DEPARTMENT OF BUSINESS AND PUBLIC ADMINSTRATION

HRM PROGRAMME

Crisis Management in HRM

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Writing this thesis has been an interesting experience that has helped me acquire the necessary experience and knowledge to be able to manage and execute real life business projects that are of similar magnitude systematically and professionally.

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ABSTRACT (Executive Summary)

Crisis Management in HRM

(Under the academic advice of Dr. Daina Nicolaou)

The role of HR in the modern-day corporate world has changed significantly to accommodate various developments and needs in the workplace. HR involvement in crisis management is one of a such development, and this has led to the HR taking an active role in planning and training for crisis management.

This Thesis is focused on an actual topic, both in Cyprus and in the rest of the world, which is the crisis. Therefore, it is analyzed how the old and the present crisis are influencing the organizations to the point of being implemented certain measures in the level of the human resources management (HRM).

It is intended to understand how those measures taken at the level of the HRM, especially in terms of recruitment and selection, training, performance evaluation, rewarding system and work design affect the employees in different levels, such as acquisition of new competencies, power of initiative, and above all, in terms of their motivation. This study helps to understand how these measures affect the employees, which is the focus of it, and, as a consequence, if the organization's productivity will be affected or not.

The HR provides skills and knowledge necessary in ensuring that employees can contribute to the organization's sustainability by participating in the crisis management process. This Study explores the HR's role for crisis management.

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Chapter 1 – Introduction

With this thesis I would like to try to describe how an unexpected situation, in this specific case the COVID-19 pandemic scenario that Cyprus and the world in general are facing, influences the establishments in a way that makes them change and adapt their practices, more specifically the human resources practices, in order to face this unexpected environment- specifically this crisis and generally any other crisis happened or will happen in the future.

Writing this search is a challenge since the crisis we are facing is occurring now, so there is not a lot of research made already about it. Unfortunately, this is not the first crisis scenario that Cyprus (and the rest of the world) is facing, what guide to the actual crisis and its causes and consequences are not exactly the same as the ones that lead to the crisis that happened in the past, so it was definitely a challenged to develop this thesis.

Taking in consideration all the groups of organizations which are the private sector, public sector and multinational sector, I will start by trying to understand what changes, happening nowadays or happened in the past especially what it is related with the human resources management (HRM) but mainly how these changes affected the employees in the organization. Therefore, it is necessary to understand how those changes are affecting the employees and if it affects their productivity and the organization's productivity and what is the role of the HRM in order to adopt these changes.

I would like to start by declaring that having in mind the context of economic, financial, health and social crisis that, not only Cyprus but the entire world is facing in the present, I study how employees are dealing with all the changes and especially which Human Resources (HR) practices have been adopted in a context of crisis and how the employees accept, see and deal with it and how it impacts them and their productivity in the organization. The Human Resources Management (HRM) is an important factor that influence productivity and because of that it is mandatory that the organizations recognize and think about the HR practices that they desire to deploy especially in times of crisis as we are facing now.

The health pandemic nowadays has been felt all around the world in various sectors of the market and affects the human resources management exactly like what happened before during the financial

crisis in 2012 or another previous crisis. The economic crisis that happened worldwide in 2008 offered an opportunity for the organizations to restructure themselves to cope better with uncertainty.

During the economic crisis in 2008, There was borrowing on a huge scale to finance what appeared to be a one-way bet on rising property prices. But the boom was ultimately unsustainable because, from around 2005, the gap between incomes and debt began to widen. This was caused by rising energy prices on global markets, leading to an increase in the rate of global inflation, the development squeezed borrowers, many of whom struggled to repay mortgages. Property prices now started to fall, leading to a collapse in the values of the assets held by many financial institutions. The banking sectors of the USA and the UK came very close to collapse and had to be rescued by state intervention.

All those factors caused to the crisis that swept the world in 2008, but some of them are common to Cyprus that faced the same crisis but in 2012, one of the sectors that suffered with that was the banking sector. And the problem reached the human resources, and it was clear with the appeared practices of HR such as:

- the central bank to purchase the collapsed bank and merging employees.

- Unprecedented cost-cutting

- Wage cuts

- A host of other cost-saving measures that caused job insecurity, a decline in morale and possible low organizational commitment.

These measures are an example of HR practices that most of the organizations take when they are going into dramatic changes like a crisis scenario, not only in Cyprus or even in the bank sector, but all over the world no matter what sectors we are talking about.

The organizations experience other problems that have an impact on their employees which is the structure/flexibility problem, as per (Weick, 1999), organizations tend to have inappropriate levels of structure, i.e. too little, too much or the wrong kind. This means that managers retain too much control, thus restraining employee creativity. As it is easy to understand, those HR practices have a tremendous impact on the employees and the feelings of uncertainty, job insecurity, wage cuts, the increasing number of unmotivated employees are examples of factors that will influence the employees, their productivity as well as the organization's productivity.

With this thesis there are some objectives that I would like to highlight because I believe it could be important not only for theory but also for practice.

1- Enhance that this study is based on the importance of the employees in the corporations.
2- Help the human resources personals taking some measures to respond to an unexpected situation they are going to affect their employees.
3- Analyse and understand how the employees are dealing and how they are affected by all the measures that the organizations for whom they work for.
4- Measure the productivities of the employees and the organization.

Chapter 2 – Literature review

2.1 Crisis management & Process

A crisis is defined as any partial or total disruption of a business' key operations as a result of demolition of equipment or property ,personnel affected ,subversive relationships, environmental destruction or stakeholder negative perception and influence among other factors as per , (Vardarlier, 2016).In addition, Crisis management defined as an organization's perform and reaction which prepare it to be ready to manage major catastrophic happenings in an effective style and, safe as fast as possible (Lockwood, 2005). Crisis management also defined as process that includes, recognize the crises before they happen, preventing crisis whenever possible, keep work in progress during crises, and dealing post-crisis situations (Augustine, 1995).

The Human Resource Management Association defines it as "a low probability, high-impact occurrence that is often unexpected and unfamiliar, occasioned by organizational structures, people, technology, economics, natural disasters, among others."

According to (Sullivan, S. 2003), the crisis management includes the identification of the crisis planning, confronting, and restraint. Crisis can strike any organization at anytime and anywhere and it does not discriminate based on an organization's size or notoriety and hits when an organization least expects it. There are various types of crises, such as economic crises, natural crises, technological crises, crises of malevolence, or layoffs, products recall, and threats from employees, equipment explosions, and government policies.

All organization cannot operate without the occurrence of unplanned business disruptions or without unexpected circumstances. And depending on the organization's readiness for any crisis, it can survive. (Hart,P ,Rosenthal, U ,& Kouzmin, A, 1993). And the lack of knowledge of HR policies among employees could lead to aggravating the situation (Narayan, V ,John-Stewart,G,& Gage,G, 2018). Poor communication, job dissatisfaction, and attrition of rural health workers in Sierra Leone. thus, this may affect the business's execution, employee productivity,

Reputation, and loss of time resulting in disastrous impact on the business. Given that crises can occur at any time, crisis management which involves the identification, prevention, and management of potential crises has increasingly gained importance in the managerial domain (Vardarlier, 2016) .

The most important thing during the crisis is to decrease the damage as fast as possible and return the organization to its position. Crisis management refers to a series of practice through which the organization guarantee that the business operations can be sustained or continue with the minimum impact on the stakeholders and where lessons learnt can be used to improve current practices (Human Resources Management Association). Crisis management is thus considered a critical process in enhancing business sustainability, crisis management may be divided into three main proceeding: pre-crisis, crisis, and post-crisis. The Pre-crisis indicate to the period before the crisis, where the organization undertakes activities aimed at identifying potential crises and developing plans on how they can be addressed. During crisis stage the crisis management implement the plan in pre-crisis stage to reduce or eliminate negative impact on the crisis. In post-crisis stage the organization tries to recover and returns to its original position. Each of these stages is considered significantly important because they all define how effectively an organization can deal with a crisis when it happens (A., 2015)   (International Journal of Technical Research and Applications 2015) explains the major steps involved in crisis management, noting that each step influences the organization 's capacity to recover when faced by a crisis. In pre-crisis step toward effective crisis management is the identification of potential crises encounter the organization. This involves examining the business' external and internal environment to establish the kind of threats that an organization faces in the course of its operations (Christina N, 2015).

There are many reasons for Crises it may be from natural disasters and man-made disasters in the external environment and failed organizational processes to bad publicity in the internal environment. The second step involves the identification of the impact that crises may have on the organization. This involves the impact of the crisis on processes, operations, organization's assets, public image, and employee performance. Once this has been achieved, the next step is to identify the best approaches toward resolving the crisis when they occur. This involves the development of a crisis management plan, which consists of the procedures to be followed in the event of a crisis.

According to (Stewart I.D. 1987), there is nothing wrong with occasional crisis, but the organization should learn from it. therefore, the substantial thing for any organization is to have plans, policies, and strategies that the organization considers key issues in any crisis on how to deal with them and protect the corporate reputation of the organization. What determines how a company will withstand a crisis is its ability to respond to the crisis. Time is at premium during crisis, so it is essential for companies to plan ahead and in planning ahead, organizations should recognize the importance of having a crisis communication plan which outlines steps to be taken during the first 4 few hours of a crisis.

Crisis management is the process by which an organization deals with any major unexpected situation that threatens to damage an organization, its stakeholders, or the public. In most definitions of crisis, they found that there are three elements which are the element of surprise, threat to the organization, and a short decision time.

Crisis management is also organization process use to respond to short term and immediate shocks, such as, disasters, accidents, catastrophes, and injuries. Its process involves identifying a crisis planning as a response to the crisis, confronting, and resolving the crisis (Henderson, 2000) .

2.2 HR's role in crisis management

Crisis management in organization aimed to build the organization's resilience and hence promote sustainability through activities working on operations, system strengthening, infrastructure development, and public relation (Ronez, 2014)

However, there is a notable tendency of focusing on these parts of crisis management, such that the human resource aspect is sidelined (Christina N, 2015). Employees who are likely to be harm, both emotionally and physically are often neglected during the crisis management function , that is because crisis management plans rarely provide adequate measures for the protection of employees ,Furthermore, employees are the core component in the recovery process and their well-being is critical in ensuring effective recovery. In the contemporary times, however, it has become critical for

organizations to place priority on the protection of their human resources, hence the increased focus on employee preparedness when it comes to crises (Ronez, 2014).

The world is now racing to increase knowledge and information therefore organizations have become more and more depending on human capital in promoting competitive advantage as opposed to systems, equipment, and technology. Today, businesses have already started to pay more attention to human resources policies and applications in order to achieve a sustainable competitive advantage and high performance in business operations employees are considered the most important assets within the organization, and hence there is a need for them to safeguard the safety of their employees. Organizations are required to pay greater attention to the impact of crises on employees, relatives and the community in general in order to successfully achieve effective crisis management. That why human resource has been stabled the role of crisis management within the organization to ensure that employees are ready and that they can survive and recover following the unexpected situation. The HR function is to make sure that all employees are working continuously and within the plans.

As the custodian of employees well -being, the HR has an important role to play ensuring that human capital within the organization is protected and that employees contribute to better organization performance during the crisis (Ronez, 2014). The HR is best positioned to offer disaster preparedness and crisis management training to employees to ensure that they are in a position to handle crises when they happen. Accordingly, Human resource has an important job in crisis management to maintain organization reputation and stakeholder trust and loyalty.

The HR undertakes key roles in crisis management from the pre-crisis to the post-crisis stages. The HR's role is to protect the well -being of employees while at the same time ensuring that they contribute to the organization's sustainability, through doing their part in times of disaster. HR role is to make sure that all employees are willing to do their job during crisis time and that through training, dynamic leadership , communication and motivation , ensuring that security and safety initiatives are taken to protect employees in the event of a crisis and developing communication plans necessary in promoting crisis management (Susaet L , Suarez E , Pin J, 2013). The roles of HR in crisis management are varied and can be classified into different themes as follows.

- ***Planning Theme***

Crisis Management Plan provides an outline of actions that must be taken to prepare for a crisis and response. The plan defines the action steps necessary and the responsibility assigned for such actions. In this stage the organization makes plans to prevent crisis, impact reduction, and crisis recovery (Anon., 2014).

The planning of the crisis management improves the corporations' ability to deal with crises and ensures faster recovery when an organization is faced by a crisis. Crisis management planning is a mandatory process in crisis management because it provides guidelines on preventing crises, handle the crises and after that dealing with the recovery process.

- ***Training theme and development***

All corporations aim to obtain high-quality talented employees with a growth potential in the labor market, note that in the ever-changing business environment it is crucial for every organization, small or large, local or multinational, to retain and develop talented employees in these highly competitive times.

Training has an important role in crisis management. Training and talent development provide the knowledge and skills necessary to enhance the recovery process. The HR is expected to lead or participate in training aimed at mentally preparing employees for possible crisis events as per Lockwood NR (NR, Lockwood,Alex,VA,andria, 2005)

This involves the development of a training plan in which employees are provided with knowledge and skills on how to deal with crises.

- ***Theme of Promoting employee involvement.***

The HR has a key role to play in crisis management and consequently promoting sustainability preparedness in an organization. Notably, when the disaster occurs, whether it is inside or outside the organization it will have an impact on the organization and the employees in Signiant manner, such that there is a need to design preparedness measures to promote sustainability. The role of the HR is based on the premise that when employees are affected by a crisis, the organization becomes vulnerable. The solution to face the challenges of the crisis is through employees in terms of preparing

them for disasters such that preparing them for disaster is considered an imperative aspect of business management.

- ***Employee motivation theme***

The HR is in charge of providing necessary manpower within the corporation and ensuring that employees use their knowledge and capability to contribute to organizational development. This means that HR can contribute to crisis management through motivating employees to contribute to the crisis management plan execution. It is remarkable that employees are of great importance, both before and after the crisis, and the HR professionals are best placed at facilitating their participation in crisis management. That can be done through training and motivation, an organization can ensure that its crisis management efforts are fruitful by actively engaging employees in the process.

- ***organizational culture changing theme.***

The HR can influence culture within the organization, with aspects such as leadership capabilities and resilience being emphasized to enhancing crisis management. When skills such as problem solving are ingrained in an organization's culture, it will help the employees for better adaptation and better position to survive during the crisis.

2.3 Crisis scenarios and the relation with the human resources management

In this part of the study, it will be presented some results of research that were already done concerning a crisis scenario and the relationship with the human resources management.

This is not the first health pandemic, economic, financial, or social crisis that Cyprus and the rest of the world is facing. However, it is impossible to make a perfect relation of the present crisis with the past ones. The crisis that Cyprus and the other part of the world is facing now is different from the previous ones so where we can see that there is a combination between health and economic disaster.

As it is known, a crisis scenario has always an impact on the economy of any country, which will influence the corporations and businesses to adapt themselves to this surprising and unstable environment, which is the crisis. This situation is happening nowadays in Cyprus and in the rest of the

world with this COVID-19 pandemic and this research relies on how the human resources management can help organization and employees to overcome the crisis its bad effect.

As COVID-19 Crisis is happening in Cyprus, after few years of the last economic crisis in the Republic of Cyprus that involved the exposure of Cypriot banks to overleveraged local property companies, the Greek government-debt crisis, the downgrading of the Cypriot government's bond credit rating to junk status by international credit rating agencies, the consequential inability to refund its state expenses from the international markets and the reluctance of the government to restructure the troubled Cypriot financial sector.

With the crisis, a lot of the economic sectors and government suffered a decline in the Gross Domestic Product (GDP) growth, in Foreign Direct Investment (FDI), as well as an increase number of unemployed as we can see in the figure 1,2,3 below (Worldbank, 2019).

SOURCE: TRADINGECONOMICS.COM | WORLD BANK
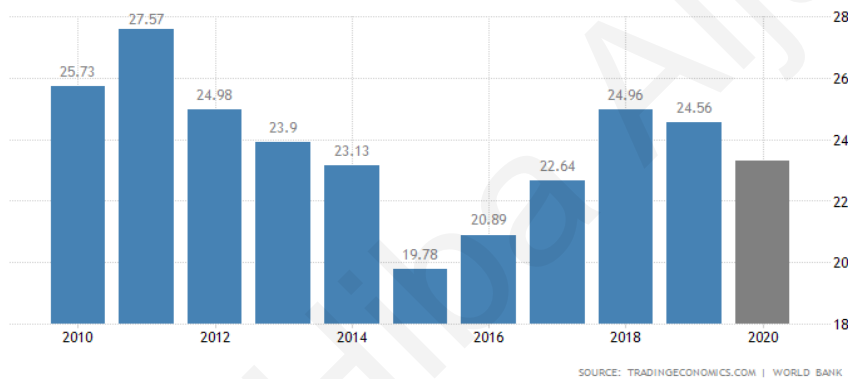
Figure 1 - Cyprus Gross Domestic Product (GDP)
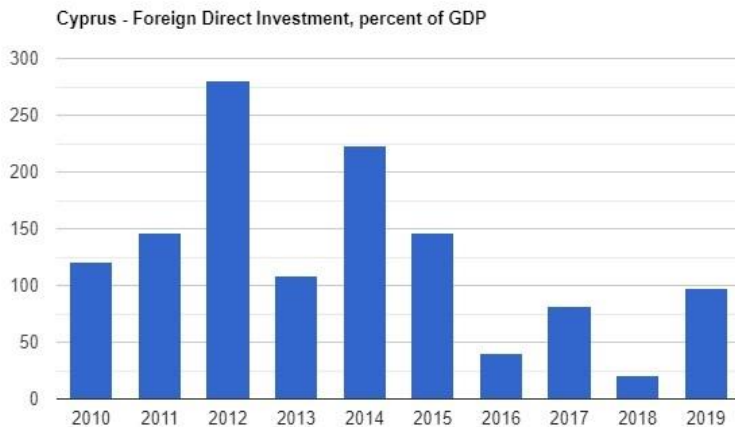
Figure 2 - Cyprus Foreign direct investment, percent of GDP

SOURCE: TRADINGECONOMICS.COM | EUROSTAT
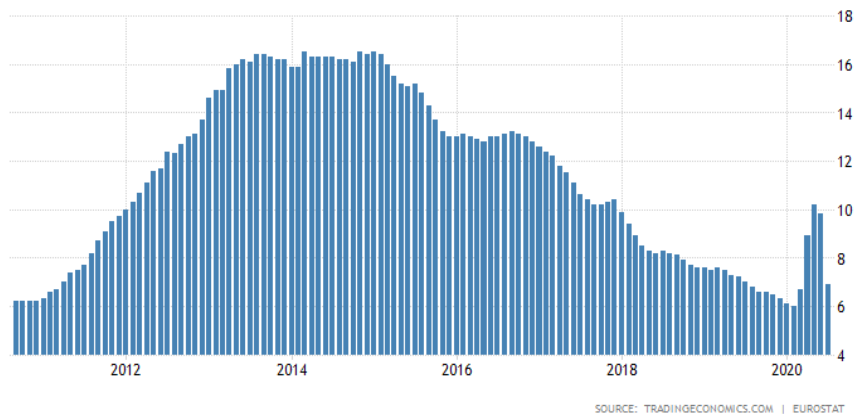
Figure 3 - Cyprus Unemployment Rate

when the economic indicators showed a decline as it was shown previously in the above figures, such as adopting more flexible management systems. It also showed that Cypriot organizations have adopted formalized human resources management policy and practices to respond to the challenges from both external and internal forces such as transformational managerial roles, freedom in personnel selection, increasing in-house training and information-sharing schemes. The influences of cultural tradition and the political environment are determinant factors for organizations to adopt certain human resources management dimensions.

Globally, also in the area of Human Resources Management, the global crisis represents an external shockwave that changes all the parameters within which HR professionals at all levels operates. The paper of Zagelmeyer & Gollan (Zagelmeyer, Stefan & Gollan, Paul J, 2012) discuss the links between the global financial crisis and the human resources management at a general level focusing on the HR managers in the management of uncertainty. The crisis and HRM are linked in many ways. Starting with the strategic level, the crisis is a part of the external economic, political, and societal environment within which HRM operates. The instability and the dynamism of the crisis created a high degree of ambiguity within which governments and businesses make decisions on strategic and operational issues (streeck, 1987). the operational level of HRM is another link between the crisis and HRM because the crisis is reflected on the decline on product demand, with its associated decline in labor demand and, consequently, in labor surplus, in the way that labor surplus requires HRM to create and implement adjustment policies. Finally, HRM professionals understands the organizational

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processes and structures and within which business and human beings operate. This equips the HR professionals with a set of knowledge, skills and abilities which is highly relevant in the current business environment. From this article of Zagelmeyer & Gollan (Zagelmeyer, Stefan & Gollan, Paul J, 2012) we can understand that the global financial crisis has had an impact on markets, organizations and institutions as well as on the human beings behind those organizations and it is important that the HR professionals are able to answer to this challenge.

Another interesting research, which is also focused on some changes especially in terms of HRM in a crisis scenario, within one of the major French carmakers (Jadi, Yasmina & thevenet, Maurice, 2012). In this study the focus was on the general plan for the voluntary departure of 4000 employees by April 2009 in France, with an additional 2000 job cuts expected elsewhere in Europe. (Kamoche,Ken, 2003) and (Thenevet, 2009) believe that the 2008 global economic crisis hurts the world like a typhoon and it left a lot of damages such as an increasing number of company closures, downsizing, wage cuts and lingering high unemployment. To face this global economic crisis a lot of carmakers, not only in France but also around the world have tailored strategic approaches to face this crisis scenario. This was obviously a challenge for any HR department of any organization that put in the agenda cost-cuttings measures and reorganizations leaving behind the policies of HRM and development that had been implemented in the past. Many solutions have been adopted but one of the solutions that were found by this French carmaker to better respond to this crisis scenario was downsizing in order to reduce costs while improving efficiency and sustaining efforts to meet production and performance goals (Sahdev , K, Vinnicombie,S, &Tyson S, 1999). Therefore, downsizing should lead to lower overhead costs, faster and smoother decision-making and an increase as well in the organization's productivity (Cascio, 1993) (Ket de Vries,M &Balazs, K, 1996) .However, this positive approach of downsizing which is refuted by many research studies appears to be a significant issue for corporations and society which is probably the reason why downsizing has received much negative press (Sahdev , K, Vinnicombie,S, &Tyson S, 1999). On other hands there are few studies have shown that downsizing does not always lead to enhance performance (Cameron, K Freeman, S & Mishra A, 1991) .The performance of organizations that choose downsizing as a measure to retain costs deteriorates after the layoffs at a higher pace than organizations that did retrench workers (De Meuse K.P Vanderheiden P,A & Buzzman T, J, 1994). During the downsizing

employees has different approach some of them change their job titles and some others have seen a majority of their team's labor force leave the company. The ones that continue working in the organizations are called the "survivors". This phenomenon, called the "survivor syndrome" which is characterized by low morale, a feeling of guilt, cynicism, withdrawal from organizational life, decrease in work involvement, fury, and disappointment (Cascio, 1993), (Sahdev , K, Vinnicombie,S, &Tyson S, 1999) .Implementing the downsizing in organization shows that the performance is affected since survivors of a layoff have lower perceived performance, lower job security, lower affective and calculative attachments to the companies, and higher turnover intentions than people working for an organization not downsizing (Maertz, C P , Wiley, J W, LeRouge, C & Campion M, 2010). however, the research of (Jadi, Yasmina & thevenet, Maurice, 2012), even though it is focused on a specific type of downsizing which is based on a voluntary departure plan as an HR measure to face a crisis scenario, also shows that towards a crisis situation, companies feel the necessity to adapt themselves to this new scenario in order to have better respond to it by taking some changes especially in terms of HRM and that not all measures will have the impact wanted since the employees can feel overwhelmed with the measures adopted.

Due to the recent crisis corporations are facing a dynamic environment and are struggling with unpredictable changes in their Environ which has an impact on them. This dynamic environment faces management with the need to align the organization with this ever-changing context, since we are facing a lot of consequences from the financial crisis that started in 2008 and that is still going on as well as its consequences are being felt. According to (Hamel, 2000), it is impossible for organizations to get better, they need to get different and there is one way of doing it by avoiding managing the uncertainty caused by this dynamic environment and arrange a plan for it and this is what agile organizations do. The article of (Nijssen, M & Paauwe, 2012) develops a framework in order to show how organizations survive in the dynamic environment caused by the financial/economic crisis, to identify the methodology that is important determinants of organizational agility or how to help organizations in achieving that agility. Studies show that using the concept of agility it has been outlined a framework that highlights a range of organizational practices focusing on three core competencies that are adaptable, and this shows how it is possible to achieve organizational agility, whether the organization is facing an economic crisis or an economic

upturn, and which are a scalable workforce, fast organizational knowledge creation and a highly adaptable organizational infrastructure. However, it is difficult sometimes for the companies that they are facing difficult crisis specially if it is financially to keep focused on building organizational agility. Too many practices like investing in extensive communication to establish a common sense of direction, setting up a long-term relation with educational institutions, training employees on a continuous base are so difficult to implement when the corporations find themselves in deep economic downturn. However, organizations can practice being agile by going through processes more dynamics such as a crisis scenario, and it is important to be agile in the way to adapt themselves to that new environment (Conboy & Fitzgerald, 2004).

The financial crisis has also impacted the forms of human resource management and it is likely that this has also shaped employee involvement and participation (EIP). The article of (Marchington , Mick & Kynighou, 2012) , explains how EIP can amend the organizational level in periods of crisis. According with (Marchington & Wilkinson , 2005) , (wood, 2010), (Boxall & Purcell , 2011), EIP becomes more important as a part of the high-commitment HRM bundle that employers were encouraged to adopt during stable economic conditions on the late 20th century. during the global financial crisis many changes happened in the organizations. This study reflects on how EIP has changed over the last few years and some conclusions were reached such as the development limitation of EIP because so much depends on context and choice but, not all organizations have been affected equally by the global financial crisis.

Another important finding is that the crisis impacts on EIP with indirect forms most susceptible to cutbacks and outsourcing, whilst direct and informal EIP is deemed by employers to be more crucial than ever, especially if the employees have an important and key position regarding the product quality or to provide high levels of customer service. At the end, there are few employers argued that the global financial crisis has not given them any option but to cut back on EIP since it is a more costly and time-consuming option. As we can see that crisis enforces the organization to apply some measures and some changes in order to answer to it and in this case was regarding the EIP.

Another example is the German economy which suffered, between 2008-2010, the most serious economic downturn since the Second World War. In this period, the German Federal government as well as the state governments and the social partners have established and/or designed a wide range

of policy mechanisms in order to deal with the crisis situation (Zagelmeyer, 2010).Organizations affected by the crisis adopted several adjustment policies such as the exploration of new markets, wage reductions and redundancies (Heackman,M,Kettner,Pausch, S, Szameitat & Vogler-Ludwig, 2009). In the article of (Zagelmeyer, S, Heckmann, & Kettner, 2012), they analyzed the impacts of the crisis at the organization level, especially in terms of management responses among those organizations that were affected by the crisis. Many important conclusions that can be highlighted from the article. At the beginning, the incidence of all adjustment policies is associated with the size of the crisis the organizations face. companies' size is positively associated with restructuring activities, short time working, wage concessions and redundancies. Also, the positive predictions of HR planning are concerning future employment levels, the less likely will the organizations refer to the remaining adjustment policies. Finally, the proportion of skilled employees is negatively associated with a hiring stop, short time working, working hour reductions and redundancies. So, we can conclude that even in Germany the crisis was felt and as a response to that, the companies saw themselves forced to implement certain mechanisms/policies in order to fight and respond to the crisis scenario.

As a conclusion, when a situation of crisis is experienced no matter which country we are talking about, establishments see themselves forced to take some action in terms of changes, which changes are clearly present in the human resources management field, in order to adapt themselves to the new scenario – the crisis. Therefore, we can conclude from the literature presented previously that with a crisis situation organization need to change and to adapt to it and most of those changes caused by the crisis are in the field of human resources management which will be modified and in which this research is focused on. What there is still to understand and to explain is all these changes related to the crisis will affect the employees and in which terms and, subsequently, and if the productivity of the companies will be affected.

In this Thesis, It intends to analyze the effects that the crisis and its changes on HRM, that we already saw from other researches that happen, have on the employees mainly, but try to see as well if it will affect the organization's productivity or not.it is not intended to analyze in which terms the organization's productivity will be or will not be affected but how the employees will be and if it will affect or not the organization's productivity.

Chapter 3- Human resource planning for crisis management

3.1 Strategic approaches in human resource crises management

In modern times, crises are unavoidable, Crises may arise up in different forms. It may be a financial and political crisis, or a natural disaster. It is uneasy for an organization to avert the crises. With the effect of globalization, a crisis somewhere in the world may influence an organization in a relatively remote area, for this reason they should be well prepared to decrease the impact. It is obvious that the top management is in charge of getting ready and taking necessary the measures for a possible crisis, human resources department and top management for crisis management are working together for preparation. In addition, they may solely bear the responsibility for a crisis and even take direct action during and after crisis. Human resources management and top management for crisis management must be ready for any sort of crises with its management and business continuity plans.

In order to prepare a proper plan to face any crisis, organizations shall approach the effects of the damages caused by any crises, understand the sequences in order to ease the effects of the crisis on the organization and its employees. Here it would be proper to mention the effects of a crisis on any organization or employee. So, some of the most important ones are listed as follows:

- Panic inside the organization

Crises, emergencies, and disasters happen. And it is different from individual or organization emergencies, Crises that take a toll on human life are characterized by high levels of uncertainty, change, and complexity. In a crisis, affected people take in information, process information, and act on information differently than they would during non-crisis times. individual or organization may exaggerate their communication responses. They may revert to more basic or instinctive fight-or-flight reasoning. uncertain information during a crisis is the main reason for panic inside the organization, people process information differently during a crisis it may affect the mental states and behaviors that tend to emerge in crises.

At an unprepared organization, it will be a surprise both for management and employees.in addition they will not be able to reduce the psychological impact of a crisis and do anything about diminishing panic effects and stress.

- Loss of key staff and knowledge

Organizations most of the time ignore the importance of intellectual capital and fail to capitalize on its benefits. Jennex defines the risk of knowledge loss as the possible impact on the organization regarding efficiency and productivity due to loss of an expert or knowledge worker. During a crisis an employee may leave ,So the organization may loses human capital knowledge, structural capital knowledge, relational capital knowledge and social capital knowledge. Lost human capital reduces organizational output and productivity, lost social capital decrease organizational memory; lost structural capital diminishes organizational learning and lost relational capital may produce disrupted external knowledge flows, the employees who leave will take with them the knowledge, skills and ability that helped contribute to the goals, profit and performance of the organization.

Thus, during a crisis organization are faced with loss of business opportunities and a decrease in the revenue of the organization, along with lower productivity and workflow disruptions. Loss of a valuable employee can result in both financial and non-financial loss.

- Lack of morale and motivation causing low performance.

Morale is an elusive quality which involves feelings, emotions, attitude and perception towards the organization and its members. Positive morale during a crisis is usually characterized by discipline, confidence, and willingness to perform. Also, low morale can be attributed to many factors such as uncertain business conditions, job insecurity, lack of fair compensation policy, and excessive outsourcing practices. In any kind of crises low morale affects organizational objectives, income, productivity, and financial competitiveness. During crises low morale is an outcome of managerial behavior where managers address their employees from a top-down command and refuse to communicate directly on workplace issues. This kind of communication during crises results in a gap between employees and managers, which in turn leads to employee distrust, disrespect, and reduction of morale and workforce motivation. Especially in difficult time low morale causes employees to lose interest, especially when managers don't appreciate their efforts and the tasks performed.

In crises the organization tries to achieve sustained high levels of performance, Employees are considered the main tools of such aimed performance therefore high attention should be given to

methods of motivating individuals in order to achieve the desired goals. Motivation is essential way to achieve high level of performance during crises.

Motivation is one of the major issues in behavioral sciences and based on the crucial position and important role of human resources in achieving organizational objectives Highly motivated employees appear to develop positive work-related attitudes and behaviors such as: they exhibit higher levels of organizational commitment, they believe that their jobs are important, and this belief leads them to work harder, they tend to develop higher job performance, and organizational performance.

The research mention that a person who is motivated works hard, sustains a pace of hard work, and has self-directed behavior to achieve the desired goals during crises. while low motivation with low productivity is often considered a problem.

- Negative reputation and image in public

The creation of good organization reputation has gained a wide interest from theory as well as practice, Organizations of all types are under increasing pressure from a host of stakeholders to be more responsive to their needs and interests. At the same time, market forces and the objective of a publicly traded corporation demand greater shareholder return-on-investment. These competing forces cause conflict within organizations about the value of reputation, organization reputation is the most important strategic and long-term organizational asset.

organization reputation provides opportunities to developing and retaining market share, influencing opinion of customers and other stakeholder groups. However, organizations are not resistant to controlled and uncontrolled incidents that can diminish organization reputation. For this reason, organizations should not have doubts on the critical effect of negative actions and incidents towards the loss of good organization reputation. According to (Weiner, 2006), few circumstances test a company's reputation or competency as severely as a crisis.

The problem is how crisis should be managed endeavoring to avoid harm for organization reputation. A crisis is a business or organizational problem that is exposed to public attention, and that threatens an organization 's reputation and its ability to conduct business.

Research agree that a crisis is a sudden and unexpected event that threatens to disrupt an organization's operations and poses both a financial and a reputational threat. Crises can harm stakeholders physically, emotionally and/ or financially. A wide array of stakeholders is adversely affected by a crisis including community members, employees, customers, suppliers and stockholders. During crises effective crisis management has a significant importance endeavoring to avoid damage for organization reputation. The management thinks that all firms and organizations are in the same position and there is not much to do. However, after the crisis has gone, the bad reputation may be a label of that organization.

- High turnover in labour force

Employee turnover is the rate or number of workers who leave an organization and are replaced by new employees. Turnover happens one of two ways. One, turnover can be voluntary, meaning employees quit their jobs or resign from them. Two, turnover can be involuntary, meaning employees are fired.

As a metric, turnover is a key component of an organization's overall profitability. The organization should spend lots of money to recruit, hire, and train new employees, as well as time for new employee to learn the ropes and can start fully contributing to the organization's bottom line. If employee turnover is high, that means employers must spend more time and resources finding new workers and training them. On the other hand, if turnover is low, c organizations will not have to work so hard to continually find new employees; instead, they will benefit from having tenured employees who are familiar with the company processes and culture.

- Increasing health benefits costs.

During a crisis, although the health benefit costs will increase in numbers, it may be felt so in the organization by the top management. Gross sales and profit margins may plummet with the effect of the shrinking market conditions. Consequently, these costs will make a problem in the books of the organizations. Companies often trim down these benefits in time of crisis and this certainly will lead to the demotivation of employees.

- Increasing workload due to cancelation of recruitment

The workload of everybody in the system may increase automatically. Although it is the manager's

responsibility to prevent this, sometimes it is not possible to avoid it; because in most of the cases, recruitment cancelations do occur. The traditional management forces departments and HR to a twin tasking program which will be far away from alleviating the situation. Although modern management postpones recruitments, they have some tools to ease the situation. Some of these include alternative work locations and arrangements, layoffs and reduced work hours, flexible leave options/leave donations, and recruiting emergency successors to replace those who lost either this way or that way.

- Disappointment for new positions and promotions

Many employees may expect promotions or new posts in the organization. A crisis will cancel all these opportunities; this will certainly ruin people psychologically. While the classical understanding does nothing about it, modern methods offer alternative work locations, part time positions or new working hour arrangements.

After defining the effects of any crises and the related damages that impact the organizations and the employees it becomes easier to define the role of the human resource department in crises management and arrange the right plan to overcome all the effects.

3.2 HR's role in crisis management

The dealing with crisis management is the responsibility of the whole company and not the sole responsibility of the human resource department and in many organizations and specially the big one there is a dedicated position called "crisis manager "who oversees all the aspects of crisis management planning and execution but in many cases there is no dedicated resources for crisis and instead corporations will rely on someone to step into the role when crisis occurs. That person role is totally different than the nature of the crisis itself but regardless of who the crisis manager is, it requires the cooperation and coordination of many stakeholders within the organization.

Regardless of who the crisis manager is, effective crisis management requires the cooperation and coordination of many stakeholders within the organization, while all of these teams might be involved

in crisis management, the extent of their involvement will vary depending on the nature of the actual crisis but the HR's role in crisis management is broad and varied to cover:

- Employees relations & crisis communication:

Human resource oversees ensuring that the organization is updated with relevant information such as the policies and procedures. works with the management and leadership to ensure that crisis communication is consistent across the organization, and that appropriate FAQs are developed to answer questions about the crisis. HR can further provide employee feedback to management so that changes to crisis communication can be made.

- Policy and process management:

The human resource department is responsible for creating (together with senior management) and maintaining policies governing employee conduct and organizational procedures. This would include acting as the repository for the crisis management plans and procedures. Every crisis is unique and unfamiliar, which often requires company policies to be rapidly created or modified. For example, COVID-19 is requiring many to work from home. HR can coordinate with departmental managers to create guidelines on who can / should work from home, and with IT to ensure the appropriate remote work systems are in place to enable it.

- Employee skills and information tracking:

In addition, the HR department is responsible for collecting and maintaining data related to employees, including personal information, skills and experience, and roles within the organization. This data is often stored in a central repository such as a Human Resource Information System HRIS. An HRIS allows easy access to information that could be useful during a crisis, such as which employees have first aid training, who to contact in case of an emergency, and employee counts by department or location.

- Training and development:

The Human resource often coordinates, creates, and conducts training and professional development courses within the organization. Crisis management training for management and key personnel is a

critical component of effective crisis management. Training can include everything from fire drills to more in-depth leadership courses geared specifically toward crisis management.

- Employee service and benefits programs:

HR manages organizational benefits and service programs, many of which are required for effective crisis management. Employee Assistance Programs, for example, can be used to connect employees with mental health care providers. Health benefits are necessary to help injured employees receive medical care, and to enable them to rehabilitate and recover quickly so that they may return to work. Since the goal of crisis management is to return the business to normal operations as quickly as possible, it is extremely important to have healthy employees capable of doing so.

- Talent and succession planning:

Some crises may lead to certain employees being unable to do their job. HR is typically responsible for succession planning and working with managers to identify the talents of the employees on their teams. If a crisis has led to the serious injury of a team leader, for example, it is important to know who – if anyone – can fill in for that team leader while they recover. It is the role of HR to have a broad picture of the backgrounds, skills, and experiences of the "human resources" within their organization, should they ever need to be deployed elsewhere during a crisis.

3.3 Planning for crisis management

Companies are made of employees who are human being that are significantly affected when their companies are facing crisis. Furthermore, these employees are going to implement and deploy the crisis management plan whenever a crisis happens.

This fundamentally means that employees play an important role in the crisis management process, and their role should be noticed when developing crisis management plans. The HR is required with the role of development and implementation of policies and procedures related to employees.

The Human resource department is also in charge of setting up the communication policies and procedure with staff as well as duties and responsibilities required of them in any corporations.

Therefore, the participation of the HR in crisis management is of great significance within the corporations to provide guidance on policies and procedures for dealing with emergencies and crises.

The human resource department shall include crisis management as part of the rules of the employees when they are recruited by any company, this approach shall increase the ownership in the project. In addition, HR shall be the intermediary between the management level and the employees. Therefore, and in order for the employees to be the executors of the crisis management plans, the HR should be directly involved to guarantee that the employees needs and rights are protected as well as ensuring that contents of the plan can be effectively communicated well between all the levels of the organization. Reducing the downtime and the damages of the crises are the values that created by the crisis management; accordingly, the crisis management shall start by identifying the organization's vulnerability and how this can be overcome through the effective engagement of employees. This is followed by the recognition of the danger to employees and therefore design possible crisis scenarios that may affect employees.

This requests an involvement for the HR department in crisis management through preparation of employees and collaborate with the other functions in the organization to handle potential crises. This ensures a strong integration of all organization functions into the overall crisis management plan.

To be prepared and having a plan is an important factor for crisis management, and the involvement of the HR is a critical role in ensuring the successful management of crises. The HR shall be involved from the planning phase to guarantee that the needs of the employees are covered in the plan, the HR will define the role of the employees in the organization and the task that they need to handle during the crisis. In this phase the HR will clarify the capabilities and the necessary effort from company to spend on these employees to play better role during the crises.

The lack of HR participation in the plan stage means that the human aspect of crises management is damaged, thus brining in challenges in handling the crises that corporation may face. The Human resource provides sufficient and correct information that a wholesome plan is developed correctly. This shall ensure that the safety of the employees is given priority due to the understanding the effect of the crisis on employees and their families. Preparing an effective plan and involve the employees may be beneficial for HR because it provides clear information on crisis management through employee's perspective. As the department oversees promoting employee welfare in the firms, HR

may improve the crisis management planning process by incorporating employee contribution which in turn promotes the ownership of the plan by employees. This increases the probability of success during the implementation.

The most important role of the HR is to release the crisis management plan in order to prepare and enhance a training program for the employees, special focus on the team leaders to ensure that they have adequate knowledge to handle potential crises, a continuance and following up training to ensure that all the employees in the organization are ready to handle any crises.

There are various areas of works that Human resource department shall focus on regarding the crisis management and it would be cleared in this section.

I. Threat and risk assessment

One of the most important aspect of the crisis management is to predict on possible threats. The assessment of the risk and threat plays a key role in promoting preparedness through the identification of potential crises that may affect the organization and hence taking relevant measures to ensure that the organization is prepared for such risks. The HR department shall work to develop a department for crisis management or to have a dedicated resource to monitor and assess any potential risk or threats to protect the business from potential losses. The HR department should also work toward developing a department for crisis management, and threat and risk assessment are given priority to protect the business from potential losses which shows the importance of the human resource department role and its significant contribution to prevent threats within the organization.

II. Business continuity planning

The crisis management has many activities and one of these activities is the business continuity to ensure business operations continue like before the crisis occurred. the target from this activity is to ensure that the organization can resume its original position as fast as possible and thus improve continuation of normal business processes. A training with regard to the business continuity shall be prepared and provided to the employees of the organization to provide them with information on the continuity plan, that activity will help the corporation to cover different aspects such as data loss and recover it, effective communication to promote normalization of organizational activities after the disaster, and to maintain good relationships with the stakeholders of the firm.

III.   Disaster recovery

The crisis management has many policies and procedures and one of this polices us the disaster recovery which relies on the ability of the organization to react to any crises and the level of knowledge and skills possessed by its employees. The human resource department has a mandate to explain and train employees on these processes including what to do after crises, how to handle crises and how to survive from the disaster by training the employees on how to handle physical and psychological trauma following a disaster as well as how employees can help the corporation return back to its position before the crisis.

IV.   Business impact analysis and Simulation exercises

To recover the business after crises requires better understanding for the crisis and how to affect the business and the if the implemented strategy may help the business to regain its lost. This can be done through performing a deep business impact analysis, to figure out how the business was affected by the disaster.

This performance shall help in the recovery process because it helps in setting up the loss involved, through that the organizations are able to work out strategies to recover what it has missed, and this can be done with the help of the human resource department by helping to collaborate better with the employees to collect their input about the crises because they are the best placed at identifying the impact that crisis had on the business. This step requires to train the employees how to quantify the impact of crisis on the business which help corporation to establish better plan and improve it through the recovery processes.

beside the business impact analysis, having a simulation exercises are an effective way to help employees to understand how they can react in various scenarios. The simulation is a replication of an actual crisis where employees are requested to react as if the crisis has happened in the real life. Usually, this practice deploys after a professional extensive training on crisis management, this test shall help the organization and its employees to understand how to response to crises, also having a brainstorming session are important because it helps employees to exchange ideas on how best to

handle certain scenarios. Human resource department help to provide the ideal position to ensure that the employees are in sync in case they are faced with similar situation.

V.   Survival tactics

Human resource crisis management is an important factor to ensure the safety of employees through promoting their physical and psychological well-being. This means that the HR department shall focus on training employees on how to survive in the disaster time through teaching them how to communicate, avoid risk, risk assessment and emergency sources of helps, among others. Employees surviving during crisis means that the organization's knowledge hub us maintained.

In summary, this chapter focuses on the importance of HR in crisis management, with particular focus on the strategic approach of the crises effects and define the impacts of the effects, explain the role of the HR in the crisis management, the needed planning and training to overcome the crisis effects and damages. It is established that while traditional crisis management efforts have dwelled on protecting the organization's resources, processes, technology and reputation, the human side often ends up being neglected and through this chapter shows that in order to ensure that employees are effectively engaged and participate in the process an increased participation of HR is crisis management is required. Various reasons for increased participation of HR in the organization's crisis management are provided in this chapter as well.

Chapter 4- Operationalizing HRM in Organizational Crisis Management

The previous chapters have discussed the crisis planning and response in which HRM can operate within an organization, and This chapter shall explore how the HRM interventions can be applied to crisis management. There are three characteristics of HRM that are mainly related to organizational crisis management which are focus, orientation, and strategies.

To have a better understanding, the next chapters shall examine different HRM applications to crisis management around each one of the mentioned three characteristics.

4.1 HRM focus method.

HRM focus activities shall emphasize exploration or exploitation, Where HRM emphasizes exploitation, its activities will focus on short-term interests and the internal development of capabilities. With such a focus, corporations will implement initiatives such as skills tutoring, socialization processes, and performance management procedures directed at organizational crisis management. But the exploitation focus is short term and will not help to the building of long-term operational skills. On the opposite side, an exploration focus encourages organizations to push for tacit learning, implement knowledge management initiatives, and incorporate processes such as learning from previous crises and investigating new methodologies to crisis management.

A HRM method can guide explorative knowledge by identifying and assessing future learning and performance needs, planning, and improving individuals, aligning processes and systems, and facilitating organizational and individual to change terms and conditions that affect shareholder values. The importance of tacit learning in crisis management, that is, to fill in gaps in knowledge and information to facilitate the accurate understanding of the crisis event. The tacit learning can be collectively facilitated through appropriate HRM interventions (Mankin & Perry , 2004). The value of tacit and collective learning is also demonstrated in the case of COVID-19. The lessons learned, the review of training and enhancement activities and their incorporation into the collective tacit learning of the organizations, is an example of an explorative method to crisis preparedness. Similarly, involving HRM in expanding the scope of potential crisis events and identifying crisis skill skills for

managers and staff will help different companies and organizations in different domains to be better prepared for future crisis events.

The integration of HRM activities with organizational crisis management activities is another major dimension of focus. HRM is disturbed with both vertical and horizontal integration (Garavan, 2007). The vertical integration focuses on how essentially the activities of HRM to be aligned with the corporation's crisis management targets. Horizontal integration focuses on the alignment of HRM with other crisis management events, such as communication activities, emergency-planning practices, and risk assessment.

It is highly important that HRM has effective functional and process integration. The integration highlights the functionality's importance of having high-quality experts within the HRM function. The quality of HRM experts will determine the extent to which they are able to contribute to the development of crisis management plans, guide postcrisis examination of a crisis response to identify areas needing improvement, act as a driving force behind the development of crisis management plans and convince top managers to test the feasibility of these plans (Danowsky & poll, 2005) (Lockwood, 2005). Process integration stresses the delivery processes used by HRM. In the context of organizational crisis management, these procedures may require participation in the enhancement of crisis management plans, the strategy of training for employees, requires identification and evaluation processes, and benchmarking of training and development practices with external best practices (Barrow & Darrow, 2005); (Gurchick, 2006) . IBM, Microsoft, and other IT companies are a good example of functional and vertical integration in their response to COVID-19 pandemic. Drawing from their own experience with crises and recalling practices used in other organizations especially that they are serving different kinds of clients and corporations, the top management in those companies convinced that in addition to operational knowledge, employees also needed training in providing continues support for clients from anywhere at any time.

4.2 HRM Orientation method.

The orientation of HRM emphasizes the extent to which HRM professionals are strategic partners, acts as an organizational change agent, and facilitates linking. Strategic partner types predict that HRD professionals will be key players at the executive table and adopt a multiple stakeholder approach to the management of HRD (Armstrong, 2005), (Casio, 2005).

(Liou & lin, 2008) clarified that HRM will not make a substantial impact to crisis management unless it is accepted as a key strategic partner in emergency planning and crisis management initiatives. They recognized that there are majors' obstacles to strategic partnering in this context and suggested that the role of the HRD department needs to be reconsidered if it is to be a key player. In crisis management planning strategic partners will play deliberate role to assist organizational stability, this role begins earlier than the crisis happens and remain till the recovery stages (Lockwood, 2005). The role also goes further than the crisis itself and focuses on organizational learning to enable greater flexibility and capacity handling future crises. Strategic partners devise processes that integrate line managers and employees in crisis management policy formulation. The change agent role envisions a elastic and effective organization and most fundamental of all, changing the mental models of the organization in respect of crisis management (Pfeffer, 2005).

The change agent role predicts the implementation of organization-wide change and development interference that development interference. According to Caldwell the aim of the organizational change agent be to enhance HR scalability. In the context of crisis management, that is mean there is contextual clarity, a sense of common purpose, and strong ownership of outcomes.

Finally, linking considered the most important challenge for HRM professionals. Linking involves the HRM with the crisis management challenges of the organization. it also involves pave the way where the line mangers can ensure the continuity of the business. In addition, linking can form the strategic direction of corporations in response to crisis management, and creating a solution for the crisis. Moynihan found that HRM can provide more accurate information and accelerates the spread of information. HRM have a key role to play in collecting information about crises and fostering partnership skills among crisis management personnel. he also suggested that HRM can facilitated learning forums where key decision makers are inspired to closely examine crisis information and decide how it will change and affect future actions.

4.3 HRM Strategies method.

The HRM strategies have three sets that can be adopted to facilitate the organization's crisis management efforts. These strategies focus on the following:

- organizational learning method
- organizational change method
- and organizational performance method.

4.3.1   organizational learning focused HRM strategies.

HRM strategies highlight critical reflection, organizational socialization, tacit knowledge, learning from mistakes, and action-centered learning. different contributors have emphasized organizational learning that can occur from disasters. For example, Smith and Elliott (2007) described three variations of organizational learning in the context of crisis management: learning as crises, learning for crises, and learning from crises. Learning as crises requires fundamentally challenging core beliefs and assumptions of key stakeholders. It may take the form of debates regarding how things should be done. Learning for crises does not seek to prevent all crises; rather, the goal of organizational learning is to develop capability around response. The knowledge that we obtain from crises refers to organizations learning from their own experience during the crises period and the experience of others. Morgan Stanley, a U.S.-based financial services company, might not have learned from past crisis events had it not been for the insistent and frequent evacuation drills led by security chief, Rick Rescorla. Rescorla had observed that the 1993 World Trade Center evacuation was too slow, and the employees were told to go to the roof to await rescue instead of descending the stairs. Rescorla imagined a scenario where roof-top evacuation would not be feasible if the building's integrity was made vulnerable by a series of major bombs. Therefore, he had employees and visitors practice rigorously timed fire drills that required participants to know exactly where to evacuate and to descend several floors by walking down two steps at a time. This rote training saved more than 2,500 employees when Tower 2 collapsed on 9/11.

This example shows that the crisis can motivate companies to search for a wider range of solutions to response to future crisis, like that considered by Rescorla. Organizational learning interventions ultimately may lead to enhance and develop the flexibility and adaptability skills.

However, it is acknowledged that not all organizations are capable of learning, and they often experience difficulties such as blame, the denial of responsibilities, and other dysfunctional behaviors. Hence, it becomes even more important to consider HRM as it has the capacity to join companies, groups, corporations in critical reflection and a dialogue of renewal by identifying key lessons learned.

Also, HRM strategy will have an additional benefit is that HRM can help organizational leaders become more open to examining the crisis response and understanding key organizational weaknesses. The goal then is to develop leaders who are more willing to question core assumptions and beliefs that prevent effective crisis management.

4.3.2   Organizational change focused HRM strategies

HRM strategies emphasize feedback processes, the creation of a crisis sensitive culture, and the development of change management processes including education activities. HRM's practitioners are asked to play an active role in teaching and improving the skills of the senior management and other organizational members on the value and importance of having strategically aligned policies and systems within organizations.

This is vital as most organizations often act reactively rather than proactively to crisis events. HRM interventions and strategy can be mixed with HRM activities such as reward systems, benefits, employee assistance programs, flexible leave options, emergency compensation for displaced employees, the implementation of health and safety standards, layoffs, and reduced work hours.

HRM can facilitate the enhancement and the development of an suitable crisis-focused culture. Fostering such a learning-oriented culture has a major implication for ensuring crisis preparedness.

The companies and the organizations with a minimal focus on advanced or high-performance HR practices are less likely to exhibit high morale, openness, willingness to change, and value the input

of employees. HRM can help organizations balance the internal and external contexts to ensure that the processes and the procedures support rather than undermining corporate culture.

The development of boundary-spanning skills represents another key component of effective organizational change. Given that more and more organizations operate in a global environment, change management becomes more complex and requires key organizational members to work across organizational boundaries. HRM shall help to enhance organizations' change capacity by identifying and developing boundary-spanning skills such as networking, political skills, and trust building. It can also facilitate the creation of a culture of sharing technical, political, social, and functional information relevant to organizational crisis management strategies.

4.3.3 Organizational performance focused HRM strategies

The HRM organizational performance highlights skills coaching, job analysis, and management and leadership development. The difficult task for crisis management is to recognize performance requirement and thereby developing core competencies to meet the need of organization. Many researchers found that crisis management is mainly significant in collaborations among different teams.

This poses a challenge for the correspondence of needs and means to best train employees. Organization during crisis should apply learning strategies such one-to-one interaction, e-learning, coaching, and shadowing. it difficult to train employees together, where each employee has individualized needs. According to Peterson and Perry the Common crisis-training exercises differ in the range of interaction and realism.

functional exercises include actual tests of one or more parts of a crisis plan and evaluate how each employee coordinate and work together in their response effort. And on the other hand, Tabletop exercises are the least difficult and include a narrative of a crisis event, needing participants to role-play positions and explain how they would react to a crisis event. Moreover, the greatest interacting are full-scale exercises that test the major crisis-planning functions in the field and need significant resources, props, and actors to simulate the event. Additionally, the value of developing multidisciplinary teams is also noted. Many studies found that such teams can become "nests" of

complementary abilities and competencies throughout corporations. (DeRosa,D.M,Hantula,D.A,Kock&Arcy, 2004) proposed that HRM can accelerate using training interferences and the spreading of best practices all over the organization. Multidisciplinary teams enable organizations to gain greater operational agility to deal with crises.

Successful crisis management needs congregation skill set, as well as communication skills, understanding of crisis management, and resource distribution. (Mitroff,I.I & Alpaslan, 2003)proposed that an organization-wide process, organizational crisis management links human resources, technology, safety information, and other relevant resources into a system wide arranged work. This requirement concentrates on the need for a holistic and strategic approach to skills development. HRM can help using an organization-wide skills development approach to crisis management. At a hypothetical stage, the specific contribution relates to its capacity to develop specialized resources and coordinating activities. Specialized resources focus on both the functional and organizational resources. Functional resources are the abilities possessed by an organization's crisis management team. (Premeaux, S.E ,& Breeaux, 2007) said that these resources should be unique and difficult to imitate. In the context of organizational crisis management, functional resources consist of the skills of an organization's top management team, the vision of the CEO with respect to crisis management, and other tangible and intangible resources that enable the organization to be crisis prepared.

According to Daft the key resource focuses on coordination ability that emphasizes the organization's ability to coordinate its functional and organizational resources to create maximum value. In the context of organizational crisis management, this includes the "control systems" organizations use to coordinate and inspire employees to be crisis willing. It also includes the way they develop and promote shared cultural values to enhance effectiveness and allow for efforts in crisis management organizations and the way choose to centralize and decentralize authority for crisis management, in sharp contrast to the federal and state response to Hurricane Katrina, Wal-Mart has been lauded for its coordinated react to hurricane victims. Before Hurricane Katrina made landfall, Wal-Mart had already contacted distribution centers and organized a cross-functional emergency center that coordinated the allocation of supplies and resources (Wooten ,L.P & James, 2008). These skills and abilities required for organizational crisis management can be built and developed through well-designed HRM interferences such as designed training programs and e-learning activities.

(Liou & lin, 2008) suggest that individual employees' understanding, and abilities are particularly important in managing crises Such knowledge and skills may range from knowledge of emergency procedures, emergency preparedness, and communication skills to deal with emergencies to skills in treating the outcome of crises. However, organizational performance focused HRM strategies are often implemented in a crisis management context with little consideration of employee abilities. Consequently, it is likely only after implementation challenges happen will HRM have a role to play.

Human Resource Management can contribute to approximating how long it will take before employees are ready to successfully implement organization crisis management strategies. This can be understood throughout the estimate of learning cycle times, the use of time and motion studies, and pre- and post-evaluations. The data produced from these procedures lets the organization to determine the feasibility and cost/ benefit of performance-focused strategy.

The outcomes of HRM are varied and in the context of organizational crisis management, the shaping of the organization's mission and goals on crisis management is included, the creation of a crisis-focused corporate culture, greater individual readiness for crisis events, improve the capacity to learn from crises, better integration of crisis management efforts and the capability to draw on multiple knowledges across a range of networks, and greater stakeholder satisfaction. However, HRM requests to be aware of the conflicting tensions running through the practice of crisis management. Different corporations' stakeholders, such as owners, investors, employees, suppliers, and clients, are likely to evaluate the contribution of HRM differently. HRM experts need to determine the expectations of different stakeholder groups and merge these expectations into the overall HRM target and strategies that are used to facilitate organization crisis management efforts.

Chapter 5 Conclusion

These days, crises are unavoidable and there is no individual or organization has got a chance to avoid a crisis. With the effect of globalization, when a disaster happens somewhere in the world, it may affect an organization in a relatively remote area. Sometimes a small crisis may initiate, if not a global, a continental crisis. Since corporation cannot avoid crises, they should be ready to reduce the effects. The top managements in these organizations shall be ready and responsible of taking all the necessary measures for any potential crisis and not to be left for the departmental managers except one department in the organizations that it is the greatest assistant to the top management for crisis management and preparation which called the human resources department.

This department is playing an important role in the three phases of any crisis, during the planning (before crisis), responding (during crisis), and recovery (after crisis). The human resources' part is more effective or vital before and after crisis periods and document all the needed polices which are related to the crisis, HRM shall contribute to the development of both operational capability and enhanced capacity to learn both during and after the crises. The HRM specialists shall be responsible for crisis management in organizations to become more cognizant of the role that HRM can play in the effective management of crises and crisis preparedness.

Beside the top management, the Human resources management needs to be ready for any sort of crises with its management and business continuity plans. these plans should always be linked with the human capital. Before making plans, performing an analysis is appropriate. This analysis will help to identifies the strengths, weaknesses, opportunities, and any potential threats which will help an organization to have a strategic crisis management plan.

On the other hand, the organization top management and the human resource department should take in their consideration the physical wellness, mental, and psychological health of employees when they make and perform crisis plans. A crisis plan should cover some certain issues without regarding the type and size of the organization. Series measures and actions should be taken by top management and human department which are as follows:

- Recruitment process should be examined and prioritized.
- Job analysis should be revisited and re-evaluated.

- New bonus and incentive schemes should be examined.
- New methodology how to keep and take care of the special.
- Long-term objectives should be revised.
- Identification of potential threats within the organization.
- Developing departmental crisis management plan.
- Participation in the development of the organizational crisis management plan.
- Training employees on threat and risk management.
- Business continuity planning set up.

During any disaster and for the organizations to survive, both employer and employees are expected to sacrifice and the modern approach instead of dismissing employees randomly. Volunteer dismissals may be accepted and/or part-time working models may be implemented as a solution. Rearranging wages and working hours may be another option. Other options may be stopping premiums, bonus payments and pay rises until the effects of the crisis fade away.

It is very clear that the expertise and the skilled employees are important for the organization to be succeed. Hence, the training level, skills, expertise, and experience of human resources department staff have great importance on the decisions they will make. From this aspect, the human resources department is an important organizational unit which makes up the base of an organization and produces policies on labor management. Therefore, the failure or the success of human resources departments affects the whole organization and through their participation in the planning and the training, the performance of the organizations can be improved thus promoting the bottom-line and ability to deal with future crises.

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