



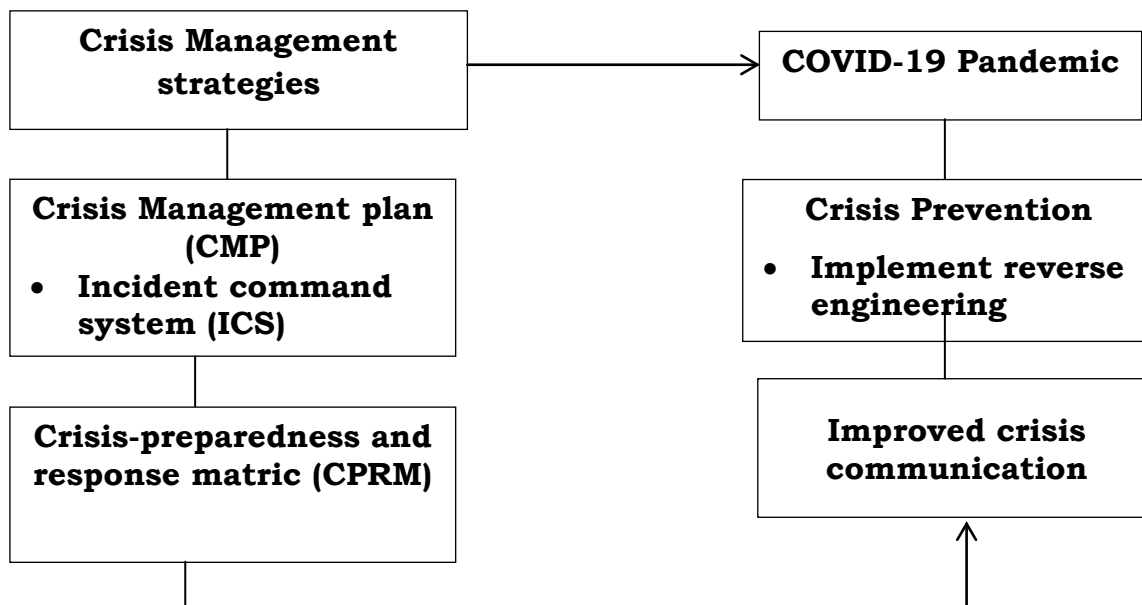




suit pandemic-led wicked problems in particular, the imperative would be more crucial if a threat occurs to the core values of social system and life-sustaining functions or if urgent remedies are required under conditions of severe social uncertainty. International organizations and national government should develop capacities for pandemic-led crisis response and management for the imperative.

However, inexperience and thereby poor response capacity led to the inability to timely provide guidelines in the event of the pandemic crisis. The absence of relevant practical knowledge about pandemic raises the level of ignorance and uncertainty. However, the outbreak of the coronavirus pandemic has forced most organizations to close down and most employees have lost their job respectively due to negative impact of the Covid-19 virus. While the pandemic crisis itself has produced diverse issues and problems ranging from social, economic, and cultural aspects) the recognition of inability and ignorance is a new issue and allows for setting an agenda regarding preparation for future events.

### 1.3 CONCEPTUAL FRAMEWORK



*Source: Research Desk, 2021.*

*Conceptual framework showing the relationship between crisis management strategies and the impact of Covid-19 in organizations.*

## 2.0 LITERATURE REVIEW

Crisis management is the process by which an organization deals with a disruptive and unexpected event that threatens to harm the organization or its stakeholders. The study of crisis management originated with 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) threat to the organization (b) the event of surprise, and (c) a short decision time.

Venette argues that “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 achieved, the event could more accurately be described as a failure or incident.

In contrast to risk management, which involves assessing potential threats and finding the best way to avoid those threats, crisis management involves dealing with threats before, during, and after they have occurred. It is a discipline within the broader context of management consisting of skills and techniques required to identify, assess, understand, and cope with serious situation, especially from the moment it first occurs to the point that recovery procedures start. Crisis management is a situation based management system that includes clear roles and responsibilities and process related or organizational requirements company wide.

These responses shall include action in the following areas; crisis prevention, crisis assessment, crisis handling and crisis termination. The aim of crisis management is to be well prepared for crisis, ensure a rapid and adequate response to the crisis, maintaining clear lines of reporting and communication, the event of crisis and agreeing rules for crisis termination. The techniques of crisis management include a number of consequent steps from the understanding of the influence of the crisis on the corporation to preventing, alleviating and overcoming the different types of crisis. Crisis management consists of different aspects including:

- Methods used to respond to both the reality and perception of crisis.
- Establishing metrics to define what scenarios constitute a crisis and should consequently trigger the necessary response mechanisms.
- Communication that occurs within the response phase of emergency management scenarios.

Crisis management methods of a business or an organization are called a crisis-management plan. A British Standard BS11200-2014 provides a useful foundation for understanding terminology and frameworks relating to crisis.

Crisis management is occasionally referred to as incident management, although several industry specialists such as Peter Power argue that the term “crisis management” is more accurate.

A crises mindset requires the ability to think of the worst-case scenario while simultaneously suggesting numerous solutions. Trial and error is an accepted discipline, as the first line of defense might not work. It is necessary to maintain a list of contingency plans and to be always on alert. Organizations and individuals should always be prepared with a rapid response plan to emergencies which would require analysis, drills and exercises. The credibility and reputation of organizations is heavily influenced by the perception of their responses during crisis situations.

The organization and communication involved in responding to a crisis in a timely fashion makes for a challenge in businesses. There must be open and consistent communication throughout the hierarchy to contribute to a successful crisis-communication process.

The related terms emergency management and business continuity management focus respectively on the prompt but short lived ‘first aid’ type of response (e.g. putting the fire out) and the longer-term recovery and restoration phases (e.g. moving operations to another site). Crisis is also a facet of risk management, although it is probably untrue to say that crisis

management represents a failure of risk management, since it will never be possible to totally mitigate the chances of catastrophes' occurring.

## **2.1 THEORITICAL FRAMEWORK**

### **BASE LINE THEORIES IN SUPPORT OF CRISIS MANAGEMENT**

#### **2.2 Structural Functional System Theory**

Providing information to an organization in a time of crisis is critical to effective crisis management. Structural-functional system theory addresses the intricacies of information networks and levels of command making up organizational communication. The structural-functional theory identifies information flow in organization as “network” made up of member. Information in organization flows in patterns called network.

#### **2.3 Diffusion of Innovation Theory**

Another theory that can be applied to the sharing of information is diffusion of innovation theory developed by Evereth Rogers, the theory describes how innovation is disseminated and communicated through certain channels over a period of time.

Diffusion of innovation in communication occurs when an individual communicates a new idea to one or several others. As its most elementary form, the process involves (1) An innovation (2) an individual or other unit of adoption that has knowledge of or experience with using the innovation (3) another individual or other unit that does not yet have knowledge of the innovation and (4) a communication channel connecting the two units. A communication channel is the means by which messages get from one individual to another.

#### **2.4 CONCEPT OF CRISIS MANAGEMENT STRATEGY**

Crisis management strategy (CMS) is a corporate development strategy designed primarily to prevent crisis for follow-up company advancement. Thus, CMS is synthesis of strategic management. It includes projection of the future based on ongoing monitoring of business

internal and external environment, as well as selection and implementation of crisis prevention strategy and operating management. This is including current status control based on ongoing monitoring of the internal and external environment, as well as crisis-coping strategy selection and implementation. Crisis management strategies are the foundation of crisis responses planning for organization. We've compiled step-by-step instructions on how to build a strategy, including free templates and tips from experts.

## **2.5 Definition of Crisis Management Strategies**

A crisis management strategy is the collective framework of decisions and choices that an organization makes to respond to a crisis (or the perception of one). The goal of your strategy is to position your organization to withstand a crisis. There is some confusion about the differences between crisis management strategies and crisis management plans, theories, policies, or tactics. Strategies are high level and represent the broad vision of your approach, while tactics and plans are operational and action oriented.

Your organizational strategy, values, vision, and mission shape your crisis strategy. Defining your strategy should precede any other step in crisis management planning, as the strategy lays the foundation for your further planning. Because your crisis strategy must adapt to fit a range of unknown future scenarios, a strong strategy enables you to be flexible and agile in a crisis. Once you determine your strategy, identify the capacities and systems that need to be in place to support your strategy.

The crisis management team, sometimes supported by other departments or external specialists, performs detailed crisis planning. An organization's senior executives and CEO are typically responsible for the crisis strategy and management of strategic priorities in a crisis. For a complete guide to crisis management plans, see "Step-by-Step Guide to Writing a Crisis Management Plan". Because public and media relations are the most visible aspects of crisis



responses, many people think a PR strategy is the cornerstone of a crisis strategy. That perception is far from reality. Strategic goals also include managing the impact on an organization's finances; protecting important relationships, such as those with investors, customers, and regulators, and safeguarding an organization reputation and public image.

If your company handles a crisis well, you should emerge with organizational stability, revenues at pre-crisis levels, and customer trust intact. Crisis strategy is just one dimension of crisis management. For an overview of crisis management, see "The Essential Guide to Crisis Management".

## **2.6 Significance of Crisis Management Strategies**

Without a crisis management strategy, business organizations are more likely to make mistakes that result in financial loss or lasting damage to your reputation and key relationships. Moreover, in the absence of a crisis strategy, your larger organizational strategy is at risk.

Acting strategically requires discipline and objective analysis. For example, business organization cannot plan for every potential emergency-doing so would be prohibitively expensive. Instead, choose and prepare for only the most likely scenarios.

Strategic crisis management requires business organizations to analyze both internal and external threats and vulnerabilities, define a strategy, execute this strategy, and update the strategy as conditions evolve. Maintaining open communication and nurturing important relationships are key dimensions of crisis management strategies. The consequences of not having a crisis management strategy include the potential for bad decisions, incorrect or inconsistent communication, and a longer-than-necessary recovery.

While full recovery is always the goal of crisis management strategies, organizations should also incorporate some survival strategies. These are ways to keep your organization alive in the face of a hostile environment or an existential threat, and often include cost cutting, layoffs, and

access to emergency credit. Creative thinking is a essential ingredient in crafting survival strategies.

## **2.7 How to Build a Crisis Strategy**

Your senior management team should take charge of building a crisis strategy, and the first step is to review your organization's mission and assess the firm's weaknesses. Then, establish the items you want to protect in a crisis and those that you consider expendable. Following are the six steps to create a crisis management strategy and address an actual crisis:

### **1. Check Core Values and Gather Information**

Review your mission and vision, and make sure those values guide your strategy.

Dave Thompson, Crisis Communication Expert and Media Trainer at C3 Collective, says staying true to your culture is paramount. When an organization is defining its crisis management strategy, "it should change neither its original mission, nor its vision or values," he explains.

Business firms should also do a high-level assessment of their organizational vulnerabilities. Use this crisis vulnerability matrix to rank potential crises by probability of occurrence and severity of impact. The results will rank crisis types, providing their team with priorities for its planning effort.

**2. Set Goals:** While organizations cannot predict the types of crises you may face, it's important that organization agree on the most important, high-level outcomes, such as maintaining delays in customer orders, or maintaining their cash flow.

Focus on a few objectives, and avoid the temptation to set zero impact as your goal-that's just unrealistic. In addition, decide which of their normal business priorities organizations can set aside during a crisis. Identify the areas from which organizations can divert staff resources and money to support the crisis response.

3. **Take Strategic Actions:** Organization previously identified gaps or weaknesses in their business that you need to address in order to support their crisis management strategy. Now, do the work necessary to address such weaknesses. For example, increase your emergency cash reserve, create a climate of open communication, build a new factory that is earthquake resistant, or establish relationships with backup suppliers. It's particularly crucial to make sure that your finances, stakeholder relationships, and organizational reputation are in good shape before a crisis strikes.

4. **Make Sure the Right People Handle the Sensitive Priorities During a Crisis:**

The CEO and senior leaders of enterprises and large organizations are typically not involved in running the operational response to a crisis. Instead, the following sensitive strategic priorities are typically the executive management team's responsibility.

- Make sure the organization is acting ethically and compassionately.
- Monitor and analyze developments for high-level implications.
- Limit financial damage and generate extraordinary cash needs.
- Clear any high-level obstacles that the crisis team faces, such as a need for more resources.
- Protect the organization's reputation
- Evaluate contingency plans.
- Provide leadership when you set a course of action.
- Communicate with key stakeholders (including the media, if appropriate).

"Even though their organization is in crisis, it is not about organization," Thompson reminds CEOs. "It's about the victims of the crisis, their organization's stakeholders, and their employees. If organizations take care of them, then you will be taking care of the organization."

If business firm forget them and think only of the organization and its executives, organization could lose it all”.

### **3.0 DIMENSIONS OF CRISIS MANAGEMENT STRATEGY**

#### **3.1 Crisis Preparedness and Response Matrix**

The crisis preparedness and response assessment gives you the information you need to formulate and prepare on appropriate response. Crisis management comprises of various phases: preparedness before crisis and capacity to effectively anticipate, respond and recover form the crisis:

- **Risk assessment:** Constitutes the fundamental first step in preparedness: preparing for crisis requires identifying and analysis major threats, hazards and related vulnerabilities.
- **Early Warning Systems:** Based on the detection of these threats serve to actuate pre-defined emergency or contingency plan.
- Stock piling, maintaining equipment and supplies, training and exercising emergency response forces and related co-ordination mechanism through regular drills all contribute towards preparedness.
- Appropriate institutional structures, clear mandates supported by comprehensive policies and legislation and the allocation of resources for all these capacities through regular budgets are also instrumental for thorough preparedness to crisis.

Once a crisis actually materializes, the response phase begins:

- Detection of a crisis may come out through various sources (e.g. monitoring network and early warning systems, public authorities, citizens, media, private sector, etc). It may build up over time or happen suddenly.

- Monitoring the development of a crisis and maintaining situational awareness in other to sense or its characteristics and to ascertain the operational picture requires an appropriate intelligent organization.
- The permits the selection of appropriate contingency plan and actuation of appropriate emergency response network.
- Response efforts needs to be co-ordinated, monitored and adapted as the crisis develops through the tactical and strategic oversights of crisis cells at the appropriate levels.
- Standard operating procedures (SOPs) should governed operations and co-ordination and should include information sharing and communication protocols as well as scaling up mechanism to mobilize additional emergency response plan.

However, preparing for crisis in the new landscape requires adapting approaches that enable preparation for response to the unknown.

### **3.2 Incident Command System (ICS)**

The Incident Command System (ICS) is a standardized on-site management system designed to enable effective, efficient incident management by integrating a combination of facilities, equipment, personnel, procedures, and communications operating within a common organizational structure. The ICS is used to manage an incident or a non-emergency event, and can be used equally well for both small and large situations.

### **3.3 Crisis Management Plan (CMP)**

Every business needs a crisis management plan to prepare for an emergency. We offer the most useful, detailed step-by-step directions on how to create a crisis management plan, including free templates and expert advice.

### **3.4 Definition of Crisis Management Plan**

A crisis management plan (CMP) describes how every business will react to a crisis, including who will be involved and what they will do. The plan strives to minimize harm and restore operations as soon as possible. Crises come in many forms, but generally they threaten your organization's operations, reputation, finances, or strategic objectives. Some crises jeopardize lives, health, and safety. The crisis management plan is a key piece of crisis management. To read more about crisis management please visit our "The Essential Guide to Crisis Management" article.

### **3.5 Significance of a Crisis Management Plan**

Having a crisis management plan is critical because, without one, people under stress may make poor decisions and may unintentionally extend or worsen a crisis. Taking swift, constructive action may be the key to your organization's survival. In the wake of a crisis, a plan keeps employees focused on an organization's top priorities and combats fear and uncertainty that can compound the damage. Moreover, the exercise of creating a plan helps organizations to identify threats, minimize their likelihood, and improve the response.

A strong crisis management plan is also essential because emergencies and disasters are more common than many people realize. In 2019, consulting company PwC interviewed more than 2,000 senior executives around the world and found that 69 percent had experienced at least one corporate crisis in the last five years; in fact, these executives experienced an average of three crises during that same time period.

These crises fell into almost 20-different categories, the most common being a financial or liquidity-related crisis, a technology failure, and an operations failure. Cybercrime, natural disasters, vital social media, and leadership misconduct also featured prominently on the list.

Planning helps company contain and mitigate the negative effects of a crisis, which can include damage to reputation, loss of operations, and legal or regulatory trouble. A crisis can even close

down a company. A quintessential example of a corporate crisis is the case of the Enron Corporation, which collapsed in the early 2000s over a scandal that started with falsified accounting.

### **3.6 Purpose of a Crisis Management Plan**

A crisis management plan prepares an organization to cope with an unexpected calamity in the following ways: it shortens and lessens the impact of a crisis; it protects employees and anyone else affected, it preserves operations and productivity as much as possible; and it safeguards a company's reputation.

Crisis planning seeks to make your company more resilient and more capable of weathering the long-term effects of a crisis. The PwC study cited above found that organizations that had a crisis response plan in place fared better (after a crisis) by a margin of nearly two to one. In fact, 41 percent of those companies with plans emerged stronger than before, and 39 percent saw their revenue grow as a result.

The CEO and other senior executives at an organization are largely responsible for making sure a crisis management strategy exists. However, crisis management planning is the responsibility of the crisis management leader and their team, along with support from the business continuity, risk management, legal, and other specialized departments.

### **4.0 CONCEPT OF COVID 19 PANDEMIC**

The coronavirus disease (Covid-19) is a communicable respiratory disease caused by a new strain of coronavirus that causes illness in humans. Scientist are still learning about the disease, and think that the virus began in animals. At some point, one or more humans acquired infection from an animal, and those infected humans began transmitting the infection to other humans.

The disease (Covid-19) spreads from person to person through infected air droplets that are projected during sneezing or coughing. It can also be transmitted when humans have contact

with hands or surfaces that contain the virus and touching their eyes, nose or mouth with contaminated hands, Covid-19 was first reported in Wuhan China, but it has now spread throughout the world.

#### **4.1 MEASURES OF COVID-19**

##### **4.2 Crisis Prevention**

The best crisis management strategy is prevention. A lot of crisis management involves preparing to react to an emergency or a disaster, but staying oriented towards prevention keep a nation or an organization out of a reactive mode.

##### **4.3 Improved Crisis Communication**

Crisis Communication is a sub-specialty of the public relations profession that is designed to protect and defend an individual, company, or organization facing a public challenge to its reputation. Crisis communication is aimed at raising awareness of a specific type of threat, the magnitude, outcomes, and specific behaviors to adopt to reduce the threat. The communication scholar Timothy Coombs defines crisis as “the perception of an unpredictable event that threatens important expectancies of stakeholders and seriously impact an organization’s performance and generate negative outcomes and crisis communication as “the collection, processing, and dissemination of information required to address a crisis situation. Break down communication silos in the organization, communication failures in time of pandemic can compound problems, leading to major crisis. Analyses of crisis at Nokia, Enron British petroleum, and other companies traced the root cause or aggravating factor to the poor flow of information. A Hayward business review article recommends promoting a culture of open dialogue, aligning your communication with your organizational strategy, engaging your staff in communication process and actively working to get executives and managers closer to employees. This has always been an important cornerstone of crisis management.



- **Implement Reverse Engineering**

Implement reverse engineering is also a complement of prevention in tackling crisis, however this has to do with examine in depth, the most devastating and common crises to hit organization in your sector, and draw lessons from them. Work backward to see what changes you need to implement in order to prevent or lessen a similar crisis.

## **5.0 CONCLUSION**

Today, organizations operate in a more volatile risk environment than ever before. Preventing all threats from materializing is simply impossible. As such, organizations need to be prepared for unexpected events, ranging from cyber security incidents, data breaches, mismanagement and financial misconduct to natural disasters.

Coronavirus (COVID-19) pandemic is requiring all levels of government to act in a context of great uncertainty and under heavy economic, fiscal and social pressure. With the onset of new waves of infection in many countries since mid-2020 and the emergence of variants, governments are confronted to the limited ability to sequence policy action. National, regional, and local governments find out they cannot count on following a straight or linear course of policy action to manage and recover from the crisis. Instead, governments must act on all fronts simultaneously and in synchrony. This need for flexibility and adaptability is leading governments to reconsider their multi-level governance systems and reassess their regional development priorities.

Vaccinating the global population against COVID-19 is the only long-term strategy to contain the coronavirus crisis (WHO, 2021). Vaccination campaigns began in December 2020 and were amplified in the first quarter of 2021. 12% of the population in OECD countries had been partially vaccinated and 15.8% fully vaccinated, compared to 2.5% and 1.6% in developing countries. Around the world, 4.2% and 4.1% of the population had been partially or fully vaccinated respectively.

The Covid-19 pandemic is a global societal shock which is unique to our lifetime. Many organizations have been under pressure to respond to the crisis, even those with established business continuity capabilities. We understand that some organizations have moved immediately to response mode, without adequately activating crisis management capabilities through a formalized crisis command centre and crisis response plan. The greatest damage to an organization often lies in unsuccessful management of the situation, rather than in the effect of the incident or crisis itself. A structured approach is essential in ensuring adequate governance, crisis response resources and enablers should be established, and the crisis management team should always be informed by complete and accurate data and insights in emergence of crisis situation in organization.

Nowadays, crisis management is a fundamental part of strategic management. Before pursuing any kind of long-term goals, crisis management is necessary for the guarantee of stability and continuous success in an organization. The effective and efficient survival of organization is typically considered as a strategic goal for its beneficiary parts in the path of creating short- and long-term interests. From this perspective, the methods which organization considers for confronting disasters and its survival guarantee can include a part of crisis strategy. Nowadays, by utilizing the findings of crisis management and its combination with the achievements of strategic management, managers attempt to prevent unpredictable dangerous waves. Crisis management is considered as a scientific major, generally in the area of strategic management and it is a process for the prevention of crisis or minimizing its effects at the time of a crisis occurrence and for accomplishing the process, the worst conditions should be planned and then methods should be searched for managing and solving them. Basically, the organizations which are the subjects of crisis need more preparedness (Behnamiri, 2012).

## **6.0 RECOMMENDATION**

Based on findings from theoretical and empirical review of crisis management strategies and Covid-19 crisis, the following recommendations were made;

1. Organizational leaders should adopt crisis preparedness and response matrix techniques in tackling the current Covid-19 pandemic issues affecting various organizations.
2. Managers should initiate and implement proper crisis management plan system in managing the current pandemic situation, affecting the organizational stability.
3. The management of organizations should initiate workers optimization program, (a voluntary resignation option with fully paid salary benefits) instead of compulsory layoff of workers.
4. The management of organization should carryout health awareness campaign internal and external in respond to Covid-19 pandemic.
5. Furthermore, managers should adopt and encourage remote job (work from home) in the organization were it is necessary.
6. Organizational leaders should ensure compulsory adherence to Covid-19 rules and protocols such as proper use of face mask, social distancing, making use of hand sanitizer and keeping the environment clean. Lastly, vaccinating the global population against COVID-19 is the only short and long-term strategy to contain the coronavirus crisis (WHO, 2021).