Formulating the Strategy of Prevention and Control of Crisis in Ministry of Education in Tehran

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Abstract

Organizational crisis provides conditions that cause the routine activities to face temporary or pretty permanent pauses. Crisis consists of the situation that interacts with the discipline of main system or final part and distracts its stability. There are different factors in the occurrence of organizational crisis that considering them can help avoiding such crisis. The crisis in the organizations is more because of the internal environment insufficiency and the lack of managerial success for facing or causing crisis and their prevention, identification of the factors causing crisis is significant in the first step and accordingly, the formulation of the related strategies, decision making and its implementation in the organization. Since most of the problems of Ministry of education and crisis are inter-organizational, and up to now there is no initial pattern for identification of the factors and defensive strategies within this organization, the goal of this research is to identify the general indicators of prevention from causing the crisis to formulate the technical strategies in Ministry of Education. This survey research is based on simple-random sampling. The total population were 180 workers, managers and the specialists of central staff of Ministry of Education, among whom, 120 individuals were selected based on Cochran formula. The prevention indicators and crisis control have been prioritized via AHP method. The results of the research indicated that the situation of this organization is located in defensive zone. Finally, some recommendations were declared regarding this approach.

Keywords: Strategy formulation, crisis, crisis control

Introduction

The traditional attitude towards crisis management state that the crisis management is to firefight the fire; it means that the crisis managers are waiting for corruption of affairs and after occurrence loss, they try to limit the losses caused by the failures. But, recently, the attitude towards this matter has been changed, based on the recent definition, permanently a set of practical plans should be adjusted for facing with future probable changes within the organizations and the managers should think about the future probable occurrence and gain the readiness for facing with the unpredictable events; therefore, the crisis management emphasizes the necessity of permanent prediction and gaining readiness for facing with those internal and external issues that are seriously threatening the famousness, profitability and the survival of the organization. We must consider that the crisis management is different from the public relations management (Yaghin Lou and Khalili Araghi, 1994). The PR manager is trying to show off the organization appropriate while the crisis manager is trying to maintain the organization in a good condition. The crisis management as a scientific field of study, is generally categorized within the strategic management and is specifically related to the strategic control courses (Masoud Nia, 2012:1).

The statement of the problem

Most organizations are facing shock and crisis since they are neglected towards the environment and lack of identification plan and management. Shock and crisis occurrence can

distract the current activities of an organization and endanger the benefits and its future credit. Therefore, crisis management has been introduced as a tool in order to maintain the benefits and credits of organizations in the field of management. Each small and big organization, governmental or private and specifically each country is escaping from crisis risk. The todays' organizations must consider plans for crisis management before facing with crisis (Bahramzadeh, 2006). The Tehran Ministry of Education is considered as one of the founders of significant governmental duties, because of negligence towards environment and lack of identification plans and its management faced shocks and crisis in different times. Due to lack of proper planning for crisis, it passes the crisis partially and since there is no accurate plan, in some cases the same crisis happens repeatedly (Fatehi, 2002). Some of these crises are the lack of proper concentration of the teacher in some areas and the lack of educational space and etc. that the purpose of this research is to plan and formulate the proper strategy with the approach of crisis management within ministry of education. In today's world most of organization is facing shocks and crisis because of negligence towards the environment and the lack of identification management plans. Shocks and crises can distract the current activities of an organization and endanger the benefits and future credits. A few organizations have considered the necessity of their preparation for facing with the wide range of crises. Likewise, for overcoming the wide range of such crises, they have not provided necessary procedures for identification of the signs of crises. On the other hand, only small group of organizations have considered the necessity of accurate and progressive investigation strategy for their own organization, to understand whether their organization strategy supports the crisis management plan or it is in opposite. Moreover, only a few organizations are progressively analyzing their own stakeholders. For this reason, it seems that further improvements are needed in the field of crisis management (Yazdan Panah, 2002). Since every organization is in danger of different crises and Tehran Ministry of Education is not exceptional either, the negligence towards plans for overcoming has possible crises can lead to serious consequences. Therefore, strategic planning of crisis management is highly significant within an organization.

Literature review
Definition of Crisis
The concept of crisis can be the deviation from the general equilibrium. The relation between the organization and environment or a definition from the environmental characteristics that the organization has to be aware of should be considered continuously. In each one of these two attitudes, the implementation of crisis issues in a strategic management view can be understandable in its best way. Crisis management as a scientific field of study, is categorized in the span of strategic management, and specifically it is related to strategic control courses (Mitrouf, 1987).

Definition of organizational crisis
The concept of crisis can be defined as the deviation from the general equilibrium, the relation between the organization and environment or a definition of environmental characteristic that the organization has to be aware of it continuously. In each one of these two attitudes, the implementation of crisis issues in a strategic management view can be understandable in its best way (Booth, 1993).

Factors affecting organizational crisis
Organizational Factors influencing the crisis can be summed up in six groups.
- The performance of the managers
- Lack of adequate experience and information
- Values, beliefs and management attitude

- Historical background and the experiences of the organization
- The life stage of the organization
- Other features of the organization such as the level of concentration (Tahvildari and Akbari, 2001)

Crisis Management

Crisis management is a process for prevention from crisis or minimizing its effects during the happening. In order to do such process, we must plan for the worst situations and then pursue for maintenance and resolving methods. If we define crisis management as planning for crisis control, in that way, we must consider four steps to plan for crisis management. First, we must predict the disastrous events, then we must adjust contingency plans, then we must create crisis management teams to train and organize them. Ultimately, we must execute them for completion of the plans with test and practices (Kinicki & Kreinter, 2007).

Necessity of crisis management

The companies which have established crisis management plans are able to do the following actions:

- Making relations with news medias and identify individuals within the offices to help them to spread the news for everyone;
- Being ready for Litigation and legal complaints
- Providing accurate and timely information on emergencies
- Minimizing the concerns of the managers
- Controlling financial scandals
- Minimizing the impact of critical events on the reputation of organization
- Enhancing the expertise and organizational commitment for facing with crisis (Ghorbani, Mahmoodzadeh, 2006).

Four-layer model of crisis management

Regarding the first layer, human is considered as the main axis for overcoming the crisis: humans in the organizations are the main agents coping with crisis. Passive, despairing, and aimless humans are generally waiting for happening incidents and thy do not do any action, while the active humans as optimistic, single-minded and intent are welcoming the crisis and defeat them (Rezvani, 2006). The second layer is organization culture, which is considered as a sub-system of social culture and has an undividable relation with it and is strongly influenced by it. The culture depends on the organization, and the environmental factors, and the optimistic culture of declaring crisis is considered in this layer (Khosravi Panah & Soosani, 2007). The third Layer is organizational structure, which is significant due to embracing the relation, informational and arranging organizational units network in crisis management. Organizational culture is different on the basis of the type of goals and different activities of the organization. What is significant in the organizational structure is that the organization needs powerful controls in crisis and also it must be flexible, freedom of activity and speed. The fourth layer is the strategy and organizational systems. The effective crisis management, and the existence of a strong and positive approach is in the top of organizational pyramid and the top levels of management towards the crisis issues will not be practical (Alvani, 2006).

Main research question

How are the prevention strategies and crisis controlled in the Ministry of Education?

Minor research questions

1. What are the initial prevention indicators and crisis control the Ministry of Education?

2. Whar are the indicators with the prevention priority and crisis control in the Ministry of Education?

3. What are the prevention strategies and crisis control based on balanced scorecards?
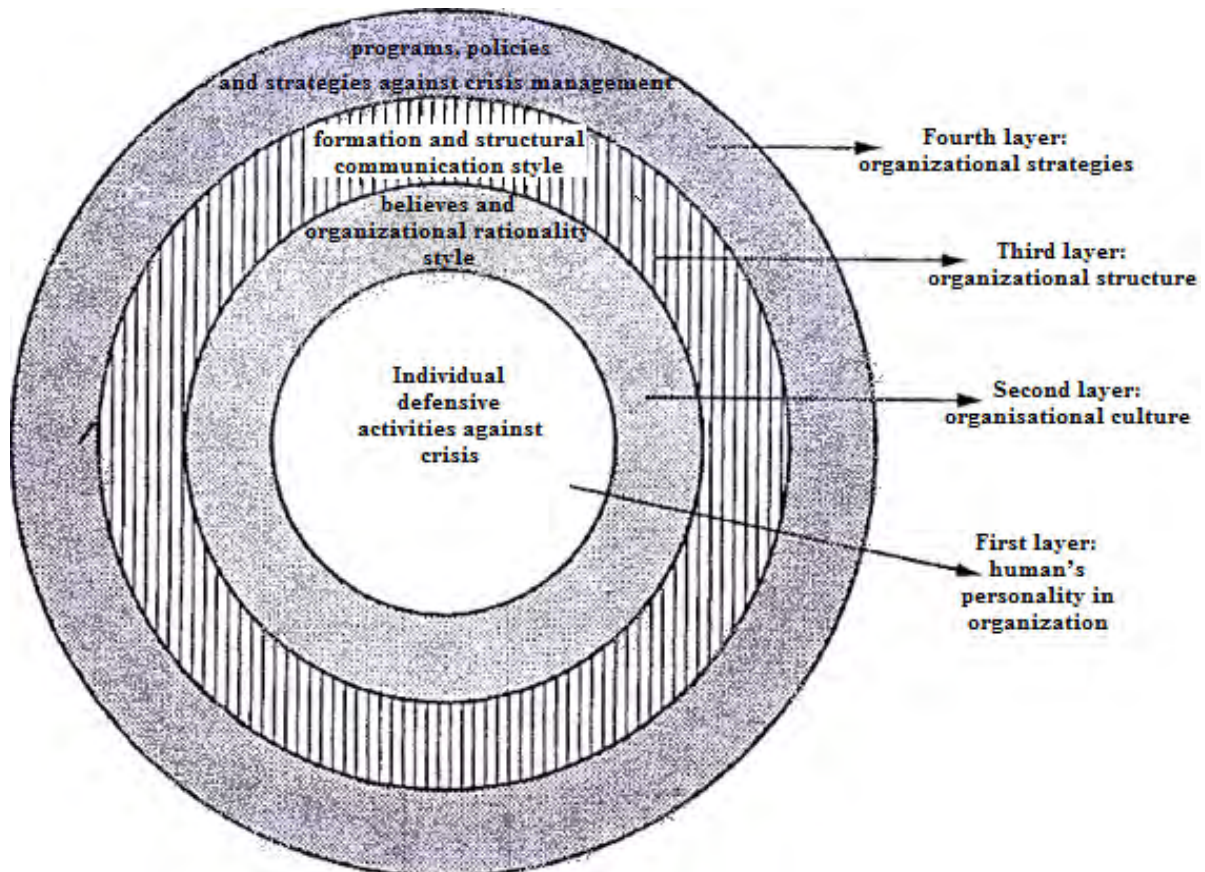
Fig 1: The four-layer model for crisis management (Alvani, 2006)

Methodology

In order to obtain the initial indicators a) library, investigation of documents, books, articles and thesis and using internet references b) organizational documents (the effects of performance reports and etc.) c) interviews and finally, by utilizing AHP method the priority of each of them is determined and the strategic planning based on the remained indicators has been formulated.

Sample size and target population

The population included 180 and based on Cochran formula, 120 individuals have been considered among the employees, managers and specialists of central stuff of Ministry of Education.

Evaluation of internal factors

The internal factors of the organization are expanding but we can use different categories for investigation of them. A common and practical classification is to consider the different units of organization that are used in this project and investigation of all the units and extracting the weakness and strength points of them. Ultimately, the output of such investigation leads to the following model (Graetz, 2002), that is shaped integrated inform of total organization as follows:

External factors matrix

The investigation of environment refers to supervision, evaluation and distribution of obtained information to the organizational environment between the key persons of the organization. In investigation of external factors, opportunities and threats of companies advance have been identified that the managers can utilize the opportunities by formulating strategies and decreasing the effects of threatening factors. External factors are applicable for formulating strategies in whole organization (regional and dutiful) and there is no need to investigate in every stage. (Graetz, 2002)

Internal and external analysis

For simultaneous analysis of internal and external factors, a tool called internal/external matrix was used. This matrix is used for determination of the situation of organization/company or business. In other words, an organization/company can determine the arrangement and the tasks of business units by using such matrix (Heracleous, 1998).

Table 1: Internal factor evaluation matrix (IFE)

Internal factor evaluation matrix (IFE)				
Grade	**Rank**	**Coefficient**	The internal factors	**row**
0.16	2	0.08	Lack of research and development	**1**
0.21	3	0.07	Lack of Reporting System	**2**
0.1	2	0.05	information technology infrastructure existence	**3**
0.07	1	0.07	Proper training of employees to provide service to customers	**4**
0.07	1	0.07	Staff's deep belief and welcoming the government's programs	**5**
0.05	1	0.05	Existence of systematic thoughts among management staff	**6**
0.05	1	0.05	Doing Management processes in the shortest time possible, in coordination with the relevant authorities.	**7**
0.05	1	0.05	Expert's Familiarity with the laws, regulations, codes and guidelines	**8**
0.1	2	0.05	Easy access to machineries responsible and experts of relevant one outside the system	**9**
0.07	1	0.07	Lack of qualified staff in budgeting	**10**
0.1	2	0.05	Lack of experts who have managerial positions or engaged in somewhere else	**11**
0.18	2	0.09	Lack of appropriate and integrated software	**12**
0.27	3	0.09	Lack of necessary format for studies with regard to the tasks assigned	**13**
0.21	3	0.07	Neglecting Necessary interaction between rules and regulations of budgeting with expert's view	**14**
0.18	2	0.09	Lack of appropriate framework for implementation of management formulating	**15**
1.87		1	sum	

Table 2: Internal and external analysis

		1	2.5	4
2.5		I	II	
		Conservative	Offensive	2.5
4		III	IV	
		defensive	Competitive	1

The strengths, weaknesses, opportunities and threats matrix (SWOT)

It is one of the important and beneficial methods and usually it has been used for strategic planning. This method is properly comprehensive since the internal and external situation of the organization is investigating together (Heracleous, 1998).

Table 3: External factor evaluation matrix (EFE)

Grade	Rank	Coefficient	External factors	row
0.09	1	0.09	Transferring to the private sector and reduce government supervision	1
0.08	1	0.08	Having good communications with other government agencies	2
0.08	1	0.08	Existence of rules and regulations for decentralization and devolution	3
0.05	1	0.05	Existence of rules and regulations to reform the current system and method	4
0.09	1	0.09	Government and authorities support to modify the procedure	5
0.04	1	0.04	Proximity of (province)to center or capital of the country	6
0.08	1	0.08	system perceived support about classes and workshops	7
0.05	1	0.05	Authorities attention to equipping management including software movement	8
0.08	1	0.08	Multiplicity of inflexible rules and regulations	9
0.08	1	0.08	Approval of guidelines and circulars regardless of financing	10
0.12	2	0.06	Lack of personnel and formidable expert about budgeting	11
0.08	1	0.08	Recognizing (identification) activities by some of the executive units	12
0.06	1	0.06	Having no access of administrative units to costing activities	13
0.16	2	0.08	Some of the staffs are not familiar with the laws, regulations and budget topics and its implementing regulations	14
1.14		1	Total	

Conclusion

As the situation of this organization is located in defensive area and relying on the strategies of such situation, it has been suggested to utilize the contribution strategy for this organization in order to prevent and face with crisis including the executive processes written below:

- Employee contributions in advancing the goals of facing crisis in the enterprise
- Cooperation with the private sector to meet the needs in case of organizational crisis
- Cooperation with the government sector to meet the needs in case of institutional crisis
- Collaboration and cooperation with the government for earning organization facilities
- Setting up a think tank within the organization and participation in this sector with other similar departments in the organization
- Contribution of ministry of education with other educational centers in the province or other provinces in order to prevent facing with organizational crisis

Table 4: The strengths, weaknesses, opportunities and threats matrix (SWOT)

Weaknesses (W)	Strengths (S)	
Lack of qualified staff in budgeting Lack of experts who have managerial positions or engaged in somewhere else Lack of appropriate and integrated software Lack of necessary format for studies with regard to the tasks assigned Neglecting Necessary interaction between rules and regulations of budgeting with expert's view Lack of appropriate framework for implementation of management formulating Lack of research and development Lack of Reporting System	Staff's deep belief and welcoming the government's programs Existence of systematic thoughts among management staff Doing Management processes in the shortest time possible, in coordination with the relevant authorities. Expert's Familiarity with the laws, regulations, codes and guidelines Easy access to machineries responsible and experts of relevant one outside the system Information technology infrastructure existence Proper training of employees to provide service to customers	
Strengths (S W)	**Strategies (SO)**	**Opportunities (O)**
Mechanizing work methods and processes in the organization to avoid organizational crisis Sharing of knowledge within the organization to prevent crises Establishing a regular reporting system in organization	Methods optimization to performance and promotion of systems With conflict and crisis prevention approach Empowering the employees and authorities through training to confront and prevent internal crisis Improving organizational structure to deal with the crisis build strong IT infrastructure and technology for dealing with organizational crisis	Existence of rules and regulations for decentralization and devolution Existence of rules and regulations to reform the current system and method Government and authorities support to modify the procedure Proximity of (province)to center or capital of the country System perceived support about classes and workshops Authorities' attention to equipping management including software movement Transferring to the private sector and reduce government supervision Having good communications with other government agencies

Strategies (WT)	Strategies (ST)	Threats (T)
Delegate tasks to specialized departments within the organization Communication with the relevant authorities and coordinating with them in an organizational crisis prevention	Implementation of performance budgeting to tackle the organizational crisis Establishing guidelines and regulations to combat and prevent crises and to inform the authorities Identification of executable programs to combat the crisis and planning	Multiplicity of inflexible rules and regulations Approval of guidelines and circulars regardless of financing Lack of personnel and formidable expert about budgeting Recognizing (identification) activities by some of the executive units Having no access of administrative units to costing activities Some of the staffs are not familiar with the laws, regulations and budget topics and its implementing regulations

Suggestions for further study

Regarding the limitations of this research in practice, the following issues can be raised for further study:

• This research shall be done in other similar organizations and with similar activities for prevention of facing with crisis.

• Each of the strategic discussions in units of any organization shall be evaluated specifically for prevention of facing with crisis.

• A conceptual model should be drawn for formulating strategy of each organization for dealing with crisis as organizational approaches.

Limitations of the study

Doing any practical research makes some limitations for the researcher because of the existence of internal and external effective variables that are out of control. Therefore, the impacts of such external variables can considerably affect in conclusion. In this research, the limitations can be as follows: in this study in order to test the specialists and measure the variables of the research the questionnaires were used. Although this questionnaire has been checked for validity but totally regarding that the questions are evaluating the attitudes can be interpreted and changed in the process of quantifying. About the required services in the present study, all the non-technical variables including statements, regulations, tariffs, the way of consumption etc, are effective on the way and amount of service use and finally the idea of respondents. Therefore, it is impossible for the researcher to control all these variables and accordingly the researcher faces limitations stemming from the condition of implementing the research.

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