

# Organizational Crisis Management

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## Abstract

In the present world, crisis is becoming an integral and normal part of life and scarcely a day passes without observing a new crisis. Crises are situations that require immediate response and allocation of fantastic resource. Crises are the background of confluence of events that create new and unknown circumstances. In any situation, crisis management is required for an understanding of this situation and identifying how to respond it. Hence, the question of this study is how to manage or type of measures in certain situations. After gathering data by articles, sites and different experiences with content analysis, we concluded that tasks and measures of crisis management are discussed in the general situation, pre-crisis, during the crisis and post-crisis.

**Keywords:** Crisis, Organizational Crisis, Crisis Management

## Introduction

The traditional approach to crisis management believed that crisis management means to quench the fire; this means that crisis management after deterioration and destruction of affairs tries to limit the losses. But, recently, the attitude has changed towards this term. According to the recent meaning, always a set of designs and applied programs were adjusted within organizations to deal with possible future developments and managers should think about possible future events and gain readiness to deal with unforeseen events. Therefore, crisis management emphasizes on the necessity of regular prediction and acquisition of prepared-

ness to address those internal and external issues that seriously threaten reputation, profitability and or organization's life. It should be noted that the crisis management is different from public relations management. Public relations management strives to the good-looking of organization while crisis manager tries to keep organization in a good position in difficult times. Crisis management as a scientific course can be defined in various positions and in this debate the crisis management issue is reviewed in general state and persistence.

## Statement of Problem and Research Necessity

Since the beginning of creation until now, man has been grappling with a variety of injuries and disasters and suffered from such enormous live and financial damages. There is no place on this planet to be safe from the crisis and various events. For this reason, many communities are constantly seeking to discover and invent solutions to control or minimize the damages caused by unexpected events and in fact, manage the crises. Crises are generally divided into two categories, including Natural crises and Unnatural crises or man-made crises.

Natural events and disasters are predictable but not preventable conversely, abnormal events are preventable but not predictable (Abhari 2:2007). Certainly, life will be safer for many people who are exposed to these events if the crises to be predicted and prevented. Crisis prediction and prevention or in another term, crisis management requires having sufficient knowledge and understanding toward this problem, only those can be effective in this context that have achieved to this knowledge and technique.

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In fact, the progress of countries depends on the advancement and growth in the field of crisis management. Awareness of the critical situation usually leads to the immediate reaction of bureaucratic system. This matter mostly results in quick and cross organizing of organizational structures which is the same phenomenon of the rapid reaction to deal with crisis situations.

### *Crisis as an Integral Part of Modern Societies*

Today, due to the advances in information and communication technology all issues interact with each other. Increased effective range of phenomena, namely each phenomenon within the broader area will affect the other phenomenon. Multiplicity of effective phenomena has converted the today's world into a complicated world and this is one reason for crisis in the current global. Another aspect is the problem of the lack of confidence; it means that today's life a lot going on at the present time. It means, we cannot dominate on future because it cannot be predicted, another reason for integral part of crisis from the modern societies refers to the high demand of today's man from himself. In other words, today's human see himself as the master of world and wants to control it. This great expectation results in a great demand that makes a gap beside the capacities that are not still so great which belongs to the crisis factors. Another issue is the detrimental impacts of human errors. For the first time, catastrophes that arise by human cannot be equal to the grandeur of the natural disaster. It all depends on five factors which are the characteristics of today's world (Mitref, 2002, 21) including Complexity, Relevance, Size and scope, Speed, Explicitly and clarity of events and abuse of them.

### *Objective of Study*

Each various situations in crisis calls for special measures because crises are often unexpected and there is insufficient information on the topic because in most cases, appropriate information to be ready in ordered and classified collection in accordance with the characteristics of the crisis situation are not available. Therefore, crisis management in any situation would require understanding of this situation and knowledge of how to respond to it. So, how to manage in certain situations is a goal that this article follows and tries to find answer to it.

### *Research Question*

The main questions of this study are:

What is the crisis management's tasks in general pre-crisis situation?

Which duties does the crisis management have during the crisis and post-crisis and what measures should be done?

### *Methodology*

In this article, the research method is descriptive- analytical and its data collection method is documentary-library. Therefore, referring to specialized library method is used for data collection. In this method, books and scientific articles, documents and available information sites are used. Then, the collected data and information with regard to the research questions are classified and analyzed and through content analysis method the obtained results are derived.

### *Theoretical Foundations*

#### *Conceptology and Definition of Crisis*

Various definitions have been proposed for the crisis, but these definitions cannot be collected for two reasons:

1. Like many other concepts in science, before the existence of a definition, it is used in other instances and now we cannot find common factors that explain why they have been called crises. So, some of the instances are taken into account as basis and definitions have been proposed with no ability to generalization.

2. The concept of crisis has widespread colloquial usage that cannot be classified in the scientific field.

At first, two crisis approaches are discussed to define

1. Crisis is supposed as a very different phenomenon of normal condition. Therefore, it is casual and relevant to a specific period with a stimulus and it should be controlled and returned into the normal condition, because otherwise it will create a lot of damage.

2. Crisis caused by natural characteristics of the system. Therefore, casual status is not necessarily related to external stimuli. According to this view, the trends and processes of crisis are mainly emphasized.

### *Definition of crisis*

Crisis is a change in the system that excessively expels it from the balanced condition and the probability of system collapse becomes relevant and should be controlled as soon as possible.

Another definition of crisis by systematic theorist: a situation in which the change process is in the form that system stability severely collides and creates uncertain situation that quick action is needed to restore order.

Definition of crisis in perspective of Michael Bercher: A bunch of events that have occurred rapidly and disrupt the balance of forces in the system much more than the normal state and propose the possibility of structural failure of the system.

Generally, in pathology approach, crisis condition is a severely unusual situation or very non-different from the normal situation. The second point, it creates the concern of the disaster occurring.

Based on this approach, some consider the crisis as the particular situation of decision. In situation where the crisis is defined in connection with system, it should be said that decision is a function of several parameters:

1. The importance and urgency of the decision (severe threat, etc)
2. Complexity of conditions (how much are the control or implementation of decision possible?)
3. The amount of information (uncertainty)
4. The existed chance and opportunity to make decision
5. Risk (undesirable consequences)

Crisis is a situation in which decision maker is under a lot of pressure because of these factors. Border of crisis and non-crisis is not very clear, but depends on the observer's assessment and determination of critical condition refers to the system's tolerance threshold, therefore, is relative.

In pathological perspective, events are not considered crisis, but they can indicate the existence of crisis and may provoke a crisis, or the existence of crisis to be detected by an event's condition. For example, in this view, earthquake is not crisis, but could lead to a crisis.

Kenneth Waltz considers the main sources of crisis in terms of the international security as follow: Human nature, improper methods

of organizing societies, economies and nations, and chaos governing relations between states

Those who know the human nature as the crisis factor believe that the educational, moral, religious, philosophical development cause mankind to live in peace and security. When the improper methods of organizing are known the cause of the crisis, correct developing of the structure of society, economy and politic can resolve the major cause of the wars.

In the state of anarchy among governments within a chaotic system, each unit feels danger by other unit, even if potentially and to eliminate the security threat performs actions.

According to Habermas, when an area is not being able to have had the expected operations, the crisis appears in that area. In his view, the crises of modern capitalist society are related to each other. Solving the crisis in an area, transfer the conflicts into the other area.

Crisis is an event that could or have the potential to affect the entire organization. Therefore, if an event is only affected a small and separate part of the organization cannot be considered a crisis. Necessary for the occurrence of a major crisis is that it extremely damages to life, property, reputation and generally to the health of an organization. (Mitroff, 2002, 29).

### *Various forms of organizational crisis*

There are different forms of organizational crisis as follow: Being a notorious product, distortion of the support services, prohibit the products, strike, nuclear disputed rumors, robbery, giving bribe and bribery, hostile conflict, natural disaster to destroy products, and deterioration of organizational information system or information system of the parent companies.

### *Characteristics of the Crisis*

According to Weiner Vakan in a comprehensive approach, the following characteristics are obtained from the crisis:

- Turning point in the events and actions that brought unexpected consequences.
- Conditions that require immediate reaction of the participants. The existence of serious threat to the goals
- Results obtained from the matter determine the future of the participants. - Conditions that create insecurity.

- Create a set of new circumstances resulting from the interaction of several events - reduction of control over events.
- Conditions that occur with increasing pressure and the urgency for action. - Circumstances in which available data to be strongly reduced.
- Creating time urgency - Creating a fundamental change in the existed relations between participants.
- The severe increase in tensions between the participants. (Tajik, 2000, 54)

From the above properties, the features of the lack of information, lack of time for decision making, the necessity of decision-making, uncertainty in describing conditions, speed in complex evolutions process, lack of necessary recognition toward the consequences of the decision, enhancement of risk rate, the possibility of large changes' occurrence and lack of appropriate control over the event can be extracted. Miller and Isaco express the properties of crisis based on the psychological and sociological studies:

1. A critical situation is an acute and short-term situation until the long period, although its duration is always uncertain.
2. Crisis creates behavior that is often pathological, such as feelings of inadequacy or looking for a delusive culprit.
3. Crisis threat the objectives of the parties involved in that.
4. Crisis is a relative matter, what is considered as a crisis for a party or a person, may not be a crisis for the other party.
5. Crisis is causing tension in the organism.

Gadson defines the characteristics of crisis as:

1. Imposing the threat to national values and goals
2. Representation of a dramatic, destructive and corrosive change in the normal flow of international affairs
3. Usually involving military quarrel or there is the possibility of this quarrel.
4. Creating the growing lack of confidence about the future flow of international affairs
5. Both risk and opportunity are inherently in a crisis.
6. A short time of a beginning and an end

### **Typology of Crisis**

Every crisis may be unique or to be created

under its own special circumstances but generally crisis can be divided into the following general categories:

1. Natural Crisis: It emerges from the natural disasters such as earthquakes, floods and hurricanes, etc.
2. Social crisis: It is the result of ignoring the social norms, patterns of behavior, customs, conventions, laws and regulations in a society.
3. Economic crisis: It emerges from the imbalance of revenues and expenses and lead to economic disharmonies and problems.
4. Political crisis: It comes from the lack of homogeneity in society in order to protect the public interest, lack of support of the regime and rejection of government orders that consequently, the political and social system change and governments are forced to fall back and replace or repair.
5. Military crisis: It mainly appears in the form of coup namely, the quick and decisive capturing of a state's power by a political power or military group within the existing system. As noted each scholars and theorists consider the typology of crisis from specific perspective and with relying on a particular credit.

### **Various approaches toward the crisis**

#### **Casual and occasional approach in front of the process approach**

1. From the occasional approach perspective (pathological, focused on the beginning, motivation and starting second), crises are surprising condition that form by following an accident or irritating factor. In this condition, a series of interactions occur with more speed that their confluence with each other excessively disturbs the balance of forces and processes in the system and if they are not immediately controlled, they will end to the disaster. So, in this approach, the concept of crisis is monitoring a situation, is unusual, is accidental and occurs due to a shock, is temporal, puts a lot of pressure on involved parties for occurrence of reaction, and finally as a single status, independently makes a decision-making situation or management issue.

2- From the process approach perspective (focused on the end, conclusion and the final outcome), crises are the growing trends or tendencies in conventional condition of social system that violates its fundamental elements and

consolidation and if it continues, sooner or later leads to the essential transformation of the system. Therefore, based on this perspective, the concept of crisis:

Firstly, is overseeing a process or a tendency in the system; Secondly, is in the normal state of the system; thirdly, can continue and cause instability in the system; fourth, can be natural or normal (relevant to the properties of the system) fifth, can be related to the other aspects of system or other crises; sixth, put much more pressure on the direction and general pattern of action and management rather than local or cross actions.

According to Talcott Parsons Approach, all living systems have a tendency to balance in order to persist. Disorder in each of four-fold functions of society creates crisis including adaptation to new conditions, solving social tensions, achieving the goals, and maintaining social cohesion.

### *Organism and functionalist approach to society and its crises*

#### **The origin of crisis' creation**

Some researchers and scientists knew various crises as the result of the modern technology's complexities that the occurrence of critical incidents has been considered the natural matter with increasing use of sophisticated technology by human. There are following three general attitudes in this regard:

1. Crisis occurs due to the complex and numerous relations of the new technology' components and its expansion and makes inevitable the occurrence of events.

2. It searches the reason of the crisis in human factors and making decision's errors and considers human (error) responsible for the crisis's occurrence.

3. It knows crisis as emerging from human factors and technology simultaneously that interact with each other. This perspective more comprehensively acts in investigating and explanation of the crisis. (Joshaghani, 2001: 126, 45)

Some other researchers and scholars have suggested other divisions on the origin of the crisis that there are four perspectives in this area.

- Crisis has internal root and caused by internal problems of each system

- Crisis has external root and has been imposed from outside the system
- Crisis emerges from the interaction of internal and external factors

Also, some experts know the mutual negation between organization and environment as the origin of the crisis and believe that the discrepancy between the expectations of environment from the organization or organization from the environment leads to the emergence of the crisis. (Hayatol Ghayb, pp.81-82)

### *Factors affecting organizational crises*

Several factors are involved in organizational crises that can be controlled if consider them timely. Crisis in organizations is mostly caused by failure of the internal environment and management. In summary, we can say that the crisis is the result of unsuccessful management and an effective management can find the crisis alarms and predict some symptoms beforehand.

Organizational internal factors influencing the crisis can be summed in six groups:

1. The performance mode of the organization's managers
2. Inadequate experience and data collection
3. Values, belief and attitude of management
4. The historical background and experiences of organization
5. The stage of organization's life
6. Predict other characteristics of organization such as the degree of concentration, etc.

### *Classification of crises in terms of abrupt or cumulative*

Some crises are caused suddenly and abruptly and put sudden effects on the internal and external environments of organization. These crises are called Abrupt Crises.

In contrast, there are cumulative crises that begin from some critical issues and strengthen over time and continue until a threshold level and then occur.

### *Characteristics of Abrupt Crises*

1. Appearing rapidly,
2. Having little predictability,
3. Being obvious,
4. Starting with a quick specific event
5. Occurring at a fixed time,
6. Emerging from the lack of compliance of organization with one or a few environmental aspects

### *Characteristics of Cumulative Crises*

1. Emerging gradually and cumulatively,
- 2.

Having more predictability, 3. Without being clear and obvious, 4. Starting from a threshold level, 5. Being more likely to occur over time 6. Achieving from the lack of compliance of organization with several environmental aspects

Classification of crisis from the perspective of “Parsons”

- Immediate crises: these crises have no pre-warning sign and organizations are not also able to investigate them and plan to remove them.

- Crises appear gradually: These crises develop slowly. They can be stopped or limited by organizational measures.

- Continuous crises: these crises last for

weeks, months or even years. Confronting strategies to these crises in different situations depend on temporal pressure, span of control and the massiveness of these events.

Classification of the crisis from the perspective of “Mitraf”:

He uses two spectrums for crises classification. One spectrum specifies the internal or external crises. Namely, the crisis takes place within the organization or outside the organization. The other spectrum indicates the social or technical nature of crisis and divides crises in terms of having technical or economical nature in front of being social or organizational; accordingly, four general conditions can be distinguished:

**Table 1. Classification of crises’ types in four conditions based on the perspective of Mitraf**

(1) Internal technical-economic crises	(2) External technical-economic crises
<ul style="list-style-type: none"> <li>- Reduce the amount of goods and services</li> <li>- Occurrence of industrial defects or accidents in the work environment               <ul style="list-style-type: none"> <li>- Deterioration of subsidies or devices</li> </ul> </li> <li>- Failure in Information Systems Management               <ul style="list-style-type: none"> <li>- Financial Bankruptcy</li> </ul> </li> <li>- Depreciation of technical and informational sources</li> </ul>	<ul style="list-style-type: none"> <li>- National, governmental and international crises               <ul style="list-style-type: none"> <li>- Occurrence of natural disasters</li> </ul> </li> <li>- Massive destruction of the environment               <ul style="list-style-type: none"> <li>- Deterioration of large systems</li> <li>- Bankruptcy of mother organizations</li> </ul> </li> <li>- The emergence of new technologies in the market</li> </ul>
(3) Internal organizational-social crises	(4) Internal organizational-social crises
<ul style="list-style-type: none"> <li>- Failure to adapt or modify</li> <li>- Deliberate destruction of subsidies and station staff               <ul style="list-style-type: none"> <li>- Gossip. Traduce and vulgar jokes in the organization</li> </ul> </li> <li>- Bribery by employees for services and products</li> </ul>	<ul style="list-style-type: none"> <li>- Symbolic generalization</li> <li>- Deliberate destruction of the system by external forces               <ul style="list-style-type: none"> <li>- Gossip and traduce to the organization</li> </ul> </li> <li>- Taking organization’s managers as a hostage and taking bribe of organization by influential environmental factors               <ul style="list-style-type: none"> <li>- Counterfeit products by competitors</li> </ul> </li> <li>- Strike, sanctions, killing to obtain illegal rates</li> </ul>

### *Process of crisis in organizations*

Organizations in the path of evolution change their nature too. Namely, both individuals and entire organization gradually change their identity. In other words, form and content are changing. When content greatly changed, then the form of organization will also change.

Unlike the management of emergency and risky situations that only dealing with natural disasters, crisis management entirely deals with the crisis that have been emerged or happened by humans. (Mitraf, 2002, 4)

An international crisis is a change in the type or an increase in intensity of fragile interactions between two or more states with intensified likelihood of the military conflict that naturally destabilizes their relationship and challenges the structure of an international system. (Bercher, 2003, 24)

The spark of a crisis in foreign policy is a perceptual mode that comes from the link of three thought. These imaginations that are emerged by a hostile agent, an event that provoke a conflict or an environmental change include:

1. Threatening one or more fundamental values  
 2. Limited time for responding  
 3. High probability of involvement in military conflicts

In general, a foreign policy crisis is the results of feeling of the highest-level decision makers based on the existence of pressure or pressures with foreign origin. Such crisis points to the onset of an international crisis... An international crisis occurs when the behavior change of one or more states leads to the more hostile interaction. (Bercher, 2003, 25)

### *Crisis and its stages (crises autopsy)*

Schwartz draws three periods to a crisis:

1. The early stages that in its transition, the first deviation happen through the excitement levels and existed strained relations  
 2. Maximum stage (tipping point) that the strategic, tactical, diplomatic, and economic actions are taken place in its interruption and the most fundamental decisions are obviously made  
 3. The solution and contrivance stage of crisis that in its process a returning to the discipline of relative stability and sustained levels can be achieved.

### *Crisis Management*

1. Crisis management is the prediction, logistics and preparedness to confront and resolve events that have seriously threatened and threaten the survival and viability of the organization.

2. Crisis management is a set consists of the legal authority, organizational structure, physical equipment and facilities, systems and methods, study projects, operational programs and communications and informational systems that in order to achieve maximum preparedness to deal with critical circumstance resulting from occurrence of events and also minimizing the consequences of these events.

3. Crisis management is the management of risk control or the probability to confront the crisis and the damage caused by it.

These definitions and other expressions of crisis management indicate that crisis management is a broad concept that its working scope includes all activities related to the incidents and all performed actions previously (before the event or crisis happening) during or after occurrence of the crisis. (Şarrāf Joshaghani, 2001, 45)

According to "Pearson" and "Claire" crisis management is a systematic effort by organization's members with stakeholders of outside the

organization to prevent the crises or its effective management in occurrence time (McConkey, 1987, 40-45).

1. Crisis management is an action that in many cases is similar to the limited war and does not aim to remove the war completely, but limiting and preventing its repetition or escalation. "McCarthy stated: The main objective of crisis management is to achieve a reasonable solution for the removal of abnormal conditions in a way that interests and core values maintain." (Tajik, 2000, 84). There are two general approaches to the crisis management:

1. Crisis management is a separated alternative from management;

2. Crisis management is an integral aspect of management.

According to the recent approach, crisis management has influenced all issues and is also relevant at all times. It is separated from management. Therefore, it is not separated from management. While, in the first approach, a time is desired in which the normal management situation changes to emergency management situation.

From a scientific point of view, the second approach is more logical, but if a practical framework to be proposed, naturally relates to the particular and defined circumstance. Therefore, a completely particular situation is considered which is separated from the normal situation.

### *The importance of crisis management at the organizational level*

Application of incorrect management in crisis can cause irreparable financial damage as well as leading to the demolition of reputation. (Curtain, 2005, 28)

Crisis management should not be seen as a separate program. In fact, if crisis management not combined with other significant programs, neither crisis management program nor other programs do not achieve to success. (Mitrof, 2002, 24)

### *Prediction of Crisis*

Through the backgrounds, experiences and study of the same units the kind of crisis that may occur can be predicted. So, a spectrum of crisis has been considered. Crises can be clustered namely classifying according to the batch

that occur in the same conditions. Sometimes clustering is based on the same strategy that can be planned for a crisis, be also applicable to others. In clustering phase many cases should be evaluated:

1. What is the cause or factors of the crisis?
2. What are the favorable conditions for the crisis?
3. What incident or events can trigger these crises?
4. What are the consequences of these crises and what threats and opportunities do they create?
5. What relationship does exist between these crises? Or in other words, what are the critical consequences of a crisis? May be a crisis accelerates the other crisis.
6. What are the symptoms of this crisis? Namely, the key variables should be determined for each crisis.
  - What are the key variables?
  - At what stage these variables are indicator of danger?
  - We encounter to what key factors in preparation for dealing with crisis?
  - Which areas are more sensitive?
  - What are the emergencies and urgencies of dealing with the crisis?

The output includes the following cases:

1. What is the portfolio of crisis? Namely, the crisis portfolio should be specified and clustered.
2. Crisis model specifies the relationship between crises. Crisis A and B has three modes: having no correlation with each other. The crisis A is the background of crisis B. Crisis B is the background of crisis A. Crisis model indicates the paths from anywhere. After identifying the critical model, the relative areas of potential crisis is estimated.
3. Table of sensitive areas which specifies each area deals with how many sensitive crisis. Thus, the key and focal areas and sensitivity of areas are determined.
4. Key variables that should be controlled based on this sum to be determined. Therefore, It becomes clear what factors should be considered in the control room.
5. List of key capacity and capability which determines each capacity is important to what crisis. Important capacities for several crises are the key capabilities that must be formed.

### *Readiness*

Three issues are important for readiness:

1. Alert mechanisms: sensors feel the key variables and control them and if excluded, they start a warning.
2. Planning: for each crisis, the management pattern, structure, management team and facilities should be determined. Sensitive areas that should be strengthened and the capabilities that should be created and controlled are determined.
3. Learning: Learning is a fundamental issue in crisis management and relevant to its all stages. Learning means system learns how to deal with any situation in order to be not surprised and adjust oneself with various conditions.

### *The best procedure model*

The following diagram represents the best procedure model for the crisis management. Five types of risks, mechanisms, systems, stakeholders and scenarios are the key elements of the model that should be used before and after a big crisis. (Mitraf, 25)

One of the main goals of this model is that it can be used as a criterion or measure and all organizations can measure their efficiency in the area of crisis management by that (Mitraf, 2002, 26).

### *Types of crisis*

In table 2, different types of crises are categorized. Successful organizations are those that are ready to at least one crisis in each group of crises.

### *Mechanism*

Various mechanisms of crisis management are made to predict, perceive, react, control, learning and re-planning and organizational techniques to manage the great crises. Without the existence of mechanisms of the signs' recognition not only the occurrence probability increases in the organization, but also the possibility of its control decreases. Since, the crisis can rapidly spread, the early recognition of symptoms is critical. Moreover, the man must have a series of effective mechanisms to recognize the crisis. (Mitraf, 2002, 34).

### *Scenarios*

Good scenario is as integrating glue that binds together all the previous elements. A good



scenario of crisis refers to the occurrence of a crisis that is not considered by organization and

also organization does not prepare oneself to deal with it.

**Table 2. The variety and risk of great crises**

1 Natural Disaster	2 Behaviors caused by mental illness	3 Good reputation	4 Human resources	5 Material (loss of plant & equipment)	6 Information	7 Economical
-Labor strikes -Labor disturbances -Labor shortages -Sharp decline in stock prices and price volatility -Market Crash -Major drop in earnings	-Loss of confidential information -False information -Manipulating computer documents -Loss of key information on customers, suppliers, etc	-Loss of factory equipment and material logistics -Disablement in the original equipment of factory -Loss of main manager -The loss of major equipment -Great disturbance in the factory	-Loss of main manager -Violence in the workplace -Increases absenteeism	-Defamation -Rumor -Disgusting jokes -Rumors -Achieving to the corporate philosophy	-Falsify to the product -Hostage taking -Violence in the workplace	Earthquake Fire Flood Explosion Hurricanes

Crisis management process in general is divided into five stages:

Step 1: Receiving and recording the symptoms of the crisis or retrieval of signs including cases such as:

- Establishing the necessary communications for quick investigation of the urgent needs of the areas involved in crisis.

- Immediate notification of the possible risks and declare them to individuals

- Necessary information and communication channels for key information risk

- Integration of information and communication of different areas in crisis management system to minimize the duplications

- The existence of the necessary communication and information to prepare a report on the status of the network, etc

Step 2: Preparation for Crisis Prevention

At this stage, organizations use precision and diligence and all necessary resources for their preparation in prevention of crisis. Preparedness includes different cases such as:

- Selecting the subjective notion of a crisis

management by senior executive manager

- Creating a crisis management group

- Promoting the values and strategies across the organization

- Crisis simulation to create preparedness and planning maneuvers of confronting with the crisis

- The exact definition and determination of functional operation of the system based on the information obtained from previous cases, etc

Step 3: Coping with the crisis and limit the damage scope

Step 4: Reconstruction and improvement of the effects caused by crisis

Step 5: learning experience and continuous learning and learning from crisis include an assessment of the performance of confronting and training programs (crisis management, Journal of method, (83), thirteen years, 43)

Steps and principles of crisis management

Prevention: a set of actions that are done before, during and after the crisis with the aim of preventing the occurrence of the risks or reducing its harmful effects.

**Preparation:** a set of actions that increase the organization's ability to carry out the various stages of crisis management. This stage includes data collection, research, planning, creating management structures, training, providing resources, exercises and maneuver.

**Confronting:** Providing emergency services following the crisis occurrence which aims to save lives, reduce financial losses and prevention of the expansion of damages. Confronting includes search and rescue, health, providing security, transportation, fire suppression, hazardous materials management and informing and warning.

**Reconstruction:** restoring normal conditions in a region affected by the crisis by taking in to account all the attributes of sustainable development and safety regulations.

### *Crisis management planning process*

1. Early Warning Plan System (Preparation Strategy)

A) Questions for analysis of affairs (Using Worksheet)

B) Strategic questions (strengths, weaknesses, opportunities and threats)

2. Forecasting and Scenario writing

a) Predicting the possible ways of the crisis development

b) The scenarios about how possible reactions of lawmakers and media

c) The possible reactions of beneficiaries

d) Investigating the various aspects of the crisis through questions and answers and checking answers;

e) Selecting the alternatives as a solution;

3. Crisis checking group

4. Identifying the beneficiaries of organization and different needs of them and including it in crisis management policy

5. Determining responsibilities exactly

6. Responsible for dealing with different groups

7. Creating a center for crisis control, equipped with telecommunications equipment and a room for news conferences;

8. Determining a speaker

9. Establishing relation with the press

10. Control of information

11. Simulations (Exercises and reconstructs)

12. Finding the topics that make crisis worse;

13. Exploring the various possibilities of the

crisis development;

14. Determining the relationships between officials involved in crisis;

15. Determining the important issues to public opinion;

16. Determining the interests of customers and audiences and including it in crisis management policy

17. Choosing the best way to communicate with people directly;

18. Determining the management team and delegated full authorities;

19. The delimitation of the responsibilities and authorities of the team and professional groups' individuals;

20. Paying full attention to the detail of executive programs;

21. Continuous adjustment of the latest accurate information and important messages and communicate with people;

22. Identification of experts in reducing the crisis and active in overcrowding the responsibilities;

23. Informing all people who are associated with the crisis;

24. Identifying the events that may occur;

25. Preparing themselves for the worst case;

26. Continuous improvement of researches as a serious and important issue

If crisis management to be defined as planning for crisis control, so, four steps should be carried out for planning to crisis control:

a) Predicting the crisis and investigating the vulnerable points of crisis

b) Preparing the contingency plan for crisis

c) The establishment of a crisis management team and workforce training

d) Completing programs through experimental performance

### *Stages of crisis management*

Some say the crisis management is composed of three main steps which are:

1. Crisis management before Crisis

2. During the crisis

3. After the occurrence of crisis

a. Before the occurrence of crisis three key activities should be done:

- The establishment of Crisis Management Team in organization

- Creating a scenario that shows the worst case

- Defining the standard operating procedure for conducting activities before the occurrence of crisis.

b. Three main activities should be done in times of crisis occurring:

- focus on the dissemination of news and information that is in general tendency

- identifying a person as the spokesperson of organization

- Sending messages and reports professionally in the media

c. Two main activities should be done after the occurrence of crisis:

- Identifying the causative factors of crises to use in future

- Communicating with beneficiaries to inform them of the results and effects of the crisis.

#### **Stages of the life cycle of crisis (Robert's view, 1994)**

Pre-event: activities that prevent the occurrence of adverse events such as enhancement of management plan helps to reduce the effects of the crisis potentially.

Emergency situation: when the effects of the crisis can be felt and required actions carry out to protect people and properties.

Mid-term: when the mid-term needs of people meet through the rehabilitation of essential benefits and services. The main objective in this viewpoint is to maintain the public validity of organization with more speed.

The long-term stage: It is the continuation of the previous stage and doing improvement cannot be with previous speed (the reconstruction of destroyed infrastructure, solving environmental problems, dealing with the rights of victims, reinvestment strategies, inquiring about the results of the revised strategy of unfortunate events

## **Conclusion**

Organizational crisis management is as a systematic process that organization tries to identify and predict potential crises through this process. Then, in front of them take preventive actions to minimize their effects. To implement this process, the stage of crisis should be specified to make the accurate decision towards the preventive actions or any appropriate action and implement the right procedures.

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