**5.1. Introduction**

In the previous section, a thorough discussion of media relations is done. This section covers crisis management within a business organisation. Crisis management is all about applying strategies developed for helping the business to combat a sudden and urgent event that can be risky for the company (Carroll& Buchholtz, 2014).This might take place due to an unpredictable event and its consequences. In this section, the two issues are discussed in the context of business entities. The issues are related to the communication and preparation of the business entities during the crisis. In addition to this, some examples of crisis management are also highlighted in this document. The report ends with a conclusion outlining the findings from the aforementioned listed subparts of this report.

**5.2. Issue 1: Preparation For The Crisis Management**

There are different crises that can affect the business organisation differently. However, there are some common characteristics of each crisis. These have been discussed here.

**5.2.1. Crisis Characteristics**

The crisis can be categorised based on the response and recovery which progressively builds up. The characteristics of every crisis in the context of a business organisation are that they are unpredictable, unanticipated, and can take place anytime. In addition to this, they have a high degree of instability and large potential to cause extreme loss to the company. Furthermore, Carroll& Buchholtz,(2014) highlighted that crises need a large amount of management attention, resources, and time. Moreover, they bring about some serious changes in the management structure of the company and operations. Sometimes they take place due to faults of the company and that further results in penalties, fines, and legal obligations. There are many worldwide events and cases that have taken place in the recent past that emphasise on the need of preparing for the crisis situation (Elsbach, 2012).Being prepared for a business crisis means having a stable crisis management plan that is easy to understand and well-rehearsed. If this is not the case, then the company might become vulnerable with serious financial, reputational, operational, and regulatory consequences. The next part talks about some real-world example of crisis management (He, 2012).

**5.2.2. Case Study Analysis of Crises in the Business Context**

In 2013, Target's IT systems got hacked and the data of nearly 110 million customers was stolen. The Target Company and the management apologised and gave the explanation for the data breach (Lerbinger, 2012). However, there were some major challenges in the response strategy of the company. First and foremost is that the lower management responded prior to the top management got fully aware of the issue. This resulted in the confusion and poor response strategy. This reflected the unpreparedness and unprofessional behaviour of Target. The second issue was related to the online post from the CEO that did not garner many views. This happened because most of the customers are connected with the social media page of the company rather than the website. This incident gave many lessons to Target.

The following case gives many lessons to the business world in order to mitigate the effects of the crisis. The first is that it is important for theorganisation to be honest as soon as the truth broke. In addition to this, there should be a consistency in the response from the company and that too in an empathetic tone. Moreover, the company has to reimburse all those who get affected and it should demonstrate a commitment and effort to change itself and its modus operandi.

**5.2.3. Preparing for the Crisis Management**

Preparing for crisis management is not an easy task. The company has to spend its time and resources in order to have a top-notch and efficient. It has been seen that even big companies are inefficient to cater to the crisis. The reasons are many and the most common is ineffective communication technology and lack of information about the crisis. The other issue is lack of common grounds or mutual consent among the teams working on the crisis. Wendling, et.al, (2012) mentioned five steps to prepare for the crisis for every industry. The first and foremost is vulnerability assessment. This would help in determining current and potential weakness, challenges, and areas of poor communications and strengths too. The next step is crisis planning that talks about operational and communications. In this step, this is important for the team to have good coordination among the team and members working in an organisation. It is important for the organisation to establish an operational and communication plan.

The third step is determining the needs for crisis management and other support systems. Majority of the companies fail to determine the crisis support systems' need and as a consequence of which they undergo failure (Speakman& Sharpley, 2012). There is a need for creating a special team for carrying out specific crisis management. This might contain members who are well-coordinated. The fourth step is training for crisis management. Without training, the team is unable to achieve its goal for the management of the crisis. There should be a well-coordinated and well-structured training plan. The fifth and last step in crisis simulations. This comprises a mock drill for the team members and the managers in order to test the preparation of the team in such a huge issue. It has been seen that organisation that practice for the crisis management survives the real events with the least damage than those who are reluctant to the planning.

**5.3. Issue 2: Communication During The Crisis**

Lerbinger(2012) says that communication in a crisis is different as the receiver of the information is acting differently, processing it differently, and taking it in a different way. The manager and the top-leaders should understand that the way of communication in the crisis might affect the victim badly. Coombs (2014) mentioned some communication failure and challenges affecting the process of communication differently. The first and foremost is a mixed message from many different executives. This might create confusion among the audience as the information is coming from the different source. The second failure is the late release of information. It has been seen that if the public is seeking any information regarding the crisis and the company is not releasing it, then this would bring the company in a disadvantageous position. The third is ignoring the bad news and rumours in the media. This might cause more damage to the company than what is caused by the crisis. As it has been discussed in the earlier section that media relation and the PR team should be proactive to handle the bad news. The last communication failure or challenge is the struggle between public power and confusion among them. Sometimes there is the struggle among the public over jurisdictions. The significant thing here is to make sure that they are handled with the utmost care by the company.

Antonacopoulou& Sheaffer(2014) discussed maintaining and building public trust in the phase of the crisis. The first and foremost is showing care and empathy to the team members and people affected. The company should acknowledge the suffering and loss occur to the customers and stakeholders. The next is applying organisational competencies and expertise. The organisation needs to have an established relationship with the audience in the case of an emergency. If this happens, then the customers and other members will feel confident. The next is honesty and openness in realising the information about the crisis and accepting the fault in front of the media and the world. This means being participatory instead of paternalistic. The organisation should give choices to the people along with enough information just to make sound and most appropriate decisions. The fourth is a commitment to the phase of the crisis. The manager should state up to the objectives of the organisation and make a commitment to reach those objectives through proper planning (Loosemore, et.al, 2012)In addition to this, they should show deep dedication by sharing in the sacrifices and uneasiness in the case of emergency. The organisation should act real rather than showing fake hardships and efforts in front of the media and press. The last is accountability while being transparent. If the government or funded money is used in any project, then there are high chances of media demanding the documents of expenditure and other important. Therefore, it is important to have everything well-documented.

**Conclusion**

This part talked about the crisis scenarios that could affect the company's image and cause some serious issues and damages. The definition of the crisis was defined here in order to understand crisis management. There were two main issues that had been outlined in this report. The first was the preparation of the crisis management plan, wherein the basic characteristics of a crisis had been enlisted. The next issue was communication during the phase of the crisis. The issues were related to the communication and preparation of the business entities during the crisis. In addition to this, some examples of crisis management were also highlighted in this document.

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