Chapter 5: Crisis Management

What is a crisis?

A change (sudden or evolving) a problem immediate actions

Business crisis damage to employees/reputation

Crisis: 3 characteristics:

- 1. Sudden disturbing events
- 2. Short notice
- 3. A feeling of fear or threat

2 types of crises:

- 1. Natural crises: acts of nature, beyond human control: earthquakes, floods, landslides, etc.
- 2. **Industrial crises:** organized activities led by humans: wars, bankruptcy, terrorist attacks, etc.

Crises send warning signals: Strong or weak

What is <u>crisis management</u>?

Not prescribing the exact solutions

Crisis management depends on crisis type

Crisis management: mitigating the negative impacts of unexpected problems

Crisis management steps:

Preparedness is the most important step.

Systematic examination of possible threats, problems, opportunities leading to new risks

Use of strategies for getting out of the crisis

Making decision for future actions

What is preparation? PTT

Creating crisis response plan: Planning

Selecting and training crisis management teams: Training

Testing the plan and the teams: **Testing**

Crisis response plan: Flexible

Plans must be sent to emergency services

Tehran Disaster mitigation and management organization:

Earthquake emergency preparedness:

Studying and increasing safety: **Pre-crisis**

Doing necessary actions to reduce the losses: While-crisis

Managing city reconstruction: Post-crisis

SAVER:

Collecting risk maps, geographical information, and population in a database

Scenarios: potential damages: target population affected by disaster

Conclusion:

Systematic (not spontaneous) approach

Learning from previous crises

Recovery from crisis: opportunity for reconstruction: New normality