

## A comparative study on Crisis Management

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### Abstract:

*The crisis management deals with the evaluation and gathering of the crisis signals with include the needs and necessities implementation preventions and overcoming method from this aspect with the minimal damage. The detection of the pre-crisis, at the time crisis and the post management crisis. The contribution of the development and management of the crisis with that of the signals from the crisis and the proactive methods used that defend the crisis with the signals means and the crisis control. The globalization also favors the growth of the chain of supply around the national borders and the transformation with that of the organizational crisis. The present paper deals with the development and the management of the crisis for the betterment of the ecological balance and their adverse effect both economically and socially. It also covers the approaches and management processes and practices that later initiate the enterprises that successfully determine the major crisis incident which is reported by the numerous working the authors and its business strategies. The paper conclusively focusses the future endeavors of the crisis management and other related aspect so as to deliver, examine and analyzed its consequences.*

**Keywords:** Crisis management, Crisis signals, Globalizations, Organizational crisis,

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**Introduction**

The crisis word is define as so many of the interchangeably numerous terms include business interruption, emergency, disaster and incident etc. A crises is supposed to be the threat by organization’s stakeholders and other types of interest in the respective organization. Stake holders are basically the customers, employees and the community that actually belong to the organization or it is determined on the basis that organization depend upon. Crisis management is known as the measure used for resolving the problems which is caused by the crisis. The planning of crisis management is not considered as science but dependent on art.

The crisis management plan is known for the documented plan which explain the actions which was taken by the executives whenever any crisis attacks the organization. As the crisis surfaced, the executives later been chosen for the crisis management. The crisis once attain the acute stage it was employed by the four major steps:

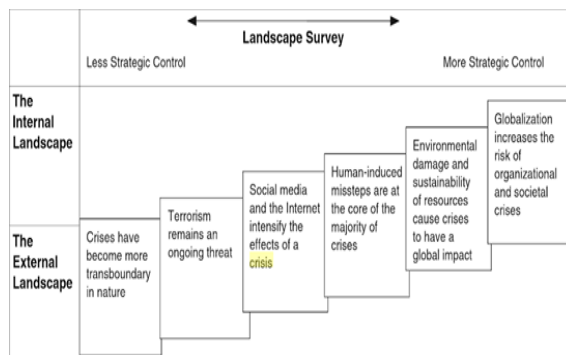
- Charge should be taken quickly
- The facts should be determine
- Revealing the entire story
- Fixing and Resolving of the problem (**Devlin, 2006**).

**Crisis Management Landscape**

The crisis management landscape is defined which is ranging from the minimum to maximum controllable consisting six of the crisis management. The nature of the crisis and continues to the less and more strategic control. It covers the following feature which depends on the basis of the survey of landscape.

- The crisis is more Trans-boundary in nature.
- Terrorism is supposed to be the ongoing treat.
- Crisis intensify the internet and social media.
- The missteps of human induced are one of the important majority of crisis.
- Environmental destruction and sustainability of the resources which causes crisis and imbalance the global impact.

- The increase in globalization is one the risk of organizational and societal crisis (**Crandall, Parnell and Spillan, 2013**).



**Figure 1. Crisis Management Landscape**

Crisis management constitute the steps to eliminate the technological failure and more importantly the formal communication system development so as to ignore or manage the situations of crisis. The management is considered as the discipline undergoes the broader context including skills and techniques used for the development and understanding so as to cope up with the tragic situations and it occurs for the recovery procedures initiated.

Crisis management include:

- The establishment metric so as to determine the scenario which constitutes a crisis and must be activate the important response mechanism.
- The method used for the purpose of reality and also perception of crisis.
- The communication that initiated within the response phase for the cause of emergency management circumstances.

The crisis management is also define as the business plan for the action used rapidly whenever any negative situations happened. Hence business crisis goes with the interruption on organizational conduction and also that attract the new media coverage as well as public enquiry. Theses crisis involves the requirement of legal, political, governmental and financial consequences on company particularly if they won’t consider the rapid and effective manner (Goel, 2009).

### Five Tasks for Strategic Crisis Leadership

1. **Sense Making** – To collect and process the information that help the managers of crisis for the detection of developing crisis and detect the significance of undergoing during the crisis.
2. **Decision coordinating and decision** – To make the critical calls for the strategic problems and a coherent response for the implementation of those decisions.
3. **Meaning Making** – to offer the situational definition and hence descriptive which convince, help and the inspiring to citizens and responders.
4. **Account Making** – it is helpful in explaining the public forum that used in preventing and managing the reason of crisis.
5. **Learning** – For the determination of sources of crisis which assist all the strength and weakness of the further response and later take quick action depending on the understanding (Boin et al, 2016).

### Approaches of Crisis Management

The crisis management approaches are utilize by the companies so as to protect them from the crisis. These approaches are detailed as:

- Escaping Approach
- Solving Approach
- Proactive Approach
- Reactive Approach
- Interactive Approach

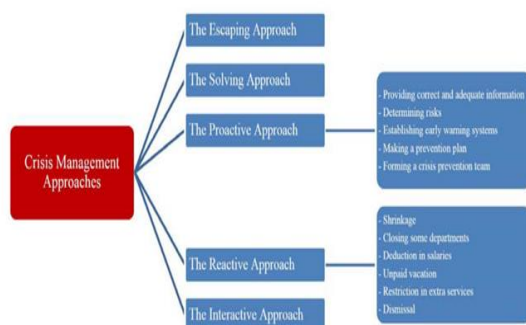


Figure 2. Approaches of Crisis Management

**Escaping Approach** – This approach covers both the internal and external environment that recover

the prediction method with the future before a crisis. For the prevention of destruction of crisis which determine by the management that use the key rules for the establishment of projected objectives. The early signals for the numerous conditions i.e. interest rate, unemployment rate etc. and further political and international crisis that show investment decisions.

**Solving Approach** – This approach relates the prediction condition before the crisis and during the crisis as well. The current condition was identified and supposed on the basis of realistic approach. In the solving approach, the strategies of competition so as to determined accurately. The competitors in the real estate and also the markets constructions also be useful. It is also helpful in way where the cost decreases a part from the amount of production.

**Proactive Approach** – This approach refers the management that introduce the alternative solutions against the potential crisis. As per as the preventive measures is concerned the construction companies can easily adjust the marketing and production activities of the crisis which financially be helpful while the competitors are in dread situation. The presented items should be useful for providing the adequate information and determining the risk and most importantly the prevention plan.

**Reactive Approach** - the respective approach is described as selected by the managers for the construction companies in an unexpected crisis. The short term measure use in these type of decisions i.e. deduction in the regular income/salary, closing of some departments as per convenience, unpaid vacations and the extra services restrictions. These measures are helpful which shows the outcome which include loss of trust of personnel and customers etc.

**Interactive Approach** – This approach is responsible for the evaluation of the process of crisis before after and at the time of the crisis as well. The information obtained from the assignment consist of continuous organizational learning and the mechanism of self-control. In this the best thing is the stakeholders are helpful for the survival of the companies.

### Role of Public Relations in management of Crisis

The crisis management deals with the major role of the relation of public. The contact is relevant for the subject deals with the crisis and to be as significant part in the crisis management. The relation of public

activities enhancing the numerous communication activities and the character of organizations or institutions at the time of crisis compacts within the scope of crisis and disaster communications. These administration is helpful in the public relations so as to acquire the three steps for the i.e. pre-crisis, at the time of crisis and post crisis.

The pre-crisis faces the deal with the stage planning process which essentially foundation for the effective crisis management. The planning include the potential crisis so as to prepare for the responses whenever they occur. The crisis management conduct the test for the management plan and the coordination of the crisis management team. These planning and preparation help to transfer the most effective decisions. At the time of crisis, a lot of attacks with the public relations in the institutions at crisis time. The role public relations in management of crisis and an important part in the communication tasks. After the crisis the reputation maintains with the continuation and initiative during the phase as the organization needs to be deliver the information promises and the loss of risk of the public wanting information and the organization needs to recover the process (Alzahrani, 2016).

#### Effects of Crisis Response strategies

The strategies is based on the focus of removing any connection between the organization and crisis. The result of the fact that the organization involved in the crisis will suffer the damage and the rumors crisis for the argument to deny the truth and change or alter the rumor conductivity. Secondly it also minimize the responsibility as the key for the crisis. The possibility of the media and other citizens are rejecting the statement of the organizations. The strategies also reinforce the accident crisis as less costing and easier for the international crisis.

#### Review Literature

**Ponis and Ntalla (2015)** discussed about the present market trends like globalization and outsourcing which shows the disruptive external incident i.e. catastrotrophic man made natural disaster and events. The paper discussion focused on the some processes of making decision i.e. after, before or during the crisis. They focused on taking the rapid decisions for the strong leadership not restricted fir the crisis time but also for the entire cycle of the organization. They shows the proactive crisis management and their relative analysis and rescue

circumstances. In this the techniques there shows the identification through Western digital tool that manage the suppliers rapidly with that of the technological facilities and use of different chips.

**Sahin, Ulubeyli and Kazaza (2015)** detailed about the crisis management which both the evaluation and capturing of the signals of crisis so as to implement the important prevention to overcome from the crisis with the less damage. It is used for the detection of the before aspects of the crisis to involve the hindrance with the incidence of crisis and to overcome with that of the large financial losses. They discussed the numerous contribution with the zero defect i.e. to catch the indirect signals before crisis, taking control of crisis, required measure for crisis of recovery of the organization, and recording the crisis lessons etc. The study is useful to reveal the reason behind the organization construction that manage the crisis better and formulate their former position in the short time. The paper also suggested the viewpoint of social relationships, behaviors which cause stress and anxiety that should be avoided.

**Alzahrani (2016)** stated about the role of public relations in the aspect of crisis in all the relevant ways i.e. political, economic as well as social. It is discussed in the paper that each and every organization is always vulnerable towards crisis. Hence it is analyzed that with the effective use of public relations one can control the business benevolence and reputation. It also clarify that with every crisis situation the role of the company is to give the relevant information about the happening and its adverse effect on public. Similarly also details the resolving and controlling of the situations.

**Reuter, Hughes and Kaufhold (2018)** pens down the discussion on the very famous crisis i.e. terrorist attack of 9/11 where they show the discussion on the use of social media in the respect of emergency and the role of crisis events which increases in the recent time. The involvement of social media because of the emergency and crisis events. The paper analyze the systematically occurrence of social media usage with numerous technologies. The social media Plays significant role in the crisis management. The paper helpful in evaluating and analysis of the crisis information by considering case studies of social media with the emergency outlining and the interaction that have been examined.

## Conclusion

The crisis is one of the major factor that create the destruction and commotion in society both personally and professionally. The present paper deals with the numerous aspects of crisis in numerous fields and its major role in the society. The crisis can alter both the construction companies all of a sudden or periodically. There are ample techniques and approaches can be amplified for the prevention from the crisis as its related aspects. It also deals with the fact that the construction companies can easily deal with the major investment costing and how it is undesirably and considerably influence the company. The role of the social media with the

respect of crisis can be more significantly seen by the more and more influence if internet o individuals. The crisis management shows its various phases in the dealing with customers, the satisfaction of the employees and the formation of the brand building. The major and considered decision is dealing with the crisis that help employees as dealing with the reducing quality product to cut off the cost and taking the impulsive decisions towards it. The paper also contain the information that known to be the organization is vulnerable towards the crisis. The future development in the crisis management is more important so as to decreases the destruction and the imbalance in the society and its being a major issue in the development.



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