

The Crisis Management Capabilities and Preparedness of Organizations: A Study of Iranian Hospitals

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There is evidence from recent crises that the preparedness for and response to undesired problems on the part of organizations is directly related to their relevant capabilities and their willingness to actively manage such problems. In this context, hospitals compared to other organizations are more viable to suffer damages if a crisis occurs. This study was done at 41 Iranian hospitals in Iran, whose directors and general were each interviewed and asked questions about the hospital's capabilities to respond to crises and its preparedness for such crises. The interview responses of these subjects show that most of them were not familiar with what is involved in crisis management, although most of them did say they had crisis management plans and crisis committees in their hospitals. Most of the respondents believed that if a crisis occurred in the hospital, patients, personnel and documents will be the first victims of the crisis. The study makes clear that having a crisis plan and a crisis committee without knowledge of crisis management does not help managers to cope with undesired problems. Moreover, results show that older managers were more familiar with crisis management in other countries, defined their responsibilities to include setting up crisis committees and took crises more seriously than their younger counterparts.

Introduction

Crisis can be simply defined as a situation which is not possible to maintain. Therefore, when a crisis occurs, a change is required until we reach balance and equilibrium. In fact, if there would be no need for a change in the situation, what has happened could be regarded as an accident or an event, like a car crash. In other words, a crisis is a process that an organization may face during an unexpected threat which may lead to organizational damage. Crisis management is the process by which an organization deals with a major unpredictable event that threatens to harm the organization, its stakeholders, or the general public. Crisis management is the systematic attempt to avoid organizational crisis or to manage those crisis events that do occur (Pearson & Clair, 1998). In fact, crisis management is a technique both for avoiding emergencies and planning for the unavoidable ones, as well as a method for dealing with them when they occur (Yheung et al., 2003). Crisis is a major, unpredictable event that threatens to harm an organization and its stakeholders. Although crisis events are unpredictable, they are not unexpected (Coombs, 2004). Three elements are common to most definitions of crisis; a threat to the organization, the element of surprise, and a short decision time. The true test for any hospital executive lies in managing a crisis. A hospital crisis, by definition, is unexpected and unpleasant. No organization seeks it out; no CEO desires to face it. It is the job of a CEO to be prepared for sudden crisis and to manage them.

Types of crisis

We should be familiar with types of crisis, because each crisis requires a different strategy to handle. There are many types of crisis such as:

- Natural crisis such as earthquake, floods, and storm;
- Crisis of malevolence, such as hostility or anger toward, or seeking gain from, a company as happened in Johnson and Johnson in 1982 in America. Tylenol medication. Unfortunately, at that point one individual succeeded in lacing the drug with cyanide. Seven people died as a result, and a widespread panic ensued about how widespread the contamination might be;
- The crises in hospital emergency departments;
- Events occurring due to negligence, such as the Bhopal disaster in 2006 in India;
- Crisis due to human error, such as mistakes in software or hardware, or mistakes in calculation in building wiring installation;
- Strikes or work stoppage or when workers rebel against employers of organizations;
- Schools and crisis management; The Beslan school hostage crisis (also referred to as the Beslan school siege or Beslan massacre) was a three day hostage-taking of over 1,100 people which ended in the deaths of over 300. And Iran hostage crisis (4 Nov. 1979–20 Jan. 1980) Following the establishment of the Islamic Republic of Iran.
- Economic recessions (in 2009, for instance).

In fact, the concept of crisis portfolio can aid managers significantly in planning for crisis (Lichtenthal and David, 1999). The very essential part of any crisis is to handle it successfully. Therefore, crisis management is a combination of procedures and actions, which in emergencies, are applied in order to handle the crisis in a planned and coordinated manner. Crisis management is an operational plan, and is designed to be executed when the organization faces an unusual situation. Or, crisis management is a process designed to prevent or lessen the damage a crisis can inflict on an organization and its stakeholders. We can compare crisis management with “risk management.” Risk management involves assessing potential threats and finding the best ways to avoid those threats, but crisis management involves dealing with threats after they have occurred, which is an evaluation concerning possible threat to the institution, and an attempt to find the best way to face the threat. Risk assessment is an intrinsic function of the risk management process and subsequently risk assessment also has become a core part of emergency management (Jones, 2008). In reality, crisis management encounters different types of problems and threat compared to risk management, but it is much broader in that and its dimensions are much wider such as skills and techniques which are used for recognizing, evaluating and eventually facing different situations, particularly from the time that crisis occurs, until it moves towards improvement.

Stages of crisis management

Organizational safety is the top priority of every manager. Moreover, facing any crisis successfully is extremely important, but predicting and being ready to respond any crisis is very essential. Therefore, crisis management can be divided into:

- Forecasting or overseeing a crisis (before any crisis happens).
- Being ready to face a crisis or respond to a crisis.
- Proceeding through, or actions after, a crisis.

Preparedness, is a fundamental step for any organization in order to handle a crisis whenever it occurs. In fact, being prepared to face a crisis means that the organization has reduced the risk of losses and damages when a crisis occurs. In fact, prevention involves seeking to reduce known risks that could lead to a crisis (Augustine, 1995). This is actually a part of crisis-management planning. Therefore, planning involves advanced thinking and designing methods for dealing with a crisis in appropriate steps to not only handle the crisis, but to reduce damages to the organization as much as possible. In the forecasting stage, finding out the weak points or potential threats to the organization is essential. Appointing key individuals for setting communication channels during the crisis is the next step. The essence of the practice of public relations is dealing with the media. Therefore, the responsibilities of key individuals should be assigned. Communication must be open, honest and consistent. Because all actions during the crisis must be documented, forms to make records during the crisis should be prepared. This is followed by the training of key personnel and running simulation programs to find out whether forecasting plans are feasible and applicable.

Recognizing a crisis is very vital. How an organization, particularly a hospital, handles crises may influence how the public perceives the organization for many years to come. It is therefore essential that such emergencies be managed intelligently and forthrightly with the news media, medical staff, employees, the government and the public-at-large. First, one must recognize the “warning signs” that almost invariably emerge when a crisis is near (Coombs, 1995).

Barton (2001) says that forecasting plans are successful when (1) organizations yearly set awake a crisis plan, and update it, (2) the plan includes loyal and advocated key personnel, and (3) the plan is practiced yearly. In all three types of (plans) crisis, there should be one person as management spokesperson, because, in the crisis, there is a serious need to prevent crisis news distortion, because consistency in news broadcasting is vital. Being ready to face a crisis, strong coordination and cooperation among groups and individuals are very important to deal with a crisis. Proper and correct training (specialized and general), and appropriate equipment are two main components of facing a crisis. In addition, information given to the public should be accurate, honest and on time. In a study done at the Faculty of Management at Tehran University on crisis management to find out priority of actions during a crisis, the following information was provided by the respondents:

Try to find those who are alive, and treat them as they needed; Coordination among the teams of the crisis; Operation of various groups involved in the crisis; Machines and equipment; Finding or setting up connecting roads; Settlement of those who can be settled and hospitalizing those who need it; Taking care of security in the area affected with the crisis; Applying what has been learned from international experiences; Setting up communication; Air lift or air help; Receiving goods and other help and distributing them among the people who need these goods and help; Temporary settlement of those who are alive; Setting up a telephone communication network; Burial of dead; After crisis is a complicated, sensitive and difficult stage to be handled. In a crisis such as an earthquake, individuals try first to save themselves, then take care of others. But right after this stage, they try to search for their belongings, documents and property

Priorities of actions or proceedings after the crisis are as follows: Settlement of children and survivors; Organizing and distributing national and international aid; Using social workers and providing psychological advice; Applying international experiences; Collecting debris and destroyed buildings; Reconstruction of the region; Transferring those who lost their houses to the newly built houses (Taslimy et al., 2005). Boin (2004) indicates that crisis authorities must identify which decisions they must make and which should be left to others. They must make critical decisions without sufficient or adequate information. They must enable cooperation between the various factors involved, and they must organize communication streams within and across the crisis management network as well as with the outside world.

Theories of crisis management

Success in neutralizing or facing a crisis depends on how well we are aware of preventing a crisis such as Tsunami, floods following storms, which brings destruction. Successfully diffusing a crisis requires an understanding of how to handle a crisis before it occurs. Gonzalez-Herrero and Pratt (1995) created a four-phase crisis management model process that includes: issues management, planning-prevention, the crisis, and post-crisis. The art is to define what the crisis specifically is, or could be, and what has caused it or could cause it. Crisis management has three stages: (1) management issues, (2) planning for preventing crisis, and (3) and issues after crisis. The skill involved in implementing this crisis management is that we must know the type of crisis, what has caused it, or what could cause it. Mayer et al. (2008) have identified specific areas that should be addressed in a crises and disaster preparedness plan based on information gathered from organizations that went through a major disaster first-hand.

Crisis-management planning is necessary for any kind of crisis, but organizations cannot sit and wait until a crisis occurs and then deal with it. "Companies are beginning to realize that what happens to a Union Carbide can happen to them, whether they're big or small, publicly traded or privately held" (Rudolph, 1986). Contingency plans in advance, as part of a crisis-management plan, are the first step to ensuring a hospital is appropriately prepared for a crisis. Actually, a crisis management plan is a reference tool, not a blueprint. It provides lists of key contact information, reminders of what

typically should be done in a crisis, and forms to be used to document the crisis response (Coombs, 2007). Tasks should be clearly defined and assigned in advance. Any distorted information based on personal opinion, i.e., whether a person may be responsible or irresponsible in a crisis, may result in chaos. In healthcare systems, most health care professionals, whether board members, managers, or physicians, generally would say that the environment they face today is much more uncertain than it was even five years ago (Barnum and Kutzin, 1993). The last point which is vital to mention is the readiness of employees of an organization to face a crisis which requires effective crisis management (Seymour and Moore, 2000).

Case study

The goal of this article is to present the findings from an exploratory empirical study of hospitals' capabilities and eventually their preparedness to face crisis, if it occurs in their hospitals. Given below are background data which may contribute to a better understanding of crisis management in Iranian hospitals and as a result to a better appreciation of the findings as well.

Method

In Iran, there are 856 hospitals (governmental and private) of which I have concentrated only on 121 hospitals (65 governmental and 55 private) located in Tehran (the capital). A sample of 41 hospitals (out of 121) were selected, and I interviewed all of either hospital directors 31 (76%) or hospital managers 10 (24%). Most hospitals have a senior doctor as the head of the hospital (director), and some have hospital managers. For statistical analysis of data, frequency, percentages, cumulative and correlations have been used. The main reason to concentrate on governmental (or public hospitals) in relation to private ones, is that in most public hospitals, some are not as equipped and modern as private hospitals, and perhaps are generally less capable and prepared to predict and The present study utilized a closed-ended questionnaire and all respondents were interviewed. In this case, out of 41 respondents, 30 were surgeons, and 11 were professional managers (with MA or PhD degree). The questionnaire was divided into two parts: (1) personal data, and (2) management data. At the end of the questionnaire we added one open question to obtain extra information.

The first part of the questionnaire included "personal data" of the respondents which shows gender, education, age groups and length of service, discussed below. Out of 41 hospital directors and managers, 8 were women (19.5%), and 33 were men (80.5%). This indicates that almost one fifth of them were women which might be due to the nature of the job and type of hospitals which are governmental. More than 50% of the respondents hold MA and PhD degree, around 60% were between 35 and 45 years of age, which is an indication that hospital managers in the coming years seem to be available, and 57% had less than 10 years of service.

Tables 1 through 9 include questions related to respondents' capabilities and hospitals preparedness to crisis.

1 – To what extent hospital managers in Iran are familiar with crisis management?

Table1: Familiarity of respondents with crisis management

Degree of familiarity	f	%	C%
Little	2	5.00	4.90
Not very familiar	22	54.00	58.90
Familiar	13	32.00	90.00
Very familiar	4	10.00	100.00
	41	101.00	

As the above table shows, around 40 percent of the respondents seem to be familiar or very familiar with crisis management.

2 – Is there a crisis management plan in your hospital?

Table 2: Crisis management plan in the hospitals

Responses	f	%	C%
Yes	39	95.00	95.10
No	2	5.00	4.90
	41	100.00	100.00

Table 2 shows that almost 95% of respondents mentioned that their hospitals have a crisis plan. However, this statement contradicts with responses on familiarity with crisis management of which around 58% of the respondents believed that they are either “not familiar” with the subject of “crisis management” or “very little” are familiar.

3 – Is there a crisis committee in your hospital with clear function of its members?

Table 3: Number of hospitals with crisis management committee

Responses	f	%	C%
Yes	37	90.00	90.00
No	4	10.00	100.00
	41	100.00	

4 – For facing crisis in a hospital, what factors could be very helpful and effective?

Table 4: Possible crisis in hospitals, and effective factors to face it

Responses	f	%	C%
Qualified personnel	1	2.50	2.50
Trained personnel	4	5.00	12.30
Coordination between authorities	1	2.50	14.80
Having a committee comprised of members of all sections	10	24.00	39.00
Applying instructions already formulated by the Ministry of Health	2	5.00	43.90
Following crisis management standards	9	22.00	65.90
Applying successful past experiences	4	5.00	76.00
No reply	10	24.00	100.00
	41	100.00	

The above table shows inconsistency among the responses. Moreover, out of 41 respondents, 10 have not responded to this question.

5– Is there a possibility of a crisis in your hospital?

Out of 41 respondents, 36 of them replied: yes (85.4%) and 6 said: no (14.6%) This shows that there is a high risk of crisis in hospitals.

6– In case a crisis occurs in your hospital, what sources might be harmed or face damages?

Table 5: In case of crisis, and damages in the hospital

Sources	f	%
Patients	13	32.00
Personnel	35	85.00
Documents	30	73.00
Equipments	11	27.00
Cash	2	5.00

Table 5 shows that in case of crisis in hospitals, personnel and documents seem to be more vulnerable compared to even patients.

6 – To what extent are you familiar with hospital crisis management in Iran and in other countries?

Table 6: Familiarity with handling crisis management in Iran and experiences abroad

Scales Age groups	very familiar	familiar	fairly familiar	not very familiar
25 – 30	0	2 (5%)	0	0
30 – 35	2(5%)	3 (7.%)	1 (2.5%)	0
40 – 45	0	18 (44%)	3 (7.%)	2 (5%)
45 – 50	0	0	4 (10%)	0
50 – 55	0	1 (2.5%)	2 (5%)	0
55 and over	2 (5%)	1 (2.5%)	0	0

It seems that majority of the respondents are familiar with the subject of crisis management in Iran and abroad.

We also tried to see whether there was a relationship between age and familiarity with crisis management. Managers under 35 and those above 45 years of age were not very familiar with crisis management, while those between 35 and 40 years of age seem to be very familiar or fairly familiar with crisis management.

Table 7: The relation between age groups and familiarity with crisis management

Responses	F	%	C%
Very familiar	4	10.00	10.00
Familiar	21	51.00	61.00
Not so much familiar	12	29.00	90.00
Very little familiar	4	10.00	100.00
	41	100.00	

As we mentioned earlier, at the end of the questionnaire, we added an open question in order to find out extra information which the respondents might like to express. Table 12 illustrates their reactions.

Table 8. Hospital managers' extra comments on crisis management issues

Responses	f	%	C%
Possibility of more crisis in hospitals due to limitation of facilities	3.00	7.00	7.00
Limited budget devoted to hospital crisis, and lack of top management support	25.00	61.00	68.00
Low motivation among hospital personnel, and lack of proper training	5.00	12.00	80.00
Strong need to design crisis management plan as a compulsory task of hospital managers	2.00	5.00	85.00
Lack of utilizing other experiences, and lack of communication between hospitals	2.00	5.00	90.00
Lack of skilled personnel in handling crisis.	4.00	10.00	100.00
Total	41.00	100.00	

The above table indicates that among factors which seem to have effects on hospitals' crisis management, budget limitation is the most common factor.

Further statistical analysis was carried out, and correlations between factors showed that managers who were older, had higher level of education. On the contrary, women managers who were older, had lower level of education. Length of service showed strong correlations with age. It seems that age has played a key role in this study, because the older the managers, the more they considered crisis serious. There was also strong correlation between those who had received training on crisis management and responsibilities during crisis defined. Age played important role on being familiar with crisis in other countries. Length of service seems to have impact on familiarity with crisis in other countries. Having crisis committee in the hospital was also strongly related with being trained in crisis management.

Conclusions of study

In this study, we have tried to study managers' capabilities and preparedness to face crisis in state hospitals if it occurs. We have also studied factors which could contribute to reveal certain information related to crisis management and perception of managers of hospitals under the study, their knowledge and experiences on crisis management. The data shows that majority of hospital managers were not familiar with crisis management, but on the contrary, 95% of them mentioned that there was a crisis-management plan in their hospitals, and have set-up crisis-management committees. Most managers believed that if a crisis occurs in their hospitals, the existence of a crisis-management committee and certain standards are the most effective factors which could help them to face the crisis. In reply to the possibility of a crisis in hospitals, the majority of respondents reacted

Table 9: Cross Tabulation Correlations

Correlations (N:41)											
	Spearman's correlation	(Q1)	(Q2)	(Q3)	(Q4)	(Q5)	(Q6)	(Q7)	(Q8)	(Q9)	(Q10)
Age (Q 1)	Correlation Coefficient	1.000									
	Sig. (2-tailed)	.									
	N	41									
Gender (Q 2)	Correlation Coefficient	-.379*	1.000								
	Sig. (2-tailed)	.015	.								
	N	41	41								
Education (Q 3)	Correlation Coefficient	.423**	-.436**	1.000							
	Sig. (2-tailed)	.006	.004								
	N	41	41	41							
Length of Service (Q4)	Correlation Coefficient	.878**	-.269	.374*	1.000						
	Sig. (2-tailed)	.000	.093	.018							
	N	40	40	40	40						
Taking crisis seriously (Q 5)	Correlation Coefficient	.431**	-.258	.166	.272	1.000					
	Sig. (2-tailed)	.005	.108	.306	.094						
	N	40	40	40	39	40					
Whether crisis plan exists (Q 6)	Correlation Coefficient	.173	-.174	-.028	.115	.345*	1.000				
	Sig. (2-tailed)	.280	.276	.863	.481	.029					
	N	41	41	41	40	40	41				
Training on crisis given or not (Q 7)	Correlation Coefficient	.016	-.381*	.179	-.049	.270	.608**	1.000			
	Sig. (2-tailed)	.922	.014	.261	.763	.092	.000	.			
	N	41	41	41	40	40	41	41			
Responsibilities defined (Q 8)	Correlation Coefficient	.056	-.460**	.125	-.047	.282	.689**	.882**	1.000		
	Sig. (2-tailed)	.729	.002	.435	.773	.078	.000	.000	.		
	N	41	41	41	40	40	41	41	41		
Familiarity with crisis in other countries (Q 9)	Correlation Coefficient	.511**	-.337*	.134	.303	.736**	.280	.296	.225	1.000	
	Sig. (2-tailed)	.001	.031	.402	.058	.000	.077	.060	.158	.	
	N	41	41	41	40	40	41	41	41	41	
Existence of crisis committee (Q 10)	Correlation Coefficient	.029	-.360*	.034	-.046	.302	.804**	.853**	1.000	.228	1.000
	Sig. (2-tailed)	.866	.031	.842	.794	.073	.000	.000	.	.181	.
	N	36	36	36	35	36	36	36	36	36	36

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

positively. In case of a crisis, patients would be the first target to be harmed, and next would be the hospital personnel. Most hospital managers seemed to be familiar with handling a crisis, and familiar with experiences on this issue in Iran and abroad. The study shows that there was a relationship between age and familiarity with crisis management. In fact, managers under 35 and those above 45 years of age were not very familiar with crisis management, while those between 35 and 45 years of age seems to be very familiar or fairly familiar with crisis management. Correlations show strong relationship between length of service and taking crisis seriously, defined responsibility and training.

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