

CRISIS' and 'Crisis Management'

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ABSTRACT

The crisis is a sudden unexpected event which is nothing but a threat and lead to Unrest to the organization, among people, stockholders and employees seriously interrupt the business and significantly damage the reputation Crisis Management is the process with which organization deals with and resolve the problem. In fact it is designed to lessen and prevent the damage happened during the crisis. Crisis management has 3 phases like pre crisis, crisis response and post crisis. The study of crisis management originated with the large-scale industrial and environmental disasters in the 1980s. the dangerous signals leading to crisis are – decreasing Market share and profitability; failure to plough back the profit into business. Lack of planning, inflexible CEO, Increased dependence on debt and restricted dividend policies etc., There are '10 commandments' in crisis management like- speak with one voice, Resist the urge to discipline too early, Beginnings are as important as endings, every crisis is unique and advance planning is a vital etc., Also in crisis the Leadership is about playing to strengths and addressing weaknesses in the most productive and efficient way possible. And it is the ability to see a problem and be the solution. Crisis management is designed to protect an organization and its stakeholders from threats and/or reduce the impact felt by threats. As Crisis management can be divided into three phases: **(1) -crisis pre-crisis, (2) crisis response, and (3) post**, Effective crisis management handles the threats sequentially. Stealing thunder is a matter of timing involving the disclosure of information about a crisis. It is an effort taken by the company to communicate with the public and stakeholders when an unexpected event occurs that could have a negative impact on the company's reputation. **Crisis Management Plan (CMP)** is a reference tool, not a blueprint. A CMP provides lists of key contact information, reminders of what typically should be done in a crisis, and forms to be used to document the crisis response. Barton (2001) identifies the common members of the **Crisis Team** as public relations, legal, security, operations, finance, and human resources. We should now amend the list of common members to include the social media manager. The Initial Crisis Response Guidelines focus on three points: (1) be quick, (2) be accurate, and (3) be consistent. One of the major yardsticks in crisis communications is meeting public expectations. Some of the main reputational repair strategies are: 1.Attack the accuser 2. Denial 3. Scapegoat 4.Excuse, 5.Provocation 6.Defeasibility 7.Accidental, 8.Good intentions 9.Justification 10.Reminder 11.Integration 12.compensation 13.Apology. etc.,. Best practices in the Post Crisis Phase are- Deliver all information promised to stakeholders, Keep stakeholders updated on the progression of recovery efforts, Analyze the crisis management effort.

A sudden and unexpected event leading to major unrest amongst the individuals at the workplace is called as *organization crisis*. In other words it is defined as any emergency situation which disturbs the employees as well as leads instability in the organization crisis effects individuals, groups, organization and as a whole. It is a sequence of sudden disturbing events harming the organization. It arises on a short notice, it always triggers a feeling of fear and threat among the individuals. **How and why crisis occurs**—Technological failure and Breakdown of machines lead to crisis. Problem of internet, corruption of the software etc., may lead to crisis. Also Crisis exists when employees don't agree with each other and fight amongst themselves. Leading to the result of disputes, strikes on indefinite periods, boycotts etc., Violence, theft, terrorism at workplace results in organization crisis.

Universally accepted dangerous signals which a company should vigilant for-

- Decreasing market share / Decreasing constant rupee sales
- Decreasing profitability
- Increased dependence on debt / Restricted dividend policies
- Failure to plough back the profits into business / Wrong diversification at the expense of the core business.
- Lack of Planning.
- Inflexible CEO / Management succession problems / Unquestioning Board of Directors
- A management team unwilling to learn from competitors

Crisis Management-Meaning, Need, and its features: So, a sudden and Unexpected event leading to major unrest amongst the individuals at the workplace is called as organization crisis. Crisis effects an individuals, group, organization or society on the whole. As a process, crisis management is not just one thing. Crisis management can be divided into three phases: (1) pre-crisis, (2) crisis response, and (3) post-crisis. The pre-crisis phase is concerned with prevention and preparation. The crisis response phase is when management must actually respond to a crisis. The post-crisis phase looks for ways to better prepare for the next crisis and fulfills commitments made during the crisis phase including follow-up information. The study of crisis management originated with the large-scale industrial and environmental disasters in the 1980s It is considered to be the most important process in public relations. Three elements are common to a crisis: (a) A threat to the organization, (b) The element of surprise, and (c) A short decision time. According to 'Venette's argument the "crisis is a process of transformation where the old system can no longer be maintained." Therefore, the fourth defining quality is the need for 'change'. If change is not needed, the event could more accurately be described as a failure or incident.

Crisis is sequence of sudden disturbing events harming the organization.

- Crisis Generally arises on a short notice.
- Crisis triggers a feeling of fear and threat amongst the individuals.

Crisis can arise in an organization due to any of the following reasons:

- Technological Failure and Breakdown of Machines lead to crisis. Problems in Internet, Corruption in the software, errors in passwords all results in crisis.
- Crisis arises when employees do not agree to each other and fight amongst themselves crisis arises as result of boycott, strikes for indefinite periods disputes and so on.
- Violence, theft and terrorism at the workplace result in organization crisis.

- Neglecting Minor issues in the beginning can lead to major crisis and a situation of uncertainty at the work place. The management must have complete control on its employees and should not adopt a casual attitude at work.
- Illegal behaviors such as accepting bribes, frauds, data or information tampering all lead to organization crisis.
- Crisis arises when organization fails to pay its creditors and declares itself a bankrupt organization.

Crisis Management:

The art of dealing with sudden unexpected events which disturbs the employees, Organization as well as external clients refers to crisis Management and the process of handling unexpected and sudden changes in organization culture is called as crisis management.

Need for Crisis Management

- Crisis Management prepares the individuals to face unexpected developments and adverse conditions in the organization with courage and determination.
- Employees adjust well to the sudden changes in the organization.
- Employees can understand and analyse the causes of crisis and cope with in the best possible way.
- Crisis Management helps the managers to devise strategies to come out of uncertain conditions and also decide on the future course of action..
- Crisis management helps the managers to feel the early signs of crisis, warn the employees against the aftermaths and take necessary precautions for the same.

Essential Features of the crisis management:

- Crisis Management includes the activities and process which help the managers as well as employees to analyze and understand events which might lead to crisis and uncertainty in the organization.
- It consists of effective coordination amongst the departments to overcome emergency situations.
- Employees at the time of crisis must communicate effectively with each other and try their level best to overcome tough times. Points to keep in mind during crisis.
- Don't panic or spread rumors around . be patient.
- At the time of crisis the management should be in regular touch with the employees. External clients, stakeholders as well as media.
- Avoid being too rigid. One should adapt well to changes and new situations.

Types of crisis

As Crisis refers to sudden unplanned events which cause major disturbances in the organization and trigger a feeling of fear and threat amongst the employee

A.Natural Crisis:

- Disturbances in the environment and nature lead to natural crisis.
- Such events are generally beyond the control of human beings
- Earth quakes, Tornadoes, Hurricanes, Landslides, Tsunamis, Floods, Drought all natural calamities result in disasters.

B. Technological Crisis:

- Technological crisis arises as a result of failure in technology. Problems in the overall systems lead to technological crisis.
- Breakdown of machine, corrupted software and so on give rise to technological crisis.

C. Confrontation Crisis:

Confrontation crisis arise when employees fight amongst themselves. Individuals do not agree to each other and eventually depend on nonproductive acts like boycotts, strikes for indefinite periods and so on. In such a type of crisis, employees disobey superiors give them ultimatums and force them to accept their demands.

Internal disputes, ineffective communication and lack of coordinating on give rise to confrontation.

Internal disputes, ineffective communication and lack of coordination give rise to confrontation crisis.

✓ **Crisis of Malevolence:**

- Organizations face crisis of malevolence when some notorious employees take the help of criminal activities and extreme steps to fulfill their demands.
- Acts like kidnapping company's officials, false rumors all lead to crisis of malevolence.

✓ **Crisis of Organizational Misdeeds:**

Crises of organizational misdeeds arise when management takes certain decisions knowing the harmful consequences of the same towards the stakeholders and external parties. In such cases, superiors ignore the after effects of strategies and implement the same for quick results.

Crisis of Organizational misdeeds can be further classified into following 3 types:

1.Crisis of skewed management: values arises when management supports short term growth and ignores broader issues.

2.Crisis of Deception: Organization face crisis of deception when management purposely tampers data and information. Also Management makes fake promises and wrong commitments to the customers, communicating wrong information about the organization and products lead to crisis deception.

3. Crisis of Management Misconduct: Organizations face crisis of management misconduct when management indulges in deliberate acts of illegality like accepting bribes, passing on confidential information and so on.

Also the following crises may be mentioned in any organization:

1.Crisis due to workplace violence: such a type of crisis arises when employees are indulged in violent acts such as beating employees, superiors in the office premises itself.

2.Crisis due to Rumors: Spreading false rumors about the organization and brand lead to crisis, employees must not spread anything which would tarnish the image of their organization.

3.Bankruptcy: A crisis also arises when organizations fail to pay its creditors and other parties due to lack of fund leads to crises.

4.Crisis Due to Natural factors: Disturbances in environment and nature such as hurricanes, volcanoes, Storms, flood, droughts, earthquakes etc., result in crisis.

5.Sudden Crisis: As the name suggests, such situations arise all of a sudden on an extremely short notice. Managers do not get warning calls/signals and such a situation is in most cases beyond any one's control.

6.Smoldering Crisis: Neglecting minor issues in the beginning lead to smoldering crisis later. Managers often can foresee crisis but they should not ignore the same and wait for someone else to take action. Warn the employees immediately to avoid such a situation.

Crisis Management Team:

Barton (2001) identifies the common members of the crisis team as public relations, legal, security, operations, finance, and human resources. We should now amend the list of common members to include the social media manager. Social media are used to deliver crisis messages, thus, the social media managers should be part of the crisis team. Organizations are criticized if their social media messages seem to ignore a crisis because there is an inconsistency in the messaging appearing in the different communication channels the organization is using. However, the composition of the crisis team will vary based on the nature of the crisis. This team is essential to identify what actions should be taken. The team should be comprised of individuals who are key to the situation. They should include as a minimum the CEO, the chief of Public Relations, the Vice President, the Senior manager from the division in charge of the area that was involved in the situation that has brought about the crisis, the safety and/or security officer, the organization Lawyer, and anyone else who might be able to shed some light on the situation such as eye witnesses. The job of this team is to come up with a plan of action and decide who the spokesperson should be.

Crisis Management Model:

It is well known Crisis refer to unplanned events which cause harm to the organization and lead to disturbances and major unrest amongst the employees.

Crisis gives rise to a feeling of fear and threat in the individuals who eventually lose interest and trust in the organization.

Gonzalez_ Herrero and Pratt proposed a crisis management model which identified 3 different stages of crisis management:

1.Diagnosis of crisis:

The first stage involves detecting the early indicators of crisis. It is for the leaders and managers to sense the warning signals of a crisis and prepare the employees to face the same with courage and determination. Superiors must review the performance of their subordinates from time to

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time to time know what they are up to. The role of CEO is not just to sit in closed cabins and shout on his subordinates. He must know what is happening around him Monitoring the performance of the employees regularly helps the managers to foresee crisis and warn the employees against the negative consequences of the same. One should not ignore the alarming signals of crisis but take necessary actions to prevent.

2.Planning: Once a crisis is being detected, crisis management team must immediately jump in to action. Ask the employees not to panic. Devise relevant strategies to avoid an emergency situation. Sit and discuss with the related members to come out with a solution which would work best at the time of crisis. It is essential to take quick decisions. One needs to be alert and most importantly patient. Make sure our facts and figures are correct. Don't rely on mere guess works and assumptions. It will cost more at later.

3.Adjusting to changes: Employees must adjust well to new situations and changes for effective functioning of organization in near future. It is important to analyze the cause which led to a crisis at the workplace. Mistakes should not be repeated and new plans and processes must be incorporated in the system.

- **Structural Functions Systems Theory:** according to structural functions systems theory, communication plays a pivotal role in crisis management. Correct flow of information across all hierarchies is essential. Transparency must be maintained at all levels. Management must effectively communicate with employees and provide them the necessary information at the times of crisis. Ignoring people does not help, instead makes situations worse, superiors must be in regular touch with subordinates. Leaders must take charge and ask the employees to give their best.
- **Diffusion of Innovation Theory:** Diffusion of innovation theory proposed by Everett Rogers, supports the sharing of information during emergency situations. As the name suggests during crisis each employee should think out of the box and come out with something innovative to overcome tough times, one should be ready with an alternate plan. Once an employee come up with an innovative idea he must not keep things to himself . Spread the idea amongst all employees and departments effective communication is essential to pass on ideas and information in its desired form.
- **Unequal Human capital theory:** Unequal human capital theory was proposed by James- according to unequal human capital theory, inequality amongst employees leads to crisis at the workplace. Discrimination on the grounds of caste, job profile as well as salary lead to frustrated employees who eventually play with the brand name . spread baseless rumors and earn a bad name for the organization.

Crisis Management Plan:

Crisis refers to sequence of unwanted events leading to major disturbances and uncertainty at the workplace. As Crisis is unexpected event which not only causes harm to the organization but also triggers a feeling of fear and insecurity amongst the individuals. Organization must be prepared well to face inevitable threat and come out of tough times without much difficulty. Individuals must immediately jump into action, the moment crisis is being detected at the workplace.

Individuals need to adopt a step by step approach during critical situation. Planning is essential. Getting Hyper does not solve any problem. Instead makes the situation worse. It is a crime to take impulsive and hasty decisions during crisis. It is essential to think rationally and devise

strategies which would work best during emergency situations. Complaining and cribbing lead you failure.

Also *The crisis Management Plan* refers to a detailed Plan which describes the various actions which need to be taken during critical situations or crisis.

Any Plan prepared by superiors, members of crisis management team and related employees to help organization overcome crisis in the best possible way is called Crisis Management plan.

- The crisis Management plan helps the employees to adopt a focused approach during emergency situations.
- Also it elaborates the actions to be taken by the management as well as the employees to save organization's reputation and standing in the industry. It gives a detailed overview of the roles and responsibilities of employees during the crisis.
- Individuals representing the crisis management team formulate crisis management plan to reduce the after effects of crisis at the workplace.
- Crisis management plan helps the managers and superiors to take quick and relevant actions as per the situations.

- Crisis management plan protects an organization from inevitable threats and also makes its future secure. Such plans reduce instability and uncertainty amongst the employees and help them concentrate on their work.

Characteristics of Crisis Management Plan:

1. Crisis management Plan should be made in the presence of all executives. Every member of the crisis Management team should have a say in the Plan. It is important for each one to give his/her valuable inputs and suggestions.
2. Crisis Management plan should take into account all identified problem areas and suggest a possible solution for all of them to help the organization come out of crisis as soon as possible.
3. Make Sure the plans are realistic and solve the purpose of saving organization's reputation and name.

How to Make a Crisis Management Plan:

- Identify the Problem areas and various factors which led to crisis at the workplace.
- Discuss issues and areas of concern amongst yourselves on an open form for every one to share their opinion.
- Make sure you have accurate information. Don't depend on guess works and assumptions. Double check your information before submitting the final plan.
- Crisis Management plan should not only focus on ways to overcome crisis but also on making the process foolproof to avoid emergency situations in future.

Crisis Communication-Meaning- Necessity of its existence and Process:

Crisis refers to sequence of unwanted events at the workplace lead to disturbances and major unrest amongst the individuals. Crisis generally arises on a short notice and triggers a feeling of threat and fear in the employees. In simpler words crisis leads to un certainty and causes major harm to the organization and its employees. It is essential for the employees to sense the early signs of crisis and warn the employees against the negative consequences of the same. Crisis not

only affects the smooth functioning of the organization but also pose a threat to its brand name. Crisis Communication refers to a special wing which deals with the reputation of the individuals as well as the organization. Crisis communication is an initiative which aims a protecting the reputation of the organization and maintaining its public image. Various factors such as criminal attacks, government investigations, media enquiry can tarnish of an organization. Crisis communication specialists fight against several challenges which tend to harm the reputation and image of the organization.

Need for Crisis Communication:

Crisis can have a negative effect on brand image. Crisis communication experts are employed to save an organization's reputation against various threats and unwanted challenges. Brand identity is one of the most valuable assets of an organization. The main purpose of Crisis communication team is to protect the brand identity and maintain the organization's firm standing within the industry. Crisis communication specialists strive hard to overcome tough situations and help the organization come out of difficult situation in the best possible and quickest way.

Crisis Communication Process:

- Employees should not ignore any of the external parties and important clients come out, meet them and discuss the problem with them. There is nothing to be ashamed of . If needed seek

their help. Media must not be ignored. Answer their questions. Avoiding media makes situation all the more worse.

- Don't criticize individuals- show a feeling of care and concern for them. Share their feelings and encourage them not to lose hope. Encourage them to deliver their level best. Put yourself in their place respect them and avoid playing blame games.
- Effective communication must be encouraged at the workplace during emergency situations. Employees should have an easy access to superior's cabins to discuss critical issues with them and reach to a mutually acceptable solutions.
- Information must flow across all departments in its desired form. One should not rely on mere guess works or assumptions during crisis. Make sure the information you have is accurate.
- Crisis communication specialists must learn to take quick decisions. One needs to respond quickly and effectively during unstable situation. Think out of the box and devise alternate plans for the smooth functioning of organization.
- Make sure information is kept confidential serious action must be taken against employees sharing information and data with external parties. Such things are considered highly unprofessional and unethical and spoil the reputation of the organization.
- Superiors must evaluate performance of employees on a regular basis. Ask for feedbacks and reports to know what they are up to Conduct surprise audits to track performance of employees.
- Organizations hire crisis communication specialists to overcome tough times as well as to maintain their reputation and position in the market.

Decision Making in the process of Crisis Management Process:

Gaining control of a crisis is difficult. Reputation, Property and lives hang in the balance. With limits on severe limits, effective decision making, perhaps more than any other skills is critical

to successful incident command. Effective and successful decisions can protect the organization and unsuccessful one damage them. Therefore, the management decision making process is the most critical process in any organizations response.

Important steps in Decision Making process in crisis:

1. **Identification of the purpose of Decision**—Here the problem is to be analysed thoroughly
2. **Gathering the relevant Information**—In the process of solving the problem we should gather much information related to the factors and stakeholders involved in the problem.
3. **Principles for judging the alternatives:** baseline criteria for judging the alternatives should be setup.
4. **Brainstorm and analyse the different choices:** Brainstorming the to list down all the ideas is best option. Before the idea generation step, it is vital to understand the causes of the problem and prioritization of the causes.
5. **Evaluation of the Alternatives:** Use your Judgment principles and decision making criteria to evaluate each alternative.
6. **Selecting the Best alternative:** once we follow from above step1 to step5 this step will be very easy. In addition, the selection of best alternative is an informed decision since you already followed a methodology to derive and select the best alternative.
7. **Execute the Decision:** Convert the decision in to a plan or sequence of activities. Execute your plan by yourself or with the help of subordinates.
8. **Evaluate the results:** Evaluate the outcome of your decision. Observe whether there is any thing you should learn and correct in future decision making.

Ethics in Crisis Management

Ethics is a set of moral rules or standards that govern a particular society. It is a principle outside the human person. Ethics is the result of the evolution of society and the emergence of civilized communities. Business ethics is pretty much the same. In short, business ethics is not as resolute when compared to, let us say, profit goals. It is also safe to assume, that more often than not, business ethics do not precede organizational functions and procedures, and that it is actually the other way around.

Integrity in Crisis Management

Whereas ethics is governed by the society in general, integrity, on the other hand, emanates from individuals. It is a person's set of moral codes that doesn't rely on, or get affected by, externalities. In business or organizational settings, integrity is manifested when individuals, teams, or the organization as a whole, take a stand on a particular issue. For instance, in crisis management, in relation to extreme profit drop, a leader can either opt to lay-off or keep everyone on board. If his or her sense of integrity values workforce, then he or she will most likely choose reformation without reduction. Integrity in business is also directly related to professionalism. It is a principle built on trust, confidence, and competence between colleagues, superiors and subordinates, and businesses. Furthermore, business integrity aims to make the trade as beneficial as possible to all stakeholders.

TEN COMMANDMENTS OF CRISIS MANAGEMENT that can be implemented effectively to smoothen the Financial other operational services of the firm.

1. Heed the Boys Scouts' Motto: be prepared.:Two levels of preparation are necessary to successfully weather a crisis. The first might best be described as crisis prevention. This involves among other things a general review of the adequacy of the firm's compliance and information and control systems. When they function effectively, these systems should reduce the occurrence of unplanned disasters and facilitate the mitigation of the effects of those that cannot be prevented. The second level of preparation involves being ready to effectively deal with a crisis when it arises. In today's business environment a crisis-particularly for securities and financial firms may seem almost inevitable.

2. As Every crisis is Unique, Advance planning has vital role: All crisis are unique and inevitably raise complex and often unforeseen issues. Thus there is no single template for a crisis response that will assure that injury will be avoided or minimized. Custom tailoring, not off the rack efficiency, is the best prescription. However, there are certain similarities and predictable patterns in the way most crises unfold. The first step is establish core crisis teams for each foreseeable type of crisis. The team should include corporate leadership and high level representatives from operations and technology, the finance department, media relations, investor relations, the risk and compliance function, and the legal department. Project specific specialists, such as accountants, should also be included.

3. Beginnings are as important as endings: The outset of a crisis is when proper preparation pays off . Once a crisis actually occurs, the pertinent crisis team can be assembled immediately without losing valuable time. It is critical to quickly get at the facts and find out as much as possible about the situation. Most often the lawyers will oversee the factual investigation.

4. Speak with one Voice: Planning ahead for how communications will be handled in the event of a crisis is critical. While numerous constituencies will want to be kept informed during a crisis (e.g. employees, shareholders, trading counterparties, customers, government prosecutors and regulators and the public) every effort should be made to speak with one voice and to avoid communicating mixed or inconsistent messages. Firms should assess what issues will be of interest to each constituency and craft responses that will reasonably satisfy them that the crisis is being managed properly and that their interest are being protected. The firm should speak with a single trained voice via a pre-designated spokesperson or control group authorized to deliver the public message. The firm may want to consider involving public relations professionals early on to set the right tone.

5. Stop any bad practices as soon as possible: Any illegal activities should be stopped as soon as the firm learns about them. It is important to promptly address whatever problem seems to be precipitating the crisis.
6. Be careful of the “First Date” : Maintaining credibility with regulators and prosecutors is critical. The firm's relationship with regulators does not begin with the onset of a crisis.

Long term investment in a reputation for integrity and compliance can provide a reservoir of good will that may help at a critical time.

7. you may be able to protect the attorney –client privilege, but you still have to share the key facts. The principles now state that credit for cooperation will not depend on whether a corporation has waived attorney client privilege or work product protection. or produced materials covered by attorney client or work product protections. But rather, will depend on the disclosure of pertinent facts. Corporations that timely disclose relevant facts to the government may receive credit for cooperation regardless of whether they waive privilege in the process.

8. Not every stone needs to be turned over.: Internal investigations should be designed to uncover the facts relevant to the crisis. Management must know the cause and effects in order to implement appropriate preventative steps. Despite the need to know the relevant facts. Not every stone must necessarily be overturned. The nature of the investigation and decision about who should conduct and oversee it are highly fact-specific. Good management practices suggest that the limits of the investigation should be carefully set and reset, if necessary..

9. Resist the urge to discipline too early:- Firm should tread carefully when determining whether and when to take action against employees involved in a crisis. While they may feel pressure from the press the public, congress and /or the board to move quickly to punish those viewed as responsible. Companies should resist the impulse to discipline reflexively. Fairness to employees and officers requires caution here, and frequently coincides with the firm's best interest. Discipline is often more wisely one of the last steps in an investigation rather than the first in order to ensure that firms do not act prematurely, without full information. Strong discipline may alienate other employees who possess important information. Employee cooperation will be much more difficult to obtain after disciplinary action is taken.

10. When the smoke clears, learn from the experience.

Once the crisis has abated, the firm will often need to take steps repair its reputation with regulators and others. And to restore employee morale. It is also the time to learn from the crisis. The firm's information reporting and control and compliance structures will have been tested and perhaps shown to be wanting. Therefore, it is prudent for management to review these systems to prevent future problems and to assure the board that such a review is being undertaken. Periodic risk assessment and reassessment are also critical. The firm must have a strong well informed group of the financial, reputational and legal risks in its various lines of regulated businesses and should ensure that a workable early warning system is established. As the business changes, these risk assessments must be refreshed.

As it was narrated by our great Hon'ble Ex- prime minister, Pandit Jawaharlal Nehru - The real leader of Action in a Crisis almost always acts subconsciously and thinks of the reason for his action. In this context, Instead, Organizations should focus on developing leadership skills and top communicators should identify who are the most effective individuals to lead during a crisis and enlist them in an organization's planning and ongoing crisis management efforts. The Crisis Leadership Model suggests that crisis leadership involves a combination of 4 external factors like 'information gathering, External

conscience, Preparation, and Experience and a wide array of personal and leadership attributes, built on a foundation of communications reinforced by

'Authenticity' and 'Influence' Conventional wisdom regarding crisis management leads managers to believe that a crisis plan and monitoring industry events can provide the proactive planning needed to avoid false first steps in responding to an industry event

Conclusion:

- As a sudden and Unexpected event leading to major unrest amongst the individuals at the workplace is called as organization crisis. Also Technological failure and Breakdown of machines lead to crisis. Problem of internet, corruption of the software etc., may lead to crisis. So crisis is vulnerable in any organization. Crisis effects an individuals, group, organization or society on the whole. As a process, crisis management is not just one thing. Crisis management can be divided into three phases: (1) pre-crisis, (2) crisis response, and (3) post-crisis. The pre-crisis phase is concerned with prevention and preparation. The crisis response phase is when management must actually respond to a crisis. The post-crisis phase looks for ways to better prepare for the next crisis and fulfills commitments made during the crisis phase including follow-up information. Crisis Management prepares the individuals to face unexpected developments and adverse conditions in the organization with courage and determination. Crisis management is very much vital and essential in any organization as Employees adjust well to the sudden changes in the organization. And can understand and analyse the causes of crisis and cope with in the best possible way. So, Crisis Management helps the managers to devise strategies to come out of uncertain conditions and also decide on the future course of action. Crisis management helps to the managers to know the signs of crisis, also it warns the employees to take necessary precautions for the same.

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