# CRISIS MANAGEMENT

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#### Definition of crisis:

- ❖ is any event that is expected to lead to, an unstable and dangerous situation affecting an individual, group, in all organization.
- \* is anything that has the potential to significant impact an organization.
- \* any situation that is threatening or could threaten to harm people or property, seriously interrupt business, damage reputation and/or negatively impact share value.
- ❖ Bad situations or accidents organizations faces it.
- ❖ It is situations that is unpredictable, but is not unexpected.

#### Elements of crisis

There are several elements we can see at any crisis:

- ❖ A threat to the organization.
- \* The element of surprise.
- \* A short decision time.
- ❖ A need for real change.
- \* There is sense of loss of control.
- Urgent demands for information are received

## Type of crisis

By source:

By time:

\* Financial.

\* shortly.

\* Technological.

**\*** Longley.

Managerial.

\* Economics and legislative.

## Crisis life cycle

- Emerging
- Growth
- Maturity
- Decline
- Demise
- \* The storm breaks.
- The storm rages.
- The storm passes.

#### The Breaking Crisis

- Control seems to be slipping out of the company.
- \* Lack of solid detail about the crisis. Hard-to-provide information demanded by the media, analysts and others.
- \* For a period of time, everyone loses perspective.

#### Spread and Intensification of Crisis

- Speculation and rumours develop in the absence of hard facts.
- ❖ Third parties- regulators, scientists and other experts add weight to the climate of opinion.
- Corporate management comes under intense scrutiny from internal and external groups.

#### Rebuilding Needs

- ❖ To manage reputation. There are opportunities in a crisis to build positive perceptions of the company or product that last beyond the crisis period.
- \* Company communication / culture. The company embarks on a long-term programme to tackle management issues and communication problems that exacerbated the crisis.

# THANK YOU