

At U-Va., e-mails show faltering efforts at crisis control after Sullivan ouster

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The public message would be important. Helen E. Dragas understood that. Eight days before the leader of University of Virginia's governing board stunned Charlottesville with a surprise move to oust the school's president, she was finessing a news release.

It was June 2, the quiet hours of a Saturday morning, and U-Va. President Teresa A. Sullivan had no idea her presidency was in peril. Several board members had only just been informed. Dragas was negotiating with a public relations firm.

Now she e-mailed Mark Kington, second-in-command on the board, a draft release that quoted Thomas Jefferson, the school's founder, and spoke ambiguously about finding a leader to "define and guide the strategic direction of the University while securing the support and resources that will be essential for UVA's future."

Thus began behind-the-scenes efforts to put the best public face on a leadership clash that has become a case study in crisis management. Over 18 days of turmoil, Dragas sought help from three public relations firms, one after another, according to [e-mails The Washington Post recently obtained](#) through a public records request.

Pieced together with [previously released correspondence](#), the e-mails show Dragas clearly understood the importance of public presentation. But she mistakenly believed the fallout would last a day or two. Most critically, she could never convince people of the need to remove a popular president.

Her words were vague. The process was secretive. Passions were high.

Dragas would issue a second public statement. A third. A fourth. A fifth.

'Strategic communication consulting'

The idea of a public relations consultant was seemingly modest at first. Dragas got pricing quotes May 31 from the Communication Center, a [K Street firm founded by Susan Peterson](#), a onetime network television correspondent. The first 10 hours of "strategic communication consulting" would cost \$7,500.

As "rector," or leader of the board, Dragas had become increasingly dismayed with Sullivan's presidency and

contacted board members to build support for an ouster.

Finally, Dragas and Kington arranged to meet with Sullivan in her Madison Hall office at 5 p.m on June 8.

The board leaders told her she was a good but not a great president. Sullivan was moving too slowly; she lacked strategic vision — ideas that would be revisited in statements to come. They said they had all but one of 16 board votes. She had a day to agree to resign — or risk being fired at a public meeting.

About an hour later, Peterson e-mailed Dragas: “Hope your meeting went well. . . . Have a new press release for your approval. And finished with Plan B steps.”

Dragas and Kington announced the resignation June 10 in a release that quoted Sullivan as citing a “philosophical difference” and the board as noting “a rapidly changing and highly pressurized external environment in both health care and in academia” that called for a new leader.

[Immediately, people expressed their surprise and confusion](#) and demanded more explanation. Again and again, Dragas was not specific, often citing privacy protections related to personnel issues.

“What on earth is going on?” an alumnus e-mailed Dragas minutes later. “Answers, please.”

As her inbox filled with inquiry and frustration, Dragas asked the university to mass e-mail remarks she had given to deans and vice presidents about the daunting challenges facing U-Va. and the need for “a bold leader” to push for change.

It did not appear to help.

“We found these remarks just as opaque and unhelpful as your original press release and your subsequent press conference,” one alumnus e-mailed that afternoon.

William B. Fryer, a law school trustee, e-mailed the chairman of the university’s \$3 billion fundraising committee, Gordon F. Rainey Jr.

Fryer had been part of a conference call that day with Dragas and others.

“I was stunned to hear Helen say on the call that she hoped that the noise would die down in a day or two and that they were shooting for the end of the week to get some further communication out,” Fryer wrote. “She was urged otherwise on the call, but it appears that the BOV has no appreciation of how these kinds of events typically spin out. They need a real professional to manage the communication process.”

Critical days pass

The next day, June 12, Dragas called on a new consultant. [Eva Teig Hardy](#) once served with Dragas on the State Council of Higher Education for Virginia and had experience in communications as an executive vice president at Dominion Resources. Both Dragas and Kington serve on Dominion’s board of directors.

Soon Hardy was meeting with Dragas and, then, the university staff.

Critical days to take control of the crisis were passing.

A high-profile change without clear reasons invites the worst kind of speculation, said Virginia Commonwealth University professor [Kelly O’Keefe](#), who studies corporate crises. “If you don’t give the audience a reason for change, they’re going to make one up, and it’s almost always going to be less flattering,” he said.

At U-Va., theories of conspiracy soon filled the void.

The campus fumed to read that Peter Kiernan, the Darden business school foundation chairman, knew about the coup weeks ahead of time, along with “two important Virginia alums.” Those details — in a widely circulated e-mail from Kiernan — were viewed as proof that wealthy donors had conspired with Dragas.

Dragas responded quickly. “Damage control initiated,” she e-mailed two allies within the hour.

But the fallout was increasingly difficult to contain.

In the early hours of June 14, three U-Va. heavyweights exchanged e-mails.

“What do you think of her response?” asked Carl Zeithaml, dean of the commerce school who would soon be named interim president.

“Not good or clear,” responded Jeffrey C. Walker, the foundations council chairman, just after 6 a.m. “They are interviewing a crisis communications firm. They were woefully unprepared communications wise.”

Zeithaml quickly responded: “If anything, I thought that this response made things worse. Maybe much worse.”

As the week progressed, U-Va. spokeswoman Carol Wood wrote Dragas two e-mails asking her how to pay for public relations fees. “Is this going to come from outside funds or do we need to find funds in someone’s budget?” she asked.

But before a plan was in place, Dragas’s second consultant bowed out. In an e-mail, she said she had too many other commitments.

By then, the crisis was all over Twitter and Facebook. There were calls for more disclosure, for Sullivan’s return, for board resignations.

U. Va was nearly a week into the crisis. It was escalating.

Enlisting students, donors

Dragas did not idle between consultants. She asked the student member of her board about approaching classmates willing to blog favorably, guided by an outside adviser.

She instructed the school’s top two administrators to issue a statement describing the board’s action as “authoritative and resolute.”

She talked with [billionaire donor Paul Tudor Jones](#), who wrote a prominent op-ed piece that backed the board. His commentary, in the Daily Progress of Charlottesville, fueled the theory that donors had a hand in the ousting.

It was published as the U-Va. Faculty Senate delivered a no-confidence vote on the board.

It also came as Dragas latched on to a third crisis management firm, Hill+Knowlton Strategies, a Manhattan-based communications giant — on the eve of a tense, high-profile board meeting to select an interim president.

The man running the Hill+Knowlton operation was John Ulyot, a senior vice president and former Marine intelligence officer who testified before Congress in 2008 about crisis communications after nuclear attacks by terrorists.

Ullyot helped Dragas with the prepared remarks she delivered, which included an expression of “sincere regret for the pain, anger and confusion” caused by Sullivan’s resignation — but no deeper explanation.

The pivotal meeting lasted more than 12 hours, with Zeithaml named interim president. But the turmoil did not abate. Within hours, Kington resigned — and Dragas lost her closest ally.

In a critical moment for Dragas, Ullyot sent her two possible statements.

One option expressed regret that Kington “felt the need to resign over an action that was taken with general Board consensus, and one that I am confident will clearly improve the strategic direction of the University.”

The other option:

“Today I have asked the Governor not to reappoint me to a second term as Rector.”

Dragas did not offer to step aside.

Instead, on June 21 she issued a three-page statement intended to lay out the problems underlying the president’s ouster. It cited concerns about declining state funds, online learning and faculty pay but made no mention of Sullivan.

“I agree with critics who say that we should have handled the situation better,” Dragas wrote. “In my view, we did the right thing, the wrong way.”

The fury did not die down.

The next day, Gov. Robert F. McDonnell (R) told U-Va. board members to resolve the crisis quickly, or he would fire them.

Dragas issued another statement — this one to thank the governor for affirming the board’s authority and agree “on the importance of providing clear explanations of our actions, as I aimed to do in my statement yesterday.”

Dragas asked that her statement be mass e-mailed.

Wood, the university’s spokeswoman, urged her to reconsider.

“I am well aware of the fact that you don’t trust my advice — that has been very clearly communicated to me by all three of the outside PR firms you have talked with — and I’m sorry for that,” Wood wrote. “But I sincerely believe that sending one more e-mail to alumni today will result in another onslaught of negative responses from alumni.”

The mass e-mail went out.

By that time, another board meeting had been set for June 26, and there was now a possibility that Sullivan could be reinstated.

After prolonged turmoil, the ending seemed a choreographed event: Dragas escorted the president to the historic Rotunda for the meeting.

She then joined a united board in voting to reinstate the president she had tried to force out.

Too late for speed-dial

Sometimes people expect too much from after-the-fact public relations, said [Herman B. "Dutch" Leonard](#), who specializes in crisis management at Harvard University's business and government schools.

"A lot of people in a lot of organizations feel that what crisis management means is having a public relations firm on speed-dial," he said. "By the time those PR firms got speed-dialed, this thing was already a huge mess."

Dragas has said she used consultants rather than rely on U-Va.'s public affairs staff because of potential conflicts and "the significance of the issues at hand."

She spent \$45,000 of her own money to pay for the first consultant. Hill+Knowlton was paid by Dragas's fellow board member, John L. Nau III, a wealthy beer distributor. The bill: \$208,577. The full board did not take action on any consultants, officials said. Both consultants declined to comment.

In mid-July, Dragas and Sullivan released a joint statement pledging to work together.

Wood posted the statement on the university Web site and e-mailed it to alumni, but she told Dragas that they should hold off sending it to students, staff and faculty.

"The tone of 90 percent of what we've received is 'enough already . . . get to work!'" she wrote in a July 16 e-mail.

Dragas again was unconvinced.

"I still think it's an important communication piece. Your thoughts?" Dragas e-mailed Sullivan, including Wood on the exchange.

"Candidly, I think we will get more negative comments," Sullivan responded, "but also think that anyone who reads it and says, 'Oh, that's a good statement' is unlikely to send us a comment. . . . If you want to send it, we will."

Just before midnight, Wood responded, "I'll get it out in the a.m."

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