# Strategy in Crisis Management

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## Abstract

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 strategy. Nowadays, by utilizing the findings of crisis management and its combination with the achievements of strategic management, the 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).

**Keywords:** Crisis, Crisis Management, Strategic Management, Vision

## 1. Introduction

The main issue of the process of strategic planning is about the designing of comparative strategies which enable company to find a proper situation in industry environment and face with other organizations; and also it is for detecting a situation that the company intends to follow in future. This invading and foreseeing approach neglects a potential issue which can contribute to some concerns in the organization. Despite the accomplishments that organized strategies bring for organization, most of companies do not sufficiently pay attention to these subjects: fast copy of products by competitors, technologic processes which do not get into scenario for the worst situations and company be in a condition which loses its general status Strategic management process results in strategies by which organization can act in competitive market, but it doesn't have sufficient attention to suitable proceedings against unpredictable and non-suitable crises.

The occurrence of these crises can endanger organization success in market, in the way that it faces too many expenses, loses its fame and popularity and finally its vitality threatens. The potential of such consequences' occurrence can be main encouragement for managers in order to believe that there is a close relationship between strategy and crisis management (Behnamiri, 2012).

Concurrent attention to strategic management process and crisis management approach can significantly reduce the vulnerability of strategic management process (Rezvani, 2007).

## 2. Crisis

Crisis can be defined as unpredictable specific events and out of current procedures of organization which results in a high level of unreliability and threatens achieving goals and the strategies of understanding and the detection of organization (Lucero M. et al.; 2009; p. 236).

In the definition of organizational crisis, it's better to make difference between crisis and undesirable event (disaster). Brent (2003) made a difference and said: "crisis describes a condition in which phenomenon roots can be issues and concerns including improper managerial structures and actions or failure in accordance with adapting to a change; whereas disaster means that company faces with an unpredictable or sudden disastrous change on which there is little control' (Brent; 2003; p. 2).

An organizational crisis is not only a catastrophe, like an economic recession, crash of an airplane or limiting companies which leads to mass casualty or severe environmental damages, but it can be in various forms, such as product defaming, supportive service deface, product boycott, strike, rackety core rumors, being stolen, bribe and bribery, hostile conflict, natural catastrophe to products' devastation, damage of organizational system or information system of mother companies (Behnamiri, 2012).

Organizational crisis is a condition by low possibility occurrence and high affecting value which is a threat for organization existence in the view of major beneficiaries and from mental point of view, it is a direct threat for them. Ambiguity in cause relations and the method of problem-solving contribute to disorder in mental capacity and mutual understanding and unique beliefs of individuals. During crisis, decision-making will be under the influence of short period of time and cognitive limits (Pearson, C.M & Clair, J.A; 1998; p. 66).

In a brief and concise definition, Pochant and Mitraf describe crisis as following:

Disruption which physically affects a whole system and basic assumptions threatens the mental existence and its vital pivot. There is an objection on this definition which reflects merely the interests of organizational interest against crisis and it doesn't deal with individuals and organizational groups and other beneficiaries. Through this argument, the below definition is offered with the goal of removing its deficiencies:

Crisis is a condition that individuals, groups and organizations faced with it and they are not able to confront it using common applicable procedures. The expression of excessive stress resulting from sudden change is laid in the nature of such circumstances (Both & Simon; 1993; p. 86).

In spite of the fact that organizational crisis can have various forms, Pearson & Clair (1998) with studying of the findings of other researchers declare following issues as common features of all of them:

    a. Severe ambiguity of condition and undetectable cause-effect relations.
    b. Extensive power of crisis-led circumstance in life threat and organization survival, even though the possibility of occurrence would be low.
    c. The shortening of organization time opportunities for expressing reaction after crisis which is along with much stress.
    d. Putting organization on decisive dilemmas. (Pearson, C.M & Clair, J.A; 1998; p. 68).

## 3. Strategic Management Process

The pattern of strategic management process includes three main components: (1) strategy formation, (2) strategy implementation, and (3) strategy evaluation. From the perspective of Scholtz and Johnson, these three components are located in a platform of strategic control. In other words, strategic control is in background. In strategy formation stage, general orientation of organization will be determined in the future and it is paid special attention to planning. In this stage, environmental opportunities and threats, internal weaknesses and strengths, vision, organization mission and also long-term goals of organization are determined and then a suitable strategy is chosen for the organization (Behnamiri, 2012).

Strategy implementation is accompanied by some issues, including the determination of annual goals, policies codification, source dedication, current structure change of organization, restructuring and reengineering, reconsideration in reward and stimulating plans, the reduction of resistances which are created against changes, adapting managers to strategy, cultural strengthening that would be a support of strategy, adapting operational processes with strategy, creation of effective human resources unit and if necessary decrease of human force. The management change is so vital if there is a condition in strategy implementation in which organization has to step forward is a totally new path (Parsaeeian & Aarabi, 2011, p. 427). Strategy evaluation includes feedback getting and overviewing in operation; for adopted plan implementation and strategies will be made well and organization achieves desired results. According to the received information of strategy evaluation, the concerns and problems can be solved and suitable proceedings can be performed. Some theories has recently been introduced in which strategic control emphasized on foreseeing approach for the control of strategies chosen for step forward a successful future. Moreover, the process of strategic control, particularly warning controls in the pattern of crisis management is offered to organizations for the control of unpredictable and sudden events (Behnamiri, 2012).

The matter of strategic management has basically extended in both theoretical domain and scientific researches within 25 years ago. Strategic management has attracted customers as one of the effective tools in the organizational executing of strengthening among efficient decision making and systematic strategy forming and implementation (Martin Dandira; 2012).

## 4. Differences of strategic and crisis management

Crisis management deals with attempts that intend to detect crisis-prone points of organization and foresee all kinds of crises. It does proceedings to prevent crisis occurrence or the events which lead to crisis and also minimizes the effects of inevitable crises as possible. Strategic management deals with formation, execution and evaluation of strategies which accomplishes the aims of organization. Furthermore, comparing the researchers and pros of these two majors, it can be observed that they are parallel. This comparison can be done in the following matters; educational records, occupational records, beneficiaries' approach of these two majors, cultural trends, dominate paradigms on those individuals, goals' structures and their approach regarding the environment (Behnamiri, 2012).

Strategic management is based on the aims of an organization, the ability of its approach implementation in future, and the decision of projects and investments which support strategy goals (Burger Strategy Consultants; 2009).

While either strategic management or crisis management is an interdisciplinary major, their basics and origin are different. The individuals act and research in the area of crisis management generally are active in some areas like economics, sociology, psychology, politics, public relations, public management, environmental science, chemistry engineering, computer sciences and communications. In contrast, the researchers and missionaries of strategic management are trained in the areas such as the policies of business, general management of organization, business and its environment, international business and organizational behavior. The basics indicate that each of these managements is newly emerged. For example, Mitraf & Pawchant declare that economists see crises according to negative move in the variables of macroeconomics and the failure of governmental policies. Sociologists describe crisis as existing unfair in the society; psychologists define crisis as the lack of individual identity or nihilism of humans; and management science explains it in terms of effect amounts on organization, mechanisms needed for control and safety management (Behnamiri, 2012).

The approach of crisis management considers both constructive and destructive potential factors, the reliability to multiple systems in organization and also using complex modern technology. One of the effective consequences of the approach is research of these issues: how can organizations threaten outside environment and ecosystem? How do humans respond to undesirable events and defend against it? And how do organizations which modify themselves repeatedly can keep themselves? In contrast, the pros of strategic management focus on the fact that how the environment makes opportunity and threat for organization and also how can

organization create a persistent competitive advantage for itself? Whereas financial transaction is among one of the most important aims of strategic management, the pros of crisis management add quality, security and reliability to the structures of aims (Behnamiri, 2012).

Strategic management looks for the interest of beneficiaries, employees, providers, investors, governmental entities and customers as the major beneficiaries; while the pros of crisis management consider the following issues as the basis of development: future generations, special beneficiaries groups (like environmental pros), local politicians, native competitors, terrorist events and anti-socialism (Behnamiri, 2012).

By these differences, there is a chance of integration of these two approaches. The view of crisis management is the complement of strategic management and it can be strengthened by adding to strategic management. For this reason, in next section, the similarities of these two issues are described (Rezvani, 2007).

**5. The similarities of strategic and crisis management**

Mitraf et al., state that crisis management should be integrated in the process of strategy management, as they are similar in six factors. They include emphasizing the relation with environment; exist of a complex set of beneficiaries, dealing with senior management of organization, affecting the whole organization, a description of a fixed pattern and indicator of newly-emerged processes (Behnamiri, 2012).

**6. The role of strategic management factors in crisis management**

Values, principles, vision and mission are among the most important pillars of any organization. It is worth noting that organization vision and mission should not be written down as a motto and symbols, but it should be applicable. Common and applicable vision formed by the participation of all employees of organization strengthens it to achieve its goals. Focus on vision for goal achieving leads to increase of motivation in employees and through this it results in synergism for organization. Vision in crisis management is beneficial in this regard that a powerful organizational culture is created for confronting crisis. It contributes to the orientation of management decision toward strength and competitive advantage for organization; these decisions in crisis period with high uncertainty are of more importance.

The managing of crisis requires the creation of crisis management team. An efficient management inevitably needs success in crisis management. The organizations should perform an exact planning for information achievement about opportunities and threats of the environment in order to codify strategy for using possible opportunities and protecting from threats (Behnamiri, 2012).

From this point of view, the importance of vision and mission of organization is unavoidable for detection of opportunities and threats and finally the codification of cohesive strategy. As it was

mentioned, vision and mission of organization is important in crisis management that in this regard it can produce an integrated organizational culture for crisis opposition (Behnamiri, 2012).

The efficient performance of crisis management for organizations is necessary in current conditions (which is high uncertainty) for the formation of dynamic and resistance organizational structure against crisis (Behnamiri, 2012).

For the organizations which intend to provide sufficient stability at the time of crisis and the conditions of uncertainty, some methods are suggested, including benchmarking modeling, downsizing, outsourcing, reengineering and Total Quality Management (TQM).These techniques enable the organization to provide a unique competitive advantage. Strategic management techniques like SWOT, portfolio and Q-Sort analysis can be used before and after crisis. Particularly, SWOT analysis is of great importance in this regard; for the aspects of weakness, power, threats and opportunities are essential during the crisis and in this analysis, inner issues (weaknesses and powers) and outside issues (opportunities and threats) are analyzed simultaneously and are offered to the manager. By SWOT analysis, a general image of organization is made based on information collected from inner conditions and outside environment using a systematic analysis (Altok Pinar, 201; p. 61-71).

Nowadays, strategic management focuses on quality, synergy, human and informational resources and creative thinking. Creative thinking is formed through teamwork and in environments based on synergy (Behnamiri, 2012).

The development of crisis provides a suitable background for reviewing organization strategy and detecting of new opportunities using the execution of Change Management models. The nature of crisis management is discovery and development of this potential for achieving organization goals (Behnamiri, 2012).

One of the important concepts of strategic management is synergy. The important role of teamwork is inevitable for organization success and synergy plays an important role in the realization of this task regarding the fact that during crisis, the vitality of efficiency and productivity will be more and also using organization resources is efficient and beneficial. Synergy depends on personnel, coordination, productivity of organizational structure, communicative patterns, and seriousness of work; it appears in individual attempts and develops in teamwork. From this perspective, organizations should apply valuable tools and human resources for increasing the morale of teamwork. Ultimately, using synergy in strategic management will be of double importance due to flexibility increase against external factors and providing an effective relation among individuals during crisis (Altok Pinar, 2011; p. 61-71).

## 7. Strategic approach of crisis management

As it was mentioned different concepts of crisis in the previous sections, crises are different from most of strategic decisions which are true options along with time restriction, control consequences, threats. As it was stated in the previous sections, crisis management is a strategic challenge at the first sight. The analysis of this challenge requires that strategic management actively faces its seven certain roles. These roles include: 1) goal codification, 2) environmental analysis, 3) strategy codification, 4) strategy evaluation, 5) strategy implementation, 6) strategy control, and 7) environmental analysis.

Unfortunately, crisis prevents from the process of strategy management through four ways. It needs rapid answer; for this reason, time compression severely decreases strategic managers' attention from above-mentioned roles. For example, by poisoning of Tylenol pill of Johnson and Johnson in 1982, the management had to perform complicated proceedings rapidly and decisively to collect poisoned pills during few days that normally could take some months. The second feature of crisis which prevents strategic management process is control level. Crises increase the dimensions and intensity of threats. From the vision of strategic management, dimension of threats relate to a certain condition that is always existed for organization and get codification, assessment and execution of strategy face with challenge. For example, marketing decision by E. H. Robins for Dalkon Shield Company late 1970s in which wrong definition and prediction of threats leads to many complaints and thereby bankruptcy and finally the company was taken by other persons. Strategy guideline is a change in crisis and not its destruction; in fact, it considers crisis as a threat and its delivery percent is in format. The fourth feature of crisis is for the limitation of choices. Crisis management should briefly be sensitive to the principles of strategic management. Proper diagnosis of crisis signs is of great importance as the first management step which requires a suitable environmental analysis and goals codification. Management actively faces crisis when it is considered in codification and evaluation of strategy process. Ultimately, the execution and control of strategy needs source (human and financial) reset for the reconstruction of organization. Strategic diagnosis, confronting and reconstructing in crisis term will become more difficult by time compression, control consequences, threats and limited selection (Burnet John.J; 1998; p. 480-481).

## 8. Organization performance and management in crisis

It is not sufficient to have general crisis management system which states the methods of potential crises, because each crisis has its own features detectable at the time of occurrence (Mendonca, 2007; 953; Lucero M., et al.; 2009; p. 235). In such conditions, intractable fidelity to previous plans are not responsible for conditions, delay in proceeding and losing the control of conditions can impose serious damages to the organization. The understanding of critical condition is an important phase which can determine answer of organization to crisis (Behnamiri, 2012).

Crisis and how to reply to it depend on manager understanding of external and internal condition of organization (Santos & Garcia; 2007; p. 339).

Booth states that choosing an approach limited to recognition and definition of crisis leads to consider crisis managers only in the framework of short-term interests of organization and therefore a limited attention of organizations are shifted to crisis. Crisis confronting in the tight and one way frames leads to inefficiency of plans provided for crisis confronting and due to neglecting original roots of crises, these processes are out of content and many critical opportunities hide from insights. The lack of a comprehensive theoretical incident regarding crisis concept can be dedicated to its multi-faceting. Mental, political, social and technologic factors play an important role in concept understanding and hence phenomenon management (Mazlumi, 2000; p. 5).

According to the opinions of Pearson and Clair, crisis management includes a systematic attempt by organization member with the beneficiaries outside the organization in order to prevent crises or efficient management during its occurrence (Mc Conkey, Dale; 1986; p. 53).

Crisis management is consisted of three discrete phases: first, prediction-prevention; second, planning-education; and third, guide-control (Behnamiri, 2012).

If crisis management is defined as planning for crisis control, then four steps should be accomplished for the planning of crisis control.

First, undesirable phenomena should be predicted, then contingency plans should be set and afterwards teams of crisis management should be formed, trained and organized. Finally, for completion of programs, they will be applied experimentally and practically (Kreitner, Robert; 1998; p. 618).

Final strategic choosing is dominantly on the basis of different theories about future. The success of chosen strategy depends on future condition with different degrees and future condition. The changes of industry and environment may not be in accordance with predictions and assumption; for example, focus strategy for the economies of production scale. The creation of an extensive entity of amusing machines in Vienne Bagoo depended on persistent supplying of much amount of cheap oil for customers. By oil sanction of Arabs, this contingency severely changed. Vienne Bagoo faced a mass entity of amusing machines and Break-even point in the facilities of machine production; hence, ten years later Vienne Bagoo attempted compensating reparation (Pearce & Robinson, Khalili Shurini, 2013, p. 330).

For improvement of the ability of encountering in the similar conditions, some increasingly numbers of organizations have used contingency approach in strategic selection. The fundamental assumption that the success of chosen strategy depends on them, will be known. Conditions which may be different by basic assumptions or predictions of important contingency

are recognized particularly in negative forms. Economic recession, employee strike, increase of interest rate, technology progress or shortage of raw materials are some examples of such contingencies. After having recognized these scenarios, managers codify different contingence strategies for organization. These strategies can be short-term or long-term and they are used for Corporate, Business or Functional level. The organizations which use this contingence approach often detect sensitive points and management, become aware for the application of contingent approach. Sensitive points of certain deviations are due to basic predictions of industry condition or environment (like supplying and price of oil) and they are used for informing management about the necessity of evaluating replaced strategies and supplying sufficient time for employing contingent strategy (Pearce & Robinson, Khalili Shurini, 2013, p.330-31).

If fundamental assumptions change, some organizations take the advantage of contingent approach in strategic selection by the aim of flexibility in changing the selected strategy (Pearce & Robinson, Khalili Shurini, 2013, p.332).

However, the style and environment may require serious need for reformation. The other success does not achieve individually; stronger teams are the winner of current economics and such teams must be so practical. Functional standards of a successful studied team seem so impossible for the challenges of this crisis. An interesting study in 1981 by R. M. Belbin was conducted regarding certain functional role and the group role of members. (Hogan, 2007) This model is according to a nine-year research of management and it relates back to effective use of human characteristic in the continuation of team reformation (when individuals are willing to immigrate to informal roles regarding their characteristics) and depends on balance importance among these roles for the purpose of maximizing team performance. A balanced team should cover an extensive range of responsibilities by best usage of characteristics of various individuals. In modeling a statement, such a team is not only valuable for information gaining in a field or when typology is required for humans, but also it is beneficial for effective role attribution to team members and achieving the best results of competition groups clearly affected by various characters (table1).

## Table1: Team roles according to R.M. Belbin

| Role | Characteristics | Strengths | Weaknesses | Participation |
|---|---|---|---|---|
| Boss | Calm, confident, self-control | Task-oriented, evaluates contributions | Average creativity and intelligence | Clarifies goals Identifies problems and priorities Defines roles Clarifies disputes |
| Programmer | Dynamic and expansive | Energetic, willing to expand group performance | Impatient and irritable | Identifies roles, tasks, responsibilities Strains group performance |
| Ideas generating member | Individualistic, prominent | Clever and imaginative | Unpractical, disorganized | Generates ideas and solutions Criticizes current actions |
| Evaluator | Serious, moderate | Unobtrusive, but obstinate | No leadership qualities | Analyses and clarifies problems Evaluates others' contributions |
| Negotiator | Extrovert, curious, communicative | Able to build relationship | Easily getting bored | Brings in outer ideas |
| Team member | Rather weak, but pleasant | Responsible, promoting team spirit | Irresolute during crisis | Punctuates closing of a task Promotes seriousness Identifies errors |
| Performer | Conservative and predictable | Organized, disciplined, industrious | Inflexible, opposing change | Focused, good planning abilities |
| Finalizing member | Tidy, thorough, anxious | Perfectionism | Worried about details | Co-operative Develops others' ideas |

* Source: Hogan, R. (Personality and the Fate of Organizations)

The working force as well as the management of the company needs to quickly adapt to important shifts in the business philosophy of the company and perform fundamental changes such as being able to act at higher business levels, rapidly shifting towards new collaboration opportunities in order to reach new objectives, to get used to act globally even if the company profile never fitted such a profile before, or adapt global companies to operate also at local levels (Friedman, 2006). The most important goals of the adapted company should thus focus on customers on collaboration, whether collaboration refers to external business environment of the company or inner competence of the organization. (Daniela Roxana Andron; 2013)

Time factor has a significant effect on strategic selection. For example, Verd Mech-Tran, a small producer of fiberglass pipes, faced with financial problems. At the time that it intended to get loan from SBA, it received a combination suggestion from immigration industry (supplier of oil materials of Canzas). The suggestion contained selling of 100% of Mech-Tran share in two weeks, while procedures of SBA loan at least required 3 months. Certainly, management strategic decision was severely under the influence of external imposed time restriction which constrained analysis and evaluation. A research conducted by Peter Wright indicates that under such time restrictions, managers give more value to negative information rather than positive ones and they prefer defensive strategies. The owners of Mech-Tran decided not to accept the suggestion and waited for the loan in which the result was not clear. Therefore, defensive strategy management was chosen regarding time restrictions along with the findings of Wright (Pearce & Robinson, Khalili Shurini, 2013, p. 3288-29).

Time restriction has another aspect, too: timing of strategic decision. A good strategy will lead to a disaster, if it is made in an improper time. In 1970, Vienne Bagoo was the most favorite person of Wall Street, since its share increased from 3 to 44 dollars per a year. The strategic selection of Vienne Bagoo in 1972 was severed the development of its focused production facilities, the continuation of previous strategy which makes Vienne Bagoo different through success in the industry of amusing machines. The 1973 Arab Oil Embargo with round increase of oil price and the costs of transportation generally affect Vienne Bagoo in a negative way. Strategy was good, but it was disastrous. On the other hand, across time perspective, IBM decision about prevention of entrance to increasingly growing market of personal computers was so suitable till 1982. By introduction of Apple in one-page advertisement of Wall Street Journal, IBM achieved the highest amount of market share in early of 1983 (Pearce & Robinson, Khalili Shurini, 2013, p. 329).

Last aspect of time dimension is the time of supplying substituted choices and considered time horizon of management. According to the existing condition, it may be the attention of management focuses on long term or short term at the first sight. Logically, strategic selection is strongly under the influence of adaption between the current time of management and supplying (outcome) time related to other options. As a move toward vertical combination, Dopon severely became debtor for buying Canco. Due to excessive supplying of oil in 1983, it was evident that

Dopon could provide its required oil materials from free market cheaper. This short term perspective for Dopon management was not that important, because buying Canco Company was a part of long-term condition stability strategy of Dopon as producer of various productions related to oil (Pearce & Robinson, Khalili Shurini, 2013, pp. 329-330).

## 9. Models of crisis management
## 9. 1). Onion model of Mitraf and Shfivastava

This model provides a framework for the organization ready for crisis. As its name found, it is consisted of layers. First layer is referred to organizational technologies, guidelines, plans, and behaviors. The layer is formed by the system of formal alarms, mechanism evaluation of weakness and mistakes, control mechanisms, education and simulation for crisis management. The second layer or organizational structure provides application and the formal policies of organizations regarding suitable planning. Through role analysis, common sources and information among groups, teams and sections, perfect management support and inner cohesion of organization, the layer assesses and guides an on verge crisis flexibility and warning systems. Third layer deals with infinite number of defensive mechanism against crisis and it states that one of the most important organizational defaults is technical and financial straits. Among negative organizational beliefs during crisis, it can be referred to excessive confidence, reactive proceedings, bad news source, high costs of suitable planning, and unpredictability of crisis. This layer contains organizational culture. The fourth layer considers beliefs, defensive assumptions and mechanisms of individuals, including managers and other agents of crisis.

Onion model of crisis management is a significant approach in crisis management, it means that on the basis of this model for effective crisis management, all elements and related components of individual characteristics or factors of crisis management, organizational culture and structure and finally organizational guidelines and technologies should be compatible (Behnamiri, 2012).

## 9. 2). Leechat cycle model (1990)

Leechat (1990) defines the cycle of crisis management as five stages: prospect, warning, rescue, naturalization, and rehabilitation. Based on Leechat's model, the derivation of crisis management is started with prospect or in other words its prediction starts and finishes with the rehabilitation of damaged and crisis-stricken system (Babaiee Ahari, 2004).

## 9. 3). Five-stage model of Mitraf and Pearson (1970)

Mitraf and Pearson (1970) also suggested a five-stage model that on its basis the first step in crisis management is crisis detection. This model is important in a way that it is paid attention to both detection steps considered as a basic step in the pre-crisis stage and also learning stage neglected in most crisis management models (Babaiee Ahari, 2004).

These five stages as a closed cycle include detection, preparedness, suppression, recover and learning. Finally, learning can further help organization in detection stage of next period.

### 9. 4). McConky model (1987)

In a simple model of crisis management, McConky (1987) considers it as a four-stage plan, including prediction, codification, supplying of human force (team making), and finally plan application  (Babaiee Ahari, 2004).

### 9. 5). Fink comprehensive inquiry model

Fink suggested model indicates that a comprehensive inquiry of critical condition should be applied; one which guides organization to detect events resulted in crisis. After these issues have been detected, a practical plan should be provided. This plan includes the description of crisis condition and the statement of desirable or acceptable consequences. Therefore, the members of crisis team make questions about incidence reason and confront method and through this, strategic or tactic options are created and applied (Panrise; 2000, p. 26).

Consequently, four stages of this model include: the comprehensive evaluation of critical condition, the provision of practical plan, the creation of strategic and tactic options, and options application.
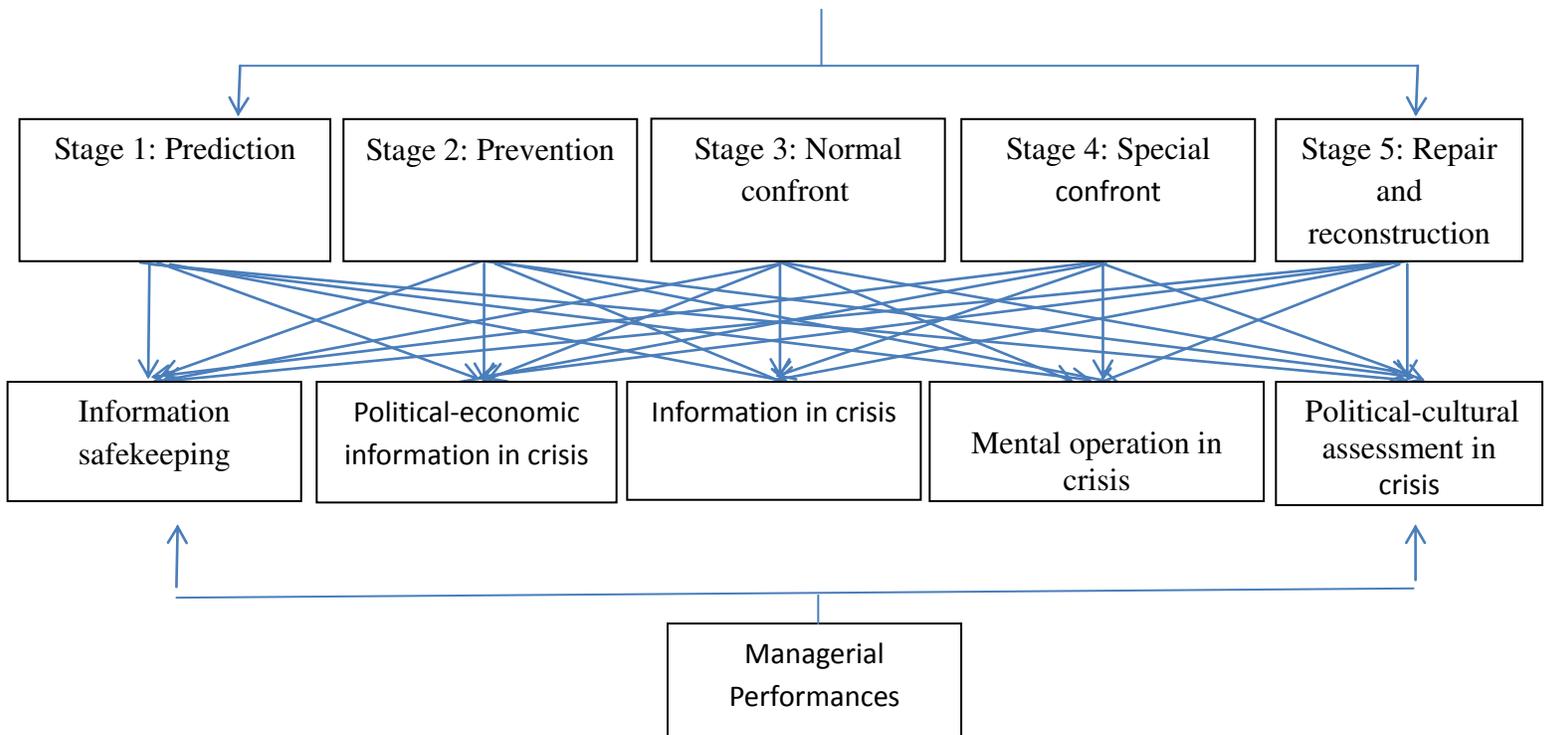
### 9. 6). Six-stage model of Little John

Six-stage model of Little John is a framework which offers basic guidelines of crisis management. In his opinion, first step of crisis management is designing organizational structure of crisis management. After this step, it is the turn of appropriate team selection. Then, through training and simulation of critical issues, team organization is applied. Next stage is about designing the scenario of response to critical condition. After full consideration of potential critical issues, a suitable plan is set and finally the content of mentioned plan should be applied (Babaiee Ahari, 2004).

### 9. 7). Two-part model of crisis management

In a relatively comprehensive and practical model, crisis management includes a series of missionary levels and supportive proceedings. Therefore, it is called a two-part model (Roshandel, Purezat, Qolipur, 2009, p. 67-72)

Supportive Proceedings

| Stage 1: Prediction | Stage 2: Prevention | Stage 3: Normal confront | Stage 4: Special confront | Stage 5: Repair and reconstruction |
|---|---|---|---|---|

| Information safekeeping | Political-economic information in crisis | Information in crisis | Mental operation in crisis | Political-cultural assessment in crisis |
|---|---|---|---|---|

Managerial Performances

Two-part model of crisis management (Hosseini et al., 2009)

## 10. Conclusion

In this study, it was attempted to show that organizations face different critical conditions and each kind of crisis affect the function of organizations in different ways. It is obvious that managers cannot be prepared for all crisis kinds. However, if they believe in crisis management as an inseparable part of the responsibility of strategic management, the possibility that their organizations get stuck in crisis declines. Since the results of critical condition are pervasive and threaten the existence totality of organization, efficient and effective crisis management is pervasive like the former method and contains all levels. Crisis management will be successful if it was not merely in the domain of operational and short term plans and the organization sees it in a wider scope and longer horizons. It is important to consider crisis management and its relation to technical and operational planning. In final analysis, crisis management guarantees the stability and long-term prosperity of an organization. The suggested approach of the study helps managers extend their making decision skills in crisis management and understand the importance of crisis management in the process of strategic management. As it was mentioned, through four factors of time restriction, control consequences, threats and limitation of response option, crisis prevents from realization of strategic management. Whether crisis management follows each of 7 mentioned models, through removing or fading the results of these barriers it helps the realization of strategic management which is responsible for six roles of aim codification, environmental analysis, strategy codification, evaluation, implementation and control (Behnamiri, 2012).

The preventive organizations facing crisis always put some plans on agenda for evaluating the possibility value of error expression and also preventive plans for managing possible crises. One of the necessities of this preparing is determining the members of crisis management team. The success of this team is for having sufficient skills and sources among members. According to capabilities and available sources, the correct selection of these members is necessary which requires exact and precise decision. In critical decisions, it always needs a proper and rapid model that efficiently gets the complex manager to make a correct decision for determining team and operational level of members in terms of indicators (Zibarzani, Nekooi, & Abd Rozan, 2013).

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