Theoretical Substation of the Model for Crisis Management in Organization

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In order to be able to strategically manage the crisis within business environment, it is essential to talk about the process of crisis planning, as well as strategy management within an organization. To achieve that an adequate training of staff is necessary, in addition to that the analysis of the situation and search for alternative solutions are required. To be able to properly get prepared for a crisis planning and strategy management process, both scholarly discussions and practical solutions are necessary. Action planning enables management not only to evaluate the dynamics within a business environment, but also to evaluate similar changes related issues. So in this context the paper analyses the solutions of strategic changes, specifying crisis communication in an organization and employee’s self-identification. The author claims that the main attention should be paid to the individual, improving his professional skills, developing his competencies, what helps him successfully identify in organization and enables to integrate in the labor activities in the nearest future. This is the essential principle of crisis situation management and decision making. The principle requires to evaluate the processes of employee socialization, individualization and adaptation as well as to form the expression of employee identification in an organization. Otherwise we have a „psychological tiredness” crisis - because of the lack of collaboration among employers in a company. This crisis is described as physical and emotional tiredness of employees from the intensive team work and too high requirements for employers’ innovations. It is important to know - the management in each organization should know the weak points in their personnel management and should have a built-in advance employee identification strategy, which would accelerate the process of the employee’s adaptation to organizational goals and values and stipulate his/her efficiency and work satisfaction in order to manage crisis situations. Stress and ambiguity often follow crises, which negatively effect decision making. The sooner the managers are able to find the main factors for risk, the more the crisis plan is efficient regarding decision making. Efficient management of the strategy process may have impact on the organization in taking actions to minimize the crisis. Crisis management requires collaboration with systems, efficient internal and external communication, setting the persons and their roles expressed by special duties and responsibilities, effective collective decision making, control and collaboration responsibility.

In this context the author presents the theoretical substation of the model for crisis management in an organization. The construct of the presumptive model of crisis management is presented and focused on the relation between these elements:

- **The strategy of crisis management in organization** - the preparation of crisis situation prevention program, the identification of crisis nature, the operative actions when crisis appears and the liquidation of crisis consequences rehabilitating the organizational performance. The cycle reopens with the preparation of new crisis situation management programs.

- **The efficient corporate communication** – as a strategic management function, focusing nowadays challenges: the necessity to create confidence between internal and external audience of a company; to activate business forming responsible corporate culture as the prevention and management of crises.

- **The processes of employee socialization, individualization and adaptation** as well as the means to form the expression of employee identification in organization. Try to manage the impact of the elements of discomfort.

**Scientific problem:** applying systematic analysis of academic and practice literature the paper discusses topical and relevant issue – crisis management in an organization. While elaborating scientific discussions the paper introduces crisis management through the efficient corporate communication as a strategic management function and employee identification in organization covering wider perspective and dealing not only with the economic aspects on crises management.

**The aim of the article** is to conceptualize the model of crisis management in organization, the structure of which is constructed in the perspective of communication and individual’s social identification.

In this case of the constructive methodological approach was chosen, which enabled to reveal the estimation of the subjective phenomena and to develop the researcher’s attitude to the researched problems. In this way, action planning based on a crisis management model may be helpful in integration the constituent parts of a strategy process developing the crisis management perspectives.

The structure of the paper:

- In the first part the conceptualization of the definition of crisis in an organization has been presented. The author seeks to define crisis concept.

- In the second part the process of crisis planning and strategic management has been discussed. The author tries to describe the strategy of crisis management in an organization and seeks to accept decisions. The author illustrates a new construct of a theoretical model of crisis management in an organization.
The objective effect is a preparation to have a scenario of crisis management. It is necessary to revise the strategy of company which had been executed.

This theoretical viewpoint illustrates the various approach of the crisis management in an organization and modifies a new strategic determination.

**Keywords:** crisis planning, transformation of social identification process, efficient crisis communication, the model of crisis management in an organization

**Introduction**

Organizational change is a comprehensive and interrelated process involving planning, goal setting, training and developing employees and stakeholders, obtaining sufficient resources, selecting intervention strategies, and monitoring and communicating outcomes. According to Kubrak et al. (2007), information technologies quickly develop in a knowledge society, the speed of the introduction of new knowledge also increases, so the modern enterprise seeking for new management possibilities tries to use all these opportunities. Information transfer for an individual user is the inseparable part of the communication process inside the organization. For communication to be effective the organization has to distribute the positions, competences, responsibilities and motivation. The change in economics during the last decades clearly modifies the activity situation and forms of organizations. It is very important to seek for innovative, modern organizational forms, helping to survive, adapt and cherish in the constantly changing global market. The old models of designing organizational structures do not correspond the situation in organizations ready for restructurization, reorganization and even reconceptualization, because they have been designed for the traditional business environment that greatly differs from the modern one. Nowadays a modern, successfully going company is continually changing, improving, considering or even overtaking the rapidly changing political, economic, social and technical environment. Stable management model is ignored by modern crises. Evolving unforeseen disturbances unbalance organizational functions, provoke crisis situations. Changes need not only technical means but ready specialists and information management as well.

Usually crisis is defined as a negative phenomenon (Rosenblatt, Sheaffer, 2002), however, it is important to notice the close links of crisis and changes, which reflect the positive impulses of overcome crisis for a successful company’s development. In this context the problem of conceptualization and the analysis of the discussed phenomenon still remain relevant in social, economic as well as managerial aspects.

**Scientific problem:** a conceptual paradigm of the phenomenon under discussion is applied: crisis planning and management strategy are analyzed. The emphasizing of efficient corporate communication and the expression of employee identification in organization in the process of crisis planning are discussed. The analysis of this social phenomenon requires a multidisciplinary approach.

**The object of the approach:** strategy of crisis planning and management basing on the crisis management model.

**The aim of the approach** – to present the theoretical aspects of crisis is planning and management strategies using them in the formation of a crisis management model.

**Research goals:**
- Having analyzed the variety of crisis concepts to define the concept of crisis in a company. Seeking to define the crisis concept.
- To analyze the process of crisis planning and strategic management in an organization. The main aim is to describe the strategy of crisis management in an organization and to accept the decisions. To construct a new theoretical model of crisis management in an organization.

The model incorporates two new areas of crisis managing: one field - communication as a strategic management function (helps to manage the changes in a company between internal and external environments and designs the responsible of corporate culture), another field - employees social identification in an organization (helps to manage psychological tiredness crisis - the relations in crisis of the whole system in an organization; helps to manage individual stress and influence a social system and individual adaptive behavior. It can be claimed that employees’ identification in an organization depends on the individual psychological features as well.

The formulated goals determined the structure of the paper. The paper provides the means to deal with a crisis situation, its expression and influence on the development in a company. The author analyzes the variety of crisis concepts; generalizes the crisis definitions found in the scientific literature and defines the crisis definition in a company. Different levels of a crisis concept have been identified, pointing out the individual crisis, crisis in a company, state crisis and global crisis. In the paper crisis in a company has been emphasized, defining changes, crisis situations and crisis itself. To analyse the identified scientific problem the following scientific works of the different researchers have been analysed, which deal with the reasons and causes of crisis and bankruptcy in a company, crisis management, estimation of a company’s state, bankruptcy prediction and its methods:
- The characteristics of crisis situation were analysed by Augustine (1995); Ayres (1996); Booth (2000); Burn, Redwood (2003); Demirguc-Kunt, Detragiache (1998); Hart (1993); Hwang, Lichtenthal (2000); Milburn et al. (1993); Ravid, Sundgren (1998); Rogov (2006); Jasilieniute, Tamosiuniene (2009).
- The problems of crisis management were discussed in the works of Ashcroft (1997); Alas (2008); Boin, Lagadec (2000); Darling et al. (1996); Darling, Kash (1998); Davidaviiene (2008); Donoho (1994); Escarraz, Chong (1998); Fink (2002); Kurosheva (2002); Lalonde (2004); Maynard (1993); Milesi-Ferretti, Razin (1998); Mitroff (2005); Murphy (2006); Ponikvar (2009); Parasev (2006); Parsons (1996); Pearson, Clair (1998); Ulmer et al. (2007); Valackiene, Micevičienė (2008); Valackiene (2009, 2010); Virbicaitė (2009); Smaziene, Juvečiūtė (2009); Dagiliene (2010); Ginevicius, Krivka at al (2010).
The reasons of crisis and bankruptcy in a nowadays' company were dealt with by Argenti (2005); Birch (1994); Grigaravicius (2002); Kaminsky (1998); Kash, Darling (1998); Martin (1991); Preble (1997); Ren (2000); Rosenblatt, Sheaffer (2002); Rosenthal, Charles (1998); Shrivastava et al. (1998); Udo (1993); Ucal et al. (2010).

The methodology and an applied method of the research: systemic theoretical analysis, practical construction method of theoretical perspective.

The conceptualization of the definition of crisis in an organization

Theoretical analysis begins with the definition of crisis and the research of the variety of these definition interpretations. Recently most attention in the research literature has been paid to the analysis of corporate crisis issues. In a quickly changing situation the proportion of evolitional and revolutionary development is changing, too – the period of stable development shortens, and a company more often faces with crises the overcoming of which requires revolutionary reformatations. The factor of the company’s growth is very important for company’s development.


The process of crisis planning and management strategies in the corporation is viewed in the context of different social sciences. Action planning enables management not only to evaluate the dynamics within a business environment, but also evaluate similar changes related issues. In this way, action planning may be helpful in integrating the constituent parts of a strategy process and developing crisis management perspectives.

Schoemaker (1997) notes that crisis management is like a multidisciplinary process, which cannot be left only to the public relations department. This social phenomenon is treated in the convergence of separate sciences: personnel management, psychology and management. It is important to notice that theory of crisis firstly evolved in a macro-economical level. Then there were developed theories not only about constancy of crises but about their management, most often using state regulatory instruments, too (Anikin, 2008; Charbit, Virmani, 2002).

However, increasing instability of external business environment stimulated scientists to pay greater attention to the analysis of crisis situation at the companies. It was tried to validate the concept of company’s crisis situation (Webster, 2000; White, 1989), to name company life cycles and crisis expression (Hauschildt, 2000; Fink, 2002; Mitroff, 2004). In the academic literature modern crisis is described (Rosenblatt, 2002), where the emphasis is given to the aspect of change management and to the integration of both spheres - human resource and technical-organizational. It is noted that modern crises have features that were not noticed and analyzed earlier: the influence of growing population, economic growth and recession, the impact of development of technologies, crisis communication problems. Stable management model is ignored by modern crises. Evolving unforeseen disturbances unbalance organizational functions, provoke crisis situations. Changes need not only technical means but ready specialists and information management as well. A review of the strategic management literature and its identified crisis concept is concurrent with its manifestation area.


We face global crisis; mostly nature cataclysm crises, individual psychological crises, state crises and company crises (see Fig. 1). Though these defined four crises areas are not all possible, still they show the complexity of the topical problem and necessity to orient to its particularities.

![Levels of crisis concept](modified by the Virbickaitė, 2009. Doctoral Dissertation, p.15)
The expression of crisis in a company. Company is a complex socio-technical system, which functions in a complicated environment, therefore company crises are closely related with global and state crises, for example, economic crises, which often appear as the cause of crises in a company, as well as with individual crises which can become the consequence or the cause of it. It has more often been related with macro environment crisis especially in its primary stage. Growing instability of the environment increased the consideration of the research of crisis in a company. In the classical literature Hermann (1993) pointed out three crises features: surprise, threat and short reaction time. Generally crisis in a company is realized as a negative phenomenon. However, we cannot agree with Ulmer’s et al. (2007) opinion that “crisis is a unique moment in the history of company’s performance”, because today crisis situation is usual in the developing company. Therefore a positive crisis side has to be considered. Crisis creates a possibility to learn and improve. In Chinese the symbol of crisis means “a dangerous possibility”. Because of its nature crisis is dangerous for organization life cycle, but still it gives a company possibility to become stronger (Ulmer et al., 2007).

Theoretical conceptualization is extended with explanation about positive and negative aspects of crisis. Trouble and disorder in organization are the fields of discussions by Denis, 1993; Lagadec, 1996; Ofer, 1996. Area to discussions of inertia, paralysis, flurry (Denis, 1993; Pauchant, Mitroff, 1995). Positive aspects, such as necessity to identify new and efficient operations (Milburn et al., 1993; Denis, 1993). Comparison of these positions is the main construct of sequel evaluation of the strategy of crisis planning and management basing on the crisis management model.

- Negative phenomenon for company’s existence can appear because of any problematic situation which is determined by external factors (macro-economical, social – political, etc.) or company’s internal factors (work processes, financial state, management, marketing, resources, etc.). The symptoms of negative phenomenon are usually the same: decrease of liquidity and profitability, loss of financial stability, cost increase, loss of market and competitive ability (Blume et al., 1998; Cantor, Packer, 1994; Dwyer and Stein, 2003; Gupton, 2005; Foster, Ward, Woodroof, 1998). When the economic links among the factors are strong, the decrease of one financial rate in a company determines the negative change of the others what influences on the loss of company position and profit decrease. It is sudden loss of company’ competitive ability called ‘the effect of falling muggings’ (Murphy and Winkler, 1992). However, such changes are necessary in a company for it’s further. The situation when company’s performance is fractionally reduced and can be easily liquidated and do not bring much loss for a company, can be defined as normal changes in a company and development. The main question is - when do usual changes end and crisis begin? If a company does not face any changes, even successful one falls into desuetude and fails in the changing environment. Crisis is a feature of a company’s desuetude as well as a feature of its development through some stage fall.

Crisis concept is often related with the moment or period of time when company faces with difficulties and situation becomes dangerous for its further performance (Webster, 2000; Shrivastava, 1987; Hauschildt, 2000). The other scientists relate crisis with the crucial change which can be corrected (Fink, 2002; Millar, Irvine, 1996; Ren, 2000; Maksimovic, Phillips, 1998).

- In the practical view crisis is the first feature of the situation when increased risk, rating fall, problems in usual business operations, danger for the public image, performance decline, etc. are typical (Fink, 2002; Kuroseva, 2002; Mitroff, 2004). Crisis is the event; a consequence of which case threat for organization’s strategic aims (Beech, 2000; Maynard, 1993, Hart, 1993). Crisis heart is usually local, however, unnoticed negative features can involve the whole system. According to Hauschildt (2000), Kash, Darling (1998), Peters (1995), Pearson (1998), Coat, Fant (1993), it can be claimed that crisis is an accidental critical moment determined by the formed factors which disturb normal functioning of the system and it cannot develop according to the set trajectory.

Having analysed crisis conceptions of the different authors (Fink, 2002; Kuroseva, 2002; Mitroff, 2004; Webster, 2000; Shrivastava, 1987; Hauschildt, 2000; White, 1989), it can be defined as the event which consequences cause a big threat to organization’s strategic goals and it cannot develop according to the set trajectory.

Virbickaite (2009) in his doctoral research clustered the crisis definitions of the different researches (shown in table 2). Interpreting the complemented crisis concept it is emphasized that when crisis situation appears company’s strategy becomes meaningless – it is necessary to renew operations and to create new company’s strategy. If company cannot or does not want to notice crisis situation in time and to foresee and realize its liquidation reasons, then the juridical means have to be applied: restructuring and bankruptcy processes.

The summing – up of conceptual construction

Having analyzed the conceptions described in the scientific literature the polarity of existing conceptions was pointed out which was determined by the particular indicators of the analyzed phenomenon: firstly, crisis conception is related with its levels. There are four main crisis levels (individual, company, state and global), which shows the complexity and necessity of the analyzed problem. Though these crisis levels appear not at once, still there is a close related link among them. Company crises are closely related with state crises, for example, economic crises often become the cause of company crises, or individual crises, which can become the cause as well as the consequence of company crises; macro economic crises (growing instability) increased the need to analyze micro environment crises (company crises). Despite a clear crisis understanding it is important to define temporal changes, crisis situation, crisis and bankruptcy. Company crisis is related with the moment, when a company faces difficulties and the situation becomes dangerous for its further performance as well as with the crucial change, which is possible to control. Defining today’s crisis conception, crisis should be defined as a special company’s state or the reasons which determine
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Crisis appearance and their overcoming necessity is pointed out involving the whole company’s staff. The analysis of this social phenomenon requires a multidisciplinary approach. The object of the analysis is an axis for several social sciences. In crisis planning process discussions and future perspectives are essential.


<table>
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<tr>
<th>Crisis definition</th>
<th>Interpretation</th>
<th>Authors</th>
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<tbody>
<tr>
<td>Crisis is the moment, when company faces with difficulties and such situation becomes dangerous for further company’s development</td>
<td>Only the situation till the threat is emphasized in order to define dangerous activities but further company’s activities are not discussed</td>
<td>Webster, 2000; Shrividavata, 1987; Hauschildt, 2000</td>
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<tr>
<td>Crisis is the crucial change in a company which can be corrected</td>
<td>Changes do not always mean crisis in a company. Only the changes in a company are pointed out</td>
<td>Fink, 2002; Kash, Darling, 1998; Ren, 2000</td>
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<td>Crisis is the first feature of the situation which is defined by the increased risk, rating loss, problems in usual business operations, danger for the public image, performance decline</td>
<td>Only one factor of the risk is assessed not considering the influence of the other factors. Crisis situation is described but not crisis itself</td>
<td>Donoho, 1994; Mitroff, 2004; Mitroff et al., 2006</td>
</tr>
<tr>
<td>Crisis is the event which consequences make the threat for organization’s strategic aims</td>
<td>The threat is emphasized for the company’s activities but the factors which oblige to act are not considered</td>
<td>Beech, 2000; Hills, 2000; Hart, 1993</td>
</tr>
<tr>
<td>Crisis is a condition which obliges to take actions</td>
<td>Narrow crisis assessment, not considering the further company’s activities</td>
<td>MacKenzie, 1994; Paraskev, 2006</td>
</tr>
<tr>
<td>Crisis is the event or situation related with threat which grows very fast and creates a condition of political, diplomatic, economical or military importance which oblige to use all resources to seek the aim</td>
<td>The situation and its conditions are pointed out but the purposes and aims are not discussed</td>
<td>Dictionary of international words, 2004; Ulmer, 2007; Laitinen, 1999</td>
</tr>
<tr>
<td>Crisis is the set of accidental or formed factors which determined the appearance of the critical moment in a company that disturbed the normal system functioning</td>
<td>Crisis process is assessed very narrowly emphasizing only the moment case</td>
<td>Peters, 1995; Pearson, 1998; Clark, 1995</td>
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### Strategy of crisis planning and management basing on the new crisis management model

The changes in a company can become the essential point to seek for the leader’s position in the market because the results are closely related with the success of changes. Companies often face radical changes, so it is very important to understand the essence of them. Management of changes solves the problems of business management related with falling rates and inefficiency of company performance as well as it stops the growth of crisis situation and helps avoid crisis itself. To control changes a company should implement the management of changes before they start, in order to decrease the problems and possible stress situations in the future, which are not avoidable even for the market leaders. The integrated competitive strategy and the main directions of business strategy of an enterprise are the area of discuss by Deephouse, (2005); Ben-Yair, Golenko-Ginzburg &Laslo, (2007); Bivainis, Tuncikiene, (2007); Ciegis, Gineteiene, (2008); Davidaviciene, (2008); Akekola, Korsakiene, Tvaronaviciene, (2008). Therefore it is very important to manage changes in a company and do not to cross the crisis bound which is difficult to control. If the organization has a strategy, both the managers and company employees are preparing for action planning, and the crisis management in the organization is going to be efficient. The efficiency of crisis management depends on the manager’s ability to evaluate possible sources of the crisis and make corresponding decisions. According to Pollard, Hotho (2006) action planning may become a catalyst in business environment.

Analyzing crises management in the managerial aspect, it has been proved that it is still an unexplained field and it covers several methodological schools. The main strategic thinking within an organization is to use technological analyses and decision making processes (Ruth, Kraus & Niglas, 2009). This strategic thinking was applied for various type enterprises and in most industries, mainly as a result of growing and competitive functionality. Thompson, Martin (2005) divided a strategic process according to three main features: formulating a strategy, implementing a strategy and evaluating it.

In the process of crisis management strategy formulation encompasses a precise setting of goals, objects and mission within an organization, analyses external environment, in terms how it can affect the enterprise alongside with its internal resources and possibilities for strategic alternatives. The decision making strategy finds it very useful to analyze intermediaries and their impact to the organizational culture. The attractiveness of the potential strategy is its capability to support the factors which are welcome within an organization, as well as what it is possible to do with the resources and competences available. Implementing a strategy is related to choosing an efficient strategy within an organization, which means implementing the strategy in practice. Strategy implementation always determines efficient management and may significantly influence the implementation of success for the whole strategy. The evaluation of the strategy is probably a less researched part of the strategy, although it is a very important factor in successfully choosing a strategy. This is not only related with execution or means of execution, it also signals when it is time to make corrections to the strategy and quickly change the external environment. The evaluation of strategic thinking and moving planning towards strategy management helps the strategic thinking remain heterogeneous (Lisiński, Saruckij (2006)).

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According to Preble (1997) both action planning and strategic thinking are closely related to crises management and all the three elements are directly interrelated. Having a strategy and action plan, both the staff and management find it clearer how to behave in a given situation, as this has already been talked about, discussed and planned.


Research literature of the management on intellectual capital expose a social point of view to make an organizational memory functional and improve its effectiveness in business management into an organization offers typical crisis management approaches. By the way Anika, Vrincianu & Amza (2010) generate the model of intellectual capital management.

Research literature on psychology offers typical crisis management approaches: has deep discussion about innovative possibilities for the improvement of safety culture at enterprises through complex approach to occupational health and safety (Jarvis, Tint, 2009). It demonstrates that stress and ambiguity often follow crises, which negatively affect decision making. Debating about the relation crisis of the whole system members has expression of polarization: the negative aspects of this social phenomenon (conflicts, competition - Rosenblatt et al., 2002) the positive aspects (cooperation, alliance, coalition - Rosenthal et al., 1989), when designing the behavior and stress crisis as the negative aspects (stress, unconcerned behaviour - Lagadec, 1996) and as the positive aspects (identification of stress source, analysis of decisions - Milburn et al., 1993). Value crisis express negative aspects (banality, routine - Toft, Reynolds, 1994; Pauchant, Mitroff, 1995; Perrow, 2003) by the way has a positive aspect (solidarity - Kaniasty, Norris, 1995). When discussing learning crisis, one can see we saw the negative aspects (seeking for quick results and standards - Hedberg, 1981; Rosenthal et al. 1998) but we can make (experiments - Hedberg, 1981; Meyer et al. 1990).

In the practice of contemporary organizations emphatic tendencies have been noticed to maintain social orderliness applying juridical sanctions as well as analyzing the problem of employee identification: identifying objective and subjective difficulties and creating conditions to express personal identification dimensions in an organization (Dessler, 2001; Robbins, 2003; Rancova, 2004); the strategic dimensions of employee identification in organization have been emphasized (Simanskiene, 2000). According to Simanskiene (2000), dependence of employee identification are: the attitude of an employee towards organization; attitude of family members towards organization; organizational goals; right motivations; personal psychological features; attitude of executive towards a new member; attitude of employees towards a new member reception of needed information; organizational culture; value orientation of an individual. Such situation needs to be managed to avoid crisis, and if it is impossible – to moderate crisis development and to decrease its possible social consequences. Having conceptualized the theoretical positions of the researched phenomenon, the relations of social identification of an organization and individual construction was emphasized: the concepts of socialization, adaptation and identification are closely related: adaptation success depends on the personal features as well as social environment requirements and maintenance; identity depends on the value and functional social reality aspects and is concerned as adaptation correlation factors (Valackiene, 2009).

We need to debate about the effective communication on crisis. The following discussion identifies general communication strategies which provide a guideline for responding to various issues associated with a crisis. Researchers (Varey & White, 2000; Steyn, 2003; Goodman, 2004; Goodman, 2006; Allen & Caillouet, 1994) have brief discussion of the role of communication in crisis management and agreed that corporate communications have a key role to play in the strategic planning of an organization, because of the importance of corporate reputation and the development of corporate branding, image, and identity. A consistent theme in communication research is that situations produce an important influence on the selection of communication strategies highlight a strategic analysis of communication management on crises situations. Lukaszewski (1999) focuses on seven critical dimensions of crisis communication management: operations, victims, trust/credibility, behavior, professional expectations, ethics and lessons learned. Luecke (2007) describe the principle of audience segmentation: employees; investors; community leaders; customers; suppliers and shareholders; the general public) and using segmentation to create a systematic communication strategy Turney (2004), submit the model of crisis communication plan according the six stages of preparation. This model is depicted as a cycle that identifies the functions and the sequence of activities for six steps/ segments: the mission of organization; the stakeholders of organization; the specialists of communication and the place of special operations center; the role of crisis communication team; the composition of crisis communication team; the control of crisis communication plan.

According to Valackiene (2010), effective crisis management must take into account not only the organization as a suprasystem but also as a composite of
various subsystems. An effective crisis management plan must include not only extra organizational communications, but also internal communications to ensure effectiveness. Planning for crisis the model posits that each of the elements or processes needs to be taken into account. To effectively communicate the plan, the organization’s basic structure, as well as its infrastructure must be identified.

Theories of crisis management models (Digman, 1995; Hausschildt, 2000; Roselieb, 1999); Bartl, 2000, Januleviciute, Bieleviciene & Dambrava, 2003; Bonsiu, F., 2010) demonstrate the main features: the design of crisis prevention program; the identification of crisis nature; the operative actions when crisis appears; the liquidation of crisis consequences rehabilitating organizational reputation. Each company’s model can be different, because it is determined by the personnel, activity success, traditions and a lot of other factors. According to the theoretical attitudes of Digman (1995); Hausschildt (2000); Roselieb (1999); Bartl (2000), the following types of models are defined in the scientific literature: active and passive models. The passive model is determined to apply by the following conditions: late reaction to the changes; lateness for the inflexible system. Having chosen the active management model, one of the main objectives is to continually to evaluate the situation in a company and use the elements of the strategic planning.

According to that methodological construct, as designate Roselieb (1999), the organizations design the crisis management model (see Fig. 2). Sakalas & Savanevičienė (2003) theoretically adapted Roselieb’s manifestation of crisis management model and supply the general presumptive crisis management model.

The explicatation of presumptive crisis management model: the model includes two basics axes: time – (T) and production damages – PD also the model has some structural parts: time reaction – TR; crisis damages – CD; total crisis damages – TCD; cost of means implementation – CMI.

![Figure 2. The presumptive model of crisis management (adapted from Sakalas & Savanevičienė, 2003)](image)

**Design of a new methodological approach in the process analysis of crises management**

In academic literature described classical crises management models lack broader analysis of this social phenomenon. Introduced models focus mainly on economic activity of the enterprise, i.e. the management of gross loss in a company and the costs of means implementation are scrutinized.

Communication system which manifests in socio environment as strategic management function is not taken into account in the crises management models.

When introducing crisis management models, it is necessary to assess crisis psychological tiredness elements which manifest themselves due to insufficient adaptation, socialization and cooperation of employees in an organization.

This can be seen as the shortcomings of methodological approaches in designing crisis management models.

According to Valackiene (2009; 2010), applying the systematic analysis of academic literature the paper discusses not widely spread social phenomenon in Lithuania – communication systems in business environment and social identification in organization. This contemplation claims the theoretical background of communication concept with the emphasis on communication place in the management structure and discusses the role of effective communication in a crisis management. It claims to find the answers to the following issues: how decision taking is influenced by internal and external business environments?; how to communicate during crisis period?; how to prepare efficient crisis communication plan? and how to communicate after crisis?
To present a communication as a social institution system and as a strategic management function, which can solve modern socioeconomic challenges in a business environment: necessity to create trust between internal and external company stakeholders; business activation through developing responsible corporate culture?

This standpoint of multidiscipline approach is employed to analyze crisis management as a social phenomenon in extensive and comprehensive logical synthesis and helps to understand the construction of a crisis management model, including two new areas of the analysis:

- the public relations explaining a potential influence on the process on effective communication in crisis situations.
- The second aspect – focuses on the relations of social identification in an organization. In the process of crisis management in an organization the individual socialization, adaptation and identification are closely related: adaptation success depends on personal features as well as social environment requirements and maintenance; identity depends on the value and functional social reality aspects and is concerned as adaptation correlation factors.

This matrix can be based on new constructs of crisis management model and it explains axis of abscissas ordinates as follows: (see Fig. 3) so, we agreed that effective crisis communication is a function of management. We observed the role of employee social identification in organization managing crisis situations.

The Matrix of Theoretical Model of Crisis Management in Organization

| 1. ESI | Employee social identification in organization. |
| 2. ECE | The effective communication between employees. |
| 3. ECC | The effective crisis communication. |
| 4. ECMS | The effective crisis management strategy in organization. |

- Stage One: formation of crisis prevention program.
- Stage Two: identification of crisis situation.
- Stage Three: operative actions.
- Stage Four: liquidation of crisis consequences.

The summing – up of the strategy of crisis planning and management basing on the new crisis management model

The following model of crisis management, which emphasizes the role of communication in an organization and identification of persons and their roles that are defined by a special position and responsibility focuses on the recommendations regarding the steps companies and public relations firms should take for successful crisis management in the pre-, present-, and post phases of a crisis. Generalizing conceptually based strategic dimensions of employee identification in organization, it can be claimed that employee identification in organization depends on individual psychological features as well as on value orientations, the attitude towards the organization, and the organizational objectives, culture, right motivation, access to the needed information, the attitude of the executives and employees towards a new member, the attitude of the family members towards the organization. In the practice of nowadays organizations the emphatic tendencies have been noticed to maintain social orderliness applying juridical sanctions as well as analyzing the problem of employee identification:

Each and all components of matrix have their expressions and environments. The environment of employee social identification in organization focuses on two evaluation stages:

- Stage One: to highlight the priorities of employee identification dimensions in organization.
- Stage Two: to emphasize, that every dimension of employee identification in organization in its different stage matches crisis management strategy.

An effective crisis communication focuses also on two evaluation stages:

- Stage One: to identify the internal and external systems of communication.
- Stage Two: to evaluate the communication strategy. It focuses on seven critical dimensions of crisis communication management: operations, victims, trust/credibility, behavior, professional expectations, ethics and lessons learned.

The strategy of crisis management in organization is analyzing to make reference to some stages:

- Stage One: formation of crisis prevention program.
- Stage Two: identification of crisis situation.
identifying objective and subjective difficulties and creating conditions to express personal identification dimensions in organization. Such situation needs to be managed to avoid crisis, and if it is impossible – to moderate crisis development and to decrease its possible social consequences.

The optimal theoretical model of the crisis management in an organization should supplement general crisis management model (see Fig. 2) by adding two new positions into the field of analysis from the point of view of management: employee social identification in an organization and efficient crisis communication.

Conclusions

1. Having analyzed the conceptions described in scientific literature, the polarity of existing conceptions was pointed out which was determined by the particular indicators of the analysed phenomenon: firstly, crisis conception is related with its levels. There are four main crisis levels (individual, company, state and global), which show the complexity and necessity of the analyzed problem. Though these crisis levels appear not at once, still there is a close related link among them. Company crises are closely related with state crises, for example, economic crises often become the cause of company crises, or individual crises, which can become the cause as well as the consequence of company crises; macro economic crises (growing instability) increase the need to analyze micro environment crises (company crises). Crisis concept is often related with the moment or period of time when company faces difficulties and situation becomes dangerous for its further performance.

2. The construct of the presumptive model for crisis management is presented and focused on the relation among these three elements:

- The strategy of crisis management in an organization - the preparation of crisis situation prevention program, the identification of crisis nature, the operative actions when crisis appears and the liquidation of crisis consequences rehabilitating organizational performance. The cycle reopens with the preparation of new crisis situation management programs.
- The efficient corporate communication: a strategic management function, focusing contemporary challenges: the necessity to create confidence between internal and external audience of a company; to activate business forming responsible corporate culture as the prevention and management of crisis.
- The processes of employee socialization, individualization and adaptation aimed at forming the expression of employee identification in organization, and managing the impact of the elements of discomfort.

The model incorporates two new areas of crisis managing: communication as a strategic management function (helps to manage the changes in a company between internal and external environments and designs the responsible of corporate culture); employees social identification in organization (helps to manage psychological tiredness crisis, i.e. the relations in crisis of the whole system in organization; helps to manage individual stress and influence the social system and individual adaptive behavior. It can also be claimed that employees’ identification in organization depends on individual psychological features.

References


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organisations. Quebes, Amerique, Montreal.


Asta Valackienė

**Krizių valdymo organizacijoje modelio teorinis pagrindimas**

Santrauka

Asta Valackienė

Pateikiamos pasienė krizės struktūros analizės, siekiant derinti socialinių ir profesinį nuovargį, atliekant sisteminį diskutuojama, išryškinant ekonominį analizę į krizinius Klausimus. Šiame straipsnyje autorius siekia diskutuoti strateginių valdymo procesų interakcijas organizacijos konceptualizacijos ir teorinės mokslinės pradinės analizės perspektyvos konstravimo metodas.

Mokslinio problemos atliekant sistemingą mokslinės ir taikomosios literatūros analizę, straipsnyje grįžtamas į nuostatos galios ir teorijos atsakomybės diskusiją, siekiant konceptualizuoti naujas teorines analizės. Autorei suteiktas įvairių priežasčių, bendraudantys su konceptualizacijos metodologijos struktūros konstravimo procesu. 

**Teorinės pagrindinės galios:**

Vertinant mokslinių autorų nuomonę, kurių mokslinės struktūros konstravimo metodas siekia konceptualizuoti naujas teorines analizės, autorei veikė įvairių priežasčių, bendraudantys su konceptualizacijos metodologijos struktūros konstravimo procesu. 

**Vertinimo kriterijai:**

Vertinant mokslinių autorų nuomonę, kurių mokslinės struktūros konstravimo metodas siekia konceptualizuoti naujas teorines analizės, autorei veikė įvairių priežasčių, bendraudantys su konceptualizacijos metodologijos struktūros konstravimo procesu.