138,000 in the years 1990 through 1993. The good things in the eastern railway company (like so-called youth railway stations) were never addressed and fully abolished. And it was all managed by "phantoms" that never came out of the dark talking about what was happening. This was perceived as a revenge of westeners against the east. As the same was done in most of the industrial

companies of the former GDR it appears to have been a pattern. The relatively high guaranteed pension and retirement packages of the DR were cancelled in the unification treaty and drastically reduced. Interestingly, the primary task of the organization, i.e. to transport people and goods from A to B was not jeopardized. However, the primary function of the leadership, to manage this effectively was completely stalled by this behavior. As per Karl Müller the cooperation within the management team of DR prior to the system change had been very committed, open, friendly and trustful: a clear contrast to the major prejudice of westerners saying that the GDR was a state of distrust and fear and as such could not be allowed to prevail later. Now after the change people went into inner emigration and silence, the informal meetings at the coffee machine slowly disappeared and depression spread. Again, shame about an inferior system and guilt for having been part of a repressive system (according to western diction) can be observed leading to a state of trauma. A huge loss took place, i.e. the whole story of the system and its environment got lost. The values of the state system as well as the business system plus family values were destroyed leaving behind a generation of people who suffered a lot. Especially the generation 40+ could in large areas not cope with this loss and felt a massive trauma. Neither the new unified government nor the new integrated management of the Deutsche Bundesbahn communicated a story or showed compassion or helped the people in their grief work to overcome loss and trauma. Karl Müller, at that time around fifty, was one of the few able to see and prepare himself for what he saw coming. He stayed in an active role, looked for alternatives in all thoughtfulness and got the opportunity of a management role at a major supplier of the railway company. He prepared the move over a period of twenty months and finally signed up as manager for a mega railway project in Germany, albeit with far less responsibility then before. He says he hardly ever talked about his experiences to anyone except for his wife. Here they are again, the masks of silence. However, the trustful relationship and stability at home together with a

mature leadership personality will have contributed to his resilience and personal post traumatic growth. Many others were not as able as he was to face things as they came.

This part of German history has never been openly discussed or scientifically researched. There is a niche market of publications in the eastern part of the country, though. It would be worth analyzing whether this literature serves as part of the grief work process or is part of denial perpetuating the trauma.

Cases With Interviews, Trauma Successfully Managed

We go back to the same time period as in the case before, the early 1990s in Berlin, western part. The former CEO of the unit, Holger Thorn (name changed) shared the story: a formerly highly successful and rich business unit for printers and fax machines, 1,000+ employees and approximately 300 million Marks sales, part of an industrial conglomerate, was facing significant technological change from needle printers to ink and color printing, from precision mechanics to software and chemical processing. The board decided that this business would be more b2c (business to consumers) than of b2b (business to business) where they were considered to be strong. Hence it was decided to divest this business. They carved it out and tried to find an external partner who was supposed to take over the majority of the shares in a second step. Another conglomerate became interested and merged its (likewise ailing) small printer and process reader business with the printer unit. The strategic investor was neither interested in the employees nor in the traditional products of the plant but only in the new technology that was not yet fully developed. He was not aware of this fact. The employees of the divested unit sensed all this: management had missed technological change, their own core competencies were not valued anymore and they were kicked out of the beloved corporate family like an old animal that was left behind by the herd to pass away. Holger Thorn described an organizational trauma developing out of a growing collective survival anxiety. With the carve-out the connection cord to the former parent was cut. Experience and

knowhow of the employees was no longer needed like the firemen on e trains. Communication by management consisted of standard phrases (so-called "topoi") like "this is an ideal venture combining the strengths of both companies complimenting each other in an ideal way". Employees sensed that the hidden agenda was just to get rid of them. The mood plummeted. Interestingly, again no aggression or opposition developed. It was more that the missing way out caused a kind of frozen energy which surfaced in agony, insecurity and feeling left alone. Again, a state of miasma covered the organization and its feeling of loss. The ones who were agile enough searched for jobs outside this environment and left. The others, socialized for years or decades in a family-like organization culture, were expecting someone in management to solve their problem. And here we have the connection of Wilfred Bion's basic group assumptions (dependency flight/flight, pairing) with trauma psychology (event-fight/flight-feign death-frozen energy/stuckness-trauma): they were used to dependency and a father figure, but none showed up, causing severe stuckness. Finally, CEO Holger Thorn and his CTO colleague were appointed as the new business unit management by the divesting firm. Thorn started immediately hiring people for all vacant positions. As it was hard to find experienced people from the divesting firm he took very junior, but talented and committed employees from the inside and the outside and gave them full responsibility and an exciting challenge e.g. as head of accounting or purchasing. Then he walked the talk: he toured the facilities including the shop floor more than once a day. He actively listened to the employees, he took up their recommendations and helped in cases of personal challenges, all classical ways of showing compassion. He actively communicated with the works council and got them supporting the new management. He told employees the truth in town hall meetings (market change, corporate management was unable to solve the plants issues, new strategy and investor inevitable) stating that leaking this openness to the outside would cost him and his CTO their jobs. And the team stayed loyal: a good example of authentic leadership and storytelling. The new business unit management had no hidden agenda, and the

people felt it. Thorn did a series of staff conversations especially with those whose skills were not needed anymore due to the technological change. Tough talks, but open and honest, with questions like "How do YOU see your situation?" giving them back their self-responsibility. And not a few said at the end of the meeting with a breathing-out of relief: "I knew it coming, but the best thing for me now is to look for new opportunities outside." thus overcoming the dependency pattern. A classic example of motivational interviewing (W.R. Miller, 2012). And the ones who left were given an official good-bye by the plant management, with dignity. This is practical grief work process: through despair into the open space of new endeavors with good memories. And the multiplying effect cannot be underestimated: people talked about it, trust increased, confidence likewise, self-esteem regained momentum and justice was felt instead of arbitrairiness and helplessness. So the divestment process went on, now successfully with a unit operating nearly back to old qualities. They performed so well that another investor stepped in later. Two years later, after another strategy shift, the new investor closed the unit.

Now we turn to Latin America to check if the identified success factors for coping with organizational trauma (authenticity and compassion, communication, grief work) also work in another cultural context. - Argentina was haunted by a massive financial crisis in the years 2001/02. Three executives at that time shared their experience. The first, Antonio Fernandez (name changed), headed as CEO a 40+ employees engineering company for piping and thermo mechanical installations. In 2001 Argentina was in a recession. Government decided to walk away from the fixed currency ratio 1 Peso = 1 US Dollar. On December 21, 2001 the crisis exploded, government started banking restrictions, i.e. no money could be drawn from ATM's or bank accounts, provinces started printing an ersatz currency, apparently of no value, inflation grew out of control (118% in 2002). Violent demonstrations filled the streets and forced the president to resign. The country then saw three presidents in two weeks. As the

payment chain was broken business came to a standstill: no payments from clients, high pressure from suppliers, no money to pay salaries. The value of the Peso dropped to 4 Pesos per US Dollar and then stabilized at 2.10. All export/import operations were cancelled. Antonio's company got to the border of insolvency, like most of the others. So from a company-external impulse the fate of the company was at stake. The company like the individuals was driven by the question of how to physically survive the other day. And there was no light at the end of the tunnel. The prevailing feelings of the employees were loss of trust, dignity and security. It affected all levels of the company, only employees with bank accounts in other countries and credit cards were better off. The primary tasks of the company to deliver proper engineering services and to ensure a living of the employees were at risk. Management therefore tried to keep people busy even though there was no real business preserving the meaning of going to work. Depression and stress feelings were aroused, some fell into silence mode. Fight or flight, neither of these did work as the whole country was affected and no cure could be seen. What did Antonio do? Although he felt insecure himself he showed himself calm and in control of the situation. He communicated every day with the whole team and presented the situation of the day from his perspective. He explained the overall context thus creating a feeling of togetherness and understanding in the difficult situation. People could see the big picture even if there was no solution yet. This made them relax a little bit and avoided speculations and uncontrolled discussions at the coffee machine. The CEO provided an overall story of what was going on and showed compassion and authenticity. The open conversations were taken very positively. Only very few people left because they all believed in the future of the company. Union representatives were very aggressive in the beginning, but when they realized that management was doing the best it could they became calm again. As the situation did not change, management decided to cope with the loss of the business by organizing a controlled company closure. This was done with openness and honesty telling everyone what was going on and helping each one find a new

personal perspective. Antonio says: "When the ship goes down the captain cannot pretend that it will sail on. But you can still say that we will survive because we have life boats." So he intuitively applied the grief work process getting from despair to open space and a new beginning. Antonio himself left the country and started working as a freelance project manager in Spain. Like so many he had not only suffered a "loss of fate" as he says with the company, but also with his country. Many years later he met some of his former co-workers. They appeared to him more mature, stronger and self-confident. So there seems to have developed some sort of post-traumatic growth due to this effective management of the trauma.

Sergio Mendoza (name changed), co-founder and CEO of an Argentinian IT services company with some ten employees made the same experience. His family owned business was also seriously affected by the financial crisis. They lost all but one contract with the ministry of defense, not enough to survive. Distress and uneasiness developed in all levels of the organization. As with Antonio, Sergio opted for keeping calm. Frequently and openly he talked to his team about the status creating meaning and personal attention. As it was a small company they were able to manage the event and slowly got back to a modest sales level allowing the company to survive.

In 2001 Jose Arros (name changed) was head of strategic planning and management control at a major power distribution company in Buenos Aires, a subsidiary of a foreign company. Even though this is a big, regulated entity the crisis posed questions on the fate of the company as well. The corporate culture was driven by a feeling of pride of being an excellent and professional organization helping to make the life of Argentinians better by innovation and technology. The financial crisis shattered their self-perception. How could they go on in such a situation? They entered into technical default, short of actual financial default. A massive loss of pride developed negatively influencing the morale of both employees and management. Again, senior management opted for staying calm and held high the story of the

company: although GDP dropped by over 12% in 2001/02, the energy consumption only fell by 4.2%. They had a mission to fulfill. Management took firm decisions (cut investments, reduced costs), was pragmatic at the same time. It was not possible to fully eliminate anxieties and uncertainties, but the satisfaction rates got back to good grades. Although the company has not got back to its pre-crisis profitability today, it is operating effectively and successfully despite all the new challenges that have come up in Argentina ever since. A trauma was not developed thanks to active, calm and transparent intervention of senior management. They were providing a story and meaning and navigating their team through the grief work process from loss of old stability into a new future.

Looking at the three cases from Argentina the most stunning aspect is the focus on staying calm in the middle of the storm and openly communicating with staff thus creating a story for the future and avoiding the masks of silence.

The last case has a totally different setting. For many years Charlotte Hestings (name changed) has worked as a paramedic for a British ambulance service. Her task is internal process optimization and training of the staff. Through operational shifts she maintains contact to the frontline and her Paramedic registration. The traumatic crisis originated within her direct team. There was one single perpetrator who influenced and traumatized the team over several years. It culminated in two individuals within the team putting in formal complaints regarding the bullying and harassment suffered within the space of six weeks. Charlotte was one of these team members, she formally and in writing complained about the behavior of a colleague of the same rank to herself. This individual was medically suspended after the complaint she made. Prior to this, complaints had already been made – but never overtly managed as staff members would rather leave than confront the behavior or complain and then have to go through the disciplinary procedure having to make statements and potentially attend mediation with this individual. A specific threat arose from the fact that the

perpetrator was very senior and generally had a good reputation. Previous events not having

been dealt with appropriately raised anxieties of stepping out of the dark. Interestingly, the

behavior was seen as acceptable to the majority who joined the team over time. Those who

felt aggrieved or were the target of the behavior either left or moved job roles rather than

confront. Charlotte knows of three individuals who had PTSD type symptoms directly related

to this individual's treatment of them. She was one of them. The main social defense pattern

was denial: most people didn't dare to speak out for fear of disbelief or because the individual

had built his reputation of knowledge and of respect based on his bullying ways. One would

behave the same to fit in or would leave. Charlotte and other team members turned to self-

protection in order to maintain sanity rather than outwardly keep challenging the behavior.

When challenge was given, the perpetrator would take time off sick citing stress and mental

health issues knowing that official policy then was to be untouchable, go on treatment and

return after three months with an action plan. Management then was relaxed, but the cycle

soon began again. Staff and students generally were unaware of the problems; management

never explained what had happened for reasons of presumed shame and guilt. Direct

colleagues remained in stoic silence and inner relief that something had happened: the masks

of silence in yet another setting. Some of the juniors showed signs of aggression as they were

questioning why the experienced instructor had been removed… no one would tell them the

real reason. Spreading rumor and conjecture were preeminent patterns of behavior. As team

members could not expect consequences they would not dare speaking up. This slowly

undermined the culture of the organization leading to a detached, sometimes depressive state.

People went off sick, sometimes leaving the team with only 50% of its workforce. Trust and

support plummeted due to management inactivity. Stress then became frustration and a

feeling of guilt like one had colluded with the behavior. This, by the way, is a typical behavior

of trauma victims: in order to build a story and to explain the unexplainable, victims tend to

blame themselves. Interesting at this case is that fight and flight were options, the first

apparently not bound for success due to team and management culture, the ladder being opted for by many. The third trauma pattern, feigning death or staying silent, was the preferred option. What brought the change to fighting mode? The author's theory is that the culmination of several events in a short time period aroused biochemical reactions in both the limbic system of the brain and the molecules of emotion in the body of the individuals. Those were mirrored by team mates and thus became self-supported and stimulated action out of a perceived position of not being alone. Until such time there was no pro-active management of the traumatic event by the heads of the department: neither compassion nor storytelling or providing of meaning, let alone any active grief work. It was done by the initiative of the trauma victims. This somewhat untypical example in the end should underline the following conclusions:

-   Trauma in organizations can come from a sudden incident, but can also develop slowly over time.
-   The event or perturbation can come from outside the organization as well as from the inside.
-   If from the inside, the role of management is far more challenging since the tone from the top significantly influences the behavior of the trauma victims. It also shapes and develops corporate culture integrating the trauma as integral part of it, either way.

It still is the responsibility of management to actively approach an organizational trauma by actions mentioned before. The last example is supposed to function as an example for how long and how cumbersome the process can be, if the victims themselves have to stand up and fight.

Charlotte's trauma case eventually was taken care of. The individual was medically suspended after the complaint. The grief work process was mainly pro-acted by the victims

themselves with some support of their management. New guidelines have since been adopted enabling earlier escalation of harassing behavior and proper handling of it.

SUMMARY AND TIPS FOR MANAGERS

General

- Organizations do have an identity.

- Organizations do have a personality.

- Organizational culture is driven by joint basic assumptions.

- Trauma in organizations is not scientifically proven to date, at least no study can be found.

- Trauma in organizations has been described and observed in several analyses and case studies.

- There is a high likelihood that there is such thing as trauma in organizations.

- This is underpinned by the cases in this paper.

- There are stressors from outside the organization and from within, trauma can develop from both categories.

- The role of management can differ as it might have been involved in the development of trauma from the inside.

- The healing process is subsequently a tougher one, although not less important.

- Organizational trauma can develop slowly over time or be effected by an acute sudden change and then spread like a wild fire.

Trauma Diagnosing

- Individuals are being overwhelmed by the event, don't know how to cope with it.

- Others feel the same, identify and associate with the trauma.

- Social defenses and projections (to other groups and departments in the organization).

- Silence, sometimes ordered from the top (shame/guilt) and rumors: the mask of silence.

- Lack of motivation and energy, lack of focus (primary task), depressive mood.

- Development of subgroups and overly personal relationships, self-optimization.

- Many (stronger and resilient) personalities are leaving this place.

- Anxieties and emotions (crying, rage and furor, nightmares).

- Pathological reactions, dissociation, hyperactivity.

- PTSD develops if there is no intervention by someone, i.e. senior management.

- Sooner or later outside the company resources (press) might get this topic in their focus and make it public, thus invigorating shame and guilt.

The way to go

- Get to the emotion under the surface; get the molecules freed up.

- Apply the grief work process: shock/anger-denial-memories-despair-open space (let go)-vision= new start ("what are you gonna do with the rest of your life?").

- Leaders: show compassion in parallel to or better interwoven with the grief work process: 1= context for meaning; 2= context for action (keep daily routine going): scope-scale-speed-specialization, authentic leadership must start right from the beginning, otherwise miasma and numbing develops.

- Leaders: show an authentic behavior: examples of authentizotic leadership (authenteekos = trust + reliance -> connective quality, zoteekos = vital to life, Kets de Vries, 2006, 2012):

  - give them voice

  - care about your employees

  - walk the talk: set a good example

  - create "stretch" for your people/supportive about their growth and development

  - be encouraging: give recognition and praise

- don't use the mushroom treatment: keep your people informed and create meaning, it is

   essential for all human beings

- give constructive feedback up front: make expectations clear

- get rid of the narcissists: from "me" to "we"

- Leaders: provide <u>a story and meaning:</u> what-why-how to go on.

- PTG (post-traumatic growth) is an opportunity in the end.

- Elaborate on cognitive and emotional/somatic approaches to curing (situation-based).

- Coaching and consulting by outside facilitators recommended to support the process:

   coaching sessions and workshops, best in the acute phase.

- For reasons of shame and guilt many do not want to open up for discussion with the

   outside. They bury the trauma. It sits there and adversely affects the well-being and the

   performance of the organization; silence being a classical defense behavior : management

   to address the under the surface issues by all means.

- Denial and other PTSD elements can and - if un-managed - will continue, if worse comes

   to worst for decades and generations.

- Level 2 intervention in the state of a fully developed PTSD is not worked out in detail

   here, just some recommendations: go back to emotions and use methods of post-traumatic

   healing in the chronic phase - e.g. Janet: stabilize – identify + modify - relapse prevention

LIMITATIONS

There is ample publication on trauma, but only few references on organizational trauma. So

the main question is: is this paper MECE (mutually exclusive and collectively exhaustive)?

The integrated approach presented in the chapters above seems to cover a lot and looks logical

and consistent. Does it cover all, both from a theoretical research standpoint and from

practical examples for organizational trauma? There might be other literature not found and

cases contradicting the theses. On the other hand continued and ongoing research and studies on this topic were all in line with the aforementioned.

The number of interviews granted is rather small (less than ten). At the same time none of them contradicted the theses of this paper. The interesting - and sometimes frustrating - process of (not) getting in touch with interview targets was a story in itself. However, due to this setting some sort of theory had to be developed to get the story out of the decline of interviews and the non-responding to the requests. There were also another two or three very interesting interview targets which would also not respond or follow up.

As the author due to the nature of the topic sensed a lot of emotions during the interviews and when talking to potential targets there is a certain danger of bringing bias to the storyline. Sometimes in the process of writing the thesis a righting reflex came up to bring things retroactively and by writing in order, i.e. to create justice in hindsight ("post mortem").

FUTURE RESEARCH

It could be worthwhile to conduct an organizational trauma study "proving" its existence against a clear set of criteria and to provide more cases underlining the concept. One could also further analyze the reasons why this topic has not yet been addressed comprehensively by researchers.

An interesting area would be to conduct a research project showing molecules of emotion in traumatic situations of organizations (including MRT and other diagnostic technology). Further building on this, a comprehensive combination of psychology and neurobiology in the field of trauma research might lead to significantly new insight.

The question of resilience, i.e. why certain organizations are able to progress into post-traumatic growth while others develop post-traumatic stress disorder, is also a subject that should be further analyzed.

Last, but not least develop the subject from trauma in organizations to trauma in overall systems or cultures based on examples of nations and countries especially in phases of transition. The assumption is that there is a lot of taboos in such situations, meaning many new masks of silence. Of particular interest is the fact that traumata in cultures tend to be inherited to next generations. Examples could be Germany after the re-unification, post-war former Yugoslavia, Great Britain (or Portugal) after losing its colonies, etc.

CONCLUSION

Despite the inflation in publications on trauma and post-traumatic stress disorder, especially in light of numerous armed combats all over the world, the subject of organizational trauma has had only limited exposure while it seems to be a very important issue to deal with properly. In the aftermath of the 9/11 bombings of the Twin Towers in New York City there was a period where some consultants and psychologists covered this topic, albeit a few. One wonders why this has not had more attention in a scientific world where new stories and the first to address a topic get much attention, reward and possible business out of it. Can it be that the masks of silence discovered during the research on this study prevent a wider audience from touching this issue? Can it be that like with individual trauma it will take rather decades than years to bring light into what happens behind closed stores?

On the other hand the cases presented in this paper insinuate that time is of the essence if and when an organization is facing a traumatic situation. But the results of the blocked fight-flight-freeze reflex such as guilt and shame apparently often prevent managers from dealing openly with this issue. As with so many things that are below the surface it sometimes appears to be easier to just ignore what is going on in the minds of people. And as the negative impact with its sociopathic or dysfunctional behavior patterns is not measurable in an economic sense and as it would cost time and money and as shame might make public insufficiencies of involved management, it often seems to be better in the short term not to

touch the issues. Arguments given are often part of the social defenses: "we are still in the middle of solving technical problems" or "the press (or a presumed enemy) is leading a campaign against us, we have to fight back" or "we have to keep our reputation and cannot admit such weaknesses" or "others have seen similar things, we don't need a therapist nor any other outside help".

At the same time, the results of this paper definitely show how such traumatic incidents can be diagnosed and, more importantly, how they can be effectively tackled. It indeed needs a comprehensive approach combining four major levers or fields of activity:

- Leaders need to be authentic or authentizotic as M. Kets de Vries (2012) puts it.
- Leaders show compassion.
- Leaders provide meaning to the traumatic experience, they build a story on what has happened and why this can help the organization to become even stronger albeit all negative experience and loss.
- Leaders apply the grief work process to overcome loss and elaborate a perspective together with their team.

In essence it is all about sometimes trivial and simple looking actions, but it also is all about being human.

It will be an exciting task to further go into this subject and to build even more detailed and sophisticated ways of effectively dealing with organizational trauma. It will make sense to publicly speak about this subject thus getting more insights from other faculties and researchers all over the world.

The foundation has been laid, now it is time to spread it out and make it a renowned area of research and science.

Mark Steinkamp

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APPENDICES

Appendix A

Interview Questionnaire

A)   Event and Effects

1.   Please introduce the organization you will be talking about: mission, business concept,

values, primary task of this organization.

2.   Please introduce yourself and your role in the organization as well as the time period

you were engaged.

3.   Please describe the traumatic crisis: when, what, why, who, current status? Was it

originated inside or outside of the organization? What was the cause or who was the

perpetrator?

4.   What are the specific issues that made this event so threatening?

5.   Was the event putting the company's fate at disposition?

6.   What was the perception of the event within the organization?

- artifacts: what behavior or symptoms could be observed? What happened to

performance and financial results? Please describe

- feelings: e.g. loss of trust, of security, of dignity? Others? Please differentiate – if

possible – between senior management, middle management and staff

- were the feelings developing from individuals to groups and then company-wide? Or

was it limited to certain individuals or groups in the organization? Please describe the

process in your words.

7.   Was the primary task of the organization (see 1.) affected by this event?

8.   How did it continue after the immediate event's effect, options being:

- calming down and back to normal business (how many weeks after the event?)?

- or strong acute emotions (stress) turn into feelings of guilt or shame?

- were there different emotions with the ones who caused the event vs. the ones who were just affected by it?

- was there any scapegoating?

- or was there just indifference, back to business as normal?

- or did a depressive mood develop?

9.   What behaviors could be observed in the weeks after the event:

- people were frequently talking about the event (e.g. at the coffee machine)?

- people were psyched up and anxious?

- people fell into silence and oppressed the event?

- people were above average leaving the organization?

- difference in employee turnover between management and staff?

- people would repeatedly get aggressive in specific situations?

10.   What were the (internal) consequences of the event? For management, for staff?

11.   Were they actively or re-actively managed? Or not addressed at all?

12.   Name any critical issues that were or were not communicated

13.   Were there any signals from the outside/the public/the press/the government?

14.   How did the organization feel about these signals, were they managed?

15.   Is there anything else you would like to add?

 B)   Questions for present and future:

1.   Has the company been stabilized in the meantime?

2.   Is the traumatic event still an issue, maybe under the surface?

3.   How (if applicable) has leadership/management changed? People/style?

4.   How have employees changed?

5.   How cooperation and values?

6.   How Corporate Identity?

7.   Is the organization stronger or weaker than prior to the event?

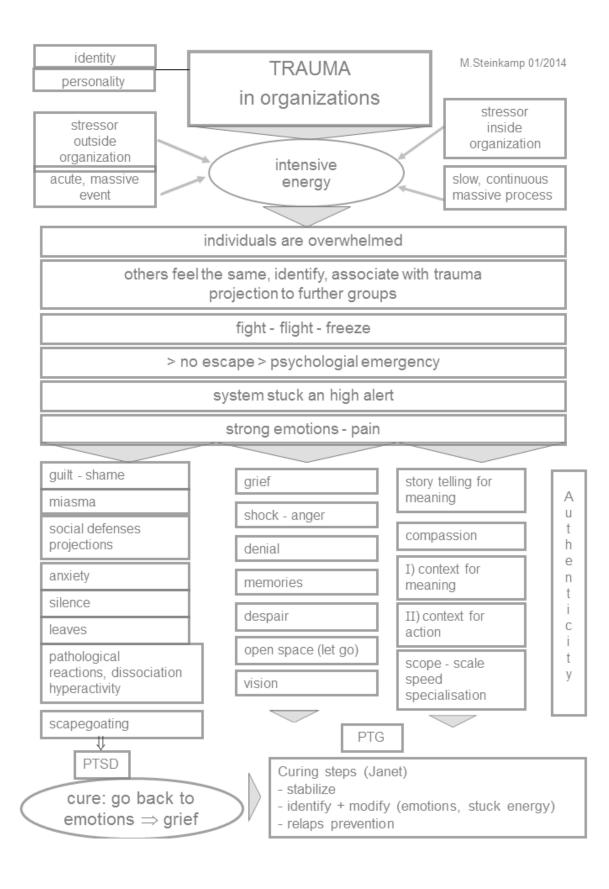8.   What has been done for managing such crisis in the future?

9.   What do you think should have been done or can still be done?

Please take these questions as a guide through the topic. You don't have to answer every question. You might also just tell your story and your reflections guided by the questions.

Thank you very much for your valuable contribution!

Mark Steinkamp

Appendix B: Organizational Trauma: Diagnosis and Management Flow Chart

M.Steinkamp 01/2014

TRAUMA in organizations

identity
personality

stressor outside organization
acute, massive event

intensive energy

stressor inside organization
slow, continuous massive process

individuals are overwhelmed

others feel the same, identify, associate with trauma projection to further groups

fight - flight - freeze

> no escape > psychologial emergency

system stuck an high alert

strong emotions - pain

guilt - shame
miasma
social defenses projections
anxiety
silence
leaves
pathological reactions, dissociation hyperactivity
scapegoating

grief
shock - anger
denial
memories
despair
open space (let go)
vision

story telling for meaning
compassion
I) context for meaning
II) context for action
scope - scale speed specialisation

Authenticity

PTG

PTSD

cure: go back to emotions ⇒ grief

Curing steps (Janet)
- stabilize
- identify + modify (emotions, stuck energy)
- relaps prevention