ABSTRACT. Organisational psychological defences protect the self-esteem and moral integrity of the organisational personality even at the expense of sacrificing the morality of actions. This paper analyses the spectrum of defences used by an oil refinery and its parent company during an oil spill incident. A hypothetical model of defences built on Swajkowski’s four responses to accusations of organisational misconduct – refusals, excuses, justifications and concessions – is tested through this case. On the basis of empirical findings it is obvious that defences delay, impede and interrupt the mitigation and recovery actions of incidents. It is not possible to break the defence behaviour of individuals because it is a built-in psychological mechanism in all humans serving a valuable purpose of dosing the pain of injury. However, it is possible to separate individual and organisational behaviour so that automatic organisational procedures mitigate, recover and, ultimately, prevent incidents. The organisational psychological task of crisis management is to mitigate the organisation’s ego defences, recover from its emotional turmoil and prevent further traumas by making its ego stronger and more flexible. The argument of this paper is that in practice organisational defences act as bumpers against becoming too conscious of the gap between the corporate rhetoric and reality, as subconscious breaks against too fast change demands, and as batteries in their preconscious effort to prepare for the change. Organisational refusals act as bumpers, excuses as breaks and justifications as batteries, while concessions imply that a change towards a more responsible corporation is taking place.

KEY WORDS: crisis management, defence behaviour, oil spill, organisational concessions, organisational psychological defences, organisational excuses, organisational justifications, organisational refusals

Introduction: Organisational psychological defences

Organisations, like individuals, use psychological defence mechanisms to protect themselves from anxiety caused by internal and external environmental pressures (see e.g., Brown, 1997; Brown and Starkey, 2000; De Board, 1978; Fineman, 1996; Hirschhorn and Young, 1991; Kets de Vries and Miller, 1984, 1991). The self-esteem of organisations is regulated through these ego-defences (Brown, 1997). The defences protect the moral integrity of the organisational personality (Feldman, 2003) even at the expense of sacrificing the morality of actions. It is more important for organisations to feel that they are moral persons than to face the reality, i.e., the immorality of their actions.

During a crisis, such as an unexpected oil spill, an organisation is pushed to its limits, and often beyond them. An organisation, like an individual, needs to dose the pain it experiences, in order to survive from a blow. Psychological defence mechanisms are essential tools in dosing the pain. For example, denial gives time to comprehend what has happened, intellectualisation makes the incident look logical, projection eases the guilty feelings and rationalisation provides justifications. All these defences soothe the pain until the organisation is mentally ready to sublimate its wrongdoing through compensation. Thus organisations use many different kinds of
defence mechanisms to escape responsibility, thrust the incident out of their minds and push off the lurking anxiety.

The most primitive defences include splitting, projection, projective identification and denial. Through splitting organisations often internalise good and externalise evil (Hirschhorn and Young, 1991; Morgan, 1986). In addition, organisations may project their own shortcomings and failures on others (Brown, 1997). If organisations cannot accept some of their negative characteristics, they project them on others and then identify with those others – which is projective identification. One of the most common defences involves denial of facts of reality (Kets de Vries and Miller, 1984): organisations can deny that there is a problem or believe that it is not serious.

There are several more advanced defences. Organisations can repress unpleasant events into their unconscious by forgetting, suppressing or distorting information (Brown, 1997; Kets de Vries and Miller, 1984; Morgan, 1986) so effectively that they do not know that they are doing so. Regression means childish behaviour, such as endless disputes with environmental groups or the media. Through idealisation organisations try to forget the evil sides of their leaders or events (Brown and Starkey, 2000; Morgan, 1986). In reaction formation organisations display the opposite emotion or attitude to the one they actually, but unconsciously, have (Kets de Vries and Miller, 1984; Morgan, 1986). Hence amiable and co-operative behaviour may conceal latent hostile and competitive urges.

Organisations justify their behaviour through rationalisation to disguise underlying motives and intentions (Brown, 1997; Miller, 1993; Morgan, 1986). Organisations fend off uncomfortable stakeholders by the intellectualisation of their activities, particularly of their technological, chemical, biological and financial issues, in order to make them sound too complicated to understand. If an organisation is beaten by a competitor or other stakeholder in an issue, it may want to get compensation for the humiliation through retaliation.

In object displacement organisations shift impulses aroused by one person or situation to a safer, weaker target (Morgan, 1986). Organisations often try to devalue an event or issue by e.g., publicly underestimating its importance or by staying away from important meetings. Undoing consists of attempts to cancel with rituals a regrettable event. During crises people in organisations often carry on their duties in a ritualistic manner as if nothing had happened. This is an initial reaction to the shock, and it may cause further damage because the situation calls for emergency operations. By introjection organisations internalise positive or negative aspects of their external world in their own psyche (Morgan, 1986). The omnipotent fantasies of organisations include claims to omniscience, rightness and uniqueness (Brown, 1997; Kets de Vries, 2001). When organisations feel threatened, these fantasies defend them against anxiety. Isolation, on the other hand, is an organisation’s way of avoiding a problem and the accusers by withdrawing into its shell.

The most advanced defence is sublimation in which organisations channel their frustration and anger into socially acceptable forms (Morgan, 1986), such as compensation for losses or new goals. Companies must sublimate sooner or later – otherwise they will not survive in their business environment.

Research objectives

The objectives of this paper are to develop a hypothetical model of defences and test it empirically in a crisis situation of a company. The hypothetical model of defences will be developed from Swajkowski’s (1992) matrix of four responses to accusations of organisational misconduct, into which the different psychological defences will be integrated. The resulting model of defences will be tested in a European oil company in which an oil spill spread into a crisis. The generalisability of the results of the empirical study will be discussed at the end of this paper.

There was an accidental oil spill at a refinery of a European oil company in December 2001. It started on a Sunday morning at 2.30 a.m. when a night-shift operator thoughtlessly opened a valve he should not have opened. When he realised what he had done, he closed the valve in a state of shock, continued his duties as if nothing had happened and left his shift at 7 a.m. without informing anyone of the incident. The morning shift sensed that something was wrong but would not believe it could have been anything