

# The Impact of Crisis Management on Staff Organizational Performance: In Business Firms in the Kingdom of Bahrain

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**Abstract:-** Effective response to the crisis and integrated coordinating between strategic plan and leaderships styles help in managing crises with minimal negative effects. The main purpose of this study is to assess the level of staffs' awareness about crises and crises management and to identify the impact of relationship during crisis management on the staffs' and organizational performance. Therefore, it is important from the administrative and leadership side to have clear and effective strategic plans in order to involve all staff members in the planning phases for crisis management.

**Keywords:-** Crisis, Crisis Management, Performance.

## I. INTRODUCTION

Any business, small or large, may come across some administrative problems that adversely impact its normal operations. A Crisis is a common term in the business and administration areas with all its features such as the economic crisis, the social crisis, the political crisis besides the international and regional crises. Crisis management is the art of provision the organization's preplanned strategies in an integrated fashion, and the capability of rapid leadership response to take fast decision at a strategic level to preserve the organization's operation and reputation.

Generally, the organization operations and structure reflect their identity of professional to the outside markets. Crisis management is usually started with the identification of the organization or stakeholders' threats, and determination of the organization methods to deal with all potential threats. However, due to unpredictability of all crisis or events, the organizations must have the ability to cope with these events in a smooth way.

Risk assessment and planning for potential future events considers as effective measures that could be taken to reduce the damage during crisis. However, crisis management in some situation does not necessarily run according to the risk management. Unlike risk management, crisis management requires an immediate

reacting to negative unexpected events during and after they occurrence.

Crisis preventive policies and maximization of the staff performance are the core meaning in crisis management, which are recently being recognized as a significant field, if the organizations response affectively to all kinds of changes (Bundy et al. 2017). Moreover, staffs' awareness of strengths, weaknesses, as well as the opportunities and potential threats is crucial to confronting organizational crises.

### ➤ *Statement of the Problem*

The gap is limited to lack of knowledge, poor leaderships, miscommunication and poor crises management. So;

- How familiar the staffs in united fabrication and safety organization about the crises and crises management at their work place?
- What are the relationships between leadership in crisis management and poor staffs' performances?
- What is the impact of poor crises management on the staffs' and organization performance?

## II. HYPOTHESIS

- *H1: There is significant relationship between leadership in crisis management and poor staffs' performance.*
- *H2: There is significant relationship between crises management and poor organization's performance.*

### ➤ *Theoretical Frame Work*

- Affective Events Theory (AET) that was proposed by Weiss and Cropanzano (1996) will be utilized to assess the effects of the crisis and crisis management on the staffs' feelings or emotions and impair their performance at workplace
- Holly and Wang (2015) had described the crisis in three common elements; it is unexpected threat to the organization, it is the source of surprise, and it usually involves a short decision making in a limited time.

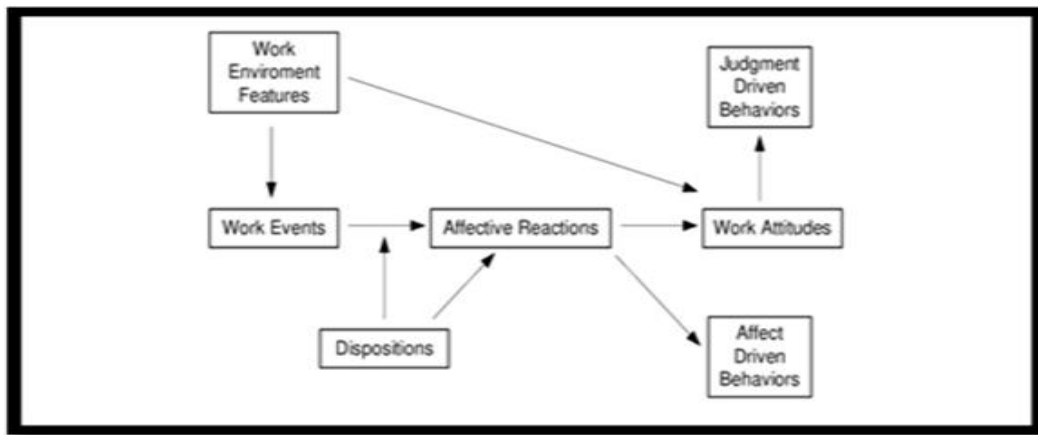


Fig 1:- Affective Event Theory (AET) framework

**III. SIGNIFICANT OF THE STUDY**

- Implications in the field of practice before, during and after crisis management.
- an effective framework for understanding the impacts of crisis management and how organizational performances are affected throughout the process of managing crisis
- Provide the managers and staffs in any given organization with clear view of how inappropriate management planning and how poor impression management strategies can affect the staffs’ performance and consequently affect the whole organizational performance.
- Useful for future human resources directorate which can help in developing professional strategies in managing unexpected events at different levels
- Attempt to identify these issues and propose some recommendations to overcome such conflicts.

**IV. CONCEPTUAL FRAMEWORK**

Conceptual clarifications of the common terms such as Crisis and Crisis Management to unify the meaning of these words in this study. The word crisis could mean differently in different professions. The term crisis was different conceptualized and defined by many scholars in the management field.

One more term that will be dominant in this study is the staffs’ performance which was briefly explained by Brown (2014) as the expects professional actions, interactions, and characters that staff members takes during their works, which includes co-operative, work in an appropriate and fair manner, establish good relationships and respect other people’s perspectives.

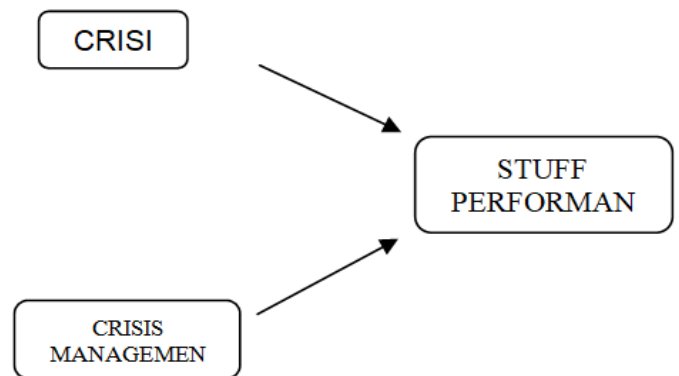


Fig 2:- Conceptual Framework

**V. SCOPE AND LIMITATION**

- This study is limited to reviewing the previous studies and identify the gap in practice in related to the management of crisis at the level of small organization
- This study will limit the search on the employees’ reactions toward the types, methods, and process of crisis management.
- This study will attempt to assess the employees’ awareness of the organizational strategies that are usually applied in time of crisis, and to identify the sources of stress among employees during crisis management with a sample of 60 to 70 percent of the entire organization’s staffs.

**VI. RESEARCH DESIGN**

This study was carried out in United fabrication and Safety Organization in Bahrain, using quantitative, descriptive correlation survey design. The common purpose of the research design is to provide a work plan that address the research process and identify the related issues that are directed to answer the research questions (Leonard et al. 2013). A quantitative data is often easy to translate to numbers, objective, or systematic process that help in gaining information about the relationship between variables (Rozas and Klein, 2013). In this study, quantitative research is used to get reliable and apprehensive information about the crisis management and its impacts on staffs’ behaviors at the study organization.

Descriptive design is utilized to describe characteristics of a studied phenomenon, relationships between the associated variables, which is not answering the why, how and when questions, and not attempt to interfere or manipulate the variables (Bryman, 2013). However, it's implied as a cause which measures strength or patterns as they exist naturally between the variables. It includes most of the government research for population census, economic information, time use studies, social indicators, or employment and crime statistics (Jackson, 2014).

In this study the associated variables are mainly remain unknown, therefore, this design was selected to describe the correlation between these variables. Moreover, conducting of descriptive survey will help in exploring the existed relation between crisis management and impairment of staffs' behaviors and performance as well. The strengths of this design it has no direct control on the studied variables, it's nonintrusive of the existed situation, it helps to identify the natural behaviors, and research variables have a high external validity in descriptive survey. On the other hand, the disadvantages of this design include the low internal validity of the research variables and it cannot assess the third-variable. However, these disadvantages can be avoided by using valid instrument and testing its stability and control the study group to insure their appropriate responses toward the study variable (Bryman, 2013).

**VII. STUDY VARIABLES**

In order to have a correlation every study must have variables which should relays on; therefore, the table below will point out both dependent and independent variables of the study:

Independent variables	Dependent variable
Crisis	Stuff performance
Crisis management	

Table 1:- Dependent and Independent Variables of the Study

➤ *Sample and Sampling*

- The target population in this study are the entire staffs of the United fabrication and Safety Organization in Bahrain
- A sample size of 75 staff members were targeted in the study setting in United fabrication and Safety Organization, out of the entire staffs in the organization.

➤ *Study Limitation*

- Study selection and getting permission from the head manager.
- Finding appropriate national literatures.
- The size of the sample is shorter compared to the size of workers in the same fielded.

**VIII. DEMOGRAPHIC DATA**

The participants of this study have a vary characteristics in all demographic data which seems to be an advantage for the accuracy of the data. The age of participant ranged between 20 to 50 years, and the majority of the study sample was males (n=65, 90.2%) with an average age of 37 years. Most of the participants came from the two age categories (20- 30; and 31- 40), however, the second category was the leading age in this study with (n=44, 61.1%) followed by the first category (20-30) with a total number of (n=18, 25%). The remaining participants (n=10, 13.8%) were from the third category, and there was no participant from the fourth category.

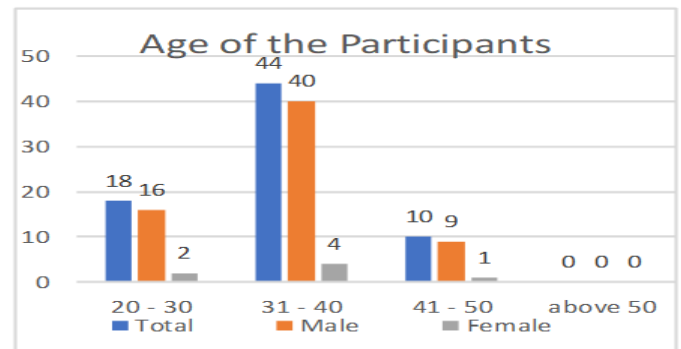


Fig 3:- Genders and Age of participants

The largest portion of the participant were junior staffs with a percentage of 41.1% (44), followed team leaders with 20.8% (15), and administrative 15.2% (11), and assistance managers with percentage 1.3%, and finally 1.3% was the share of the organizational managers.

In order to assess the staffs' knowledge about crisis and crisis management, both the means and the standard deviation were used in each element of the questionnaire. The overall results were categorized into three main levels; the mean value (1- 1.99) is weak, (2 - 2.99) is moderate, and (3 – 4) the value is strong. The first table of the study questionnaire contain 15 items that assess the respondents' perceptions about the natures, frequency, types of crisis at their place, and assess their level of awareness regarding crisis management. The next table showed the total number and percentage of the participants' answers for each item.

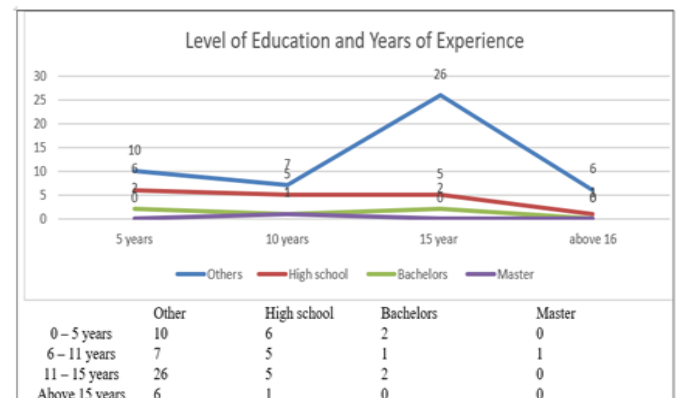


Fig 4:- Years of experience and Level of Education

## IX. FINDINGS

### ➤ *Staffs' Knowledge About Crisis at Their Work*

Study participants were unfamiliar with the type of crises that could happen at their workplace and form a percentage of 66.6%, while the staffs who were familiar in crises and crises management show 30% and the remaining for staffs who are nutrial in knowledge about crises at their organization.

### ➤ *The Leadership Management and Staffs' Performance*

The mean of this study regarding leadership management was (M=2.45) which indicate that there is a significant relationship between the leadership management during crisis and poor staffs' performance. Most participants with 67% are disagreed with the methods that are usually used to control crisis, while 23% of the participant show their acceptance of the local management during crisis, and finally 10% of participants remain nutria which could indicate their unfamiliarity to the situation or they are not actively involved in that process.

### ➤ *The Impact of Poor Crises Management on the Organization Performance*

In regarding to the years of experience, participant who are working more than 10 years showed more acceptance and they are agree in most of the questionnaires items which reflected their understanding to the organizational process in managing crises. The study showed strong relationship between their awareness about crises and their years of experience (P = 0.419) which could be related to the same factors that helps to improve their perceptions regarding crises at their workplace such as frequent exposing to different types of crises, attending more meetings and educational workshops, and being involved in planning process or implementing the strategic plans in the organization.

## X. DISCUSSION

### ➤ *H1: There is significant relationship between leadership in crisis management and poor staffs' performance*

The finding of this study supports the study hypothesis (H1) with a percentage of 56.9% of the study participants.

### ➤ *H2: There is significant relationship between crises management and poor organization's performance*

The finding of this study support the second hypotheses with a percentage of 43.7% of the study sample.

## XI. CONCLUSION

In summary, this study presented the staffs' reflection of their levels of knowledge and awareness about the crises and crises management at their workplace. The finding of this study was collected from the participants based on their self-determination to the study questionnaire that assess their perceptions regarding their typical practice before, during and after the crises. This study had evaluated the staffs' awareness of their local and personal practice that

could directly impact their performance and affect their organization's performance.

This study found that regardless of crises types, the most common factors that could affect the organizational performance during crisis are inappropriate or random decisions which harms the normal function, ineffective leadership styles, miscommunication, stress among the staff members and inability to apply the preplanned strategies in managing the threats.

In the other hand, most of the staffs in this study were unable to defined their own positions and roles during crises. Understandings of the staffs' roles and responsibilities can develop horizons and improve their functions during unplanned situations. Therefore, it is important to the organization in the administrative and leadership side to have clear and effective strategic plan to involve all staff members in the planning and management phases of any crisis. In another word, it is not only exclusive to the managers, but all staffs must have a clear knowledge and experience in dealing with crisis.

## RECOMMENDATION

From the study conclusion, some recommendations are forwarded for further studies and research with more sample sizes and in a large-scale survey. Despite the variation that were found in the sample, it is highly recommended to involve the staffs in all planning and developing phases of the organizational protocols to give them more awareness about their tasks during crises. And finally, this study recommends providing the researchers with clear direction or unified committee to approve all aspects of the study and facilitate their conduction without any obstacles.

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