

## **CRISIS MANAGEMENT IN AN ORGANIZATIONAL PERSPECTIVE**

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### **ABSTRACT**

Crisis management has become the most referred word in dictionary post COVID period. It is like an umbrella spreading itself almost among all fields. No organization is exempted from crisis management.

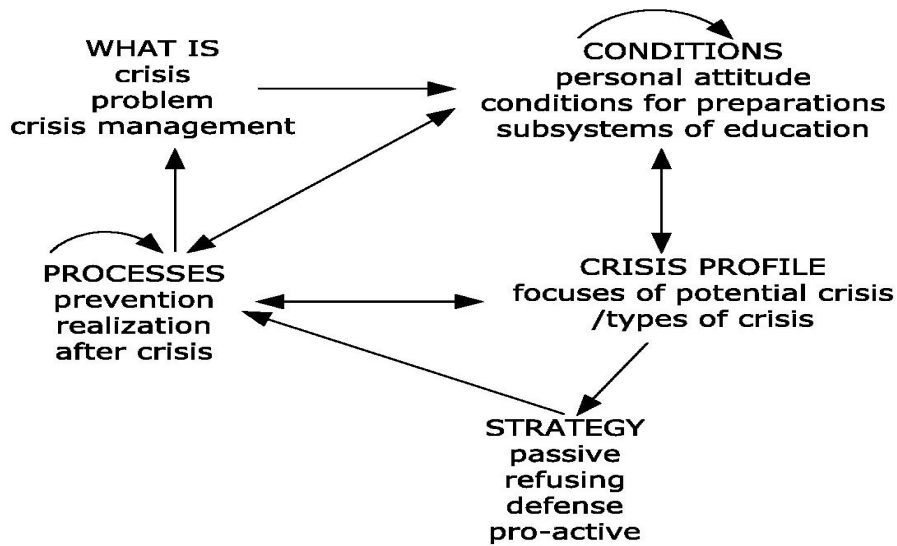
The following research study is all about-

- Types of crises in an organization.
- How pioneering managers endeavor to explore the findings of organization management crisis and integrate it strategic management?
- Prediction to avoid unfortunate waves dangerous enough to collapse the entire system.
- Basically institutional crisis.
- The definition of crises management and its necessity.
- Models of management crisis.
- Lastly a foresighted strategic framework and the steps to be taken to avoid contingencies.

### **INTRODUCTION**

In case of conventional approach, the crisis managers estimate / assume inevitable deterioration and then try to minimize the fatality / loss. Recently the COVID pandemic put everyone on the guard however always a set of plans and action plans should be kept ready to regulate these unforeseen contingencies to ensure incredible futuristic developments. Thus, crisis management triggers us on the need to anticipate, fore predict regular internal and external factors, putting an eye or visualizing the reckoning, profitability, market recognition. It is a major upheaval which gathers widespread media glare, affects political, legal financial and government organization. Crisis does never strike abruptly and are truly cautionary signs that indicate indescribable problem crisis according to me a risk but also an opportunity to be vigilant.

**Diagram 2: CRISIS MANAGEMENT**  
**CRISIS MANAGEMENT**



**SOURCE: ECONOMIC RESEARCH**

Manifold crises divisions

Crises divisions

1. Individual
2. Group
3. Organizational; and
4. Social

Social crises are again divided into-

1. Political
2. Cultural
3. Economic
4. Health
5. Natural

Growth rate age composition of the population, growth rate of some diseases, % of school dropouts, drug addiction rate, social status, indicate throw light on necessity of knowledge management in public services and public administration. Abrupt crises occur suddenly. There is cumulative crises as well.

Three types of crises-

Immediate crises

These crises do not have any previous warning signs and organizational research about them, they are not planning to disposal.

1. Crises that is created gradually and can be minimized by organizational means uses.
2. Ongoing crises: these crises trouble for weeks, months or even years. They may involve time pressure and their severity can be considered through the site when a problem turns

into a crises. 'Mytraf view' he used to classify crises of 2 ranges- Internal and external, which happens within or outside the organization.

Technical or social crises

The weirder such measures, the readiness of managers to deal with crises caused by then is more.

### **CRISES AND PREDICTORS OF CRISES**

Short or very meaningful definitions of extremely difficult crisis is the crucial subject to an organization serious measures should be taken to meet critical conditions as it has to be acceptable by all communities.

According to Kahn and Wighter-

1. The turning point in the events and unexpected consequences and actions.
2. Reduction of control over events.
3. Immediate reaction of the participants demand
4. The conditions that create uncertainty, a state of turmoil.
5. A situation where the available information is restricted.
6. Circumstances that increase stress and pressure. For the employees and communities, Natural disasters, Human hardships, immediate measures.

The role of states and government in preventing and reducing social and economic crises.

Critical management increases knowledge management to public service. For example- the population growth rate in a particular year triggers on all the necessities-

Nursery school / educational institutions

Parks, gyms

Health centers

Book fairs

Amusement parks

Sport centers

Theaters

Shopping malls

Software industries

Internet

International trade relations

Ravel overseas operations

### **CRISES MANAGERS**

Some critical tribulations that the managers encounter in a company or organization may include:

- Inactive staff / uninclined to work or change.
- The use of unqualified managers or those who can't upgrade.
- Failure to achieve organizational objectives.
- Dissatisfaction to the customers or clients.
- Lack of confidence in staff strikes, financial crises rules / reflex action of non / no / low efficacy unpredictable events.

## **ACTIONS THAT ORGANIZATIONS HAVE TO EXECUTE TO ENCOUNTER CRISES**

- Identification and prioritization of crises.
- Determine its factors.
- Mitigate crises.
- Solutions.
- Employees' participation in offering solutions, human intelligence.
- Formation of crises staff.
- Investigation of the consequences of crises.
- Measures to be controlled by staff.
- Guidance from psychologists recommended.
- Identifying centers and institutions that can help handle the crises.

## **CRISES MANAGEMENT MODELS**

If we consider Tiri and Mitraf crisis management, crisis can be understood as-

1. Identify or track marks.
2. Preparativeness and prevention.
3. Inhibition or apprehensions of destructions.
4. Enhancement.
5. Learning.

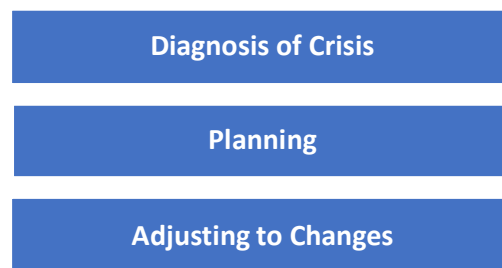
The first 2 processes include pre-activity crisis management and deal with unwanted and unexpected crisis situations and providing a well-prepared plan or strategy at the time of crisis.

Three main activities for the appropriate management of such emergency-

- Establish a program for the crisis.
- Crisis management team and
- Regular training of personnel to deal with the crisis.

The model of practice versus reactive model includes reaction and pre-activeness. The first step in proactive model is analyzing pathological crisis contributing to institutional crises. In this model the decision making is affected, and environmental variables also compete with the effectiveness of the decision. Human resources, Leadership styles, Management skills, monetary resources, Revenue operational process is affected.

### **Diagram 1: Crisis Management Model**



**Source: Management Study Guide****CRISIS MANAGEMENT FEATURES**

1. Peoples' voluntary participation in the state of preparedness for disaster relief and mitigate its effects.
2. Be-aware of affected peoples' needs.
3. Development of practical disaster preparedness.
4. Respects to local, social customs and culture.
5. Doing the things with proportionate and appropriate decentralization.

**SIX STEPS IN CRISIS MANAGEMENT****Step 1**

Organizations have already strategizes preparedness measuring the need and support of the people and the valuable assets goodwill. Be courageous, determined dignified and preserved reinforcing the efficacy of poor managers enlightening them with advance knowledge in crisis management.

**Step 2**

Re-analysis, re-thoughtfulness checking mental fatigue. No procrastination. Introspecting on-What happened, why, how?

Contemplating on past mistakes for future reference. Thorough evaluation of the negative effects. Envision the areas of vulnerability. Strengthening institutional capacities.

**Step 3**

Modernization

Adaptability to continuous comprehensive evaluative improvement. Readiness, re-repair methods, toolbox management. Introduction of a formal crisis management plan.

Methods of modernization,

Personnel playing the role of defenders, encouraging positive changes thus ensure that the organization will be stronger and less vulnerable.

**Step 4**

A vision of crisis

Finding early signs of potential crisis, analysis of strengths, weaknesses, opportunities and threats to public security recognizing the alarming trends, preplanning prediction of crisis, strolling through the management techniques, developing closer contact, listening to the subordinates' frontline management, networking, ensuring more cooperation to enjoy the benefits of increased access to valuable information.

**Step 5**

Intervention and action

Understand the signs of crisis, expert consultation, and risk assessment to quickly escape from the trap of a crisis spreading.

**Step 6**

Preparedness of all sources of support of personnel and equipment.

**WHY CRISIS MANAGEMENT?**

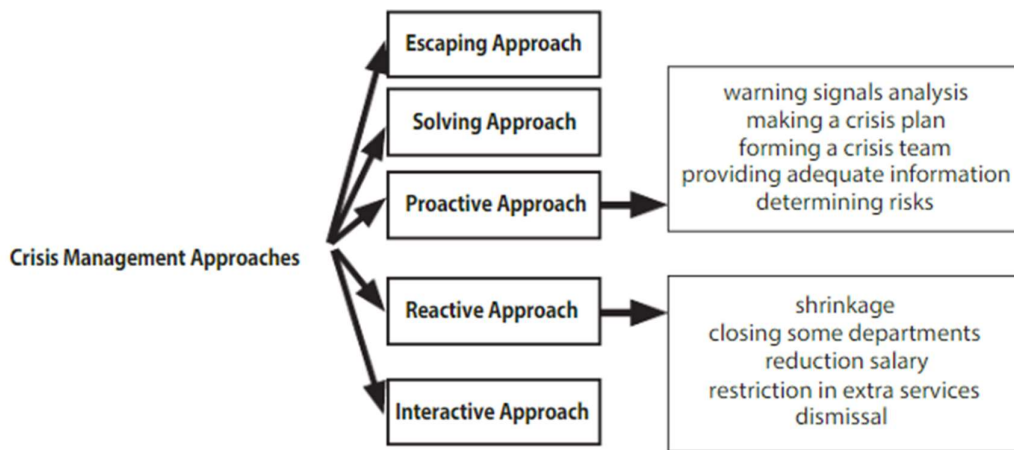
Crisis management needs to be required from the top of the organisation and simultaneously led and implemented by all important business areas if it is to effectively address the range of

risks and complex issues that organisations face today. A corporate custodian who makes sure that organizational wide plans and capabilities are current is necessary for crisis management.

**CRISIS MANAGEMENT APPROACHES**

There are various methods or models that can be used to describe crisis management. These approaches have been commented on and developed by many authors (Bernard and Lajtha, 2002; Pollard and Hotho, 2006, Paraskevas, 2006; Antusak, 2009; Sahin, Ulubeyli and Kazaza, 2015; Mikusova and Horvathova, 2019; Mitroff, Pauchant and Shrivastava, 1988; Shrivastava, 1994; Frýbert, 1995; Pearson and Clair, 1998; Mitroff and Pearson, 1993; Spillan, 2000; Wagner, 2005; Zuzak and Königova, 2009; Valackeine, 2011; Sahin et al., 2015). This paper mentions and describes a number of methodologies and models, but in general, this discipline may be broken down into two basic approaches: a reactive and proactive approach.

**Diagram 3: Crisis management approaches**



**SOURCE:** CRISIS MANAGEMENT PROCESS - A LITERATURE REVIEW AND A CONCEPTUAL INTEGRATION

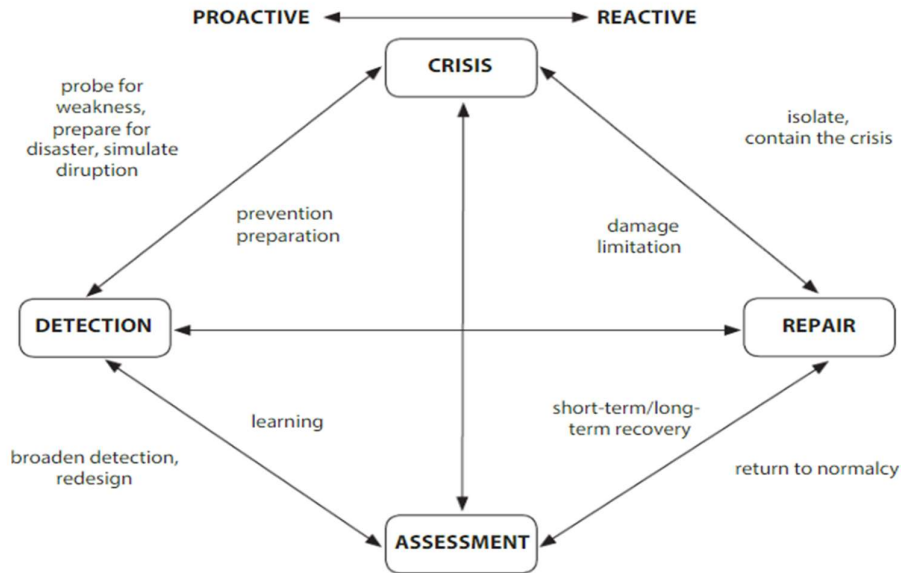
**CRISIS MANAGEMENT PROCESS**

The phases that have a substantial impact on effective crisis management are described in Mitroff, Pauchant, and Shrivastava's basic process model of crisis management from 1988. The activity of "detecting" or identifying a potential crisis marks the start of this model's procedure. The indications of an imminent crisis should be examined in the context of both the internal and external environments, which is an important analysis. All actions are taken to guarantee that the business is ready for an undetected disaster and have a preventive purpose. The strategy makes it obvious that despite extensive planning and preventive measures, no organisation can completely avoid a potential crisis.

In order to properly teach the organisation how to respond to adversity in the most effective way, detection and prevention must be viewed as a process of ongoing evaluation of crisis plans. Activities referred to as "remediation" are intended to test and put into action the systems that organisations have established to restore an organisation after a catastrophe in the short and long terms. The goal is to get the company back to its regular status, or at the very least, near to it. Since the organisation is tasked with reviewing the crisis management process,

revitalising the individual processes, and updating the defence mechanism based on learning, the "evaluation" step is seen as a crucial component of the procedure.

**Diagram 4: Crisis Management Process**



Source: Modified according to Mitroff, Pauchant and Shrivastava (1988).

**CONCLUSION**

Corporate crisis management is a systematic process that has the potential to identify and predict crises. Taking preventive measures, minimizing its impact embedded with technical and operational planning is very important.

The business environment of the twenty-first century demands ongoing crisis management. Currently, managers aim to efficiently handle a possible crisis with the least amount of losses or, in the best case scenario, prevent it altogether. Crisis managers must act proactively, it should be stressed. When managerial abilities are no longer sufficient, crisis management (CM) is the utilisation of a collection of tactics, metrics, and methodologies. The objective is clear: reduce the impact of the crisis or prevent a possible disaster. This paper's goal is to analyse the literature on crisis management strategies and, based on its summary, to provide a conceptual model that takes into account the proactive characteristics and factors of the crisis management process.

The key to effective crisis management is structured and continuous learning processes designed to give key managers the capabilities, flexibility, and confidence to deal with sudden and unexpected problems/events - or shifts in public perception of any such problems/events. This is more important than writing detailed manuals (which have a low likelihood of being used and an even lower likelihood of being useful) and practicing location evacuations.

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