MANAGING CRISIS IN CORPORATE WORLD IN GLOBALISED ERA - A TRIADIC PERSPECTIVE

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ABSTRACT

A crisis is the ultimate unplanned activity and the ultimate test for managers. In a time of crisis, conventional management practices are inadequate and ways of responding usually found to be insufficient. This article highlights a well-managed crisis response that will leave stakeholders with a favourable impression and renewed confidence in the affected company. Few circumstances test a company’s reputation or competency as severely as a crisis. Whether the impact is immediate or sustained over months and years, a crisis affects stakeholders within and outside the company. Customers cancel orders, Employees raise questions, Directors are questioned, Shareholders get antsy, Competitors sense opportunity, Governments and regulators come knocking, Interest groups smell blood, Lawyers are not far behind. As the ultimate unplanned activity, a crisis does not lend itself to conventional “command and control” management practices. In fact, some of the techniques for managing a crisis may fly in the face of conventional notions of planning, testing and execution. Preparation and sound judgment are critical for survival. The concept of crisis management has become a specialized activity in the domains of communications and public relations. Companies have come to recognize crisis communications capabilities as a vital part of their risk management and business continuity strategies. This article encapsulates strategy for survival and will help companies to avoid, manage and recover from a crisis.