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ORGANIZATIONAL CRISIS MANAGEMENT

A conceptual framework for public sector organizations

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ABSTRACT:

The crisis is a condition that represents a disruption of normal operations of an organization and affects its major goals. A crisis may happen due to mismanagement, negligence, economic volatility, technological failure, political and social changes, and natural disasters. Crisis management refers to the set of coordinated activities to prevent a crisis or ensure damage control.

A great deal of research has been carried out to devise effective and efficient strategies for dealing with diverse types of crises in organizations. However, the existing literature still has a lot of room to address various crisis management aspects for public sector organizations.

The main objective of this study is to examine the nature of crisis faced by public sector organizations and provide a conceptual framework with suitable and effective crisis management strategies and models. This is achieved by investigating four fundamental areas of crisis management in public organizations including nature of crises, critical factors involved, organizational leadership and extracting suitable contingency management strategies from real-life examples according to the size and scale of the crisis.

The argumentative approach is followed to review a wide range of relevant literature, compare crisis management models and strategy, and evaluate the research questions. Finally, it is concluded that the role of leadership, effective communication within and outside the organization with stakeholders, and a healthy organizational culture are the most important elements in containing crisis situation even if limited resources are available. However, a reliable crisis management plan must exist and rehearsed in public sector organizations.

KEYWORDS: crisis management, crisis types, stages of crisis, organizations, damages, leadership, response, prevention, recovery, reputation.

1. INTRODUCTION

1.1. Background

Today, it believes that good governance comes with the instant aid and appropriate response to the citizens, their properties, businesses and life in an unprecedented crisis. Moreover, governments' action speaks out their proprieties and gain the citizens' confidence by swiftly and efficiently react to a crisis. Even though the crisis creates disastrous and overwhelming results in a globally connected economy beyond boundaries. Where other factors like effective coordination between various sectors are required to mitigate the complexity of crisis in emergency aid and services. This coordination takes place at the centres of the governments, while crisis management exercise at sub-national levels. It is inevitable that in newspapers and electronic media, we came across many crises, often consisting of new threats, to name a few here are the worst humanitarian crisis in form of famine and starvation, economic crisis, monetary crisis, refugees' crisis, tsunami, earthquakes, and terrorist attacks; that governments may confront each day. Many of them may have a disastrous impact on boundaries and create great economic knock-off effects. To alleviate these damages, governments continuously involve in evolutions of risk and crisis management, over last many decades. But the efforts are more challenging when governments are confronted with the trans-boundary nature of the crisis: that spread across policy borders (between administration, sector, public-private etc.) and/or geographic borders (between nations, states or other local authorities). Additionally, the fact of unexpectedly large scale and unpreceded nature of crisis creates more complications in evaluation and management, which brings up uncertainty and challenge government structure between many stakeholders in public and private sectors (Baubion, 2013.)

The term crisis originates from the Greek words *Krisis* and *Krinein*. The first-word *Krisis* was used by Greek physician Hippocrates as a medical term to indicate the turning point for a disease. Whereas another word *krinein* means to decide, discern, separate or judge (Sellnow, Matthew, & Timothy, 2013: 8). Any event that can affect negatively to the people, property, economy, or society comes under the definition of crisis.

The situation in which quick decisions are normally required to run routine activities, business or a system.

In a broader view, the crisis is some breakdown of a system that creates a shared stress (R.W. Perry 2007). We can apply this general definition of crisis to diverse event categories. To conceptualize the notion of crisis, we can take it as a starting and subdivide into two distinct classes namely; (1) crisis in organizations and (2) disasters.

1.1.1. Crisis in organizations

A crisis is a series of unpredictable events that can possibly intimidate prospects of the stakeholders in terms of health, safety, environment, and economic issues. This can present adverse effects on organizational performance and can also cause undesirable outcomes. From this primary view of the organizational crisis, we can say that it is the perceptions of the stakeholders that articulate the events into a crisis, unlike natural disasters. Therefore, if stakeholders keep the view that organization is dealing a crisis, then most probably a crisis exists. Hence, management in an organization needs to carefully assess the events from stakeholder's viewpoint to establish the occurrence of a crisis. Based on event pattern, it is possible to anticipate an imminent crisis and strategize wisely to deal with it. The crisis is usually unpredictable and gives an element of surprise, and can devastate an organization. The crisis has a potential to bring detrimental outcomes on the business since disruption can cause great financial losses, which include reduced productivity and drop in earnings. Other major consequences may include a tarnished reputation for specific products or brand.

In short, three elements are common to an organizational crisis: (a) a threat to the organization, (b) the element of surprise, and (c) a short decision time (Seeger, 1998). (Venette, 2003) maintains that "*crisis is a process of transformation where the old system can no longer be maintained.*" The need for change is however the fourth key element to consider. If there is no room for changes, it is labeled as a complete failure or incident. The difference between incident and crisis demonstrates the implication of serious impact.

1.1.2. Disaster

Disasters are events that are abrupt and unexpected, and can seriously interrupt system processes. They require immediate and new courses of action to cope with the interruption of system services (Quarantelli, 2005). Contrasting organizational crisis, disasters are large-scale and multiple high-level agencies or governmental units are required to respond for assistance. Disasters can offspring organizational crisis, for instance, power loss due to a natural disaster can lead to disruption of production services resulting in the supply shortage. A great deal of research has been conducted so far presenting frameworks, strategies and models to cope with disasters. Some common literature also exists that intersect crisis and disasters.

1.2. Crisis management

With a brief preamble given above, we can consider crisis management as a set of factors that are designed to fight the crisis and minimize the actual damages inflicted. Alternatively, it is a set of tools that prevent the negative outcomes of a crisis, thereby, protecting the organization and stakeholders (Coomb, 2007.)

In general, we can consider crisis management as the process through which an organization deals with such events that threaten the existence of an organization in any form and harming stakeholders or the public. The origin of research on crisis management is associated with the large-scale industrial and environmental disasters in the 1980s (Shrivastava, 1988). Crisis management is considered to be a key element in public relations (ASIS SPC.1–2009).

Coombs describes the evolution in crisis management from basic emergency preparedness to a set of four interconnected elements: prevention, preparation, response and revision. Let us briefly review these elements individually.

Prevention corresponds to necessary actions or steps taken in order to avoid or alleviate the crisis situations. This is the main area for the high-level involvement of management to notice and identify signal to contain the crisis before it actually happens.

Preparation is a crucial phase in crisis management and signifies the planning phase. The typical outcome of this phase is a Crisis Management Plan (CMP). CMP is also a reputation building factor for an organization to demonstrate its capability to cope with unexpected events and disruption. This phase involves a critical analysis of possible susceptibilities, competence development of crisis management team for an efficient and quick response, media handling and training for spokespersons, crisis portfolio conception, crisis simulation or exercises, and crisis communication and coordination.

Response refers to the application phase of crisis management where the CMP is implemented to deal with a potential crisis. The response must be evaluated periodically to test and identify possible weaknesses in the CMP, so-called CMP fitness test. This phase is open to public criticism and is typically criticized in media during an actual crisis. The final stage of response phase or the main objective of the response phase is the recovery from crisis and resumption of normal operations. This stage is commonly termed as business continuity. Sooner an organization return to normal operations, smaller will be the financial losses incurred during a crisis.

The final phase in crisis management is the evaluation phase which determines the quality of response and CMP for a crisis. This crisis management performance evaluation is utilized for prevention, preparation and response efforts. The more crisis an organization experiences, the more capable it is to deal with similar situations in future.

1.3. Crisis vs. risk management: A quick overview

In contrast to risk management, which is an ongoing process where potential threats are highlighted and fine methods are adopted to avoid those threats, crisis management involves dealing with threats before, during, and after they have occurred. Risk management leans towards proactivity, on the other hand, the crisis management is considered

more of a reactive nature. No matter how good we define the risk management procedures; there are always situations that require a concrete crisis management plan. Risk management is strategic in a sense that it involves the identification of possible threats, assessment of their likelihood and impact of taking necessary measures to control and minimize the risks.

1.4. Types of crisis

The research over the years by scholars and leading experts in the field of crisis management has produced a great deal of literature for the classification of crisis (Mitroff and Killman, 1984; Meyers, 1988; Lerbinger, 1997; Coombs, 1999; Coombs and Holladay, 2002). The prime objective of these studies has been to facilitate the strategic development of crisis management framework for organizations so that they can effectively handle a crisis situation. For instance, Mitroff and Killman (1984) have categorized seven types of crisis that they pronounce corporate “evils”: product tampering, product defects, product piracy, and false accusation, hazards of narrow thinking, hoaxes, and cultural insensitivity. Meyers (1988), on the other hand, identified nine types of business crisis, namely, the crisis in public perception, sudden market shifts, product failures, top management succession, financial drain, industrial relations, hostile takeovers, adverse international events and regulation, and deregulation of the industry. Lerbinger (1997) developed four kinds of crisis groups called a technological crisis, confrontational crisis, the crisis of malevolence, and the crisis of managerial failure. Nevertheless, the most exciting and useful classification was proposed by Coombs (1999) and later refined and extended by Coombs and Holladay (2002). This classification or taxonomy is based on crisis responsibilities or the degree of responsibility that can be attributed to an organization for the crisis. As the matter of fact, the authors deliberate that increased ascriptions of crisis responsibility spawn strong resentment and reduction in reputation scores and that

“by identifying the crisis type, the crisis manager can anticipate how much responsibility stakeholders will attribute to the organization at the onset of the crisis thereby establishing the initial crisis responsibility level.” (Coombs 2007a: 166, 168.)

Coombs (1999) categorizes crisis into nine basic types such as natural disasters, malevolence, technical breakdowns, human breakdowns, challenges, mega-damage, organizational misdeeds, workplace violence, and rumours. Based on the organizational responsibility, Coombs (2009) grouped these nine crises into five clusters (rumours, natural disasters, malevolence, accidents and misdeeds).

Observing significant variations in crisis, Coombs and Holladay (2002) suggested a more distinguished classification of crisis situations and proposed a selection of ten crisis-response strategies. The relationship between crisis and response nomenclatures led to a new theory called the Situational Crisis Communication Theory (SCCT). The authors, hence, classified crisis into thirteen crisis types and grouped them into three clusters. Each of the crisis type in a cluster shares a similar level of crisis response with the others (Coombs and Holladay, 2002.)

A category of the cluster, called the victim cluster, consist of crisis types in which the organization is considered as a victim of the crisis together with the stakeholders (Natural disaster, Rumor, Workplace violence, Product tampering, etc.). These crisis types are least designated to crisis response.

Another different category, known as an accidental cluster, contain all crisis that represents involuntary actions by the organization since they did not intend to create a crisis. The crisis within this cluster include Challenges, Technical-error accident, Technical-error product harm, etc. The crisis in this cluster yield modest attributions of crisis responsibility. The preventable cluster comprises of crisis which implicates either intentionally placing stakeholders at risk, or willingly taking unsuitable actions, or human error that could have been avoided (Human-error accident, Human-error product harm, Organizational misdeed with no injuries, Organizational misdeed, management misconduct, Organizational misdeed with injuries). These crisis types result in strong attributions of crisis response, and thus, characterize a severe reputational threat to an organization.

1.5. Research statement and research questions

It has been noted that crisis occur with disastrous impact on numerous things as, a crisis is “*a major occurrence with a potentially negative outcome affecting the organization, company, or industry, as well as its public, products, services, or good name*” (Fearn-Banks 2002: 2.)

Crisis is “*a major, unpredictable event that has potentially negative results the events and its aftermath may significantly damage an organization and its employees, products, services, financial condition and reputation*” (Barton 1993: 2.)

The above statements may be true, but the crisis is not all about negative things, as proposed by (Augustine, 2000) “*Almost every crisis contains within itself the seeds of success as well as roots to failure*”.

Therefore, the impact and occurrence of crisis mostly depend on how organizations, leadership and management react and handle the situation. To consider another veiled aspect of crisis management exclusively important in leadership, we need to explore the benefits of good relationship in the workplace during normal business activities and notably in tough times. It is also important to examine how good leadership influences social attributes such as trust. (Osifo, 2016). As proposed by (Simola 2003: 354) in his ethic of care approach to creating and strengthening the relationship between people (specifically in the workplace) is imperative. It has been emphasized by (Gilligan, 1982) that recognition of others’ feelings is as important as self, harm and care are destructive and beneficial in all relationships equally, whether created by self or others. A good relationship can only be maintained if it considers the feelings of others (Tronto, 1993). When people walk in other’s shoes, they judge them justly and impartially (Rawls, 1971). Further elaborating to Rawls (1971) initial proposal (Kohlberg, 1973) suggested that individuals who are morally mature should take fair and impartial decisions.

In view of the above statements, I proposed here my research statement and try to support my thesis by investigating the research questions by applying the argumentative strategy.

It believes that there is no way to crisis-proof an organization, and tenacious behaviours elevate the possibility of crisis to occur. Studies have shown that there are fewer precautionary measures when organizations carefully prepare for that commitments to critical factors that mitigate chances to confront with the crisis, additional consideration for good leadership along with suitable contingency management models can repress greater chances of organizational and leadership crisis.

This thesis aims at exploring the crucial aspects of crisis management; the very first thing which needs attention is to define the nature of crisis prevail in public organizations. The crisis management in organizations is specifically emphasized since it is scarce in the literature. To proceed with further elucidation, I differentiate public and private organization and compliment with critical factors that help organizations in crisis. Moreover, I try to explore the quality of good leadership in crucial times, meanwhile to reflect the other side when leadership itself face some crisis of leaving key manager—considered as an asset of the company due to the unsuitable behaviour of the executive officer. To illuminate this, following research questions have been formulated to provide a comprehensive picture of the organizational crisis management.

Research question # 1: What are the nature of the crisis that exists in public organizations.

Sub-Question: How public organizations are different from other types of organizations.

Sub-Question: What is the nature of the crisis and what causes them to arise in public organizations.

Research question # 2: Identification of critical factors that plays a significant role in dealing with organizational crisis management.

Research question # 3: To evaluate the role of organizational leadership in managing crisis situations.

Sub-Question: How a good leader reacts to the crisis and control the situation.

Sub-Question: What would be the response strategy, or damage containment approach if leadership itself falls into crisis.

Research question # 4: To map suitable contingency management strategies based on size and scale of the crisis in organizations.

1.6. The structure of the study

The structure of this study is as follows; Chapter II presents the theoretical framework of crisis management by renowned authors. Here, various models have been defined in shape of crisis life cycle. This chapter instigates with Fink's crisis model that explains the analogy of disease with crisis life cycle. Turner's six stage of failure in foresight investigates the reasons for crisis negligence and intelligence failure. It also includes Mitroff's five stages model along with five components framework of crisis management to provide the understanding of crisis types, mechanism, organizational system and assuming responsibility. Lastly, Coombs crisis cycle explains the most prominent three phases of crisis cycle namely; pre-crisis, crisis response and post-crisis.

Chapter III describes the methodology used in this study; what kind of research, theoretical framework, and the information is used. For the conceptual research, most data from internet, books and published papers were used. Based on the nature of my research, I used paper and pen technique to address my research questions.

Chapter IV is the crux of this study because, in this chapter, main arguments of my research discourse. It exhibits the profound analysis of research questions, and address them more precisely.

Finally, chapter V concludes the research study and provide future recommendations.

2. A MODEL FRAMEWORK OF CRISIS MANAGEMENT: THEORETICAL FRAMEWORK

Crisis management literature is rich with the crisis staged models and various scholars have been contributed in this regard. The following (Table 1.) exemplifies a quick overview of the most prominent models originated in the different span of time to provide strategies for organizational crisis management.

Table 1. Main perspectives in crisis management.

Steven Fink (1986) Crisis Life Cycle	Encyclopedia of Crisis Management: Sage Publications, Business & Economy 2013	The earliest model describes the consecutive stages of crisis life cycle based on organizational demands. It helps in crisis response and crisis planning.
Barry Turner (1976) Six stages of failure in foresight	Communication and Organizational Crisis: Matthew Wayne Seeger, Timothy Lester Sellnow, Robert R. Ulmer Greenwood Publishing Group, 2003 - Business & Economics	Turner's crisis stages mainly focus on complex organizations with social processes to develop social norms, practices and process. He takes disaster differently to name them as the collapse of culture-crisis in social orders and disorders.
Ian I. Mitroff (1992) Five stages of crisis management	Encyclopedia of Crisis Management: Sage Publications, Business & Economy 2013 Communication and Organizational Crisis: Matthew Wayne Seeger, Timothy Lester Sellnow, Robert R. Ulmer Greenwood Publishing Group, 2003 - Business & Economics (96)	The most comprehensive model of crisis management was proposed by the father of modern crisis management. The model consists of two approaches pro-active and re-active to prepare the organization to examine before and after the crisis occurs.
W. Timothy Coombs (2007) Three Stage Approach	Crisis Management and Communications: by W.T. Coombs, 2007	It is three stage crisis approach consisting of pre-crisis, crisis response and post-crisis. This can help the organizations to lessen the damage in each phase during and before the crisis.

<p>Ian I. Mitroff and Gus Anagnos (2000)</p> <p>Five Components Framework and Assuming Responsibility</p>	<p>Managing Crises Before They Happen: What Every Executive and Manager Needs to Know about Crisis Management by Ian I. Mitroff and Gus Anagnos</p>	<p>Crisis management framework classified into five components to deal with man-made disasters in complex organizational systems.</p>
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Despite the fact that crisis management models vary according to different scholars, but they all provide a full-scale process to provide guidelines to tackle in each stage of the crisis. In the following chapter detailed description of five crisis models have been presented as the model framework for crisis management.

2.1. Fink's crisis life cycle

Steven Fink's crisis life cycle is the earliest model considered as the first that describes the consecutive stages of crisis based on organizational demand helps in both stages of crisis response and crisis planning and widely applicable in crisis communication by various scholars. Explicitly, the model developed for business orientation purpose but it also effective in other types of crisis. An organization, when confronted the following events, it seems to be in critical crisis condition and the model is applicable in this situation.

- When the events are, uncontrollable and going in the worse situation quickly.
- Media pressure and government scrutiny
- Disturbance in the normal business operation
- Endanger positive image of the organization and its officers.
- Company's bottom line disrupted

According to Fink, both situations are considered as turning point whether the organization controls the situation or the situation escalates in severity. If the events are recog-

nized and controlled, the crisis would not blow fully, otherwise, Fink's model can be applied (Penuel, Statler, & Hagen, 2013: 408.)

Disease analogy

Fink presented the anatomy of crisis by using human illness to elaborate the stages of the crisis in sequence, where the time is an indefinite variable in any stage of crisis cycle. If the organization truly face the crisis, all four stages of Fink's crisis cycle can be revealed in various times span, sometimes it can take years to unravel (Penuel et al. 2013: 408.)

2.1.1. Prodromal stage

Prodromal is the stage when the human body prevented from severe illness by early recognition and treatment of symptoms in the patient. It is the first stage of Fink's crisis life cycle. Likewise, in organizations, prodromes can identify the serious risks and danger in early stage and prevent it prevailing in entire system from severe damage. On one hand, prodromes may recognize early but due to unethical or careless behaviour, they are ignored. This ignorance in response to warning signals can lead to inevitable crisis. On the other hand, some prodromes are devious to recognize and no action can be taken to avoid future crisis. These subtle warning signals later, recognize retroactively in the third stage of Fink's life cycle of the chronic stage. (Penuel et al. 2013: 408–409.)

2.1.2. Acute stage

Fink categorized this stage as no return point where half of the damage has already occurred. Mistakenly, it is observed that the acute stage encompasses the whole crisis. Though acute stage usually has short duration as compared to other three stages in Fink's crisis life cycle. (Penuel et al. 2013: 409.)

2.1.3. Chronic stage

It is the longest stage in Fink's crisis lifecycle to repair the organization's reputation extending the period for more than a year. Additionally, in the chronic stage, organizations analyze their right and wrong actions taken during the crisis to fortify against a future crisis. If organizations do not consider the importance of this stage is more likely to experience the similar crisis in future. (Penuel et al. 2013: 409.)

2.1.4. Crisis resolution stage

Taking the Fink's illness analogy, it is when the patient has recovered and well again, the crisis resolution stage occurs. Crisis manager is responsible to reach the resolution stage as soon as possible once the prodromal stage began. Any delay either intentionally or unintentionally can prolong each stage and even before resolution stage, the organization may dissolve due to failure to take the inescapable burden of the crisis.

Fink's model has been used in various fields of crisis management including theoretical analysis, crisis communication, cultural issues, building relationships, and crisis planning. It has been treated as a useful tool in distinct types of crisis for instance crisis of September 11, 2001, terrorist attacks and SARS outbreak. (Penuel et al. 2013: 409.)

2.2. Turner's six stages of failure in foresight

Barry Turner describes crisis as "failure in foresight" of "large-scale intelligence failure". According to Turner, a little effort may require eliminating most crisis through normal and routine structures. However, most organizations fail to identify the problems of critical nature, and misses some threatening cues, which leads to what Turner denotes the failure in foresight. (Seeger, M. W., Ellnow, T. L., & Ulmer, R. R., 2003: 88.)

Notwithstanding the work of Barry Turner is mainly focused on complex organization, however from a sociological perspective, Turner's work on disaster is influenced other

crisis theories and frameworks. His work on order and organization analysis proposes the sequence to accomplish intended tasks and diffused any mistakes on a broader level. Though other sociologists are interested in the organization, the reason behind Turner's focus on social processes is to maintain order which is necessary for the development of social norms, practices and processes. Turner takes the disaster differently, in his view-point, the disaster is the collapse of culture, where the social norms cannot be carried out accurately. Therefore, for Turner, the crisis is mainly about the nature and form of social order and disorder.

Like other developmental stages of crisis by Fink, Mitroff and Coombs, Turner's six-stage sequence of failure in foresight also reflects the clear progression of crisis cycle. Though Turner's focus on socio-cultural dimensions makes it narrower than other developmental stages of the crisis, they are clear enough to emphasize on the risk avoidance and risk belief, which furthermore helps to syndicate various stages by suggesting logical relationships in a larger condition of crisis.

Turner's six-stage sequence has a logical and clear relationship between each other, as shown in (Table 2.), where change or development in one stage contribute to the later stages of the model. For instance, any collapse in the social order of earlier stages like incubation stage and precipitating event can affect the subsequent conditions of later stages. Furthermore, Turner advice a social learning prompting to the new social understanding of risk, norms and structure of risk avoidance. Additionally, this learning from failure helps others to understand the crisis and claims to be the best contribution in the model. (Seeger, Matthew W., and Sellnow, Timothy, 2013: 37–39.)

Table 2. Turner's sequence of failure in foresight.

Stage I.	Point of normal Operations
	(a) Culturally accepted beliefs about the world and its hazards
	(b) Associated precautionary norms (set of laws, codes of practices, mores, and folkways)

Stage II.	Crisis incubation period
	Unnoticed accumulation of events that are at odds with accepted beliefs about hazards and their avoidance.
Stage III.	Precipitating event
	First sensing of crisis and realization of the inadequacy of fundamental beliefs.
Stage IV.	Onset of crisis
	Period of direct impact and harm
Stage V.	Rescue and salvage
	Recognition of collapse of beliefs and initiation of ad hoc adjustments to begin rescue and mitigation.
Stage VI.	Full cultural readjustment of beliefs
	Full readjustment based on inquiry and assessment; return to a new stage I

Source: (Seeger, M. W., Ellnow, T. L., & Ulmer, R. R., 2003: 89.)

Table 2. presents a comprehensive picture of turner's sequence of failure in foresight, and each stage of the model has been discussed below.

2.2.1. Normal starting point

The stage I of Turner's model is the starting point of normal operation and procedure in which members have (i) "*a set of culturally accepted beliefs about the world and its hazards, and (ii) associated precautionary norms set out in laws, codes of practices, mores and folkways, which are generally considered adequate.*" (Tylor 1976: 381). These culturally accepted beliefs, norms and procedures are interrelated and responsible for the administration of the operation, any change in one stage automatically trigger another stage to variate. (Seeger et al. 2003: 90).

2.2.2. Crisis incubation period

Turner's stage II of crisis incubation period begins when the approval regarding hazards in accepted norms/beliefs is absent, therefore, totally avoided and unnoticed. In Turner's viewpoint, events are either entirely anonymous or known but not fully understood for acting. Later on, these known/misunderstood minor problems incubate and girdle a wide range/area into inevitable crisis. It happens in two possible ways when a minor problem is poorly handled and ultimately interact with other problems or the problem may not be communicated timely to seek the attention of decision makers. (Seeger et al. 2003: 90.)

2.2.3. Precipitating event

In stage III, a crisis appears through a trigger event resulted from the damage of accepted beliefs and avoidance norms. This trigger event includes any breakdown, injury, violence, or fire, that transform a threat into crisis. Despite the clear distinction between a normal and disrupted operation that cannot be ignored. A crisis, therefore, cannot be well understood and defined, an ambiguity in nature of event prevail that can only sense the signal of something went wrong. (Seeger et al. 2003: 90–91.)

The first evidence of the trigger event is either the lower level operators who inform the upper-level management or decision makers about the upcoming crisis or it may perceive by the outside agency or watchdog, who are hired to examine the organizational activities. The immediate responsibility of the first perceiver is to convince the concerned department that the problem actually exists. The treatment of crisis depends on the severity of nature, if the crisis lacks dramatic features, it can be handled within the parameters of the normal operation or the other way around.

Two factors are involved to determine the severity of the perceived threats, first is related to the organizational goals, and the other is about the probability of the loss. In some cases, the crisis is inevitable but may reduce the profitability whereas in other cases, organization face higher risk of sustainability but chances of crisis are low. However, in

all cases, crisis manager should determine the possible outcomes and responses, before the severity of the threat is known. Because in all type of situations, the exact nature of the threat is hard to evident at first. Additionally, it is important to consider that the situation may become worse at any time during this stage, with the arrival of the latest information.

Time pressure, however, is another crucial factor of this stage, involved further complication to the severity of the threat. During stage III, for the readjustment of the accepted belief and avoidance of hazards depends on the modification of the earlier stages. Consequently, this modification can help decision makers to define and structure the nature of the problem. (Seeger et al. (2003: 91.)

2.2.4. Onset of crisis

Stage IV includes the commencement of crisis, the scope and intensity of damage vary from crisis to crisis but this stage accompanies crisis's direct and immediate consequences. The fundamental goal of crisis manager is to shorten the period of onset of the crisis because it can go longer and create more damages. The closure of this stage cannot be determined as the time may extend or may prematurely declare. (Seeger et al. 2003: 91–92.)

2.2.5. Rescue and salvage

Rescue and salvage stage begins when the collapse of accepted beliefs and its damages are fully recognized. This is the time to initiate rapid recovery and rescue steps for the adjustments of the situation. For this reason, organizations activate their crisis plan to mitigate the damages and manage the crisis strategically. Moreover, efforts are required to rescue the assets and threatened individuals—facilitate families of deceased, recover bodies, rescue injured people and provide proper medical treatment, protection to property/life and assess the level of damage etc.

To achieve the goal of rescue and salvage stage, high level of coordination between organization and outside agency is required. Unfortunately, due to the crisis, communication channels may have disrupted and cannot fully support the coordinating parties in the rescue operation. However, the importance of prearranging communication channels—hotline or phone trees is highly appreciated in this grave situation. (Seeger et al. 2003: 92.)

2.2.6. Full cultural readjustment

The ultimate objective of the final stage VI is to readjust the full cultural environment according to new understandings to avoid the occurrence of the similar past events. It includes the readjustments in beliefs of the world, its avoidance norms and hazards. This is essential to make them compatible with new perceptions. During this stage, scrutiny process about blame, reason, the responsibility for the events are discussed and some outside agencies officially perform this process to identify the network of events involved during the crisis. Different critical issues, for instance, image-restoration, legal process, legitimacy, blame and responsibility are addressed at this stage.

In Turner's viewpoint, the failure of foresight is the recurring process, where the last stage VI leads to the start of normal activities of the organization—full readjustment of cultural beliefs, consequently refer to stage I. Turner proposed that onset of crisis does not happen until the third stage. Additionally, an extended period of time is required for the incubation stage. (Seeger et al. 2003: 92–93.)

2.3. Mitroff's five stages of crisis management

The most comprehensive model of crisis management proposed by the renowned professor often called the father of modern crisis management Ian I. Mitroff. The model consists of five stages of crisis management: (1) signal detection, (2) prevention/preparedness, (3) containment, (4) recovery, and (5) learning. In this model, as shown in (figure 1) the first two stages are considered as the proactive approach to crisis

management while last three comes under the heading of the reactive approach of crisis management. Proactive approach examines the organization's preparation to experience crisis while reactive approach deals with the actions taken by the organization after the occurrence of the crisis. (Penuel et al. 2013: 628.)

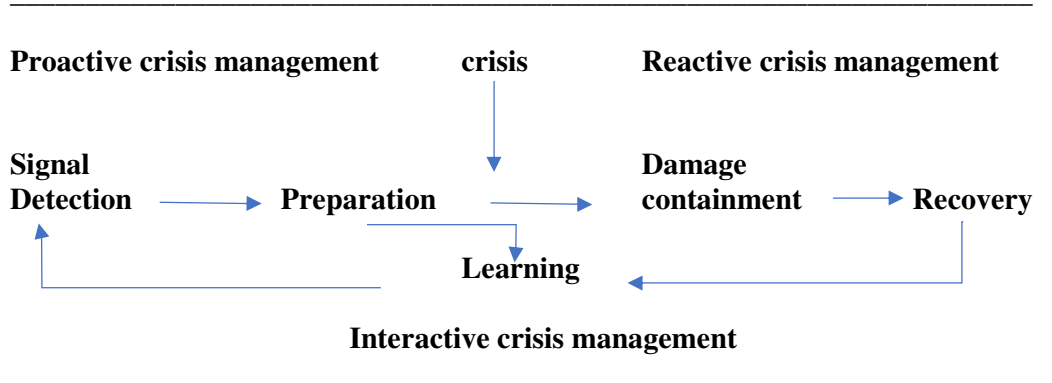


Figure 1. Five-phase crisis management model.

Source: (Seeger, M. W., Ellnow, T. L., & Ulmer, R. R., 2003: 93.)

Figure 1. presents the development of stages under major three headings of proactive CM, crisis and reactive CM approach. Each stage contributes to another but in some cases, however, as shown in (figure 1) where organization learns from previous experience may tackle the situation and prevent crisis to happen in time, this can explicitly be seen by the preparation to learning indication.

2.3.1. Origin of the model

“Comprehensive emergency management model” of crisis management model is the foundation of Mitroff’s five stages model, which is the older and widely cited model in crisis management. Mitroff modified the older model PPRR (prevention, preparedness, recovery, response) or MPRR (mitigation replaced with prevention/preparedness) and proposed a five-stage model with a slight change of addition of two more stages called signal detection and learning by combining first two prevention and preparedness into one. Mitroff identified the need for a mechanism to detect the crisis before it reveals fully in an organization. Additionally, to secure the organization from future crisis based

on a lesson learned from the previous crisis is the most important aspect of Mitroff's model. (Penuel et al. 2013: 628.)

2.3.2. Signal detection

Mitroff proclaims that long before the real crisis occurs, organizations have the opportunity to prevent it by taking serious actions against some perpetual and tenacious early warning signals. Though, the opportunity to prevent crisis may sometime overlook or underestimated by incredulous people. These early warning signals that notify the evolving crisis are termed differently in generic management literature as weak signals, early indicators, wild cards, emerging issues and early warnings. In the last decade as reported by the Institute of crisis management that about quarter of crisis faced by the world resulted in a sudden crisis, though remaining were categorized as a smouldering crisis, unfolded from ignored or undetected warning signals.

The core activity of crisis management team during detection stage is to identify and detached the signals that warn the emerging crisis from normal signals in a daily routine operation of an organization. For this task, the organization needs to develop a detection network team consists of technical and human detectors. Technical detectors may comprise of machines or devices that can monitor activities to detect any variation found in the normal operation of an organization. External or internal human detectors may assign to monitor and transmit data to organization's decision-making departments. It is also important to check the reliability and validity of both detectors on regular basis. An appropriate communication channel must support the detector's network to transmit signals to decision making department and the senior level management.

Sometimes signals are not interpreted correctly due to vague, weak or partial signals but the greatest challenge of this stage is to interpret the signals accurately and inform the decision-making department and top management in time about any variation against the normal operational activities of the organization. (Penuel et al. 2013: 628–629.)

2.3.3. Prevention and preparedness

In the model PPRR (Prevention, preparedness, recovery, response), prevention and preparedness were considered to be two separate activities, but in Mitroff's five-stage model, they are combined together within one stage of the model. According to this, an organization can be crisis-prone or crisis prepared, practically it is not possible for the management to prepare for all crisis through planning. However, crisis prepared organization can well manage to preclude the crisis completely by the systematic planning of personnel, resources, actions and decisions. The decisive role of crisis manager is challenging in preparedness stage to consider each possible or impossible assumptions to confront the dreadful scenario. For this reason, it is advisable to overreact than underreact against the possible threats to avoid any minimal loop for damage entrance.

Any possible crisis is usually managed on the basis of 4C's analysis include causes, consequences, cautions, and coping. Where causes are the originator of the crisis and reason for immediate failure, consequences are the immediate result of causes and contain long-term impact, cautions are measures to recover and minimize the damage and coping is to respond against already occurred crisis.

Another important aspect of this stage, the scrutiny of management plan—testing and exercising, which usually ignored, include three types of exercises, for instance, tabletop exercise, functional exercise, and full-scale simulations. The purpose of the first exercise in the execution of management plan is to introduce the senior management staff with their role and responsibilities. Another functional exercise is more complex in nature than table-top exercise because it includes the real-time execution of the plan. The last exercise as the title shows full-scale simulation involves several agencies with practical players. These exercises determine the effectiveness of planning, coordination between various agencies in uncertain situation and arrangement of requisite training programs for future improvement. (Penuel et al. 2013: 629–630.)

2.3.4. Damage containment

The aim of crisis management during the stage of damage containment is not only to control the damage occurred but also lessen any further escalation of the crisis. The intensity and impact of the crisis can mitigate by meddling the source of crisis and to safeguard the critical assets and infrastructure. There is, however, a further point to consider that the management may not have time to prepare a plan in a quickly spreading crisis milieu, therefore it is significant to have a well-organized crisis management plan beforehand.

Public, media and other external factors may apprehend crisis situation differently, damage containment stage, therefore, involved communication strategies which cannot only protect the organization's reputation during the crisis but also influence the stakeholders' perception in the right direction. In another case, improper communication strategies may result in unbearable organizational financial and reputational loss. (Penuel et al. 2013: 630.)

2.3.5. Recovery

Recovery refers to the period, in which organizations try to run their business normally amid the crisis. Crisis managers perform multiple tasks during this stage, to recover the damages caused by the crisis as well as handle external stakeholders along with internal operations. (Seeger, Ellnow, & Ulmer, 2003: 96.)

2.3.6. Learning

Learning is the final stage in Mitroff's five stages of crisis management. The learning stage analyzes the events ensued from the earlier stages to improve the shortcoming and prepare for the future crisis. It is highly appreciated to learn better about the misdeeds and undergo the review and critique process without playing any blame game with specific group or department. (Seeger et al. 2003: 96.)

2.4. Coombs three-stages approach

Coombs defines crisis as a threat to operational activities, if not solved properly on time, the impact could be very severe on organizations, stakeholders and on the whole industry. These threats resulted from the crisis are categorized in three forms (1) public safety (2) monetary loss, and (3) reputational loss. During the phase of the crisis, some of these interrelated threats can harm the organizations as severely as they can take the lives of people and damage the organizational reputation very badly to demolish them. Coombs classifies three crisis management phases which can lessen or avoid the damages caused by crisis namely pre-crisis, crisis, and post-crisis phases. In pre-crisis phase, the fundamental step in response to face the crisis is to get prepared and prevent an upcoming crisis. In second phase organization experiences the prevailing crisis and give a response. The last phase deals with the fulfilment of the commitments and engages with the preparation for the next crisis along with follow-up information. (Coombs W.T, 2007: 1–2.)

2.4.1. Pre-crisis phase

According to Coombs, the first phase deals with the prevention of crisis, in which most risks can be eliminated and may reduce the chances to encounter with the crisis. The prevention of crisis involves crisis management plan, comprise of team selection and trained personnel, some exercises to test the crisis management plan, and crisis management team. Coombs (2007) and Barton (2001) report that every organization can well manage a crisis if they follow the four basic steps (1) an annually updated crisis management plan (2) nominated crisis management team (3) evaluate the team and plans annually, and (4) pre-draft crisis messages.

Crisis management plan includes pre-assigned tasks of crisis management team, which can save the time and energy of the organization to tackle in crucial time by collecting some useful information before the crisis happen. This plan can prepare the organization to encounter quickly in the crisis response phase through documentation, forms and information.

Barton recognizes the basic members of crisis team as public relation, investors, security, investment, legal, operations and human resources. It is notified by Augustine that the crisis team and plan must have been tested annually if not the existence of the untested team and plan would be useless.

When crisis strikes any organization, it is very prolific for the reputation of the organization to inform the world through their own spokespersons. Before the crisis news hit the headlines by rumours, spokespersons should immediately inform the media, newspaper, and internet about the real situation and accurate information about the level of crisis. To deal with media is vital in crisis management plan to secure the position and goodwill of the company. In this regard, the role of public relations is important in the preparation for spokespersons' dealing with media and newspaper.

Coombs reports that pre-draft messages can be prepared by crisis managers to use in the period of crisis. These messages include statements of top management, news releases, templates and dark websites. The practicality of these pre-draft messages can be ascertained in a crisis phase when without wasting time in preparation of the templates, the only requirement is to insert the information into ready templates and websites. Coombs (2007: 2–4.)

2.4.2. Crisis response

The instant reaction of the management, when crisis strikes the organization is called crisis response. In this phase, the role of public relations is crucial in message preparation that can send to the public. Several types of research have been done in the crisis response which divides it into two segments. (1) Initial response (2) reputational repair and behavioural intentions.

Coombs claims that the very first hour when the crisis hit the organization is crucial for the management. In this regard, along with the appreciation of pre-draft messages and templates, the story of the organization's side is essential to be disclosed to the media, newspapers, stakeholders and public. There should not be any vacuum created by man-

agement in delay to tell their part of the story to be filled by rumours, however, management must be quick, accurate and consistent in their disclosure of the crisis news. A quick response reflects that the company's situation is under control (Carney and Jorden 1993: 34–35). In contrast to slow response, a quick and initial response maintain the credibility of the organization. In crisis communication, the strategy of thunder-stealing is significant, organization discloses their weaknesses or negative information quickly in time before the other parties for instance media or competitors get the benefit of the period of delay response (Arpan & Roskos- Ewoldsen 2005: 426–427).

Public relation is involved in the training of spokesperson to answer the media, public and stakeholders in crisis response rather act as a representative. Spokespersons are not necessarily being the only one person who is answerable to the entire world to provide the information relating to the crisis but may include other personnel from various departments like security, legal, finance and human resource depending on the nature of the crisis. In addition to the quick release of crisis information, accuracy and consistency are also important especially in case of public safety. Delay and inconsistent provision of information can not only harm the reputation of the organization but also it can serve as a stigma for injury or death of people. It is also recommended by crisis experts that they should express some sympathy and concern for the victims. Victims are the people who suffer and victimize financially, physically, and morally from the crisis. (Kellerman 2006: 74–75) stipulates that expression can help in lessening the reputational and monetary loss of the organization. To reinforce the idea of expression (Cohen 1999: 1068–1069) founds after examined the legal cases that initial expression of concerns by the offender can result in a reduction of claims made against them in the period of crisis. Unlike these agreements with an open expression of concerns, (Tylor, 1997) limits the scope of expression, which can be used negatively by the lawyers to inflict the guilt acceptance on organizations. Therefore, expression of concerns may not be made by several crisis managers that would lessen the effect on public and detriment to the organization.

The Business Roundtable (2002) and Corporate Leadership Council (2003) state that employees are also needed to know what has happened to the organization, what is a

role to perform and what would happen to them in future resulting in a crisis. The organization should demonstrate the same zeal of concern with employees as they express for the victims and their families. At last, in case of severe injury or death caused by the crisis, the organization needs to design some traumatic and stress counselling for the victims, their families and employees.

Reputational repair can be used in both, crisis response phase and post-crisis phase. Or depending on the situation it may begin in crisis response phase and carry on to post-crisis phase. (Bill Benoit: 1995; 1997) analyzed and amalgamated many different research traditions, which shared the same concerns to achieve reputational repair strategies. Coombs (2007) incorporates the work of Benoit to present a “Master list of reputational repair strategies”. Many types of research have been made to combine reputational strategies with other strategies. Therefore, the most common theory has been combined with reputational strategy is known as attribution theory. According to the attribution theory people try to explain the reasons, for instance why a crisis happened and who is responsible for that crisis. This attribution theory is used to relate to reputational repair strategies when the crisis is sudden and have a negative impact. Coombs (2007: 4–9.)

2.4.3. Post-crisis phase

Coombs states that post-crisis phase is the period in which organization starts its business in a routine with little attention of management on the crisis to update its stakeholders, public and media. The update information comprises of follow-up communication and fulfilment of promises if made in the period of crisis. These promises may include the informational promises and recovery process, corrective actions, and even investigation of the crisis. This information can be delivered to employees and public through an intranet, phone calls, voice messages, emails, text messages and personal emails. Coombs (2007: 9–10.)

The crisis should be a learning process, for this purpose organizations need to evaluate their crisis management strategies by assigning a crisis evaluation team other than crisis management team; who can identify and improve the crisis management exercises and

work on crisis prevention, preparedness and response processes. Lessons learned from previous crisis help organizations to integrate measures in pre-crisis and response stages to enhance crisis management aptitudes.

Any reputational damage during a crisis can also address in this phase. It is seen that communication strategies used during crisis response may dilute most of the reputational damage, however, it requires significant repair efforts against the strong reputational threat, moreover, it is challenging when organizations have a history of similar crisis and prior reputational damages.

In this phase of post-crisis, any commitments made during crisis response phase also need to be fulfilled such as follow up information and victims' compensations. Any negligence to commitments can intensify the crisis-repair and recovery process. For instance, failure in victims' compensation adversely affects the organization's reputation.

2.5. Mitroff & Anagos five components framework and assuming responsibility

In the book, "Managing crisis before they happen: what every executive & manager needs to know about crisis management", (Mitroff & Anagos, October 2000) provide insight of crisis management and advice to prepare for more than one crisis at a time. Unlike natural disasters, the crisis is the fault of human, or man-made disasters. These disasters are inevitable, nonetheless can be lessened through crisis management tools. No organizations can secure itself from affecting crisis in a complex system, however, the effect can be minimized through either anticipation of the crisis in time or tackle them after it happens.

Mitroff & Anagos (2000) classify the crisis management framework into five components such as (1) types of crisis/risks (2) mechanism (3) system (4) stakeholders, and (5) scenarios.

2.5.1. Types of crisis/risk

Following (Table 3.) of seven major crisis/risks, covers nearly all kinds of expected mishaps, accidents, and disasters. An organization may be confronted more than one of the following crisis as shown in (Table 3.) at one time, therefore if possible organizations need to prepare one crisis under each type of disaster/risk/crisis in crisis management. Mitroff & Anagos (2000: 32.)

Table 3. Types of risks/crisis.

Econom- ics	Informational	Physical	Human Re- source	Reputational	Psychopathic Acts	Natural Disasters
Labor strikes	Loss of proprietary & confidential information	Loss of key equipment, plants & material supplies	Loss of key executives	Slander	Product tampering	Earthquake
Labor unrest	False information	Breakdowns of key equipment, plants etc.	Loss of key personnel	Gossip	Kidnapping	Fire
Labor shortage	Tampering with computer records	Loss of key facilities	Rise in absenteeism	Sick jokes	Hostage taking	Floods
Market crash	Loss of key computer information with regard to customers, suppliers.	Major plant disruption	Rise in vandalism & accidents	Rumors	Terrorism	Explosions
			Workplace violence	Damage to corporate reputation	Workplace violence	Typhoons
				Tampering with corporate logos		Hurricanes
Source: Mitroff & Anagos (2000: 34–35)						

2.5.2. Mechanism

After describing types of crisis/risks Mitroff & Anagos (2000) propose the mechanism to deal with the crisis before they hit the organization. This mechanism helps the organization design, learn from, and react to, sense and to anticipate the organizational procedures in handling the major crisis.

No crisis can hit the organization without sending pre-warning signals, however, if the organization is well-equipped with an efficient mechanism to detect the signal, can either recover/minimize the damage before they happen or eliminate the crisis completely by controlling the situation. It is advisable to control the situation by making the efficient crisis management to protect the organization before crisis inflicted the entire system. Though in most cases, an early warning signal could not hear/ notice by management and employees on time and later ignored signals transformed into a severe crisis in future. On the contrary, if the warning signals are noticed by the management, the signal transmission would be the next step. It is vital to know, when and whom the signals should be conveyed. The circumstances may be reversed if signals are not handled correctly or transmitted in delay. The crisis may happen, in some cases, even if the organizations are well prepared their signal detection mechanism. In this case, damage containment mechanism is used, the process of retaining the crisis for a period to secure it from spreading. Another two important mechanisms are also worthwhile here to discuss, (1) post-mortem (2) near-misses. When organizations learn and re-design their systems in the result of crisis for future crisis management, this is called post-mortem of crisis. Mitroff & Anagos (2000: 39–42.)

2.5.3. Organizational system

Mitroff & Anagos (2001) present an onion model (Figure 2.) consists of various interconnected layers, in a complex organizational system. In this model technology covers the outer layer, then comes organizational structure, human factors, organizational culture, and finally the core consists of top management. These sections are interconnected with each other, like technology (computer) needs human factor to run the program, and

top management is responsible for smooth running of the entire system. In crisis management, organizational culture is the most critical component of the system. When we further divide the organizational culture, a defence mechanism is a key component in which like people organizations try to pose responsibility of damage to other people. To put it differently, organizations' try to deny the liabilities (vulnerabilities) of a major crisis. These defence mechanisms have many forms including denial, disavowal, excuse, justifications etc. Mitroff & Anagos (2000: 42). (As mentioned in Coombs 2007 master list of reputation repair strategies).

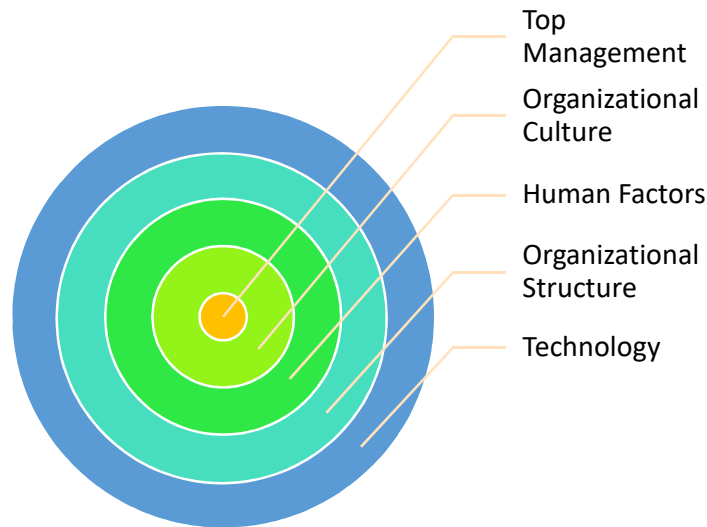


Figure 2. The Onion Model: The layers of an organization.

Source. Mitroff & Anagos (2000: 43)

2.5.4. Stakeholders

Stakeholders are internal and external parties, who are associated with the actions of organizations. From management to employees, customers to suppliers, media to logistics and several external agencies may include under the heading of stakeholders. The broad category of stakeholders may influence the crisis situation; therefore, it is pertinent to develop a good relationship with organizational stakeholders in crisis management. Mitroff & Anagos (2000: 48.)

2.5.5. Scenarios

The last component of crisis management framework is known as scenarios. When an organization went through all above discussed four components i-e, types of crisis, organizational system, mechanism, and stakeholders of crisis management; it is time to prepare some scenarios based on two approaches. The first approach called best-case scenarios, in which organizations can generally anticipate a crisis in advance or in other words, they are well-equipped to the response against the crisis. On the contrary, when organizations confronted some sort of crisis, for which they are not prepared, are called worst-case scenarios. Mitroff & Anagos (2000: 48–49.)

2.5.6. Assuming responsibility

Mitroff & Anagos (2000) describe another most prominent issue in crisis management is to assume responsibility. The crisis may occur either due to an individual's fault or the organizational negligence to detect the signals. Whatever the case may be, the ultimate step for an organization is to assume full responsibility for damage and express the concerns of the victims. In this situation, a company echoes as a villain, who is responsible for making harm to others. Out of various categories of the villain, the repentant villain is the one who accepts the full responsibility for damage and promises to correct the situation and take the precautionary measures to prevent a future crisis. Another category of the villain is a damn villain, the one who not only harm the organization knowingly but also refuse to accept the responsibility. Mitroff calls them “damningly damnable villains” because they continuously engage in denial and stonewalling state, after creating a crisis on the first stage. This action of damn villain creates chain-reaction of further crisis to happen. Mitroff & Anagos (2000: 83–85.)

2.6. Summary

Chapter II presented a comprehensive model framework for crisis management based on previous research studies regarding crisis life cycles and staged approaches. This analysis instigated with Steven Fink's crisis life cycle, known as the earliest model

which primarily describes the consecutive stages of crisis life cycle based on organizational demands. This model helps in both situation crisis response and crisis planning, moreover widely applicable in crisis communication. To describe stages of the crisis, Fink used human illness process in which time is indefinite. Fink's model of disease analogy comprises of four stages: *Prodromal, Acute, Chronic and Crisis Resolution Stage*. He took crisis as a turning point in both situations, whether organization handles the situation or escalate in severity.

Turner's model consists of six stages namely; Normal Starting Point, Crisis incubation period, precipitating event, the onset of the crisis, rescue and salvage, and full cultural re-adjustment. In Turner's point of view, a crisis can easily be eliminated during normal and routine operation with little efforts, otherwise, ignorance and failure of threatening cues can lead to huge crisis and this is what he called the failure of foresight. Turner's model is mainly focused on complex organizations with social processes to develop social norms and practices. He considered disasters unconventionally, to name them as cultural collapse, in which accurately carrying out social norms are intolerable. Therefore, he took the crisis in a form and nature of social orders and disorders.

The most comprehensive model discussed above in crisis life cycle was presented by well-known organizational theorist Ian I. Mitroff, often called the father of modern crisis management. His model was a modified form of the older model PPRR (Prevention, preparation, recovery and response) or MPRR (mitigation, preparation, recovery and response). Mitroff proposed a five stages crisis management model which consists of; signal detection, preparedness/prevention, containment, recovery and learning. First two stages come under the pro-active approach to prepare organizations for taking measures against any upcoming crisis, while other three deals with reaction to crisis when it already happens, are label as a reactive approach.

Three stage crisis approach proposed by W. Timothy Coombs consist of pre-crisis, crisis response and post-crisis. He labels crisis as the threat of operational activities in form of public safety risk, reputational and monetary losses of stakeholders. This model can help the organizations to lessen the damage in every phase before, during and after

the crisis. Following (Table. 4) summarize the four crisis management models above described in detail.

Table 4. Crisis management activities in four different crisis models.

Fink's Crisis Life Cycle	Turner's six stages of failure in foresight	Mitroff's five stages of crisis management	Coombs Three-Stage Approach
Prodromal Stage	Normal Operations	Signal detection	Pre-Crisis Phase
	Crisis incubation period	Prevention and Preparedness	
	Precipitating event		
Acute Stage	Onset of crisis	Damage Containment	Crisis Response
Chronic Stage	Rescue and Salvage	Recovery	
Crisis Resolution Stage	Full cultural readjustment	Learning	Post-Crisis Phase

Five components framework of crisis management is designed to deal with more than one crisis at a time. These are useful for man-made disasters, unlike a natural disaster, these crises are inevitable in complex organizational systems. The framework consists of five components namely; types of crisis, mechanism, system, stakeholders and scenarios. Crisis management is the study to think, what is unthinkable for companies, stakeholders, employees and managers. In fact, it is an exercise of creative thinking, which secure companies from dwindling into the worst situations.

3. ARGUMENTATIVE STRATEGY

To provide a conceptual framework for crisis management in organizations, four different research aspects have been identified in Section 1.5 after a thorough literature review. In this Chapter, the methodology undertaken to investigate the research questions is briefly covered.

According to the Merriam-Webster dictionary, “*a research is a studious inquiry or examination; especially: investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts or practical application of such new or revised theories or laws*”. Or in simple words, a collection of information about a subject is called research.

According to the Creswell, “*Research is a process of steps used to collect and analyze information to increase our understanding of a topic or issue*”. It consists of three steps: “*Pose a question, collect data to answer the question, and present an answer to the question.*” (Creswell: 2012.)

Whereas, the methodology is a strategy of conducting research and defines methods used in a specific research. Methods explain the mode of data collections and information analysis. There are several types of research, to name a few are descriptive vs. analytical, applied vs. fundamental, qualitative vs. quantitative and empirical vs. conceptual research. It was believed and taught for ages that a large cannonball fell more quickly than small ones, but it was proved logically inconsistent by Galileo, an empiricist. He had not only proved some illogical theories to be just wrong but also investigated theories to provide basics for new models. It is undoubtedly factual that empirical research based on experiments and logic, but conceptual research has its own standings in the field of research. In this kind of research, theory and concept are focused that explains the main phenomena of study. It does not include experiments but uses observations with brains. Conceptual research focuses on the philosophy and social issues more aptly. It is appropriate in this field of study because it breaks down the concepts into integral parts to gain a better understanding of philosophical issues. It is said that you are in an ideal situation when you have a well employed theoretical model.

Keeping in view the cosmic significance of the crisis management and diverse literature, the argumentative strategy is considered in order to evaluate the research questions of this thesis. The approach is essentially investigating a topic; collect, generate, and evaluate evidence; and establish a position on the topic in a concise manner. Since it is a conceptual research, so I had emphasised on an extensive literature review to shed light on important aspects of crisis management and strategies that exist in providing relief to the organization, especially, public sector organizations. This approach is also highly correlated to historicism that emphasizes on the intellectual history for understanding the crucial aspects of the subject by finding, using, interpreting, correlating information and focusing on past events (Osifo: 2016). I mainly searched through electronic media, online/printed books, scientific journals and reports, and business reviews. Therefore, I used various keywords such as crisis management, leadership, crisis models, and crisis types, critical factors of crisis, to search for the available material on crisis management in organizations. Before framing my research questions, I made an all-out effort to search for the appropriate evidence to support my research topic and model a framework for crisis lifecycle. As it is a vast subject with the scattered material, most of the contributions were made during 1980's and provided me with an opportunity to study this interesting topic.

I addressed the four critical research questions in Chapter 4., which were structured on the basis of research statement and argues that the organization can minimize the damages occur due to crisis (man-made/disaster) by considering the crisis management activities, meanwhile it is important to note that no organization is crisis-proof in modern society/era. To support my argumentative strategy I, however, defined the nature and causes of crisis and difference between public-private organization first to introduce the topic of discussion. Secondly, Leadership and critical factors are influential in crisis management discourse. And lastly, to make my arguments comprehensive, easy to grasp and visually understandable I used the graphical representation to address the fourth question of real-life cases of three public-private organizations. The XY line graph had been used to show the progression of the crisis events (two or more points). Where crisis cause (or sometimes warning signal), action/response, crisis impact and safety levels are used as multiple dependent variables (Y-

axis) with one independent variable of time/weeks/days (X-axis). Additionally, it is important to inform the reader that the independent variable (time, X-axis) is a definite variable used in all cases, while Y-axis does not use for the accuracy of data but to shows the progressions of known variables.

4. MAIN ARGUMENTS

In this chapter, I support my arguments by addressing the research questions identified in section 1.5. The structure of this chapter comprised of four research questions based on argumentative approach. The chapter starts by differentiating the two types of organizations (public/private) to discuss the nature of the crisis exist in public organization, moreover to define the causes that trigger crisis to happens. In second research question, the most critical factors are identified and argued that how they are crucial in dealing with organizational crisis management. Leadership is the mainstay of any organization, however, in the third question, the characteristics of a good leader have been discussed along with the situation where management use damage containment strategies to keep the loss minimal arise due to key manager's resignation. It is also argued that sometimes top executive does not show flexibility in their decision that makes the working environment more challenging. The last question analyzed the three real-life cases to provide the suitable contingency management strategies. The graphical representation of the real cases makes easy for the reader to grasp the crisis events and differentiate the importance of crisis management based on crisis size and scale in an organization (public/private).

4.1. Research question # 1: What is the nature of the crisis that exists in public organization.

4.1.1. Sub-question: How public organizations are different from other types of organizations.

Nobody can ignore the fact that the technological advancement and modern society intersect the world for the betterment and convenience, but it also witnesses some increasingly damaging facts. This interconnected society brings more hazards and threats along with advancement and become more vulnerable and exposed to manage risks. Consequently, threats may spread increasingly and quickly through spillovers and amplifier effects beyond boundaries. To name a few here are new viruses, terrorism, flood, tsunami, nuclear explosions, earthquakes and fatal diseases. These threats are new in na-

ture, they are unprecedented, unexpectedly large and transboundary and characterized as “global shocks” — *“Rapid onset event with severely disruptive consequences covering at least two continents.”* (Baubion, C: 2013.)

The cascading risks which spread across the global system become active threats, and they may escalate in shape of health, climate, social and monetary crisis. In this global shock era when new threats are exposed and vulnerable, crisis management has become one of the keys evaluated issues for the society, organizations and governments. Keeping in view the variety of different stakeholders’ interest, logic, expectations and priorities, organizations need to adopt relevant crisis management approaches.

Furthermore, revolutionary crisis management approaches also trigger the need to reform the operations of various organizations. This change highlighted the vague cleavage between the functions, interests and strategies of private and public organizations. To perform the social services, for instance, public organizations need the collaboration of private and nonprofit organizations. Where funding and strategic planning is performed by public and private sectors and voluntary services are performed by nonprofit organizations. Therefore, it witnesses the agencies of all sectors in society and similarity in respect of functions, forms, tasks, and risks to the people, property and processes (Drennan, McConnell, & Stark, 2015: 8.)

These collaborations may reflect the similarity in functions, management and services; some of the profound variances still exist to make the private public sectors distinctions. At first, profit-making is the main objective of the private organization, whereas public sectors are service providers. Secondly, the stakeholders are different in public and private organizations. Finally, the importance of the political and social environment for both sectors are different. To make it simpler, the public sector is responsible for providing services to the public, target community/group in general, eventually, they are risk-averse than risk takers. It is startling but true that many public-sector organizations have very fewer chances of bankruptcy and liquidation. Public pay taxes so they become shareholders by virtue and organizations are accountable for social and political scrutiny. On the contrary, the private sector is profit-seeking financial and operational

organizations with limited shareholders. There is no fear of political reforms and public scrutiny for the private sector; therefore, they are the risk takers in technological advancement and they face a big market competition. (Drennan et al. 2015: 8–9.)

4.1.2. Sub-question: What is the nature of the crisis and what causes them to arise in public organizations.

Anything that shatters the peace and order of society comes under the heading of crisis; personal conflict, workplace distress, economic deficiency, production flaws, and market decline. Furthermore, nobody on earth is hoarded in this modern society, which is exposed and vulnerable to hazards and natural disaster, for instance, the upsurge of international terrorism, tsunami, earthquake, fire, and nuclear attacks. To lessen the impact, to avert the hazard, even for the clarification about happenings and precautionary measures for future preventions, people look at their leaders, public managers, politicians, elected members, and presidents in times of crisis. It is crisis management that can make the difference between failure and success of the entire system and answerable to the question of death and life of citizens, organizations, and society as a whole. It is not an easy task to confront an unexpectedly large, complex, unprecedented, and transboundary crisis; however, many stakeholders are involved in crisis management: that is media scrutiny to evaluate actions of public leaders and managers, cooperation of both public and private sectors, supervision of policymakers in operations, communication and timely response to shareholders, customers, and media.

“A situation that threatens the high-priority goals of the decision-making unit, restricts the amount of time available before the decision is transformed, and surprises the members of the decision-making unit by its occurrence.”

(Hermann 1972: 13.)

Here to elaborate the nature of the crisis, we have three key components – namely (1) threatening situation, (2) time restriction for actions/decisions (urgency), and (3) element of surprise and uncertainty.

1. Threatening situation

When there is a danger of life and property of the citizens, threats are obvious. For instance, people's reservations about security issues in public places when it already has some recent terrorist attack. Similarly, severe threats might possible when there is lack of public confidence in aeroplane safety systems. To make it simpler by comparing a large-scale natural disaster and government's inability to cover the shortfall of electricity in commercial areas. Apparently life-threatening natural disaster is more severe in form of threats, but latter cascading threats resulted from electricity shortfall contributes towards 'crisis' label: that is in shape of liquidation of organizations and industries succeeding shortage of product/market supply ultimately bring the burden of imports on the government level. Hence, crisis analysts often confer threats on the ground of political and operational level. For instance, a threat to life, property, public security/safety and lack of governments' confidence. (Drennan et al. 2015: 15–16.)

2. Time restriction for actions/decision (urgency)

Naturally, when there is a question of societal unrest and saving people lives: society, people, media and other stakeholders look at the government to hold an ultimate responsibility in the situation of high-level threats and uncertainty. Governments' unique role is the ultimate reason behind this narrative; they can manage and take quick decisions in time, they have command of relevant resources, capable to direct machinery due to legislative and political authority. (Drennan et al. 2015: 16.)

3. The element of surprise and uncertainty

Threats ascend with several queries and uncertainty; when and how did it happen, it was an accident or an attack, how many injuries and casualties, damage to people/place/equipment/building, one-off event or cascading impact (chain event). Clearly, severe threats pose overwhelming psychological and physical pressure on public managers with apparent surprises: disrupt normal operational activities, disturb the pace and functional life of organizations, society and other relevant stakeholders. Therefore, a

crisis brings uncertainty about its scope, causes, damage, nature, severity, impact and lack of evidence. (Drennan et al. 2015: 16.)

How to deal with the crisis at an early stage of its occurrence to get secure from the worst ending, is the question to provide basic guidelines for public managers and policymakers. From this perception, therefore, we need to address two aspects: first to find the cause of crisis occurrence and second to find the answer for why do human error repeatedly occur that help cause crisis.

Generally, public organizations confronted with two types of crisis: slow-paced crisis and fast-paced crisis. Some unheeded issues transformed into a crisis that basically arises within the organization and its policy sector. The second fast-paced crisis is typically labelled as natural disasters. These high-speed triggering events such as flood, earthquake and tsunami are present as a threat in the community. To provide more detail about causes of the crisis in public organizations, we need to address briefly the following critical issues. (Drennan et al. 2015: 55–56.)

- Human errors
- Technological failures
- Government behaviour
- Management system failure

Human errors

'To err is human' is a proverbial phrase: to the best of its knowledge and information, the human makes decisions and take actions. Despite good intentions, errors do occur; the reasons include misjudgments, lack of information, training, tiredness or carelessness and insufficient supervisions. Along with unintentional human mistakes; deliberate errors, mistakes and above all fraud, as can be expected, prevailed in the working environment that cause the severe crisis to the public organizations. (Drennan et al. 2015: 56.)

Technological failures

Disruption in service continuity and physical calamities are inevitable in technological failure. Fail-safe assurance is prerequisite in life-critical environments; like in chemical factories, railways and aeroplane systems, aircraft flight control, weapons, nuclear systems, and medical devices. In complex technological environments, a minimal breakdown in information or power system, for instance, prevent the operational activities and efficiently incapacitate the organization. Thus, it is certain to avoid technological disasters in modern society of e-service. To minimize the severity of the technological failure, planning is crucial to make sure that human life is most important and others come later, for instance, equipment, property and service continuity. There are some shortcomings in a complex technological organization which are based on unplanned activities combined with inefficient correspondence and pressure to achieve targets, that sometimes leads towards shortcut and contributes to happen big mistakes. For instance, in Columbia Space Shuttle Disaster, where mismanagement in the organizational, cultural, social, political and technological system is found for its failure. (Drennan et al. 2015: 58.)

Government system

Government behaviours directly influence the attitude and response of a society that triggers them to be the cause of crisis occurrence. The public pays taxes, from this perspective, therefore, the government is responsible to keep a balance between cost of public services they provide and the amount citizens pay in shape of taxes. As the public is one of the influential stakeholders, governments need to make public policies specifically relating to infrastructure; roads, water issues, railway system, health, school, waste disposal, and public services in the best interest. It highlights the issue of conflicting demands relating to increasing safety and services with no extra cost, which contribute to the varying balance between cost of services and public demands. As a result, failure in government adequacy for instance, in the new computer system and projects like railways tracks have inadequate testing and training with minimal available funds.

However, government failure to provide adequate infrastructure is a serious factor in major crisis and accidents. (Drennan et al. 2015: 59.)

Management system failure

No doubt, we live in a blame society, where organizations run under a constant fear of media scrutiny for failure attribution. Not only deliberate or intentional human errors are responsible for the organizational crisis, but also inadequate management system; lack of training, insufficient supervision of staff, lack of guidance, and inefficient strategies are on the list. As Henry Petroski says *“You can almost say that a design error is a human error because, after all, it’s we humans who do the designing.”* Inefficient record keeping, miscommunication between organizational hierarchy, blame games, and ignorance of past mistake all contribute to the emergence of crisis situations in organizations. The organizational model reflects human errors as consequence of management flaws than the cause of crisis occurrence. Or in other words, human inadequacy is taken for granted, and errors are perceived as symptoms of concealed conditions already exists in the entire system. (Drennan et al. 2015: 58.)

4.2. Research-question # 2: Identification of critical factors that plays a significant role in dealing with organizational crisis management.

Generally, we take the term ‘crisis’ as an alarming situation, but numerous successful factors can positively influence the organization in distress situation if dealt with honesty and rationally. Following most prominent critical factors are addressed in dealing with severe threat/crisis in public organizations.

Robust leadership

The most fundamental factor in response to the crisis, however, is the ability of strong leadership to communicate with relevant stakeholders and the media in general. The nominated leading spokespersons and management team must have a clear and consistent coordination under prevailing crisis, therefore, no loophole can be filled with

speculations. What is more, the authority to handle and capacity to deal with the crisis is only the role of strong leadership.

Instant decision-making

Severe threats and crisis can quiver the organization to surprise, therefore, it sometimes leads top management to unnecessarily stretched silence and eventually delay in right decisions in right time. This gap can easily undermine workforce approach and break the confidence over organizations' stability. Thus, decisions need to be made quickly with no circumventions. It doesn't mean that decisions are made in haste; compile enough facts and figures to present a sound decision promptly is more worthwhile than delay presentation of perfect decisions.

Prompt and effective actions for victims

Life threatening events are more hazardous. It needs special treatments and attracts the quick attention of media and public reactions. It is, however, easier to play blame games, but it is morally recognized the duty of organizations to accept the responsibility and provide immediate aid and announce compensations for the victims. Conversely, it is more harmful than expected.

Pro-active approaches to elevate environmental effects

In the modern society of technological advancement, as can be expected, danger to life, property, and equipment is unavoidable. Moreover, a severe menace to the environment is vulnerable specifically in the safety-critical atmosphere. Not only, to ignore this fact can severely damaging to organizational reputations but enact heavy financial duties from national authorities and watchdogs in forms of polluters fines.

Direct communication

To begin the discussion about communication we categorize it in three forms; firstly, with governments or regulatory authorities, secondly with direct stakeholders, and lastly with media or press. It is crucial to maintaining drift in communication with these chan-

nels to avoid unnecessary speculations and malevolent rumours to fill in communiqué vacuums. Not only consistent and continuous information flow but the appropriate channel (agreed beforehand, if possible) is imperative. Most importantly, crisis prevails swiftly, it is appreciated to avoid information vacuum by assigning a various spokesperson to communicate with different channels; as management needs to fix it with no delay. In this context, it is significant to validate the accurate information flow and common context across the channels precisely.

To keep informed the own staff is as important as communication with other stakeholders; regulatory authorities, media, shareholders. It implies that organizations value their staff and their support and coordination by conveying them directly with honesty about the current organizational situation.

In brief, honesty and accuracy is the key to communication; dishonesty and false deliberate statement not only illegal but harmful to the reputation in long run and ultimately permanently damage the organization. stakeholders, for instance, press and media do their jobs, they also under pressure to present a true picture of incidents. So, keep your promises and act professionally by committing appointments to concerned stakeholders than avoiding them in constricted times/schedules.

Clear plans and roles

It is instructed while planning about the crisis, that Noah started creating ark before it began to rain, therefore, it is advisable to prepare for the upcoming dangerous events before it strikes for the worst. To equip with pro-active crisis plans and well-defined personnel's role and responsibilities is the key to confront the crisis. Additionally, these strategies should regularly be restructured and include general response to a series of possible circumstances, these may include;

- Warning system
- Media and adverse image management
- Product recalls

- Terrorist events
- Finance and monetary matters
- Open market and regulatory issues
- Industrial problems

The energy employs in scooping out the best possibilities and identification of relevant issues will enable the organization to manage their resources properly. For this reason, they need to focus on the pro-active strategies; that is the development of the consistent framework, identification of assortment and regularly reviewed approaches. To capitalize in some of the advisory services, for instance, finance specialist, media handlers (spokespersons), lawyers, technical specialist, and consultant advisors may seem prudent to prepare for the challenging period, especially in a crisis.

Ensure regular training and rehearsal

The main purpose of having a crisis management team is to perform their role in a time of crisis. To ensure this perceptiveness, they must have had the most available opportunities for rehearsal and proper training. These regular rehearsals and training will enable the management team and other operational staff to effectively work under one direction and create a collaboration to focus on essential tasks together. It is practically appreciated to offer some restrict and more realist scenarios to crisis management team for rehearsal and exercise, that can dwell pressure to perform in severity and bounce the light-hearted behaviours, that needs in real crisis situations. Additionally, in these manoeuvres, external observers and facilitators may be invited to give feedback, comments and response on performances. It should be noted that the feedback must be positive and motivating, as these sessions are learning exercises to encourage crisis management team.

Remember, crisis never comes with appointments, well-trained crisis management team is not a guarantee to confront the crisis, the main objective is to ensure that how much machinery in hand would be available when needed. In 7/7 London attacks, it observed that most of the crisis management teams were unavailable due to vacations or overseas travels. Under these circumstances, organizations need to prepare their crisis manage-

ment in a way to ensure the availability of maximum resources in a time of crisis. Moreover, it is advisable to employ deputies for each role of crisis management team and regular rotation of team members are beneficial for its efficiency.

Good stakeholder relationships

Having a good relationship with your stakeholders can guarantee to safeguard from the crisis, perhaps a crucial statement. Nothing can assure this; however, it witnesses that key to run a successful business, organizations need to have smooth dealings with their stakeholders. Not only good relation serves as the cornerstone, but help to maintain a good reputation in the market.

Generally, stakeholders effected through organizational activities, thus they acquire some reservations about how business is running, is organization maintain trust, or do organization have proactive measures to safeguard from risk or crisis. To curtail their apprehensions about operational activities; organizations involved in crisis management along with other measures namely business continuity management (BCM). This is the planning and preparation to guarantee the revival of organizational operational activities in the reasonably transitory period after a severe natural disaster, man-made incident or crisis. It includes three key elements namely; resilience, recovery and contingency. UK-based Continuity Institute well defines the term as “Business continuity management is a holistic management process that identifies potential impacts that threaten an organization, and provides a framework for building resilience and the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities.” By stakeholders, we generally mean customers, workers, shareholders, suppliers, investors, community and government regulatory authorities.

In brief, these precautionary measures can proactively demonstrate a good business relationship and maintain well tested and resilience environment to strengthen the stakeholder trust over organizations.

Effective representatives

Another critical factor in crisis management is to convey clear and effective messages to outsiders; media, regulatory authority, shareholders and public. Generally, it believes that the most prominent workers in the organizational hierarchy, for instance, CEO is the right person to clearly deliver organizational messages with the outer world. But this may not be true, depending on the organizational structure, size and market competition, you may consider some professional help. There are two options; first hiring a spokesperson to work on your behalf and second to arrange some training programs to skill your internal workers for effective communication. Moreover, in the middle of a crisis, the most challenging situation is to face the press or media mob; to fight a losing battle, senior managers/executives are required to attain media skills through proper training sessions.

Finally,... say sorry!

It is important to comprehend the severity of the situation; damage to people, property and environment. It is not considered bad if the organization accepts the responsibility and own victims; failure can add adverse reputational pressure by media and other stakeholders. But some organizations are institutionally incapable to accept the fault and apology. Saying sorry does not necessarily mean that you are accepting the full responsibility for the disaster, it reflects good gestures towards victims. In addition to the apology, it is advantageous to announce some compensation to affected people; for instance, financial assistance, free medical treatment, or funeral and counselling expenses.

4.3. Research question # 3: To evaluate the role of organizational leadership in managing crisis situations.

Leadership is the backbone of an organization. It plays a vital role especially in the time of crisis to handle the situation wisely, to run the business simultaneously with the crisis, and to control the internal and external stakeholder, i-e., employees, clients, media, and government.

4.3.1. Sub-question: How a good leader reacts to the crisis and control the situation.

A disruptive operational activity; does not emerge to summon the entire team to explain the situation, which can only add tension in upsetting condition. Instead, a good leader can alleviate the tension by delegating charge to every responsible manager to prepare for a subsequent meeting in an hour and present the reasons for triggering event. In this manner, a leader may not only have a reasonable time to figure out the circumstances but the command in a chaotic state.

When crisis strikes, it observes that the few hours are critical to respond promptly. A good leader can response and direct the employees in a timely fashion, some hurried moves may make people nervous. However, act wisely and quickly can well manage the situation. Moreover, it is sometimes not easy to control the consecutive events cause by the crisis; whether they are a man-made or natural crisis. Under this quick happening moments, everyone seeks for help and expect quick control over the situation. Therefore, it is assumed that leaders will take command and bring the people and resources to bear. But it is seldom to have full control over the situation and give quick resolutions according to people's expectation.

A good leader should not hesitate to speak about the magnitude of the situation, it does not mean that it can make people afraid of the alarming situation that offering viable solutions by keeping in mind the nature and scope of crisis can best highlight the role and responsibility of a good leader. Additionally, another trait of a good leader is to keep control over the composure. Crisis changes rapidly, it is its hallmark; so, does the leaders' response: first response on the first event may not match the situation later, leaders' ability to adapt quickly can lead them to match their strategies according to varying situations.

Another significant role to perform in a crisis is to provide a clear perspective on its employees. A leader may not necessarily exercise the deed but can achieve the outcomes by only direct the response with perspectives by observing the whole probable circumstances. Furthermore, leaders who maintain perspectives while dealing directly

are the ones who explicitly reflect the ability to lead the team and control over the situation in crisis. (Baldoni, 2011.)

4.3.2. Sub-question: What would be the response strategy, or damage containment approach if leadership itself falls into crisis.

When leadership in crisis

Shareholders believe that the company's success based on vice president's performance: he is the only reason why the company is doing well, and here his resignation stating the reason of leaving for a better opportunity. (Sharma & Kesner 2000: 33–60.)

One of the executive managers (vice president of operations: Ned Carpenter) in a carpet company (Kinsington Textile Inc. KTI) entered with grandiose ideas and enthusiasm that lead the company to achieve five years plan in just three years. Along with innovative ideas and previous knowledge to put in manufacturing had broadened the company's market to compete as one of the best company in the carpet industry. Undoubtedly, his thriving efforts in this company has brought the first breakthrough in shape of new upcoming project fibre-coating in years. Sharma & Kesner (2000: 33–60.)

Although, resignation is the real shock for top management and more upsetting for Paul Simmonds (CEO of the company) to discover the reason as the better opportunity is to work with their main rival company. But, it does not seem so sudden; it witnessed by top managers that some heated arguments between CEO and vice president regarding the new project may encourage him to leave the company - where CEO does not want to listen to other's opinions and stick to his own points. Here the crisis knocks at the door of the company in shape of leadership in crisis – engine (VP) of the company's resignation. Sharma & Kesner (2000: 33–60.)

In the above-stated circumstances when company face the crisis in the shape of the resignation of a key manager can consider the following damage containing points to deal with the situation.

1. Direct conversation with vice president is better than to speculate his motives behind leaving.
 - a. Leaving personnel always desires a friendly departure.
 - b. If his complaints are heavily monetarist, the company should offer him compensation package to stay and excel.
 - c. If he already sets on leaving; would it be a friendly departure or anything top managers can help him to iron-out.
 - d. It is management's duty to persuade him to agree that he will not steal personnel or say anything negative about the company to damage its reputation. This agreement must be in written or at least verbal.

2. Internal and external communication is essential at this point.
 - a. An internal memorandum stating current situation of vice president's resignation and wish him good luck for future.
 - b. Draft a press release in a friendly tone. It would be impressive to add some quotes from vice president in company's reverence.

3. Company's top management must address the replacement issue.
 - a. Second in command may not suitable for quick replacement.
 - b. Position may be held vacant until top management speaks with workers/peers in the department.
 - c. Additionally, a new appointment can also be an option to refill the vacancy. For this, Search may not begin from scratch; previous hiring process can provide a suitable candid for this position when leaving VP was appointed.

4. Any legal action against vice president.
 - a. It is not advisable to take legal action against vice president unless he has not discovered guilty of unleashed upcoming projects to his new employer or any company's secrets.
 - b. It would send negative impressions that company does not trust its employees and assume worst about those who leave the company.

- c. It is undesirable to ask your employees to sign Non-compete clause to prevent future shock likely to happen. That would be unrealistic to restrict people's career in small manufacturing industries like carpets to never work again in this industry if they leave this company.
- d. When this crisis has passed, an open and honest communication channel in the company is essential to break narrow-minded and defensive culture to prevail in future. Sharma & Kesner (2000: 33–60.)



Figure 3. Leadership in crisis response model (quick overview).

As shown in (Figure 3.) key managers' resignation can be a great shock for executives. Where shareholders feel that personnel as an asset to the company. However, this type of crisis happens by overlooking the situation and inflexible behaviours, that triggers the

event to the more serious stage of no return situation. Later due to a shortage of time, the quick decision may require containing damage and post-crisis strategies can minimize the later similar crisis to happens. Figure 3 shows the sequential steps of events to provide a comprehensive picture of the illusionary case of leadership crisis discussed in this research question.

Internal / external communication challenges

There is basically two main challenges company and top management may confront regarding its shareholders; first, they need to reassure its shareholders that the company is still strong and directive and other is to prove this by future dealings. It is the time when top management should be composed, equally important to hold anger and desire for revenge especially while communicating with stakeholders (media, press, staff). Therefore, low-key recognition of achievement and expression of regret over resignation would be feasible for internal and external communication. The most important message is to confirm the continuity of the company's operation; that to affirm the strategies and initiatives are unchangeable due to his departure. Reporters from local and trade press would likely to ask about personal/personality aspects of the story and inquire about future projects/new products respectively. Company's top management also inform reporters about the replacement of vice president. If there is any suitable replacement is available at hand would probably strengthen the company's continuity message, otherwise second in command may take the responsibility on a temporary basis if management feels it reasonable. Sharma & Kesner (2000: 33–60.)

Internally, CEO must talk with senior executives and arrange one to one meetings in next day or two with each top manager to discuss their roles and to assure their worth for the company. Consequently, it is desirable to stimulate the teamwork in the times of crisis. Under these circumstances, communication with employees is imperative, for this; memos through emails, posts in workers' cafeteria and departmental bulletin boards can be used. These memos should clearly state the vice president's resignation, regret note and importance of each employees' role for continuity to company's commitment. Sharma & Kesner (2000: 33–60.)

Because it is a public company, management needs to inform its key institutional stakeholders. A brief announcement regarding resignation and commitment to continuity would be sufficient in a broader financial market. Additionally, calls to few valuable customers would be a positive act to consider them as strong stakeholders in times of crisis. Sharma & Kesner (2000: 33–60.)

Along with damage control strategies, the company must act quickly to communicate with resigning vice president. Remember to nominate the suitable manager that would not be CEO but vice president Human Resource (VPHR) who can take the lead to talk about exit interview with departing VP. It is necessary to inquire VP if there are any trade secrets he keeps or he solicits any employee or customer of the company. It should clearly deliver that company will not hesitate to take legal actions against him, if he will disclose any confidential business plans or upcoming fibre-coating projects to his new employer or outsiders. Additionally, everything that he learned about the company while staying there is the confidential and absolute property of the company. Sharma & Kesner (2000: 33–60.)

It is undesirable while responding to this kind of crisis, to waste energy and time in making new policies for instance non-compete clause to retain remaining employees, rather pay full attention over building the morale of the company. Similarly, a war like a behaviour can open more challenges for the company, where the industry has slender profits making and huge competitive atmosphere to survive. So, the core objective is to regain the strength and handle the internal business affairs with a progressive attitude. Sharma & Kesner (2000: 33–60.)

In post-crisis phase, the company needs to emphasize on two prominent issues to avoid any such event happens again. First, to hire an advisor or a lawyer for CEO to negotiate with other senior executives and managers; vice president might be working on new projects with other executives if this had arranged earlier. It observes that CEOs are the loneliest person in the company, the position they hold make them decisive, and competitive nature repress them to express their concerns, doubts and uncertainty. Second,

the company need a written corporate policy to protect company's trade secret in similar future crisis; a reasonable post-employment restriction treaty like confidentiality agreement or nondisclosure agreements. The company does not need to take extreme step by asking their employees to sign a non-compete contract, resulting to restrain them to work in the carpet industry and risk their professional career. Though, the only objective, for now, is to safeguard confidential information from falling into wrong hands in future. Sharma & Kesner (2000: 33–60.)

4.4. Research question # 4: To map suitable contingency management strategies based on the emergency response, size and scale of the crisis in organizations.

Different organizations may react differently to the events that are anonymous to their routine business activities, and this response is highly influenced by the structure, type and management model of the organizations. A car accident or a house fire can become a lifetime crisis for their victims who may not fully recover in their remaining life. Thus, a small group crisis or an individual crisis may not affect community and society as a whole. Similarly, a computer crash in one department and a fire in one room due to mistakenly turned on a fan during weekdays is less likely to be critical than the loss of all computers and complete building on fire during a weekend. Thus, as the size or scale of crisis changes, the required response and recovery resources may also vary. A situation may likely arise during a crisis where demand surfeits the supply of emergency resources, thereby, creating further complications in contingency management and relief efforts. If this pattern continues, it generates a ripple-type sequence of crisis events. (Heath 1998: 10).

To completely grasp the understanding of various aspects of crisis management and devise a clear and suitable contingency plan or strategy, it is crucial to analyze real-life examples. Furthermore, such analysis may help in identifying tools to mitigate common crisis management mistakes such as negligence in response, and organizational culture lacking emergency management training. For this purpose, we introduce three examples of real-life crisis situations in both public and private sector organizations. Although the

focus of this thesis is to provide a conceptual framework for crisis management in public sector organizations, examples from both private and public-sector organizations would highlight the key differences between the management strategies and provide a comparative perspective.

To provide a systematic account of the crisis situations and their management in these examples, we describe events in the three-stage format namely pre-crisis, crisis response, and post-crisis followed by a detailed analysis using common headings defined below.

Precursors are the interrelated but mostly ignored events, for instance, warning signals.

Crisis onset marks the time period between the precursor and the point when the crisis begins to cause damage.

Crisis impact is the effect of the crisis on the surrounding environment, which include people and the infrastructure.

Crisis impact management refers to the actions taken to reduce crisis impact.

Impact recovery management is a process carried out in parallel with the crisis impact management and includes efforts for recovering people and restabilizing infrastructure and resources to an operational state. In short, all the actions needed to normalize people and restore the environment to a prior state that existed before crisis onset is known as impact recovery management.

Unheeded variables are the overlooked tendencies.

Company's level of confidence is one of the core factors that allow an effective overall crisis management strategy. Well reputed and well-organized companies are more confident in dealing with crisis situations.

The critical outlook for the overall management provides the management perspective and criticizes the management strategy commenced for resolving the crisis.

The XY line graph The graphical representation of real-life cases provides the progression of the crisis events (two or more points). A line graph can indicate the independent and dependent variable and sometimes only use to display multiple dependent variables on one graph. Therefore, I use the XY line graph to present the following three real-life cases. Where crisis cause (or sometimes warning signal), action/ response, crisis impact and safety levels are used as multiple dependent known variables (Y-axis) with one independent variable of time/weeks/days (x-axis). Additionally, it is important to note that the independent variable (time, x-axis) is definite variable while y-axis does not use for the accuracy of data but to shows the progressions of known variables.

4.4.1. Real-life case#1: King's Cross railway station, London (1987)

During the 1980s, London underground metro system was operated by London Transport Department and covered many locations in the city. In 1985, one person was burned and killed in a fire at Oxford Circus railway station causing a widespread public concern about fire protection and safety issues in the railway system. After the incident, a government level inquiry recommended a ban on smoking in underground metro stations and creating a strong vigilance by notifying staff absence through an alarm system during working hours. Heath (1998.)

Pre-crisis

The King's Cross underground railway station of London metro is located in an area with a great historical significance dating back to the time of the Roman invasion of Britain. During mid 80's, this station used to operate around 250 thousand passengers on daily basis. On November 18th, 1987 at 6:30 pm, apparently in a brief incidence, a commuter noticed smoke and smell of burning rubber at King's Cross railway station and immediately informed it to a booking clerk in the ticketing office of the station. Just

after the rush-hour, at 7:35 pm, fire blasted across the ceiling and around the upward direction escalators of the station. Heath (1998.)

Crisis events

The initial emergency response from the available staff at the station was unbelievably slow and casual. An administration worker tried to investigate the source of the fire but failed in activating the water sprinkling system for extinguishing the fire. According to the witnesses at the site, the initial emergency response was very slow. Everybody around the incident couldn't sense the gravity of the situation as alarms were not sounded. At 7:42 pm, an attempt for evacuating passengers through train failed due to the shortage of rescue staff who can assist people. The fire labelled the event as a major incident and more assistance was requested at the site around 7:53 pm. All emergency units including police, ambulances, and the nearby hospitals were put on red-alert. At 9:42 pm, the casualties were shifted to the hospital while the first official announcement about the 32 deceased and 20 seriously injured people was made at 11:32 pm and the fire was extinguished at 1.42 am. At midnight, the British Prime Minister Margaret Thatcher visited the University College hospital to show solidarity and offer comfort the victims. This also fended off the media and opposition's criticism. The hospital staff took Prime Minister's visit as a disruption in their aid services to the injured. The hospital management faced a huge difficulty in handling this acute crisis, mainly due to reduced financial budget for National Health Service. Heath (1998.)

Post-crisis

An inquiry was conducted under Desmond Fennell in 1988, which lasted for 91 days. After hearing over 140 witnesses, the inquiry report made 157 recommendations. Some of the major recommendations include the replacement of wooden escalators with metal escalators fitted with a heat detection system, provision of an automatic sprinkler system, refresher courses in safety and emergency response for the railway's station staff, and an improved communication system. For victims, both deceased and injured, a little compensation of £2500 was offered by the London Transport Department which out-

raged the victims and their families who considered it as mean offer by the government. This led to claims filed by the victims against London Transport Department. Heath (1998.)

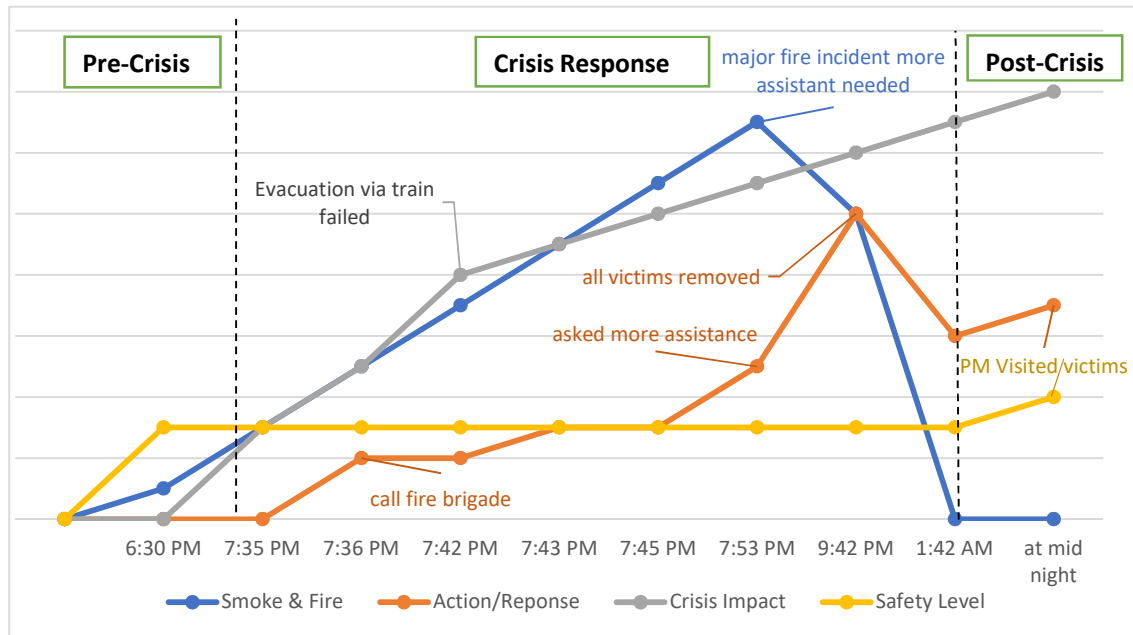


Figure 4. Graphical representation of King's Cross railway station fire incident in 1987.

As shown in (Figure 4.) four known dependent variables (smoke/fire, Action, crisis impact and safety levels) are plotted in relation to the progression of the independent variable of time (x-axis). Here time is the only definite variable that shows the development of events, and response also helps to label the three stages of the crisis in form of pre-crisis, crisis event and post-crisis.

Crisis analysis:

Precursor:

The death of a commuter at Oxford Circus railway station two years prior to the King's Cross railway fire station incident was a clear signal for improving the safety conditions

in London's railway system. However, the precursor, in this case, must be considered with respect to the King's Cross railway station and seizes the moment when a commuter noticed a burning smell of rubber and some indications of fire.

Crisis onset:

The crisis onset occupied a very short period of time, starting from the moment when conditions for ignition of fire were first observed by a commuter until the fire finally became visible.

Crisis impact:

The most significant aspect of crisis impact, in this case, was the safety of commuters travelling through King's Cross railway station and then saving the infrastructure from the fire flashes.

Crisis impact management:

The crisis impact management continued from the alarm generated by John Hickson at 6:30 pm until 1.42 am when the official statement was released about complete fire extinguishing.

Impact recovery management:

The impact recovery management, in this case, continued for a very long time. Although the station was repaired and returned to its full functional capacity, treatment of any injured commuters continued for many years along with the legal actions against the damages incurred.

Unheeded variables:

King's Cross railway station fire incident is a complete example of poor management and negligence on the part of London Transport Department. Shortage of staff, lack of necessary emergency response training, constrained budget, wooden escalators and ineffective alarm systems all played a crucial role in this heinous disaster.

Level of confidence:

With budget cuts, unavailability of staff and necessary training, unclear response strategy and overall crisis management policy, missing standard operating procedures and casual attitude of officials contributed in the worst level of confidence of the management.

The critical outlook of the overall management:

Following the tragic death of a commuter on London metro in 1985, the underground metro safety and protection already came under the light before the King's Cross railway station incident. Therefore, smoking was already banned in all underground stations, but people constantly ignored it and lit cigarettes on the way out while taking escalators. Investigation of the King's Cross railway station fire and other similar incidents proved that the wooden escalators were the main source of fire blazes.

In Kings Cross Railway Station case, as evident from the Fennell inquiry, safety priorities were compromised and emergency response training for the staff was never considered. Disregarding the fundamental crisis management principles reflects the culture that culminates in an organization. Another related factor, in this case, was the unavailability of staff at the time of the fire as most of the on-duty staff was absent for meal-breaks or some other off-work activity. Those who were available were completely unfamiliar to with standard emergency response procedures such as, activating the fire extinguishing system and evacuation of the passengers. On top of this, when the professional firefighters arrived at the scene, their relief activities were hampered for about an hour due to the missing layout information of the King's Cross Station.

The first and the foremost responsibility of managers is to manage. But in this case, the station officer Colin Townley reacted heroically and hastily to save victims and couldn't realize the importance of using the breathing apparatus. This resulted in his own death due to suffocation from smoke. Undoubtedly, he risks his life to save others but at the same time, he failed to take safety measures and managing his squad during the initial crisis response period.

A major crisis management element lacking, in this case, is the poor communication system. The need to communicate during a crisis is not limited to the affected organization only, but in fact, the outside world must also be addressed about the incident for reputation and image management. King's Cross fire incident illustrated many communication and image management issues in the warning indications and evacuation process. The transport police decided not to stop trains at the station, which was against official procedures. The information available during the crisis may appear to be unclear under the severe stress of the situation. The failure of image management is also apparent from the mean compensation of £2500 offered by London Transport Department for seriously injured and deceased persons.

4.4.2. Real-life case#2: Pepsi syringe hoax failure (1993)

Pre-crisis

In 1993, the Pepsi corporation faced a popular crisis of its time that began with the claims of foreign objects, such as, syringes, sewing needles, screws and pins being found in Pepsi cans.

Crisis event

Late night on Wednesday, June 9th, 1993, an elderly couple from Tacoma Washington, supposedly discovered a syringe inside a Diet-Pepsi can (as shown in Figure 5). Next morning, they called their lawyer and handed over the evidence to launch a legal case against the refreshment industry giant. Press took the attention and reported the rumours about unsafe Pepsi cans.

The next day, the second similar case was reported by a woman in Federal Way, Washington (10 miles away from the first reported incident). As shown in (Figure 5) the action/response took by The Food & Drug Administration (FDA) by giving warning to consumers in Pacific Northwest to pour soda into the glass before drinking. No recall was ordered by FDA since the injury was reported or harmful objects found in syringes.

As both cases were registered in Washington, FDA noted that a local bottler company, Alpac Corporation, was involved. Pepsi in an initial confusing state made Alpac's executives available for media talk.

In the following days, various claims of foreign objects in Pepsi beverage containers were reported from around the country including Portland, New York, Ohio, and Jacksonville Florida.

Post-crisis

Considering the magnitude of the crisis at the time when the first complaint was reported from outside Washington, Pepsi formed a core crisis team comprised of 12 company members. The team was made of various key divisions within the company including executives, the public affairs department, consumer relations, scientific and regulatory affairs, sales and marketing, manufacturing, and the legal department. Pepsi decided to address the issue internally rather than handing the situation over to its hired external public relations company. On the following Tuesday, Company's president Craig Weatherup was taking rounds of interviews on TV, and said: "We have gone through every can line, every plant, numerous records and all the evidence points to syringes going into the cans after they were opened". Company news and press release along with graphics were circulated to ratify the impossibility of contamination during the production and packaging process. FDA, explicitly, believed that complaints against Pepsi are not true, but merely hoaxes. These tampering claims against Pepsi did not mark any sale drop, though prices were reduced around one dollar in early days of the crisis. Except one or two small retailers not a single supermarket or retailer refused to trade Pepsi.

On the same day when Craig Weatherup went on air, FDA announced the first official arrest against the filing of the false report, a crime punishable by five years prison and a fine of 250,000 dollars. In Colorado, a woman customer was caught on a surveillance camera where she was clearly seen inserting a syringe into a Diet Pepsi can in the absence of the clerk. This became crucial evidence and became instrumental in clearing

Pepsi's name. Pepsi then televised the same video all over the country. At the same time, it also constantly communicated the safety updates to its retailers nationwide on daily basis through its 600 offices, distributors and bottlers. Moreover, to facilitate customers, 800 phone lines were established. During a week, about 50 false tampering complaints were reported and more than a dozen people were arrested on false charges.

Pepsi published a print advertisement in all major newspapers on the following Monday, including USA Today and The New York Times. The main heading of the news was *"Pepsi is pleased to announce...nothing."* with an explanation, *"As America now knows, those stories about Diet Pepsi were a hoax. Hundreds of investigators have found no evidence to support a single claim."* and the concluded with the statement of recognizing peoples support *"the millions of you who have stood with us...."*

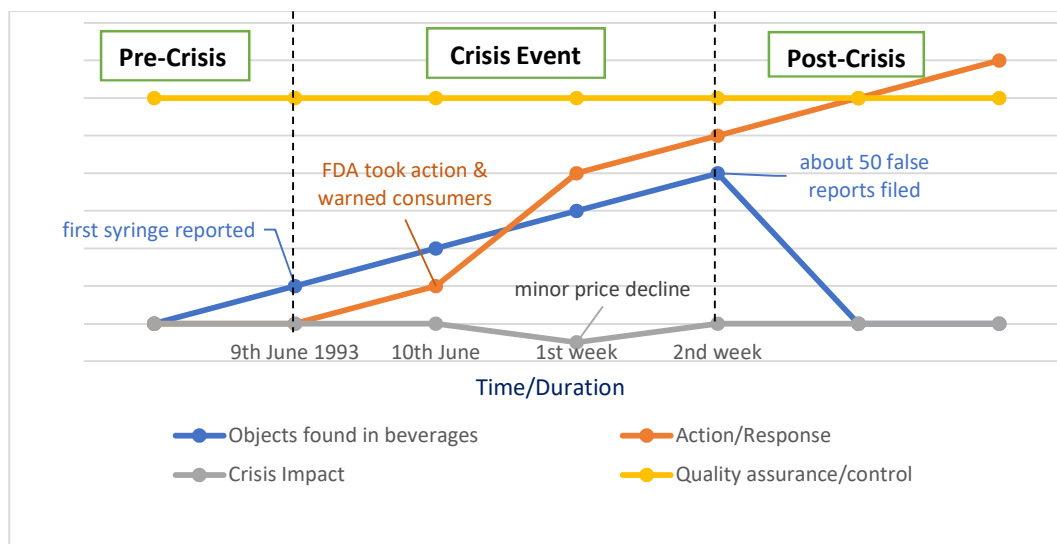


Figure 5. Graphical representation of Pepsi hoax in 1993.

Figure 5. graphically represents the crisis lifecycle marking all major events and response activities and impact. The abscissa (x-axis) represents the time duration in days and weeks while ordinate (y-axis) intuitively presents the progression of known variables. As we seen in the graph the first object (blue line) was found on 9th June and continued until 2nd week when about 50 false reported were registered, while first response

was taken out by FDA when the second object reported on 10th June, though a continues investigation was carried out throughout the crisis process till the end of the crisis event. A constant orange line shows the elevated level of quality assurance, while grey line indicates a minor slop of price decrease at the end of 1st week in form of crisis impact.

Crisis Analysis:

Precursor:

There was no early sign or signal available for this incident. In this case, the absence of a precursor is due to the fact that it was an orchestrated incident to snag a big business for squeezing money.

Crisis onset:

The time between the first syringe found and multiple later 50 false reported incidents was very short comprised of one week. But in this case, no real crisis happened, however, it was proved as a hoax and all false allegations were charged with arrests and fine.

Crisis impact:

The most crucial side of this crisis was the possible reputation damage for Pepsi Corporation as it was on high stakes. If happened, it could lead to a huge financial loss. However, the crisis did not induce a significant impact, both in terms of economy and reputation. This is due to the effective crisis management actions taken by the Pepsi. A very small fraction of retailers stopped the sale of Pepsi beverages and Pepsi had to lower its price a bit for Pepsi cans to maintain the sale. (shown in figure 5 as crisis impact of minor price decline)

Crisis impact management:

The main goal and strategy of Pepsi were to restore its trust and credibility with the customers. It was achieved through a thorough research and investigation for a possible contamination of their products in question, i.e., Pepsi cans, keeping media and retailers updated on regular basis about the facts of the investigation, closely following the pub-

lic opinion as the story developed during the crisis life-cycle, and strictly monitoring the sales.

Impact recovery management:

The main course of action in terms of impact recovery management was to constantly strive for the circulation of the message on key facts during the development stage of the crisis. For this purpose, Pepsi used all possible communication means from TV news channels to the print media. This greatly helped Pepsi in maintaining the image and reputation of the company.

Unheeded variables:

It was ultimately concluded that the situation was orchestrated to clutch money from Pepsi. By successfully handling the so-called crisis-like situation, Pepsi proved its worth as a strong and vigilant company. Pepsi also learned an important lesson from this staged drama that these incidents are hard to ignore and a robust strategy must be devised to deal with hoaxes like these.

Level of confidence:

In case of Pepsi syringes hoax, Pepsi Corporation was confident of packaging process—the beverages products were invulnerable to tampering and no foreign object could possibly be inserted into the products during the process packaging process. Before the crisis began, consumers had a complete trust in Pepsi products. Therefore, the time when complaints were filed and rumours were spread, the rapid response from the company with authenticated facts against all the allegations were quashed and proved to be hoaxes. After the crisis was over, customers expressed sympathy for the company and their confidence over products become stronger.

The critical outlook of the overall management:

Pepsi's overall crisis management strategy was a complete success and can be divided into three distinct goals: (1) informational objectives, (2) attitudinal objectives, and (3) behavioural objectives. The informational objectives point out to the aspects related to effective communication, which was achieved through active campaigning of investiga-

tion facts and findings to media, customers and retailers. The attitudinal objectives refer the image or reputation management and arguably the most important of all the objectives. The attitudinal objectives aided in keeping a pause in the public opinion throughout the case. The perception of a crisis could possibly ruin the global image of Pepsi. This was addressed by taking the complete responsibility of solving the issue and informing real facts to the consumers. A hotline operating 24/7 ensured that all queries and concerns of customers are responded appropriately for keeping the integrity of the company. Finally, the behavioural objectives included the close observation of sales during this period. Fortunately, the sales dropped insignificantly and the approach to work on this objective was to keep positive public relations with the retailers and businesses that sold their products. This tactic guaranteed customers that the products they are using are safe for their health. Hence, the Pepsi Corporation followed everything correctly according to successful and proved crisis management practices. It acted quickly and responsibly, was completely transparent and resolved the crisis in a short period of time.

4.4.3. Real-life case#3: PNC bank Philadelphia USA (1996)

PNC Bank is one of the banks in USA operating branches in eleven states of USA and also extends its operations overseas. The bank has a qualified emergency response team that focuses on continuity, human resources, security, public relations and risk management. The PNC regional headquarter is located in the famous 45-floor building of downtown Philadelphia. Heath (1998: 103–106.)

Pre-crisis

At 8:30 am on June 10th, 1996, a security person reported smoke and possibility of fire in the front teller area by telephone. The duty crisis manager was in confusion whether he should call emergency since the fire alarms were not activated. The manager decided to call the fire department and decided to put bank's security and continuity team on alert. Heath (1998: 103–106.)

Crisis event

Within next five minutes, emergency response team along with insurance adjuster was alerted. Until 8:45 am, no fire was visible. A virtual command centre was also activated—one in which team members communicate with each other through electronic means. Bank's security and continuity team was sent to the site. After a few minutes, the fire became visible, and the professional firefighters swiftly contained the source of the blazes making water, smoke, dust and damage visible. After assessing this situation, the on-site incident manager decided to call for continuity and recovery provider for the environment and safety testing before any suppliers or customers enter the premises. A probable damage to electronics equipment, record and currency, air conditioning, furniture and fixtures and interior was expected. Within two hours, PNC bank recouped control over the site from the response and recovery activation. Heath (1998: 103–106.)

Post-crisis

The emergency response team scheduled a press conference. According to damage assessment team, the first floor (banking branch) was a completely damaged, and the stationery, records, currency and furniture on floors above suffered damage from water, smoke, and heat damage. At the end of the day, all critical issues were sorted out. For instance, fire rubble and damage due to water and smoke was cleaned up, customers were directed to other branches, toll-free numbers were provided for customers' inquiries, insurance claims had been lodged, safe deposit boxes were transferred to other branches, computers and other equipment were retrieved, and all-important record was restored by experts. (1998: 103–106.)

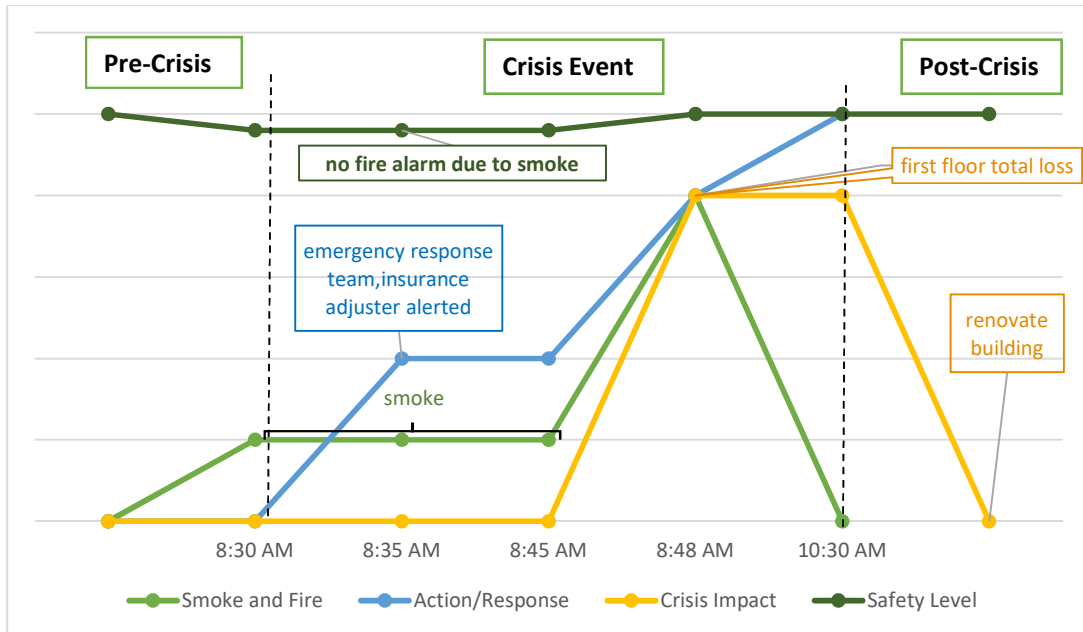


Figure 6. Graphical representation of Crisis life-cycle for PNC bank building fire in 1996.

As shown in (Figure 6.) the warning signal was recognized and action was taken during smoke at 8:35 am. After 10-13 minutes of visible fire, more emergency teams were called and emergency response was well-managed and continues without delay. Though the crisis management and safety level was high and got full control over the situation within two hours but the degree of loss was intensified due to complex organizational system (Bank) where water, smoke, and heat damage occur to furniture, fixture, currency, electronics etc., therefore, management decided to renovate the building and the crisis was over. Heath (1998: 103–106.)

Crisis analysis:

Precursor:

The first signal was visible when the security personnel reported smoke and possibility of a fire, but the crisis manager failed to detect it as he got confused with the fire alarms because none of them was activated.

Crisis onset:

The crisis onset started with half an hour of the precursor when the fire was finally visible.

Crisis impact:

The fire left the first floor, the banking branch, completely damaged with all the equipment, furniture, and record melted into dust and smoke.

Crisis impact management:

The crisis impact management is manifested from the following chronological actions.

1. Fire department alert.
2. Security alert.
3. Business continuity team alert.
4. Emergency response team alert.
5. Establishment of a command centre.
6. Dispatch of security and continuity team to the site.
7. Firefighters contained the site.

Impact recovery management:

After launching the command centre, recovery timelines and other necessary processes were scheduled. Customers were directed to alternate branches and security was increased. A toll-free number was created and publicized to facilitate customer inquiries. Insurance claims were submitted and electronic equipment was retrieved for restoration. The rubble and damaged equipment were continuously cleared off.

Unheeded variables:

A small plastic fan was accidentally left on over the weekend in one of the front teller boxes, therefore, that overheated fan caused a fire. Similarly, the fire alarm did not work because that was turned off to allow repair work on the upper floor by a new building manager, who had forgotten to turn the alarms back on.

Level of confidence:

A quick and coordinated team response made it possible to control the situation in a very short time (two hours). The trust and confidence were developed through effective training and local response teams.

The critical outlook of the overall management:

It is important to note that during this crisis response-to-recovery took 48 hours and finally it was decided to renovate the necessary parts of the building. If we analyze the whole crisis management strategy, the two most significant factors are revealed: (1) the timely and effective communication and (2) the rapid response that reduced the impact of damage inflicted by the fire. The PNC bank had a clear standard operating procedure for dealing with such a crisis and the multigroup approach where various specialist teams worked towards the recovery bore the fruit. The multiple teams assisted in managing different aspects of the crisis according to their expertise but at the same time maintained necessary communication with each other to ensure the smooth recovery process. The virtual command centre also played a crucial role in providing clear directions to the teams and facilitated coordination among them. Another important aspect that needs to be highlighted in this case is creating organization reputation and building a trust relationship with local response agencies so that a response to the crisis can be realized. Finally, the impact recovery management actions speak for themselves and illustrate the importance of handling customers. The creation of toll-free number and guiding customer's to alternate branches supported the overall crisis management strategy.

Synopsis: Real-life examples

The above three real-life examples are critically evaluated for the provision of contingency management strategies. As mentioned earlier that the size and scale of crisis affect the degree of response according to the structure and emergency management of an organization. For this purpose, despite the nature of organization; public-private, all three-real-life example are critically argued in three stages (pre-crisis, crisis event, post-crisis) and evaluated in same manners; including precursor, crisis onset, crisis impact,

crisis impact management, impact recovery management, unheeded variables, level of confidence, the critical outlook of the overall management. The graphical representation is used to show the clear difference between emergency response/impact of real-life examples and to provide the progression of the crisis events in a glance.

It has been observed that all three cases vary in their emergency management plans. In the first case of Cross Kings railway crisis, for instance, we found a huge emergency management failure, due to many factors including lack of training, insufficient staff (on spot), shortage of resources, ignored warning signals, delay in response, insufficient compensation, vulnerable structure, crisis miss-management, and ineffective communication. In the second example of Pepsi syringe, we found that though it was false allegations against the company, due to well-trained staff, effective communication, high-quality assurance, quick response and decisions, complete investigation and invulnerable production process and effective management; it was well managed and control. And lastly, in the third case of PNC bank, we found a qualified emergency management, well-trained workers, effective communication, quick decisions and response, ignored warning signal, customers directed to alternate branches.

It is argued that the emergency response according to the size and scale of crisis can control the loss and severity of the overall crisis. Although, the initial warnings signals were ignored in both cases of king cross railway station and PNC bank case, due to quick and trained emergency management strategies the loss was less in case of PNC Bank. However, it is proved in case of Pepsi syringe that the robust emergency management strategy is a great achievement for the organization.

5. SUMMARY AND CONCLUSION

From a public-sector perspective, crisis management constitutes a conscious, efficient, organized and coordinated set of actions performed to avoid crisis situations before they occur or become uncontrollable or to minimize the possible damage if they happen; for the smooth provision of public services without delay. At the same time, it is important to preserve the reputation of the institution and maintaining public trust and support. The main objective of this study is to craft a systematic understanding of crisis management in public organizations and develop a conceptual framework that can possibly address some of the crucial aspects of crisis and their management. The study is based on a thorough literature survey and argumentative analysis of various theoretical models and strategies along with a real-life example for answering the four fundamental and critical questions. In past several decades, different models and strategies were proposed to circumvent crisis situations in organizations. The most significant of those have been thoroughly covered in this study and include Steven Fink's crisis lifecycle, Turner's six stages, Mitroff's five stages, Coomb's three-stage and Mitroff & Anagos CM Framework approach.

Steven Fink's crisis lifecycle is the earliest model that describes the consecutive stages of the crisis namely; Prodromal Stage, acute stage, chronic stage, crisis resolution Stage. Turner's six stages of failure in foresight are mainly focused on complex organization. Mitroff's five stages of crisis management are the most comprehensive model that includes signal detection, prevention/preparedness, containment, recovery, and learning. Coombs categorizes three crisis management phases namely pre-crisis, crisis, and post-crisis phases. Mitroff & Anagos proposed crisis management framework in five categories; types of crisis/risks, mechanism, system, stakeholders, and scenarios. Every model has specific implications for certain scenarios, but Coombs three stages approach is evaluated as the most appropriate, simple and widely used model. Therefore, to analyze the real-life examples, Coombs approach to crisis management is considered as the most realistic and effective.

The first research question explores the difference between private and public-sector organizations and investigates the nature of the crisis that may arise in public organizations. Crises may become unprecedented, transboundary and large in size whether they are man-made or natural disasters. Public sector organizations are more likely to face crisis based on governance, economy, technological and management system failure. In contrast, private sector organizations are free from political and public scrutiny and have limited stakeholders but they are accountable to the government, media, market, customers and environment. With the availability of more resources, private organizations are typically capable of investing more in crisis management compared to public sector organizations.

The second research question scrutinizes the critical factors that can help in avoiding a crisis or minimize its damage. These factors include a strong leadership with capable of taking instant-decisions and defining clear roles, good inter-staff relationship and necessary training, prompt response and proactive approaches to handles crisis events, direct and effective communication within the organization, with stakeholders, and compensation for victims.

The third question sheds light on the role of organization leadership during a crisis situation. A good leader must consider three major elements of the crisis, i.e., a threatening situation, limited time for decisions and actions, and lastly uncertainty and element of surprise. In few scenarios, it may also be possible that key executives and managers resign escalating the crisis situation. This can only be dealt effectively by considering preemptive strategies and outlining a clear chain of command.

The fourth and final research question presents three real-life examples of crisis from both private and public-sector organizations to illustrate the differences in management strategies and analyze various aspects of crisis management according to the size and scale of the crisis. These three examples include King's Cross railway station fire, Pepsi syringe hoax, and PNC bank fire. The XY line graph has been used to present the progression of the crisis event in three stages (pre-crisis, crisis, and post-crisis). The graphical representation used two types of variables—dependent and independent.

Where time is an independent and definite variable (X-axis); whereas, other dependent variable includes crisis event, impact, response, and quality assurance as (Y-axis).

This study used the argumentative strategy to evaluates different variables affecting the contingency management plans where size, type, and structure of organizations is highly influential. It is proved, however, in the opinion of the researcher that the public organizations due to its expanded operational activities, a huge workforce with restricted training, and lack of capacity are typically incapable of concrete contingency management. The thorough review of literature and analysis of the real-life examples highlight leadership, communication and organization culture as the three most fundamental and critical elements that cannot be ignored while dealing with crisis situations. With a capable leadership, effective communication before and during the crisis, and a healthy organizational culture make possible to handle crisis situations even if limited resources are available. Some open areas that are challenging and require further study for devising tangible management strategies include business continuity management and resilience against crisis effects.

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