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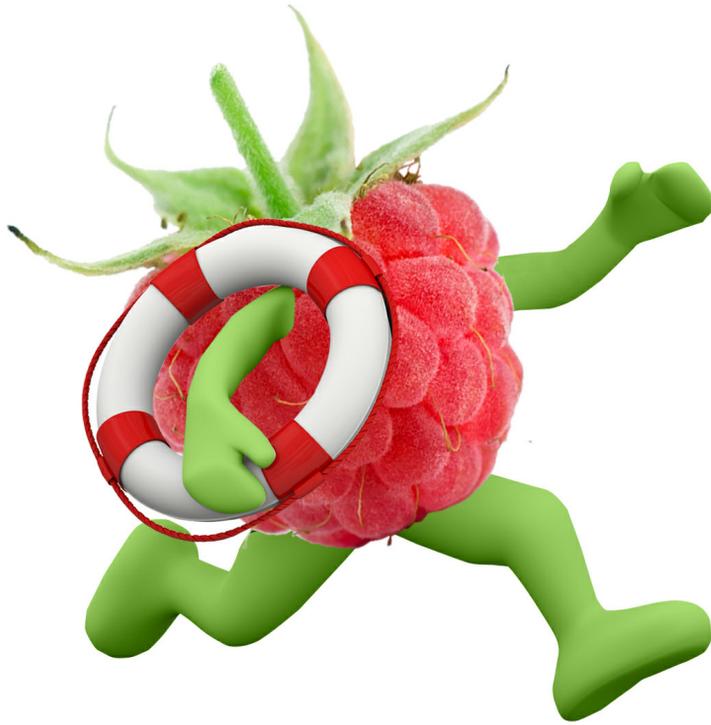
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**CRISIS MANAGEMENT PROCEDURES
AND TOOLS BASED ON QUALITATIVE RESEARCH**

CRISIS MANAGEMENT PROCEDURES AND TOOLS BASED ON QUALITATIVE RESEARCH

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Summary

Selected procedures and tools that are used in crisis situations will be presented in this article. This presentation will be based on the results of qualitative research as well as the analysis of entries in selected reference literature that discuss the issue of preparing for crises and crisis management. The article aims to show that limited but effective crisis management is possible when it arrives but a far better approach is preparing the organisation for the eventuality of a crisis situation in a manner that facilitates reaction. However, effectiveness should be examined in two aspects in this case, firstly, preventing the crisis from escalating or going beyond the walls of the company or management board office, or mitigating its possible negative effects.

Keywords: crisis management, public relations, crisis, image

Introduction

A crisis is defined in literature as a process that is a threat to the stability of functioning of a market organism. A crisis consists of a number of adverse events which contribute to it becoming a breakthrough between phases of development, turning point¹ or a decision-making problem.² It is also every change that causes a rise in tension in the structures of the entity that it concerns. However, when defining a crisis we are not always dealing with distinctive problems like loss of liquidity, disruptions or significant declines of sales, interrupted business transactions³ design errors, product defects, but also with issues that may seem to be insignificant but do have an impact on the long-term achievement of objectives set for a company.

In public relations practice, we talk about crises rather in image terms. They occur when we obtain affirmative answers to a basic question in this respect, namely: *Do I, as the manager of an organisation, feel uneasy about making a specific issue public?* An affirmative answer to a question posed as above confirming that the display of the brand in the public sphere in a manner generating such uneasiness is relatively common, signifies that we can describe the situation that it concerns as a crisis⁴ James Lukaszweski very interestingly specified a crisis by stating that it is it is a "sudden improvement in visibility".⁵ Such a perspective on the problem of crisis management clearly reveals what is happening in a company at the time of the unexpected, disadvantageous from the economic and image point of view event. That is when the organisation starts noticing the things that went unnoticed before.

According to respondents taking part in the studies⁶ crisis situations occur frequently in companies and organisations; however, preparing for them is a completely different situation. On the one hand, crises are — according to respondents — a natural phenomenon in the management process, on the other hand, actions to be able to prepare for them are avoided, which reduces the chances of an appropriate response and provokes the occurrence of adverse effects for the organisation itself and for the people managing it. Considering the several factors that, to a greater or lesser extent, affect the organisation, it is not so much the eradication of crises that we should be discussing but the adjustment of the organisation

to potential image problems.⁷ There are several causes for the emergence of crisis situations, which can be grouped into the following main groups:

- Internal economic reasons connected with specific balance sheet or profit and loss account categories,
- Technological problems related to production processes,
- Occupational health and safety reasons,
- Personnel reasons,
- External reasons linked to the closer or more distant environment of a given economic operator:
 - Directly or indirectly dependent on it,
 - Independent from the economic operator possibly affected by the crisis.

A crisis is, of course, comprised of a series of causes set out above; however, from the point of view of further analysis, it is worth noting that it may have many serious positive and negative consequences. A positive outcome of a crisis may, of course, be the strengthening of an organisation that goes through the crisis, learns how to react and develops suitable procedures, however, negative effects like those mentioned hereunder are much more common:

- Bankruptcy of the economic operator,
- Loss of output markets,
- Loss of well-established goodwill painstakingly built over several years,
- Loss of confidence,
- Internal and personnel tensions arising,
- Increased interest from mass media and other external environment groups,
- Sparking panic and uncontrolled development of further events,
- Loss of clients and contractors,
- Loss of investors or potential investors,
- Fall in stock market price,
- Having to implement unforeseen and costly changes to processes, e.g., production or work organisation,
- Penal consequences for the management or managers representing the company,
- Loss of employees,

as well as the loss of the legitimacy of a public figure, end of their professional career, even image bankruptcy, and in many other dimensions, including moral, professional or financial ones. This is why the reaction of a company or person in a crisis situation influences several aspects of their later functioning.

Research assumptions

This article is based on current reports, analyses, and the author's experience in public relations, also taking *crisis management* into account. The article is also a collection of analyses and conclusions made on the basis of the qualitative research under the direction of the article author's team, titled: *Crisis management*. The studies were conducted in the second quarter of 2016 among persons that practically deal with public relations with particular consideration of crisis management. The in-depth interview (IDI) scenario developed for the study requirements concerned the image of the organisation in the context of the crises that may arise. This enabled the identification of a broad set of factors that affect reactions in crisis situations as well as the ways of adequate preparation to the eventuality of a crisis occurring.

The surveyed crisis management experts discussed issues relating to communication processes, key sources of image crises, as well as the ways in which crisis management teams act in view of the key elements of crisis plans. During the discussions, the experts emphasised the fact that informing and information control play a key role in image crises. Furthermore, the statement that there are no two identical crises in a crisis situation is warranted, however, schematic action resulting from planning and operating documentation is possible.

Recognising the problem

The effectiveness of the response in a crisis situation is a consequence of awareness. The awareness that risks exist and that they can materialise may constitute an incredibly valuable resource for the management team. It may aid the process of preparation for the possible occurrence of a crisis

or the resolution of a crisis situation once it arises. A company can prepare itself for changes, however, in this day and age — mainly due to modern media — the time left to react has shrunk dramatically. Once there was mention of a few hours after which one had to adopt a position. Today, there is far less of this time and just like with toppling dominoes, there is an avalanche of events that occur, which the organisation has to deal with almost instantaneously.⁸ Every next hour of life of the given issue acts to the detriment of the company.

One of the crucial elements of crisis management is recognising the problem — obtaining as quickly as possible complete knowledge of what just happened. Unfortunately, the human person turns out to be a very weak link in the crisis context. It is exactly this person — the employee — who had to check something and failed to do this, it seemed to them that they did something but in reality they failed to do this, they played down the regulations and the law, which led to a series of events that all too often spin out of control.

In the starting phase of crisis management the organisation should determine what the problem consists of, what lies behind it, when the crisis broke out, what its root causes are and, finally, what it concerns.⁹ In the further course of the proceedings, the answer to several questions will have to be found, including concerning who is or will be the target group of the communication actions, what kind of communication will be transmitted and with the use of what kind of tools.

Prevention better than cure

A clear trend in informed contemporary organisations is increasing the role of issues management and the entire crisis management concept. Attempts to prevent difficult situations from the image point of view should be undertaken not on the stage where they are already present but much earlier.¹⁰ In this way, better preparation will be possible and security in the event of any image problems arising.

Crisis situations in the image context are sometimes compared to medical emergencies. Following the principle which says that preventions is better than cure works in both cases. However, according to the

respondents invited to take part in the interviews, the first symptoms of the illness are often neglected in both cases. This is exactly why physicians later have a heavy workload and crisis experts have to react. Even in as many as 90% of crisis situations the actions were undertaken too late in time. Furthermore, the fact that the possibilities for prompt reactions have been limited has affected the consequences of the crisis, their reach and force of impact on the company and its environment.¹¹

There is no rule stating which industry is most vulnerable to crisis-related problems. Nevertheless, it is possible to find some general regularities and indicate that the larger the company and "riskier" the services rendered, for instance, medical, extraction (gas, petroleum, coal) services and ones where there is a significant risk of problems or accidents, the greater the awareness of the executives and owners, and approach which even compels them to be prepared for every eventuality. Today, a great many crises arise in new media.¹² This is because anyone can be a journalist, anyone can start and manage their blog and, thus, write up everything that they are experiencing. Therefore, the brands that prolifically communicate with recipients like, for instance, consumer brands are much more vulnerable to image crises.¹³ This awareness, combined with preparation, may not so much provide security as it primarily facilitates response actions.

Internally generated crisis

Apart from crisis situations triggered by external factors, there are also crises with a strong external origin. Sometimes workers consciously, subconsciously, purposefully or by mistake or through ignorance of procedures create situations which later transform into crises. Disregarding procedures, ignoring recommendations, or sometimes simply lack of knowledge and skills exposes the company to serious image or economic consequences. The effects of such crises may extend beyond the walls of the organisation and cause problems involving the entire environment, both external and internal.

Whenever we are dealing with machines and the human person, there is a risk linked to inattention and carelessness in following procedures, which

later lead to accidents, for instance. It is also often difficult to establish what actually happened and what consequences it will have and, most of all, who was at fault or whether or not it was a human error or fatigue resistance that led to it. Nevertheless, the crisis continues and the avalanche of comments and judgements made by experts or pseudo-experts continues. This is exactly why preparation especially for such crises may assist the rescue process of the entity once the problem is identified.

Presentation of facts and information

Openness towards the media and, at the same time, towards the environment during a crisis situation is an important principle.¹⁴ However, such openness has to, on the one hand, be kept within the limits of truth, while at the same time limiting it with the framework of commercial and business secret. When a crisis materialises, **limited openness** allows the elimination of rumours, softens sentiments, contributes to quick and efficient tackling of the crisis, minimises losses (including image ones), and restores credibility.¹⁵ Limited openness assumes that the presentation of facts and information, despite having to be based on the truth, should also take into account the assumption of hiding data and trade secrets the disclosure of which could expose the company to additional problems or losses in the form of transmitting sensitive data, know-how, and confidential information to the competition, which should otherwise never leave the walls of the company.

A crisis forces the truth to come out and eliminates lies. The participants of the qualitative research the results of which are presented in this article indicated that certain things can be said in various different ways, without having to lie, and they also pointed out lies which come out into the open (Volkswagen brand crisis) compounded image problems. According to media reports, the mentioned Volkswagen Company falsified car emissions data on a massive scale, having serious image and financial consequences which the company continues to deal with to this day. However, it is not the lack of truth that can aggravate the crisis. It can also be affected by the absence of a firm position, ignoring and failing to inform staff and other entities in the surroundings.

Examples of other situations where openness not only should have but must be upheld can also be found in business practice. In such moment, it is usually not just the image of the entrepreneur that is at stake but even the life and health of people like the clients of the company. The main thing that this problem requires is the exertion of due diligence, often irrespectively of the costs incurred, in order to the reach the widest audience with the information about the threat. In such moments, responsibility and authenticity are primarily required, whereas building truth-based communication is, according to the respondents, *sine qua non* for full authenticity.¹⁶

Selected tools used in crisis situations and prior to their occurrence

A crisis — once it sets in — requires the action of the team responsible for handling such situations. The same applies before crisis situation arise. One of the tools prepared in the event of a crisis situation occurring is a **crisis manual**. It contains a plan of action and procedures for instance in the context of information flow, crisis scenarios, the ways crisis management teams operate, including the assignment of roles to relevant persons, members of the team, rules of cooperation with the media, and above all the operating documentation which is made up of Q&As and model statements used in specific crisis situations.¹⁷ Brainstorming sessions are commonly harnessed in the process of preparing a crisis manual, which not only enables the involvement of an external expert but also a team from the company for which the procedures are being developed. Brainstorming allows the factors posing a risk to the company to be determined more precisely and for the symptoms of crisis situations to be defined which is crucial in the preparation process. What is also important here is for the described crisis manual to have a practical dimension as it cannot be a collection of theoretical rules that do not fit the organisation. When talking about practice, the point is to adjust to the organisational structure, to the rules and regulations applicable in it as well as to real threats and known dangers.

A crisis situation often necessitates working in a larger team, referred to as a **crisis management team**. The special role of the crisis

management team, which is considered to play the most important role in the preparations for tackling potential future crises is frequently emphasised in literature.¹⁸ The main functions of the crisis management team include making organisational and substantive preparations (operational documentation used in a crisis) and leading the company through crises. There are several concepts of building a crisis (anti-crisis) management team:

- Hybrid solutions:
 - A team based on external resources with expert support from the inside,
 - A team based on external resources with an internal advisory assessment.
- A crisis management team based on internal resources,
- A crisis management team based on external resources.

The first of the mentioned concepts (within hybrid solutions) assumes that the team is built based on the company's own team with the participation of a third party. The second is based on external persons aided by the consultative participation of the staff of a relevant institution. The third and fourth concept provides for the entrustment of all the tasks assigned to the crisis management team — in the first case, to the company's own team, and in the second, to external experts or public relations agencies.¹⁹

Respondents taking part in the studies also indicated that trainings and permanent practice by **dynamic simulation of potential crises** are also important in the process of preparation for a crisis event. It enables verification of the state of crisis preparedness of a company, which is why it is construed in a way allowing workshop participants to measure up to a developing crisis and the unforeseen changes that it may entail. Simulations are a specific form of training in their own right but not the only form of development of the company management, executives and the organisation in the scope of communication with the media, for instance.

The better and more thorough the company will be prepared, the greater the probability that a company will cope with a crisis once it arises. According to the respondents, companies should keep a record of

cases that contain risk factors²⁰, prepared, but also assess the chances of coming out of a crisis situation once it sets in. The investigated public relations practitioners indicated that despite the significance of procedures taking on the form of a crisis management plan, flexibility is also essential. This is because it is precisely flexibility and careful consideration of the right tools being employed that affects the strength of the impact of the crisis.

Monitoring media and the state of changes during a crisis situation

Apart from reactionary actions during the emergence of a crisis situation, during its course, and even before its occurrence, another important aspect of crisis management is monitoring understood in two ways. Firstly, it concerns the observation of changes taking place in the environment in connection with the implemented assumptions adopted by the crisis management team (monitoring the environment), secondly, the point is to also actively obtain information on what the media is writing about the company. Equipped with up-to-date and rapidly obtained information, the company obtains an advantage in the form of time, which is particularly valuable during the course of a crisis. The response time results from the knowledge held, while knowledge also enables forecasts and predictions to be made based on the signals coming from the surroundings.²¹

Monitoring can be performed internally (by a crisis management team), or by specialised agencies which also provide ongoing collection and analysis of information from the media when starting up press offices accompanied by recommendations of the most optimal solutions. Success in a crisis does not always involve preventing the crisis from arising, sometimes minimising the adverse effects is of greater significance. However, it should be borne in mind that an ideal crisis can be considered as the one that we will never find about because it was nipped in the bud just like a smouldering camp fire next to a forest, which does not spread to vast expanses of tree stand leading to the spreading of the destructive action of this element.

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