THE MINISTRY OF EDUCATION OF THE REPUBLIC OF AZERBAIJAN

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MANAGEMENT CHARACTERISTICS OF THE ENTERPRISE IN A CRISIS SITUATION

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BAKU 2019

ABSTRACT

Today, crises have become an important phenomenon that can affect many different sectors, especially the economies of the country. It has been seen that the concept of crisis has been taken up in recent years, and it has become an important issue, especially in academic studies. The main reasons for this can be summarized as the fact that the crisis issue has a complex structure, suddenly emerged and the long-term or short-term implications of many industries.

The rapid transformations in today's environmental factors cause organizations to face situations that may be considered as crises. It is revealed that it is not a problem for an enterprise to encounter with the crisis, but it is vital for enterprises to know when the crisis occurs, what kind of crisis occur and how prepared the company is in the fight against the crisis. Regardless of the scale of the enterprises, it is expected that the organization of all sizes will be affected by the crisis, but the dimensions of these effects may be different. Reducing the negative effects of crises or managing them in a way that leads to positive results are seen as a significant advantage. The effective and decisive factor in crisis management is the anticipation of the crisis and the timely execution of the right managerial decisions.

Therefore, in this study, the effects of crises on organizational behaviour and organizational structure characteristics of firms were measured. The aim of the study is to investigate the effects of crises on organizational behaviour, organizational structure and firm performance characteristics of enterprises. Crisis situations do not always threaten organizational goals and objectives, sometimes offers excellent opportunities for businesses. The results of the study show that although crises are expected to affect any size enterprise, the extent of these impacts

may be different. Reducing the negative effects of crises and managing them in a way that leads to positive results is seen as an important advantage.

ACKNOWLEDGEMENT

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INTRODUCTION

In the contemporary world, rapid change and increasing uncertainty in every field can bring enterprises to face to face with unexpected dangers and opportunities. Moreover, the increasing economic integration and intensifying competition between countries due to the effect of globalization increase the risks of enterprises facing the crisis. Being able to eliminate threats or evaluate potential opportunities is in parallel with the preparation of these changes and uncertainties. Otherwise, crises are inevitable for organizations that cannot keep pace with the dynamism of all kinds of environmental factors in commercial, economic, political, social and natural conditions.

Nowadays, it is revealed that it is not a problem for an enterprise to face a crisis, but when the crisis occurs, what kind of crisis is and how prepared the company to prevent the crisis is a very important issue.

In social and political life, two types of crisis are encountered; those who ignore the crisis or accept the crisis, but instead of treatment only those who put measures. However, in order to overcome the crises, individual, institutional and social reflexes are needed. Otherwise, the extent of the damage that the crises can cause both for the institution and the national economy may be large. Therefore, strategic approach to the crisis for today's enterprises has become very vital.

In spite of the fact that the emergency can make a chance for organizations, the word meaning is sufficient to make a panic situation. In the realm of rivalry, companies are trying to keep pace with competitors and management. But generally, crisis and management are always together. Companies that use strategic tactics in their strategic perspectives are separated with less damage compared to companies operated in routine management. Businesses have to take critical decisions that

determine their fate in an uncertain competitive environment. Critical decisions are very important for an enterprise to maintain its existence and to ensure its continuity. In the organizations, the leadership, knowledge, skills and experience of managers are most needed in the crisis situation and crisis management. Because the most important task and responsibility a manager is to prevent or successfully solve the crisis or problem in the organization. The manager has to manage the unusual situation and conditions in the system and to solve the problems. Therefore, management is the problem solving process in the organization. A manager is a problem-solving person. For this reason, leader-managers appear in important situations and problems, especially during crisis (Peker &Ayturk, 2000).

When we look at the crisis management literature, it is argued that especially in the 1980s, more studies were carried out in this area but the crisis management literature has not yet reached the desired level.

The crisis should be governed by the managers before the crisis turns into the crisis of management. Management skills are most needed in times of crisis. Because the crisis is an emergency situation. (Demirtaş, 2000). Ideally, the organization should identify possible crisis situations and take necessary measures. However, it is hardly possible for an organization to anticipate all possible crisis situations and to take precautionary measures. It is inevitable to have some unforeseen events in rapid change and transformation. In this case, what needs to be done is to be prepared for the moments of crisis and to manage the crisis effectively.

The high time pressure during the crisis is also a sign of a serious threat to the company's structure while making critical decisions in an uncertain environment. The negative conditions in the economy of the country may be the cause of the crisis for the enterprises.

What is important in crisis management is not to escape the crisis or to solve the crisis, to prevent the crisis before it is born or to turn the crisis into success for the organization. Often, prerequisites that trigger the crisis are already ready. The organization manager can be drowned by the crisis and can also give direction to the current. The important thing is not to fall into the crisis. Successful implementation of these measures is very important in crisis management (Peker and Ayturk, 2000).

The aim of this study is to reveal the importance of the enterprises in crisis management and their applications before, during and after the crisis. The study consists of three parts. In the first part of the study, the definition, causes, factors, symptoms of the crisis will be examined. In the second part, characteristics of crisis management and concept of anti-crisis management will be discussed. And in the third section, crisis management strategies and examples for the strategies of some big companies during crisis time will be evaluated.

This work is a theoretical study. Sources were scanned from the books that were sold in the related market on the thesis topic. Personal data, observations and experiences were also utilized in the articles, education magazines, published postgraduate and doctoral theses, related sites on the internet and in the interpretation of the compiled information.

CHAPTER 1. FACTORS THAT LEAD TO CRİSİS SİTUATİONS İN THE ORGANIZATIONS

1.1 The concept of crisis and crisis situation in the organization

Crisis, which is used in negative terms for businesses; it is defined as contraction and compression. Thinking that an uncertainty has fallen, the company sees the crisis as a temporary process along with its negative meanings. Proper management forms are always the main liberator of the enterprise. What is the crisis in order to determine the type of management? The concept must be learned correctly.

As a remarkable feature, the Chinese manuscript crisis is characterized by two symbols. These two symbols express the meaning of "opportunity" and "danger", that is to say, that the crisis has both positive and negative meanings at the same time. The crisis can create an environment in which the future is redefined or designed; a different product, another organization, a new business or business area, a new territory etc. So many factors can be effective in shaping the future.

By nature, crises are dangerous moments in the life cycle of an organization, but they are important opportunities with the potential to make the organization more powerful than it was before the crisis. For example, as mentioned before, crises in Chinese culture are perceived not as negative forces of social and economic life, but rather as opportunities that can lead to positive results (Ulmer, et al., 2011).

The crisis is the difficulty of confronting reality. In our daily life, it is possible to give many examples of small or large instant crises. A sudden phone explosion,

earthquake, accident, etc. they are all events that we can think of in our lives, but not expected.

Crisis can be defined as a difficult situation to get out of and suddenly advances towards the dangerous moment.

The crisis is a threat that threatens the high-level objectives of an organization and sometimes endangers the life of the organization and requires immediate reaction. Sometimes the tension prediction and prevention mechanisms of the organization are inadequate.

Different views on the definition of the crisis exist as we have written above. A researcher describes the crisis as a potential threat to the existence of the organization. According to Brewton, a crisis situation can be characterized as a serious disruption in activities, an increase in the state's institutional arrangements, negative public perception of the enterprise, financial difficulties, inefficient use of management time, weakening in the morale and support of employees.

Shrivastava and Mitroff acknowledge that the crisis that emerged in businesses threatens the survival and profitability of a business which are the most important goals. The crisis does not always have a bad and negative situation for the organization. We describe this situation as the Chinese word wei-ji which means crisis. In fact, wei-ji, which means crisis in Chinese, is a combination of danger and opportunity words. In reality, the crisis can be thought of as a turning point. The crisis is defined as a series of activities that lead to a definite change in the period of instability or recently.

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Figure 1: Symbol of Crisis in Chinese[1]

The issue of crisis management is very new, and as a result, it is neither fully understood nor fully accepted. It cannot be said that improved and renewed crisis management programs can prevent all operational crises before they occur. In fact, the full measure is not the aim of crisis management. However, effective crisis management has proven to restore the organization faster and help to produce more effective results.

For organizations, crises are unique moments in the history of organizations (Ulmer, et al., 2011).

This is the broadest possible definition of the crisis in order not to cause the concept of turmoil:

The crisis is a situation that threatens the high-level targets and mechanism of operation of an organization (government, ministry, municipality, company, family etc.). It is a tense situation which endangers the lives of the organizations and requires an urgent response (Hasit, 2000).

Today, the concept of crisis has become a part of everyday life and has been a matter of the importance of all disciplines. Although financial and economic reasons are often considered first, political instability, social incidents, natural disasters, accidents, production and management problems, corruption, waste of resources, internal and external debt burden, risky country counts, and even institutional blows can lead to crisis. For this reason, the concept of crisis is defined in many ways.

Crises are far from being exceptions, in fact, they are the norms that have always been with us and will continue to be seen not only in developing economies

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[1] Ulmer Vd, 2011

but also in developed industrial economies. In other words, crises not only occur in countries with weak economic power but also in countries with strong economies such as the US. Throughout the ages, many crises have been experienced all over the world. Global crises such as the 1991 Gulf Crisis, the 1997 Asian Crisis, the 1998 Russian Crisis, the 2008 Global Economic Crisis (Soysal, et al., 2009) and the 2011 European Union Debt Crisis. These crises have led to a contraction in the country's economy and also provided opportunities for some sectors that have deeply affected all markets. (Murat &Mısırlı, 2005) Therefore, it is only possible to cope with dizzying developments in today's business world with an effective and determined crisis management model. Nevertheless, research shows that even though managers believe that crisis management efforts are necessary, most of the enterprises still do not have a planned and continuous crisis management study.

Individuals and institutions in society face uncertainties and various risks. The smallest uncertainty and risk that is ignored by being considered insignificant may be the beginning of great negativities for the enterprise, employees, society and even the country. For this reason, all enterprises, whether large or small, are required to analyze and take measures to mitigate any risks they may encounter as of their establishment.

Crisis management, which has no importance in the past tense for businesses, is indispensable importance for crisis management companies, which is one of the management strategies today. Because crisis management is benefited, companies are prepared for unexpected events and can overcome the crisis with the least damage.
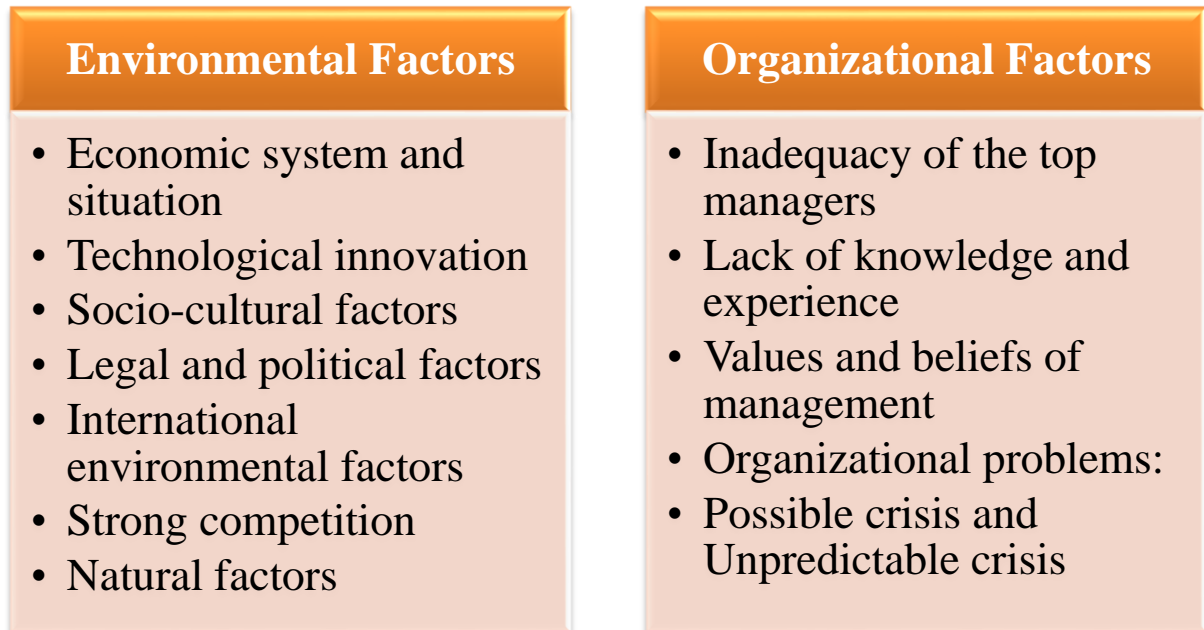
Crisis in enterprises is a dangerous process which may result in sudden changes in the internal and external environment, which may affect the plans of the enterprise, prevent it from reaching its goals and even threaten its existence. In such periods,

enterprises can also take immediate decisions and make quick changes. The more accurate the rapid decisions taken, the less the damage can be overcome. Businesses may face unexpected dangers, which are sometimes affected by uncertainties and sudden changes in their environment. The success of the business management and the ability of the business to continue in such situations depend on the management skills which may be unusual when it is possible to display it in such cases. In fact, the right attitudes and behaviours to be shown during these periods may lead to opportunities beyond the risks for the enterprise. Crisis management is a process that includes the right attitudes and behaviours to be shown in such situations. For businesses that do not know crisis management, every change can be a crisis.

1.2   The causes, factors and symptoms of crisis in the organization

The discussions about the way the crisis emerged indicate that the crisis has a perceptive dimension. Therefore, when the crises are examined on the basis of the emergence, it is possible to distinguish between potential crises, perceived crises, felt crises and experienced crises. While the potential crises correspond to the situation of the emergence of the crisis, the perceptual crisis is related to the perceptions of the related parties and it is more intuitive and at this point, the perceptual differences of the managers may cause the crisis. When the perceived crisis defines the situation at the time when the differences in the behaviour of the parties are observed, the experienced crisis describes the actual situation (Sucu, 2000).

The factors that played a role in the face of the crisis faced by the organizations were gathered in two groups as environmental and organizational factors and they were expressed as follows:

Environmental Factors	Organizational Factors
• Economic system and situation • Technological innovation • Socio-cultural factors • Legal and political factors • International environmental factors • Strong competition • Natural factors	• Inadequacy of the top managers • Lack of knowledge and experience • Values and beliefs of management • Organizational problems: • Possible crisis and Unpredictable crisis

Figure 2: Causes of Crisis

1-Environmental Factors: Environmental factors play an important role in the organization's crisis. The dynamic and ever-changing environment affects the degree of complexity and uncertainty that the organization will face, reducing the degree of managerial decisions and leading the organization to a downturn. The environmental factors leading to the crisis are as follows:

• Economic system and situation: Economic fluctuations and instability can disrupt the supply-demand balance and affect the price and quantity of the products to be sold by the organization, investment decisions and profit margins.

• Technological innovations: The speed of technological changes in the emergence of the crisis, the process of adaptation to change and the rate of

technological dependence will be significantly effective. Especially if the developing technology creates new products and activity areas that can be substituted for the goods and services offered by the enterprise, the crisis will be inevitable for the organization.

- Socio-cultural factors: Change in the value judgments of the society decrease in the interest of the customers, social disturbances and unrest can lead enterprises to crisis.

- Legal and political factors: It is natural that organizations that do not realize changes in accordance with the rules of law can encounter crisis.

- International environmental factors: Organizations that fail to monitor events such as price fluctuations in the international arena, war and similar events, changes in supply and demand may experience a crisis.

- Strong competition: The challenge of large and strong competitors to differentiate their products and increase their market share by using technological innovation advantages is a threat to the enterprise.

- Natural factors: Natural disasters such as fire, flood and earthquake, which management cannot control, are the most obvious causes of the crisis.

These factors that cause the crisis are the factors that are outside the enterprise and which the enterprise cannot control completely. It can be said that the dependence of the enterprise on the external environment and the low or high level of control of the environment on the enterprise have an important share in the origin of the crisis from the external environment. The cause of the crisis may be internal factors, as well as non-organizational factors.

2- Organizational Factors

- Lack of knowledge and lack of experience: Not knowing the signals about the negative interaction around the organization leads to a crisis. This can be neglected or unable to collect information.

- Values and beliefs of management: The values and assumptions of management play an important role in the rapidly changing environment.

These are inadequacies and problems in the organization. These can be listed as follows;

- The inadequacy of the top managers: These can be classified as the power of estimation and weakness of the manager, failure to comprehend the difference of new problems, the tendency to apply old solutions and passive and slow stay in the face of the active and dynamic structure of the environment.

At the same time, the following types of crises of organizations are encountered:

Possible crises: strike, fire, explosion, infiltration problem, pollution problem, raw material strike, transportation strikes, product reduction, competition-lower price, better product, alternative product, government laws, limitations, tax changes, large loss in export markets, decrease in stocks, increase in costs (e.g. raw material), the absence of advertisements due to the strike on newspaper or TV, government change, war, civil war, revolution, excessive imports, price reduction, death of the company leader, market or loss of significant agreements, buyer boycotts.

Unpredictable Crises: sabotage, insurgency damage, damage to the company leader, kidnapping or abduction, assassination of the leader, sensational

newspapers and TV news, research by government commissions, scandals due to the behavior of the leader, damage from external factors (airplane crash, storm, such as floods, industrial espionage: the stealing of plans, patterns, computer records, the passing of the competitors in the market with the same product, the service, the product being illegal, the independent researchers-claiming that the product quality is low, forcing consumers or pressure groups to change (eg different packaging).), the product may cause unexpected side effects.

Crises are categorized in different ways within the context of the aforementioned environmental and organizational factors. One of the widely accepted studies in the literature, Mitroff's classification reveals the seven major causes of the crisis and the dozens of crises that have evolved in this context. The reasons and types of crisis:

Economic (strike, restlessness, job shortages, decreases in stock values, market collapses, decrease in earnings), **Information Related** (confidential information and registration loss, misinformation, loss of information about customers and suppliers), **Physical Losses** (material / equipment losses and failures, Explosion, bad product design, low quality control), **Human Resources Related** (loss of important manager or staff, increase in absenteeism, increase in accidents, violence in the workplace, corruption), **Relevance** (defamation, rumors, damage to business reputation), **Psychopathological Events** (product destruction, kidnapping, hostage, terror) and **Natural Disasters** (earthquake, fire, flood, hurricane, landslide) are categorized into categories (Mitroff and Anagnos, 2000). To manage the crisis, managers need to know the type of the crisis, because the methods to be applied according to the type of crisis vary.

The crisis is in fact undesirable. However, it has positive functions in terms of pressure on management for change and development and revealing

weaknesses of the enterprise. Based on these positive functions, management can make the crisis useful for the enterprise. The crisis-solving approach depends on both predicting the pre-crisis situation and taking action at the appropriate time to solve the problems. In times of crisis, a special team is formed to deal with the crisis. Every business that is sensitive to crisis management should have identified the crisis management team without the need for such a team. It should be paid attention to the selection of knowledgeable, persistent and hard-working people who can take the risk while creating this team. Movement: It is a steering committee that can take responsibility, including key managers. Communication: A public relations manager who knows public referral techniques that can establish the best communication with the press, staff and other target audiences. Budget: An expert, who knows the financial situation and policies, evaluates potential dangers, opportunities and impacts and takes action. Other: A technical team is a group that can take supportive activities such as advertising. Beyond its vital size, the crisis can lead to great losses and legal problems, as well as the loss of elements. With the panic and stress factors created by the crisis, the decline in work efficiency and dismissals may come to the agenda. At this point, the human resources manager should take his place in the crisis management team as a person who is responsible for protecting the staff, preventing breakages and managing and protecting personnel during and after the crisis. When individuals undergo great stress, they can begin to give rational and unexpected reactions instead of showing rational and self-controlling behaviour. In such cases, people can be panicked by the need to go back to the lowest levels in Maslow's hierarchy of needs and to clarify whether their physical and security needs will be addressed and they can be managed by their lower self needs. They also require immediate information; because the fear of not meeting their physical and security needs causes panic and self-assurance. Regardless of the situation, these people (target

groups) expect the honest and sensitive explanations of the crisis management team during and after the crisis period. Because lack of knowledge leads the individual to think about the worst. Thus, the company's products, which are already facing a crisis, can be boycotted, stocks may lose value, face problems with credit, face legal problems, and have difficulty in supplying raw materials.

1.3 Occurrence of crisis situations in the organizations, their types and aftermath

WHAT ARE THE STAGES OF CRISIS MANAGEMENT?

Business Management before Crisis:

In the process of "receiving the crisis signals", the company must establish systems to catch the signals related to the crisis. Then, "the crisis preparation and prevention phase" is reached and the measures to prevent the possible crisis are presented to the senior management according to the sensed signs by the signaling systems. Some of the crisis management works before the crisis are as follows; preparation of crisis management plan, determination of crisis management team, establishment of early warning systems, preparation of crisis scenarios, continuous analysis of internal and external environment, efficient use of information, pre-crisis training and motivation, establishment of an organization structure ready for crisis.

Crisis Meanwhile Business Management:

In the phase of the "crisis control", the top management instructs the relevant departments to implement these measures and selects the appropriate measures to solve the crisis and monitors the direct execution of the activities. The main crisis management works that can be done during the crisis are as follows; determining the dimensions of the crisis, taking advantage of decision-making methods, developing financial management policy in the crisis period, developing the personnel policy of the crisis period, ensuring the execution during the crisis period, establishing the interactive public relations and communication policy.

Business Management after Crisis:

In the phase of "recovery and normalization", the organizational structure, which was formed according to the extraordinary conditions of the crisis period, is returned to normal working order. In the stage of "learning and evaluation" which is the last phase of crisis management, the crisis and the measures taken by examining the decisions taken are prepared for the future.

The main crisis management studies that can be done after the crises are as follows; post-crisis situation analysis, restructuring studies and post-crisis rehabilitation studies. As a part of the strategic plan without any signs of crisis, it is possible to anticipate possible dangers and extraordinary situations with meetings such as search meetings, brainstorming and to produce possible crisis scenarios. Establish and use mechanisms, systems to detect signals of future crises as early as possible. (Process Performance criteria to determine and to investigate the causes of changes by constantly reviewing them, making surveys, continuous exchange of information with customers and suppliers, benchmarking). Investigating all business processes in the business when crisis signals arise, and ways to protect them from the crisis. To take measures to

minimize the negative effects of the crisis on the business by making preparations against the crisis. Thus, the crisis can be managed more easily as an expected situation.

When the crisis takes place and affects the business, it is necessary to review the previously planned measures according to the conditions and put them into practice very quickly. So keep the crisis under control. When the crisis conditions disappear, it is possible to switch to normal practices as soon as possible.

The stage where the organization develops some clues that point to the crisis, such as organizational inadequacies, low performance, and lack of anticipation of changes in the external environment, is the "blindness phase" of the crisis. If the manager doesn't care of the decrease in sales, increase in stocks, etc., this stage called is a "process of inactivity". In time, performance degradation reaches a dimension that threatens the life of the enterprise, and managers take panic measures such as dismissal, spending cuts, to solve this problem, this is known as the "wrong action stage" of the crisis. Therefore, since the real problem is not identified and solved, the business comes to the stage called "crisis stage" and the organizational climate is broken, business managers try to save the day, new plans are not made. Then, the last chance to respond to the crisis in which the organization falls into is reached the "Termination Stage". This stage means the beginning of recovery for some organizations and the end for others.

Seven important stages in crisis management:

Before a crisis has started, business owners should consider how a disaster can affect employees, customers, suppliers, the general public and the value of the company. A crisis in any company can be anywhere, anytime. Advanced

planning is the key to survival. Here are seven important steps to be taken in the crisis management approach, independent of the size of each company:

- They have to create a plan - Each plan starts with clear goals. The targets during any crisis are to protect all those who are endangered by the crisis (employee or public), to inform the important masses and to ensure the survival of the organization. This written plan should include specific actions to be taken in case of crisis.

- Identify a spokesperson - If the crisis is potentially affecting the health or well-being of clients, general or employees, it may attract the attention of the media. In order to ensure that your company speaks in a voice and sends a clear coherent message, a spokesperson must be prepared to respond to media questions and participate in discussions.

- Be honest and open - nothing creates more negative media coverage than lack of honesty and transparency. Therefore, you can help prevent the rumors of being as open and transparent as possible and eliminating possible media frenzy. This transparency should be estimated through all communication channels: news interviews, social media, internal announcements, etc.

- Inform employees - the protection of a knowledgeable workforce helps ensure that the business flows as smoothly as possible. It also minimizes internal rumours that can cause employees to send false reports on social media.

- Communicate with customers and suppliers - You don't want your customers and suppliers to learn about your crisis through the media. Information about any crisis related to your organization should come first. A

part of the crisis communication plan should include customers and suppliers and know how to regularly update during the event.

- Early and frequent updates - It is better to have excessive communication than to let rumours fill the gap. Number summary tables, updated action plans and new developments as early and as often as possible. Keep in mind that today's social media and cable news broadcasts live at a time of 24/7 news cycle. Your crisis plan should do the same.

- Remember the social media - the Ebola crisis and other important news events have confirmed that social media is one of the most important channels of communication. Be sure to set up a social media team to monitor, publish and respond to social media activities throughout the crisis.

CHAPTER 2. THEORETICAL BASIS OF MANAGEMENT OF THE ORGANIZATION IN A CRISIS SITUATION

2.1 Characteristics of management of the organization in a crisis cituation

Crisis management is a group of activities that are implemented in a planned, systematic and rational way to eliminate the situation that is defined as a crisis. It involves systematically creating a team that will implement these decisions step by step and making new decisions by taking the implementation results quickly. It is difficult for management policies in normal conditions to respond to crisis

conditions. Therefore, the practice in the crisis period should be different from normal.

On the other hand, as well as the measures taken during the crisis, it is important that these measures are implemented in an unhurried and successful manner. As a matter of fact, a British working group compared the achievements of enterprises in the period of crisis. This comparison shows that some businesses are successful and some are unsuccessful. In this case, panic has led to crisis management.

The works to be undertaken during the crisis period can be divided into following headings:

- Determination of the dimensions of the crisis

- Creation of the crisis management plan

- Development of the human resources policy of the crisis period

- Creation of the execution in the crisis conditions

- Establishing a crisis communication policy

Determination of the crisis dimensions

The first thing to do when an emergency occurs is to reveal the nature and dimensions of the situation. Instead of doing this, it is a waste of time to search for the person who is responsible. It can also cause unrest. In determining the dimensions of the crisis, it is necessary to first calculate the impact value of the crisis.

The worst possible event is calculated when calculating the impact value of the crisis. In this sense, the value of the crisis is found using the value of 0-10. "0" is considered the highest value

Creating a crisis management plan

Time in crisis is a priority factor. Therefore, there is a need for a plan to demonstrate strategies to show what to do. The advantage of planning is to concentrate attention on the real problem and create a framework for action. The stages of the crisis management plan are:

• List and identify crisis situations.

• Develop strategies and tactics to cope with each crisis.

• Identification of persons and groups affected by the crisis.

• The start of the crisis team.

• Preparing a crisis communication plan to minimize the loss.

• Testing everything.

Development of human resources policy in the crisis period

Choosing the way of dismissal in times of crisis should be the last resort. If layoffs are mandatory, the following criteria should be observed.

• Any permits, such as priority annual leave, military service, paid and unpaid leave, should be tried.

• Priority should be given to dismissal from retirement age.

• Persons to be dismissed according to the results of previous performance evaluation should be identified.

Establishing the executive in crisis conditions

It is appropriate to have a central structure within the organization to facilitate the execution of the crisis period and to ensure the rapid functioning of the mechanism. This means that the transfer of authority is reduced and the authority in the upper management is concentrated. It is necessary to control and limit the flow of events. One of the most prominent and complex aspects of crises is that they are branched out and often drifted into a complete dead-end. In this period, subordinates need a skilled and powerful leader who knows what he is doing at the beginning.

Although it is recommended that the authorities concentrate on senior management in crisis conditions, the aim is not to apply the one-man model. Teamwork is needed more than ever before for reverse decision-making.

Establishing a crisis communication policy

Effective communication during a crisis should be the most important priority of an organization. Therefore, a communication strategy should strive to deliver the most accurate information in the fastest way possible. This can be achieved by establishing a communication protocol, selecting a company spokesperson, identifying key audiences and key messages in the target audience and deciding the most appropriate communication method before the crisis takes place. Crisis management should have adequate means of communication during the crisis. All these materials are necessary to enable the crisis management to act more actively and rapidly. No matter how good the crisis management team is, it is inevitable that failure to deliver messages at the time of the crisis, no matter how complete the crisis management plan is. For this reason, the crisis should be initiated as soon as the crisis is noticed.

There are two main objectives of the crisis communication policy to ensure that the crisis does not dissipate.

The first is to appease groups (partners, consumers, media, state, etc.) that may be related to the crisis,

The second is informing the employees. For this purpose, crisis room and emergency information centre should be established, the crisis communication plan should be prepared and public relations should be consulted.

2.2 Concept of anti-crisis management

Anti-crisis management is implemented before the crisis occurs in the organization. It measures the potential negative effects of the crisis and calculates how the crisis will cause dangers in advance. There are four phases of anti-crisis management:

Crisis Prevention

Reconstruction

Crisis Preparation

Crisis Response From The Business

Figure 3: Phases of Anti-crisis Management

- crisis prevention

- Crisis preparation

-crisis response from the business

-reconstruction (and evaluation of the applied anti-crisis measures)

The first stage is crisis prevention. Here, the manager calculates possible crises and should try to slow down its initial symptoms. The other phase is preparation for the crisis, where preparations are made to overcome possible crises. The other phase is the stage of successful implementation of the plans in preparation. And in the last phase, the reactions of the organization against the crisis are measured.

In preparation for the crisis, organizations can develop plans and strategies to be implemented. For this, the current literature proposes a series of anti-crisis measures.

The most typical anti-crisis solutions are as follows.

1. Planning activities: To design a company by reviewing the mission, vision and objectives of the company, identifying new directions on possible opportunities in the market, adding innovations to the products and other strategic planning activities.

2. To propose activities related to the organization: renting new assets, acquiring additional capital (such as credit), cost reduction, merging with a partner by taking strategic decisions, finding friendly solutions with creditors, delaying debts, reducing the organization's size, changing management positions, outsourcing, organization change of structure, purchase of new technologies.

3. Change of motivation measures: reduction of employment, reduction of salaries, the establishment of the new organizational working environment, the establishment of the teamwork system

4. Control measures: the establishment of systematic and financial control systems

The proposed measures for the identification of types of crisis prevention strategies have become the starting point. In order to choose a suitable strategy, the scope and causes of the crisis, its duration, the methods of adaptation of the organization to the environment or employee participation should be determined correctly.

In accordance with the causes of the crisis, anti-crisis strategies are determined and they should be appropriate to the extent of the crisis. Moreover, anti-crisis measures depend on the reasons and adaptations that can be distinguished between the company and the business environment. Businesses can respond to changes in the environment in a proactive, reactive and interactive manner.

The proactive crisis management model shows that crises can be prevented by foresight and preparation before they occur; the reactive crisis management model focuses on activities to be undertaken after crises occur; The interactive crisis management model is a model that integrates all stages of the crisis, including the continuous review of plans and preparations after a crisis or without a crisis.

The manager can direct the factors that are not under his / her control with a proactive approach. Predict the factors that are not under control and "Proactive Approach" method can solve the problem. Proactivity: As a way of thinking, to be one step ahead in crisis management by foreseeing actions and consequences,

as a result of a planned and programmed life, not for impacts, but for creative solutions that are the perceptions and consequences of the life that are directed towards initiatives that govern effects.

1- Providing accurate and sufficient information flow

An important element in preventing the formation of the crisis is to ensure the correct and adequate flow of information. This enables the right information to reach the right person at the right time and prevents the risk elements from turning into a crisis due to lack of information or misunderstandings. Effective communication does not prevent the company from changing, but it reduces other risks in the enterprise. If carried out regularly, it may reduce the progression of the crisis.

2- Determining the Amount of Risk to Consider

Businesses also have a lifespan like lives. Businesses are born, grow and die. There is a risk that it has to take into consideration when it enters into the growth process both in its foundation period and according to its sources. Therefore, it is important to determine the amount of risk to be taken. Managers should determine how much risk they can take according to two criteria. The first one is to measure the goals, and the second is the probability of success. As it is seen, not only the first investment is risk-free but it is also possible to encounter the risk at every stage during the organizational change and development and turn into a crisis.

For example, it is a potential crisis situation to calculate the extent to which employees will adapt to the change in a technological changeover company and do not create the necessary training programs accordingly. It is not enough for a person to think about producing a product or service alone. Thought should be turned into a plan and turned into a reality with resources and manpower.

3- Creating Early Warning Systems

The presence, severity and intensity of the crisis can be determined through early warning systems. Thus, it is possible to sustain the existence of the enterprise in a stable manner.

4- Making Preventive Planning Against Crisis

It is of great importance that managers predict future market pressure for future crises. An example of this is that the "Nuh" prophet begins to build the ship before the rain begins. Such a strategic sense itself is a great advantage when the tension rises. With effective planning, the problem can be focused on the real problem when the problem is at its extreme, and it provides a structure for the movement. The important point in the management of the crisis is the existence of the activity plans that must be met at the time of the crisis.

5- Writing Plans

It is very important to write plans for crisis prevention. Very often it is seen that the plans expressed in the words do not pass to the implementation phase or occur in the thought of a few people. Businesses should overcome the syndrome "The employee knows what to do if the crisis occur". The worker may be on vacation. Even though he was there and willing to explain everything to all the people who wanted it, but might be he too busy to explain. The absence of written plans may cause hours of extra work for managers with an excessive burden of duty.

6- Determination of sacrifice quantity

In order for the enterprises to survive as a viable system, managers should be able to make sacrifices in certain ratios both in the type of product produced, in the technology used and in the personnel when needed.

7-Establishing Crisis Prevention Teams

Crisis prevention teams do not exist as soon as the crisis occurs, but as the name implies, it involves minimizing the impact if the crisis occurs and preparing the other teams to respond effectively to the crisis at the time of crisis repetition. In order to implement the policies determined by the team, each of the department managers within the enterprise should be supported by financial and other resources. It should also be given the authority and responsibility for the implementation of the policies.

Example: Vestel Crisis Management Strategy

A proactive crisis management strategy is implemented in Vestel. "Proactive Crisis Management"; identify potential crisis scenarios, prepare action plans in advance, and keep necessary resources continuously accessible; the crisis requires the fastest and most effective implementation of the plans. The most important factor in proactive crisis management in Vestel is the risk maps. While working on the main scenario required by business plans, it is taken into consideration in other possible scenarios and transitions to other scenarios are always kept open. While most firms are experiencing production declines after these crises, the factors which make Vestel's with less wound and even stronger are as follows like this:

• Effective and Operational Leadership: Employee participation, fast applicable cost reduction projects; increasing vertical and horizontal

communication; "Crisis Management Meetings" at the daily level; Strengthen horizontal communication with the Product / Project / Supply Manager System

• Reduction of Hierarchies and Layers

• General attendance to Crisis Meetings

• Increasing competences through the continuation of competencies and training; Increase of powers to reduce time losses. The continuation of training of employees to have this authority.

• Flexible production policy: Product variety (Combi, SKD, CKD products, etc.)

• Export-weighted work and export weight due to domestic market shrinkage

• Effective inventory management: Reduction of material stock times; Reduction of product stock times

• Cooperation with global players: Japanese customers - JVC, Hitachi, Sharp, Toshiba, Sanyo

• New market and opening to customers: Russia, Africa, Eastern Europe, Turkic Republics

• Reinforced, flexible and innovative R & D; R & D to ensure unconditional customer satisfaction; Flexible designs for a variety of products; Establishing advanced R & D for innovative R & D

• Unconditional customer satisfaction and a strong Quality Assurance System

2.3 Evaluation and diagnostics of the crisis situation in the organization

Crises, complexities of time and causes are unclear, and deeply affect businesses and interest groups. Although these impacts are mostly known as negative conditions that damage the enterprises, it is seen that crises sometimes benefit enterprises.

Crises in organizations, the collection of powers in the centre; making hasty, risky and poor quality decisions; inter-organizational communication and inter-departmental coordination; disruption of organizational climate, physiological resolution of managers and employees; reduced customer satisfaction; damage to the reputation and image of the enterprise; dismissals; disruptions in production; market loss and decline in sales; non-payment of debts and collection of receivables; stopping investments and ultimately leading to the closure of the enterprise can lead to negative consequences.
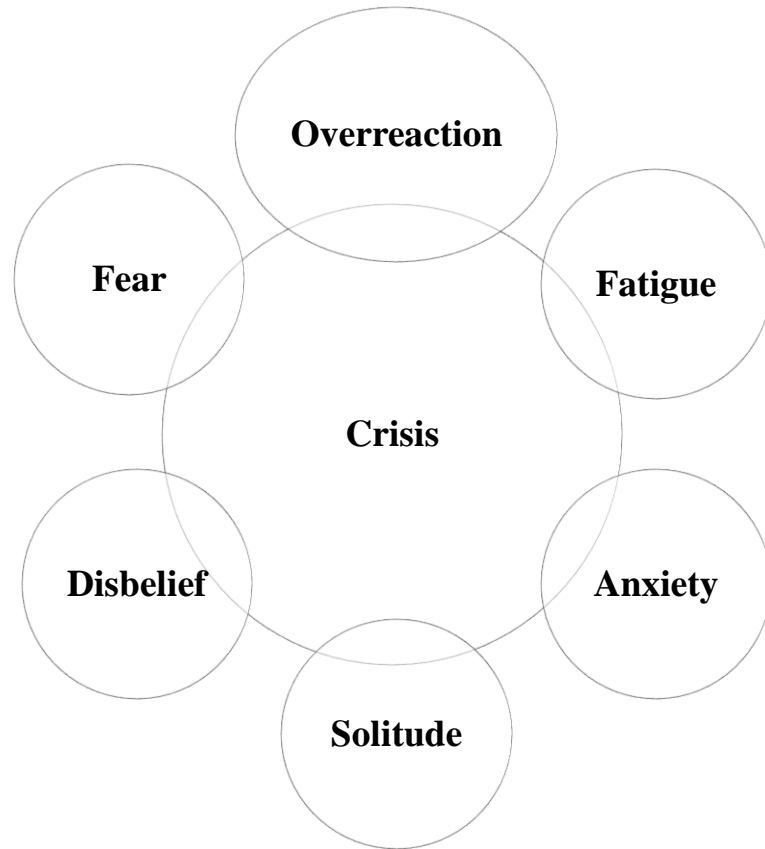
Figure 4: Negative Effects of the Crisis on the Employees of the Organization

On the other hand, crises and opportunities are always circulating. To be prepared for the crisis does not prevent the crisis, but can give positive results for the organization with master manoeuvres. When the crises are successfully managed, they can see the strengths and weaknesses of the business and allow them to renew themselves in the physical, financial, human, cultural, strategic and technological terms; new products and opening up new markets, enabling employees to develop new talent and original ideas; increase training activities and teamwork; most importantly, crises provide learning and opportunity to learn from the crisis, to ensure that mistakes are not repeated and to be cautious against possible crises (Aydemir&Demirci, 2005).

Unplanned changes are an impact on businesses that will have positive or negative consequences in times of crisis. Plannedness is an unexpected function of the crisis. Negative effects and unexpected changes in the internal and external environment affect the business negatively.

Businesses cannot be independent of the close and international environment in which they operate. Therefore, each firm's strategists must closely examine the general economic structure and policies of the countries. The economic system in which the enterprises operate affects the uncertainty and complexity that the organizations may face. Therefore, enterprises are affected by general economic fluctuations.

Crises occur as a result of economic fluctuations. When the characteristics of the crisis period are examined, the following results are revealed in the literature;

a) The centralization tendency of authority and control is increasing during the crisis period.

b) The decision process is broken and decision making becomes difficult.

c) The crisis creates significant impacts, leading to a higher negative attitude.

- Reduction of the ability to collect information during the crisis and the need to step out of standard programs with routine activities leads to the decision-making and centralization of control in management. As the necessity of going out of routine activities decreases the structure and capabilities of the organization, it decreases the confidence of the top management and decreases the decisions as a precaution against failure. In addition, any failure in the enterprise strengthens this tendency. Participation in the decision process decreases. A few people who have gained the trust of the top management and the top management participate in the decisions.

Administrators are no longer unreliable in the crisis period and want only the decisions to be met in itself. The lower levels have no belief in the upper echelon. This process is more challenging.

The decisions made by the central government prevent new ideas and strategic expansions. This shows the negative effects of centralized decisions. The qualities of the decisions are also weak.

- Decisions taken under stress and stress during the crisis should be given shortly and quickly. This can limit the mental processes of individuals and yield inefficient results. Decisions made because the process is narrowing should be difficult but urgent.

In the period of crisis, there are big errors such as account errors in decision making, analyzing and forecasting, not taking into account other factors by focusing on a certain subject. Severe crises prevent managers from making the right decisions.

- When organizational and environmental conditions are combined, problems are likely to occur in managerial and organizational terms in times of crisis. These problems are caused by the difficulties experienced by the person under stress and tension. What is going to be the psychology of the deterioration of the staff is in tension. As a result of the work based on the hierarchy, we have the responsibility to satisfy the ones in the upper echelons and to realize the goals they put forward. When responsibilities and responsibilities increase and they take responsibility for doing business, a suitable ground for tension and conflict has emerged.

The effort to adapt to the environment with the frustration and limited information resources created by the necessity of giving the appropriate response to the crisis will create a tension with the management of the peak and gradually all employees.

In times of crisis, security, respect and self-realization needs of organization employees cannot be satisfied. The organization is dominated by tense air. In this period, members of the organization tend to retreat most of the time. Production and service quality is reduced; the motivation shown against the job weakens and job satisfaction decreases. The crisis reveals the sources of stress that are suppressed in the organization before the crisis and the organizational conflict begins. The crisis threatens individual goals, creates inefficiency and fear. Mental fatigue begins to be seen in employees.

CHAPTER 3. TAKING MEASURES ON MANAGEMENT OF THE ORGANIZATION IN A CRISIS SITUATION AND SUBSTANTIATING THEM

3.1 Substantiation of the strategy on getting the organization out of the crisis situation

As in the crisis concept, different definitions are made in the literature regarding crisis management. Crisis management according to a definition; In the case of a crisis that may be encountered, it is a process that consists of taking necessary

measures to ensure that the signals of crisis are caught and evaluated and the crisis can be overcome with the least loss (Haşit, 2000). According to another definition, crisis management is the process of trying to meet the goals of an organization with an acceptable cost in the case of potential danger situations (Amount, 2000: 83).

In this context, it is possible to address the crisis management process in five stages;

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┌──────────────────┐     ┌──────────────────┐     ┌──────────────────┐
│                  │     │      Crisis      │     │  Control of the  │
│ Signal Detection │ ──> │   Preparation    │ ──> │      Crisis      │
│                  │     │                  │     │                  │
└──────────────────┘     └──────────────────┘     └──────────────────┘
          ↓
┌──────────────────┐     ┌──────────────────┐
│   Switch to the  │     │   Learning and   │
│   Normal State   │ ──> │    Evaluation    │
│                  │     │                  │
└──────────────────┘     └──────────────────┘
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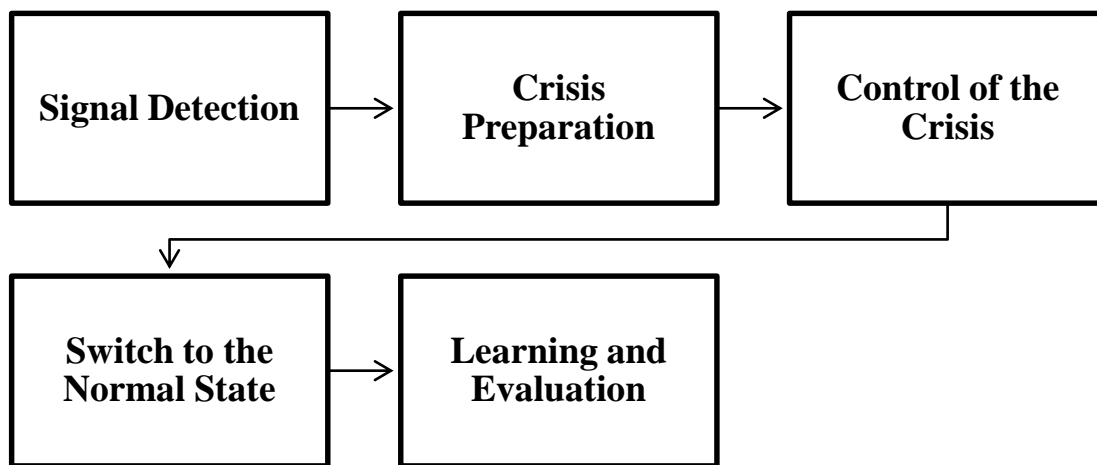
Figure 5: Crisis management process[2]

1.   Signal Detection

The crisis situation sends early warning signals before they occur.

Managers should be sensitive to these signals, since the crisis signals contain information on the presence and severity of the coming crisis. Crisis is the result of not following these signals and not evaluating correctly. The ability to receive crisis

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[2] Hutcins Holly M. (2008). Organizational Crisis Management and Human Resource Development.

signals depends on the establishment and operation of various early warning systems in the organization.

2. Crisis preparation

This phase of crisis management includes activities to protect the units, departments or the environment of the organization from the effects of deterioration by preventing the damage caused by the crisis. The success of the manager in the management of the crisis is closely related to the measures he will take against the crisis signals and the degree of his predictions in his predictions. If the manager can anticipate the possible crisis and its dimensions and take the necessary measures, it can be avoided without falling into the crisis.

3. Control of the crisis

The fact that crisis management has reached this stage is the result of the wrong activities implemented in the first two stages. At this stage, the existence of a real crisis, not a possible crisis, is mentioned and the organization is in this crisis.

This stage includes both the stage of preparation against the crisis as well as the stage of turning its direction to the other, in order to control the crisis. If this is not done, the previous disorders in the structure and processes of the organization start to grow much more and it becomes impossible to manage the crisis.

4. Switch to normal state

The most important thing at this stage is speed. At this stage, a solution is searched by using internal and external resources which can be reached to solve the crisis. The basic rule of solving the problem starts with identifying the causes of the problem. The organization must continue its normal functions while a team is making an emergency response. There is a need to make radical arrangements to

bring the business to a pre-crisis position and even to make it stronger. Increasing efficiency and eliminating the barriers to this should be a priority. The objectives and objectives of the enterprise and the strategies and policies to be implemented to reach them should be determined again. In the meantime, the successful work done throughout the crisis should be evaluated and rewarded.

5.   Learning and Evaluation.

At this stage, it is necessary to analyze all the details of the crisis that is going to be done and to draw lessons for the future. After the crisis is over, all work carried out by the authorities in the process of crisis management, all the measures to be taken and what needs to be done next, should be discussed and evaluated on a wide platform where experts and authorities participate. As a result of these evaluations, it is necessary to determine the lessons taken from the crisis and the results obtained, to determine the losses and damages, to take the necessary measures to eliminate them and to take the necessary measures to prevent the crisis from happening again.

Management and managers are the biggest requirements of all organizations extending from the smallest to the largest. These are the hallmarks of each organization. With these two elements, organizations form a whole and perform their functions. No organization can work without managers or administrators. Management is an essential dimension of the organization. The way to deal with the crisis is to be ready for the crisis and to manage the crisis when it occurs. Crisis management is an important aspect of management. It is unlikely to wait for organizations that do not have crisis management skills to survive. (Demirtaş, 2000)

Techniques Applied in Crisis Management: The important internal functions of an enterprise such as finance, production, procurement, marketing and human resources are sensitive to the socio-economic, political-legal, competitive,

technological, demographic, global and moral factors in the external environment. A more sensitive and more feasible action is to define the processes needed to address and evaluate future crises. At the core of this process are appropriate information systems, planning procedures and decision-making techniques. An appropriate information system will scan the environment, collect appropriate data, interpret these data according to opportunities and challenges, and form a concrete framework for strategies that can serve to prevent crises.

The techniques used in crisis management are usually listed as strategic estimation, probability planning, problem analysis and scenario analysis.

Strategic Estimation: Strategic estimation, first of all, requires making predictions for the future. These estimates are based on the assumption that the organization will adapt to new situations.

Probability Planning: Probability plans are alternative plans that can be put in place if the events are not realized as expected. When imports are cut or decreased, companies have alternative plans to buy from domestic suppliers.

Scenario Analysis: The scenarios are attempts to define the outcome of events that could lead to a predetermined final situation or, alternatively, to think about the consequences of today's preferences. It is also the hypothetical sequence of events designed to draw attention to the scenario cause-and-effect processes and decision points. Scenario analysis requires thinking about the positive and negative situations that may arise and the alternatives that the enterprise can implement in preventing, facilitating or preventing the processes that cause these situations.

Problem Analysis: the efforts of the business are aimed at turning the problem into an advantage.

Creating a Crisis Management Team: It is important to create a crisis management team with a clear chain of command during the crisis. The team must be gathered every six months and more to discuss potential crises and how to respond to them. These teams must be cross-functional to obtain input from all parts of the business, identify any potential disaster that the company can imagine, identify potential crises, and determine how the business is protected.

However, crisis management does not only include practices that have been introduced after the crisis has started. Crisis management is part of strategic management in enterprises. Because strategic management is based on uncertainty under some decisions and plans to establish. While making their annual strategic plans, enterprises should be able to carefully analyze the internal and external environmental conditions and to be able to anticipate possible dangers and to prepare the related measures. If they do, they can be even better prepared for the events they cannot predict or expect. As a result, crisis periods can be circumvented even with less damage and sometimes even profitable.

Anticipating crisis signals may help to prepare for the crisis. When the crisis erupts, a healthy evaluation will play an important role in the solution. Healthy assessment of the situation will prevent future personal problems. Some important questions that managers need to ask in the crisis are listed below:

How bad is the situation?

What is the main factor of this confusion?

What are the options and alternatives?

Which of the available options can be valid at the same time?

Who will suffer the most moral in the organization?

Who will be the person to blame the most?

Are there any people who will try to take advantage of the situation?

Who or which groups may distrust each other after all?

3.2 Examples for the strategies of some big companies during crisis time

No need to describe the crisis. We have known the various meanings from the above statements. Their common characteristics are that they usually come unexpectedly, causing great damage to those who are caught unprepared.

If we examine the companies and institutions in the world example, we can see that different studies emerged in different crises. But the crises that shake the companies are not only financial or economic. Political and social events (Apo crisis with Italy in Turkey), accidents (Concorde's history in the first plane accident), production problems (high rate of Dasani brand water produced by Coca Cola) corruption (recently Enron scandal), human errors (camel sacrifice in Ataturk Airport apron), and the other types of crises that can damage companies. We don't know where and when will not come. And a small wave that you don't care about, just worker dissatisfaction can turn into a tsunami that will destroy the company. Small or big company management should always pay attention to all areas and departments, evaluate every complaint, find the source of every problem, investigate the problems and complaints with dignity, and establish a crisis management work in each company.

APO CRISIS AND ITALIAN COMPANIES

In October 1998, Abdullah Ocalan, head of the terrorist organization PKK, who was forced to flee Syria, was arrested at the airport of Rome. Italian Government did not return Ocalan to Turkey. The huge response against Italy occurred in Turkey. Italian companies working in Turkey and Turkish companies which are working with Italians were looking for a solution to this crisis with the general newspaper ads. One of the first and most outstanding remarks in the mind came from Boğaziçi Hazır Giyim AŞ, which produces and markets under the Italian Benetton brand.

On November 21, full-page advertisements in the newspapers said, "We give up our colours - first of all, we are Turkish." in Boğaziçi LTD covered with black curtains all of Benetton showcases in response to Italy. However, the most interesting announcement given was undoubtedly one of the furniture manufacturers Bellona. (23 November) Boytaş Mobilya Sanayii ve Ticaret AS is a 100% Turkish capital company and it is not an Italian company as some circles think (Bellona). He had no direct or indirect relationship with any Italian organization or brand.

BIRD FLU CRISIS AND HEALTHY CHICKEN INFO PLATFORM

In 2004, when Turkish football commentator Erman Toroğlu said that he did not eat chicken meat and greenhouse products because they had a hormone. Then producers came together and established the Healthy Chicken Information Platform. The target was to inform the public correctly and not to be affected by such communication crises. A year later, the bird flu crisis erupted. Chicken consumption came to a halt.

But the producers were relatively well prepared this time. The website, the information file and the advisory board consisting of scientists were ready. As the

crisis exploded, they focused on rapid information, transparency, extensive and intensive communication and cooperation with experts. They kept their facilities open 24/7 for 365 days. They informed columnists about bird flu and its possible effects. And they brought the television journalist Uğur Dürdar who talking about public health for many years. Dundar volunteered to visit the facilities in his campaign, told what he saw. And the crisis is over.

HEWLETT-PACKARD

Hewlett-Packard, more commonly known as HP, today is one of the world's largest computer hardware and software manufacturer companies. The name of the company consists of a combination of the surnames of the founders. The company, founded by Stanford University's two students, Bill Hewlett and David Packard, in 1939 in a US garage with an initial capital of $ 538, is producing small electronic devices. One of the first customers is Disney, one of the world's biggest brands in the entertainment industry.

However, a few years after the founding of the company, the 40s coincided with the war period. In World War II, Germany needs special equipment for radar-related submarine fleets. In this sense, Hewlett-Packard proves itself in a short time, turning the war and the crisis of war into an opportunity. HP successfully produces the devices that Germany wants, despite the fact that it has a staff of about 45 people in those years, it manages to earn millions of dollars.

FORD MOTOR COMPANY

Find the investor after the war? It doesn't seem difficult for some.

Ford Motor Company, year 1903.

As the son of an Irish refugee, the founder of Ford Motor Company Henry Ford, who is now the world's leading automaker, is in search of an investor to produce automobiles just after the Great Depression of the United States and the newly completed Civil War. While it is hard to find investors in times of crisis, Henry Ford convinces 12 investors. In 1903, with a starting capital of $ 28 thousand, the company established Ford Motor Company and the company produced its first car in the same year.

The famous Henry Ford says: It's hard to think, probably because so few people think.

After the Great Depression in the US, as many companies in the United States Ford also have had a difficult period, but they survive. Turning World War II into

an opportunity, the company manages to regain its popularity in the pre-war period with tank production.

PEPSI

It's the most important proof that crises can't turn everyone into opportunities.

Foundation period of Pepsi.

The story of Pepsi is divided into two periods before the company's founder, Caleb Bradham, and after Roy Megargel, who took over the company's commercial title.

Pepsi was founded in the United States by Pharmacist Caleb Bradham and the first beverage was released in 1898.

Founder Bradham, who had succeeded of his big rival Coca-Cola, who held the market in the first place, failed to combat the high sugar prices in 1923 and the aftermath of World War I, and the company went bankrupt.

Roy Megargel, who acquired the commercial title of the bankrupt company, cannot prevent the company from going bankrupt again after a period of 8 years. After the last bankruptcy, Pepsi re-formulates the beverage from the beginning. The rival Coca-Cola 6 bottles of 5 cents sold in front of the drinks for the same price of 12 bottles. Pepsi is making constant references to the price gap between its campaigns during the economic crisis period. Increasing its popularity during this period, the company manages to multiply its profits Company's 36th year. As a result, the company is still standing today.

MCDONALD'S

If it doesn't always work out, it must find a solution.

1940 McDonald's, California.

McDonald's was officially established in 1940 by Richard and Maurice McDonald as a small café in the US just after the start of World War II.

Automobile service is one of the most brilliant business ideas of those times. Richard and Maurice's brothers served on the small tables they placed in their

cafes as well as car service. In a short period of time, the company was close to 200 thousand dollars a year. But there was something wrong and the costs were too much. As the number of customers increased, the number of waiters increased. Likewise, the service was slowing down and the vehicles waiting at the car service were blocking the road.

The continuous rise in cost pushed the two to reconsider. The McDonald brothers, who started out from the kitchen, started to self-service by expanding their service windows. Thus, some of the waiters were no longer needed. McDonald's, who came to the service with cardboard cups and packages in a short time, also had to get rid of the personnel costs to wash the dishes. The only problem for them seemed to compete with rival cafes. They solved this problem in a short time; first they reduced the menu alternatives to 10 so that the confusion in the customers decreased. Then, by reducing the price of the menus by half, they became competitive. When the menu prices were reduced by half, they were reduced in portions in order to reduce the cost.

As a result, McDonalds is today one of the largest restaurant chains in the world. According to statistics, 98% of Americans go to this restaurant at least once a year.

ADIDAS

The desire to complete the dreams half-finished does not recognize the crisis, or the war.

Brothers Shoes Factory, Adidas, 1924.

After World War I, the situation in Germany was very bad. The German economy was struggling with misery, unemployment and crises. In 1920, the Dassler brothers established a shoe workshop in order to earn their livelihood.

In 1924, the brothers started a company called Dassler brothers' shoe factory with 12 workers. Dassler brothers who managed to sell 200,000 pairs of shoes in this period, II. When World War II began, he was sent to the front.

After the war, the brothers, who started from scratch, started to work again.

The discrepancy between the two brothers in 1948 led to the emergence of two of the world's biggest sports brands, Adidas and Puma. The brothers Adolf Dassler decided to continue with Adidas and Rudi Dassler with Puma. According to some sources, the two brothers never spoke again after this separation. Perhaps this is the real reason underlying the huge competition between two major brands.

NUTELLA / PALM OIL USE CRISIS

When the European Food Safety Authority (EFSA) announced that palm oil was carcinogenic, the Ferrella brand's Nutella was dragged into a crisis because of its palm oil content. This issue has been talked about a lot on social media and has caused Nutella to start a lynch attempt. Many people from around the world boycotted Nutella and stopped buying. According to a survey, some people stopped taking Nutella on this occasion and others left temporarily taking Nutella while the crisis was taking place.

What did Nutella do?

Nutella said in a statement after this crisis that they have used Palm oil for 50 years, they will continue to use this oil with a neutral taste and said that the risk occurred after heating 200 degrees of Palm oil they use the best quality of their Palm oil by heating 80 degrees.

H & M / A Black Boy Dressed a Dress and H &M Accused of Racism

In early 2018, the image of a product presentation on H & M's online shopping website caused H & M to be accused of racism on social media. Black boy's outfit says "coolest monkey in the Jungle." This situation led to H & M lynching on social media, and the brand was condemned by many. The combination of the word "monkey" and the black child in the sentence was paired with racism, and the reactions grew like an avalanche.

What Did H & M Do?

After the discussions on social media, the video was removed from all H & M media. An official who made a statement on behalf of the brand stated that they had apologized to everyone who was offended.

FACEBOOK / CAMBRIDGE ANALYTIC SCANDAL

In the 2016 presidential election, the Cambridge Analytical company, which conducts Donald Trump's data operations, has long been on the agenda for violating the terms of service by collecting and sharing personal information of around 50 million Facebook users without any consent of Facebook. After that, even a campaign was launched on Twitter with #DeleteFacebook, and many famous names and brands supported this campaign.

What did Facebook do?

Facebook has released a full-page apology letter in newspapers following this scandal, and Zuckerberg stated in a written statement from Facebook that the errors they made in caused the data of the users to be taken over by the analytics company:

"We have a responsibility to protect your data, if we cannot do this, we do not deserve you."

APPLE /DELIBERATE SLOWDOWN

At the end of 2017, Apple had deliberately slowed down older versions. iOS updates iPhone 5, iPhone 6 and iPhone 7 's performance speed deliberately slow down. Hundreds of individual and collective lawsuits were filed against Apple. This situation was talked on social media and news.

What did Apple do?

Apple said this application did not force people to buy the new iPhone. The technology company indicating that this application is part of the new power management feature.

They said that he used such a method to prevent the iPhone from pulling more power out of the battery than possible to prevent the device from suddenly turning off.

KFC / Finished Chicken Meat Scandal

The famous chicken restaurant chain, KFC, suffered a major stock crisis in the UK in early 2018. So in short, chicken finished in the chicken chain in the UK. Most KFC restaurants in the UK have temporarily lowered their shutters. More than half of the KFC restaurants in the country have been reopened within a limited number of menus and shorter working hours than ever, but many restaurants have remained closed for a long time.

What did KFC do?

In this crisis, KFC made fun of him and approached the whole event with a humorous approach and launched a public relations campaign, which received the Golden Lion award at the Cannes Lions 2018.

3.3 Evaluation of economic feasibility of the proposed measures

The results of the economic crisis can be grouped under two headings: organizational and managerial results.

Organizational effects

Organizing organizations under one roof and gaining bureaucratic content are combined. The effective causes of the period leading to the economic crisis are inconvenient and unnecessary bureaucracy and the centralization resulting

therefrom. In short, the fact that the executors and the decision makers are not the same people causes the emergence of bureaucracy and centralization.

In the economic crisis stages, enterprises are trying to overcome the economic crisis and the common problems are trying to overcome the economic crisis with the least damage. The economic crisis is the time and the decisions taken by the government in order to save the situation from the situation and to overcome the economic crisis easily and quickly. While this decision and applied methods are not taken in accordance with the methods, mission and vision of the enterprise, the decision is taken to centralize and after the economic crisis has been overcome, the commercial enterprise may lead to the failure to take the targets correctly. Due to these events, the management should act in accordance with the methods, mission and vision of the enterprise when making decisions in times of economic crisis.

Managerial effects

The economic crisis has an impact on the organization as well as on the management process. Impacts such as turmoil, panication, and decision processes deteriorated during the economic crisis. Generalization of the economic crisis caused by the administrative impact of the decision-making, decision-making under the decisions of a single roof, authoritarian use, tensions in the organization, deterioration of decision qualities, avoidance of risks, weakening the ability to adapt to changes, calculation errors and the narrowing of mental processes can be listed as.

In times of economic crisis, uncertainties in the business organization and making difficult predictions for the future disrupt the decision-making process of management. Those who work at important levels of inexperience at work will be seriously detrimental to the instability of the organization in the time of the economic crisis or when the strategies identified are incorrectly determined.

In times of economic crisis, decisions to be taken in terms of strategy and method are inadequate and short, and decisions that need to be taken by the top management can be decided without the knowledge of important persons in the relevant departments. This means that decision making and authority tend to be centralized.

Crises will continue to exist as long as human beings continue to exist. Crises are chaotic structures. Therefore, when the crisis ends, managers and crisis management teams should focus on some issues instead of leaving everything without losing time.

When the crisis period ends, the effects on the company should be analyzed rapidly. Market share should be calculated in a neutral manner with the negative effects of the crisis and the amount and extent of the damage they have suffered.

In order to eliminate or alleviate the negative reflections of the crisis in a short period of time, the measures to be taken should be listed and the costs to be taken should be considered. In order for the measures taken to be taken, the company's budget should be made available quickly.

The recovery process to be determined when the crisis is over should not be limited to the evaluations of the senior management, it should be evaluated together with all the employees of the company, and written experiences should be used against the possible crisis situations in the future.

CONCLUSION

Crises are often perceived as a temporarily emerging conflict that suddenly arises, threatens the management of the enterprise, disrupts the existing balances in the enterprise, and renders the decision-making mechanisms inoperable. Crises are an opportunity for some and it is also a condition that gives signals of "coming" beforehand. However, managers do not take this into account and enter into crisis.

There is no definite method to preclude the crisis in its entirety. Dealing with crisis makes effective management and strong management inevitable for organizations. The factors causing the crisis should be determined with seriousness, corrective measures should be taken in the long term, and a flexible emergency plan should be taken against a possible future crisis. The crisis management activities of the enterprises in order to be able to overcome the crises without any damage and turn them into an opportunity; it is important that they transfer to the entire formal structure of the organization, to place them in all the mechanisms of operation, to ensure that they are adopted by the human elements which will ultimately implement these works.

In this respect, the techniques developed to prevent the crisis are important to ensure the survival of the enterprise. Therefore, the systems must be prepared for the crisis. Crisis preparedness requires an approach to the crisis and a proper management style. The aim of crisis management is to think about the unthinkable and to be prepared for the crisis, to predict all aspects of the crisis and to determine the appropriate strategies. Crisis management requires not to be an alternative to the crisis, but to be prepared for the crisis and to create a crisis plan, to carry out the necessary actions and to inspect. In today's world, companies are not asked whether they face an important crisis; When and what kind of crisis are asked. Therefore, businesses that decide to enter the business world either enter into important insurance agreements or implement systematic and integrated risk

management programs. Usually, while enterprises are in the first place to increase their profitability among the priorities of the enterprises, their objectives are to continue their life, to export, to achieve customer satisfaction, to ensure stability in production and to achieve growth.

The methods of dealing with the time of crisis and the practices that the enterprises apply at this time are the main titles of the study. The practices of large companies around the world are both significant and collected for future use. It should be remembered that crises can have significant positive and negative effects on enterprises. It is necessary to establish a good crisis management team in order to anticipate crises take necessary measures to prevent crises, manage them when faced with crises, reduce or eliminate the negative effects and ultimately evaluate the opportunities offered by the crisis.

Within the scope of this study, crisis and crisis management have been explained and some large companies around the world have been investigated. When the research findings are evaluated, it is learned that the foreign companies are more institutionalized in crisis management, some companies have the capacity to translate the crisis into the advantage and some have turned the crisis in favour of alternative finance applications. In addition, it was determined that the firms implemented five out of the total number of studies that should be done at the time of the crisis (central restructuring, dismissal of personnel, reduction of expenditures, reduction of assets, change of product and market). According to this, it can be said that firms carried out crisis management in crisis situation.

On the other hand, it can be stated that crisis management in enterprises is not institutionalized, based on scientific foundations, conscious and professional crisis management activities are not implemented. Moreover, it can be said that the crisis management policies of the firms discussed in the study are "reactive"

rather than "proactive" and "interactive". It is obvious that businesses should be sensitive to crisis and management. The work to be carried out in the context of crisis preparation is of vital importance in crisis situations and will provide great benefits to enterprises in times of crisis. The crisis management activities of the enterprises in order to be able to overcome the crises without any damage and turn them into an opportunity; it is important that they transfer to the entire formal structure of the organization, to place them in all the mechanisms of operation, to ensure that they are adopted by the human elements which will ultimately implement these works.

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