Managing Organizational Crises in the Light of Political Unrest

The “Gulf Agency Company” Egypt Case

Paula Madalina Cretu & Jonathan Puentes Alvarez

Supervisor
Åsa-Karin Engstrand

ISRN: LIU-IEI-FIL-A--11/01103--SE

Linköping, Sweden
June, 2010
Abstract

Title: Managing Organizational Crises in the Light of Political Unrest

Authors: Paula Madalina Cretu & Jonathan Puentes Alvarez

Supervisor: Åsa-Karin Engstrand

Background: The field of crisis management has been researched extensively in the last two decades, with a focus on man-made organizational crises in large corporations (Mitroff et al., 2001; Pearson et al., 1993; Weick, 1988). Crises, as phenomena, are very complex events with a low probability of occurrence (Pearson et al., 1998), which subsume multiple layers in their construction causes and manifestation. In the recent years, the number of crises has increased dramatically, with either natural, technological or human causes and each of us can name at least a few dozen examples. Crises are no longer an aberrant, rare, random, or peripheral feature of today’s society. They are built into the very fabric and fiber of modern societies” (Mitroff et al., 2001, p.5).

Aim: The purpose of the present research paper is to enhance the understanding of the importance of crisis management for organizations, where the crisis can be triggered by a political unrest situation. Our empirical study will address the issues of how the Gulf Agency Company Egypt team identified, responded and learned from the organizational crisis they were faced with, due to protests against the formal regime of Hosni Mubarak, in the beginning of 2011.

Methodology: The goal of our research paper is firstly using existing theory and previous knowledge which will serve as the bricks of our academic construction. Further on, the GAC Egypt case study will be the principal empirical tool that will support and prove or contrast the theoretical roots. In this way, we plan to make use of already existing theory, while in return bringing our own contribution by our results and empirical findings.

Completion and results: Our results entail that there are numerous gaps between what the literature on crisis management presents and the organizational procedures in GAC Egypt. In this respect, our findings lead us to notice the absence of an official crisis management plan, minimal perception of credible early signals, weak top management support correlated with a high degree of employee empowerment, as well as the learning outcomes for the organization.

Key words: crisis management, political unrest, Egypt, pre-crisis, crisis response, post-crisis
Acknowledgements

The recent months have been a real adventure for us, as our research has taken us to new and exciting places, both in knowledge, as in physical location.

The place where the paper started to take shape was Cairo, Egypt, where, with the help of great people, we reconstructed the crisis scenarios of January-February 2011. We would like to thank, first of all, the team of GAC Egypt, Erland, Thanaa, Mazen, Moataz, Maha, Ahmed and Engy, for the great support and contribution throughout our stay in Egypt.

Secondly, we would like to thank our coordinating professor, Åsa-Karin Engstrand, whose inputs and encouragement guided us to accomplishing our research goal, even if the research led us to places where the times were turbulent.

Last and most importantly, we would like to thank our families for their never ending confidence, love, understanding and support in pursuing all our plans and activities.

Madalina and Jonathan
# Table of Contents

Acknowledgements ........................................................................................................... III

1. Introduction ...................................................................................................................... 1
   1.1. Background and previous research ................................................................. 1
   1.2. Problem discussion ......................................................................................... 2
   1.3. Purpose and research questions .................................................................... 3
   1.4. Limitations and strengths ............................................................................... 4
   1.5. Contributions and target group .................................................................... 6
   1.6. Chapter structure ......................................................................................... 7

2. Frame of reference ......................................................................................................... 8
   2.1. Defining crises .............................................................................................. 8
      2.1.1. Crisis typology ....................................................................................... 9
      2.1.2. Crisis management and its focus ......................................................... 12
   2.2. Crisis time phases ......................................................................................... 13
      2.2.1. Pre-crisis stage ..................................................................................... 14
      2.2.2. Crisis response ...................................................................................... 18
      2.2.3. Post-crisis stage ..................................................................................... 20
   2.3. Complementary concepts .............................................................................. 24
      2.3.1. Communication .................................................................................... 24
      2.3.2. The role of media ................................................................................. 25
      2.3.3. Employee authority in decision making .............................................. 26
      2.3.4. Top management support .................................................................... 28
      2.3.5. The role of emotions ........................................................................... 29
   2.4. Organizational crises derived from political risk ........................................... 31

3. Methodology .................................................................................................................. 32
   3.1. Defining the focus ......................................................................................... 32
   3.2. A philosophical approach ............................................................................. 33
   3.3. A descriptive approach ................................................................................. 34
   3.4. Research design ............................................................................................. 35
3.4.1. Primary and secondary data ................................................................. 35
3.4.2. Defining the population – Units of analysis .................................... 36
3.4.3. Case studies .......................................................................................... 37
3.5. Communication approach ...................................................................... 38
3.5.1. Structured or unstructured interviews ............................................... 38
3.6. Data analysis ............................................................................................ 39
3.7. Validity and reliability ............................................................................. 39
4. Empirical study ........................................................................................... 40
4.1. GAC Cairo, Egypt .................................................................................... 40
4.2. Political unrest in Egypt – chronology .................................................. 42
4.3. Defining crises – Unexpected events ..................................................... 45
4.4. Pre-crisis stage – The prelude of disaster .............................................. 47
4.4.1. Problem perception- sensemaking ..................................................... 47
4.4.2. Organizational defense mechanisms ............................................... 48
4.4.3. Preparation- ad-hoc planning .......................................................... 49
4.5. Crisis response - How to cope with unwanted situations ..................... 49
4.5.1. Organizational Priorities ................................................................. 51
4.5.2. New Roles and Responsibilities ...................................................... 52
4.5.3. Remedial Actions and Containment ............................................... 53
4.6. Post-crisis stage – Dealing with the after-math ..................................... 56
4.6.1. Image restoration .............................................................. 56
4.6.2. Recovery ......................................................................................... 57
4.6.3. Organizational learning ............................................................... 58
4.6.4. Crisis costs ....................................................................................... 59
4.7. Complementary concepts ...................................................................... 59
4.7.1. Communication ............................................................................... 59
4.7.2. The role of media ........................................................................... 61
4.7.3. Employee authority in decision-making ....................................... 62
4.7.4. Top management support ............................................................. 64
4.7.5. The role of emotions ................................................................. 67
5. Analysis and discussions ......................................................................... 68
5.1. Defining crisis .......................................................................................................................... 68
5.2. Pre-crisis stage ......................................................................................................................... 70
5.3. Crisis response .......................................................................................................................... 71
5.4. Post-crisis stage ......................................................................................................................... 74
5.5. Complementary concepts ........................................................................................................ 76
6. Conclusions and implications ..................................................................................................... 81
References ......................................................................................................................................... VIII
Appendix I Interview Questions .................................................................................................... XV
List of Abbreviations

CM  Crisis Management
ETA  Estimated Time of Arrival
HR  Human Resources
GAC  Gulf Agency Company
GACBF  Gulf Agency Company Bunker Fuels Department
SCT  Suez Canal Transit
RQ  Research Question

List of Tables

Table 1  Chapter structure
Table 2  Major crisis types/risks
Table 3  Causes and sources of corporate crises
Table 4  Limitations on the crisis warnings
Table 5  Image restoration strategies
“Many organizations and individuals go through life saying that they are thinking positively, that somehow if they never have a negative thought, nothing negative will happen. This is absolutely balderdash! The slogan should be “Think Negatively”.”

(Fearn-Banks, 1996, p. 1)

1. Introduction

1.1. Background and previous research

The field of crisis management has been researched extensively in the last two decades, with a focus on man-made organizational crises in large corporations (Pearson et al., 1993; Weick, 1988; Mitroff et al., 1988). Crises, as phenomena, are very complex events with a low probability of occurrence, (Pearson et al., 1998) which subsume multiple layers in their construction causes and manifestation; Pearson et al. (1998) explain that crises have a “cross-disciplinary nature […] which can be explained using a systems approach”, including psychological, social-political and technological-structural issues (p. 59).

In the recent years, the number of crises has increased dramatically, with either natural, technological or human causes and each of us can name at least a few dozen examples: the Chernobyl catastrophe in 1986, the terrorist attack of 9/11, the financial crisis from 2007 that affected companies and economies worldwide, Mexico’s swine flu in 2009, the Egypt revolution earlier this year (2011), followed by the events in Libya, the Japan earthquake and unfortunately, many, many others. “Crises are no longer an aberrant, rare, random, or peripheral feature of today’s society; they are built into the very fabric and fiber of modern societies” (Mitroff et al., 2001, p. 5).

Crises are seen as “dilemmas, opportunities or both” (Kouzmin, 2008, p. 155) since the handling of the events throughout the crises, if wise, can serve as opportunities to learn and develop the organization; crises serve as a threshold with each action taken: the firm needs to first recognize the imminence of the crisis and its signals, then take a step forward to react and act in response to the crisis, and finally, take a step back and look at all the decisions and mistakes that have been made, and learn (Kouzmin, 2008; Mitroff et al., 2001).
Previous research on crisis management has dealt with the problematization of organizational crises (Hutchins, 2008; Kouzmin, 2008; Sementelli, 2007; Pearson et al., 1998; Pearson et al., 1993) and the need of creating a framework that would be useful to managers and organizations in detecting and dealing with risks. Gilbert (2007) states that in France, the first “reflections” on crisis, were associated with major risks. Further on, Barton et al. (2008) describes how “high impact, rare-event risks are generally undermanaged - until they occur- and over-managed afterwards” (p. 24). Thus, we can affirm that the general perception of crises in the literature is concerned with the management of risk and probability of risk occurrence.

1.2. Problem discussion

Numerous researchers in the economic field have treated crisis management as a problem that needs to be approached before its occurrence, in hope of awakening the attention of managers in implementing crisis management plans, that would save their companies millions of dollars and “a whole lot of trouble” (Schenker-Wiki et al., 2008). Mitroff et al. (2001) argue that “every organization should plan for the occurrence of at least one crisis in each of the various families or types, for the reason that each type can happen to any organization” (p. 36). The same author supports the argument that a crisis, once it occurs, can be a cause to another crisis, i.e. a political crisis impacts the society and organizations, which in turn, has a direct influence on the appearance of an internal crisis that has the potential of destroying the organization.

Companies usually learn how to prepare for crises by studying cases of similar companies in difficult situations and thus, looking at patterns and procedures, organizations “generate visual maps to better understand how crises unfold” (Mitroff et al., 2001, p. 38). What is particularly important is that companies are addressing the global problems by putting in place plans and procedures, but, as the Smith (2011) has stated, the problem is whether they can execute the plans and have the parties to support them in the execution. The parties that are generally responsible for coordinating and executing the crisis management plan are the HR practitioners, together with the risk management and security teams (Smith, 2011).

As a company grows and expands overseas, it should take into consideration the economic, social, political and cultural context and prepare accordingly (Smith, 2011). It is an obligation of the organization to protect its employees and stakeholders from “any risks which relate to injury, sickness, safety, security, health and finances” (Smith, 2011, p. 6).
On the long run, as Mitroff et al. (2001) have stated, what differentiate between how companies manage to survive a crisis is a crisis management plan.

Throughout our research, we have observed that practical case-studies have an increasing preference for man-made organizational crises, followed by environmental organizational crises, due to the fact that their frequency is higher than of any other type of crises (Mitroff et al, 2001; Pearson et al., 1998). The academic research is poor in covering organizational crises that occur as a consequence of political instability, which have a higher preponderance in developing countries, as well as in authoritarian countries (i.e. countries that are governed by a military dictatorship) (Smith, 2011). For this reason, we consider that there is a gap in the research for organizational crisis management that has as primary cause a political instability event.

Finally, as a determinant that leads organizations to avoid crisis management planning, Fearn-Banks (1996) explains that most organizations consider positive thinking to affect positively the events that occur in a company’s activity and for that reason negative thinking is very much avoided. As a consequence, organizations tend to deny that there is something wrong, or that something might be wrong at one point in their company (Fearn-Banks, 1996, p. 1).

### 1.3. Purpose and research questions

The purpose of our research is to enhance the understanding of the importance of crisis management for organizations, where the crisis was triggered by a political unrest situation.

We have decided to treat an organizational crisis in particular in our empirical study and address this matter in the research questions. Earlier this year (2011), the people of Egypt decided that the regime of their president, Hosni Mubarak, was no longer acceptable in the country due to the many injustices the people were facing (BBC, 2011). As a result, a revolution of large proportions started in Cairo, and further led to the resignation of the Government.

In our research, we have decided to treat the impact of the revolution on a specific company, the Gulf Agency Company (GAC) in Cairo, which is the Egyptian subsidiary of the GAC corporate group, founded by a Swedish entrepreneur and headquartered in Dubai. Our empirical study will address the issues of how the GAC team identified, responded to, and managed the organizational crisis they were faced with, due to the political instability.
Due to the scarcity of academic material on organizational crisis management derived from a political event, we have planned to use the general framework of crisis management and apply it in our particular type of crisis. The general framework mirrored in our case study will show how a particular organization acknowledges the importance of preparation for crisis situations.

In achieving the above mentioned goals, we plan to answer the following research questions:

RQ1: How did GAC Cairo team identify the organizational crisis?

RQ2: How did GAC Cairo team respond to and manage the organizational crisis?

The answer to the first research question will allow us to understand how the company we have chosen as case study for the research, identified the organizational crisis that was about to begin. This will show how GAC received the early signals of an imminent situation and the degree to which these early signals were catalogued as an important tool for acknowledging the potential threat and responding to it by preparation.

The second question plans to give a deeper insight into how the crisis was handled by the GAC team. The research reveals the process the different departments in GAC had to deal with: in terms of plans and preparation for responding to the crisis; the onset of a crisis and the difficult decisions and solutions they had to face while, at the same time, taking into account internal and external stakeholders; the impact and the general assessment of the harm during the crisis for a further organizational learning.

1.4. Limitations and strengths

Crisis management is a wide field of study (Mitroff et al., 2001; Fearn-Banks, 1997) and for gaining a more comprehensive knowledge, certain features and circumstances must be taken into account, such as the environment, social dimensions, culture, technological and structural features, but most importantly, the uncertainty and risk variables (Pearson et al., 1998). For this reason, research on crisis management presumes extensive work and more flexible time constraints, facts which determine our first limitation. We have decided to establish well-set delimitations that have given us more clarity of goals, at the same time, making sure that the results of our analysis would be between the parameters we had set (Blumberg et al., 2005).
When taking into account the empirical research, we have set geographical boundaries, given the fact that the events which we were planning to involve in our research were taking place in Cairo, Egypt. For this reason, we have decided to approach one company, namely the Egyptian subsidiary of the Swedish founded Gulf Agency Company (GAC), as our main provider of information about way the political crisis of January-February 2011 had affected the organization. Primarily, we based our analysis on the Bunker Fuels Department in GAC; to further develop the initial aim, we have extended the research to the Suez Canal Transit and Logistics Departments.

In what concerns the analysis of the findings, it is important to state that we have taken into account the development of the crisis within the organization as the main point of interest, accompanied by the retrospective description of the steps that the company had taken to manage the events as they were taking place. Thus, we have focused our analysis to answering our research questions, which, as Blumberg et al. (2005) suggests, has “separated the contiguous problems from the primary objective” (Blumberg et al., 2005, p. 61).

We do not aim to generalize our findings or state that they are valid for any company in any industry, but we do believe that our research is useful as an initial tool that raises the awareness of companies in that preparing for the unexpected will prove important on the long run. Our research should be seen as a demonstrating case-study and not as a universal solution.

We also consider that this paper has numerous strengths. First of all, our physical presence in Egypt and our flexibility to gather the data at its source: we had first-hand contact with the interviewees and gained valuable knowledge about the cultural settings, about the company structure and operations, as well as about the after-crisis atmosphere.

Secondly, the recentness of the events can offer the readers a fresh overview on what crisis management means in an actual company. In this way we have accepted and fulfilled an important task, that of collecting and presenting first-hand information about a critical event in the history of Egypt.

The analysis we have performed takes into account, as we said earlier, three departments, treated as separate entities within the company. We have been encouraged by the management of one of the departments, who suggested that our analysis will serve as the basis for a crisis management plan that the company is intending to develop in the next period. This has played a motivating role for us and we have considered it as strength.
Due to the scarcity of research papers focusing on the Egyptian crisis, we consider that we have brought a contribution for the understanding of how a political turmoil can threaten the existence of an organization; this has the purpose of creating awareness of the risks involved for companies in expanding internationally in countries that bear risks from the political instability.

1.5. Contributions and target group

In what concerns our contribution to the crisis management field, we believe that by our approach on organizational crises caused by a political situation, we have extended the existing research through our empirical findings: we have dealt with organizational crises derived from a political unrest, which has not been treated extensively in the literature. There has been some research on the matter of political impact on organizations, but it is more concerned with the development and stages of the political crisis itself and its influence of society, economics, international diplomacy relations, than with the consequences it had on the organizations and the individuals (Chifu et al., 2007).

The target group for our thesis consists of any individual concerned with recent crisis management practices within organizations; in this category we can further mention business students, professors and practitioners; the paper can be interesting for researchers and analysts as well, who might consider using our findings as a start for a more ample investigation.
1.6. Chapter structure

Based on our readings and learning from our senior master students’ thesis (Riedel et al., 2010), we have extracted a valuable and relevant framework that will allow us and the reader to better understand the structure of the paper and its organization; we have decided to provide a short summary of each chapter of the paper, for rendering the process of looking for the information more efficient.

Table 1 Chapter structure

<table>
<thead>
<tr>
<th>Chapter 1</th>
<th>In this chapter we present previous findings of the research on crisis management; we discuss the problem and the purpose of the paper, as well as limitations and strengths.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 2</td>
<td>Our frame of reference explains the theories and models we have employed for achieving our purpose, giving a better understanding of the concept of crisis and its stages.</td>
</tr>
<tr>
<td>Chapter 3</td>
<td>The chapter of methodology explains the reader the tools used for gathering the data for the analysis, the type of interviews we have made use of; the validity and reliability of the data are discussed.</td>
</tr>
<tr>
<td>Chapter 4</td>
<td>GAC Egypt Case - a better understanding of the revolution from January-February 2011, with a focus on the capital Cairo. The data collection is explained; information about the company.</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Here we will analyze and discuss our results, by using a comparison between the frame of reference and the empirical findings. The result will prove the gaps existent between theoretical frameworks and organizational practices.</td>
</tr>
<tr>
<td>Chapter 6</td>
<td>Our conclusions will be presented, together with the implications for managers and further research.</td>
</tr>
</tbody>
</table>

Source: Own creation, adapted from Riedel et al., 2010, p. 7.
2. Frame of reference

2.1. Defining crises

The term “crisis” has its roots in the Greek terminology “as the word crisis comes from the Greek *krisis*, which was used as a medical term by Hippocrates to describe the negative turning point in a disease, and from *krinein*, meaning to judge and decide” (Seeger et al., 2003, p. 7).

The symbolic definition of a crisis entails two basic points, as it expresses “the negative turning of an event”, from a positive to a negative reaction and the ability for the individual to decide (Seeger et al., 2003). Likewise, several authors have defined crisis based in these terms (Alpaslan, 2009; Kouzmin, 2008; Farazmand, 2007 Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001; Pearson et al., 1998; Fearn-Banks, 1996), however, they have complemented this terminology thus creating a substantial definition of a crisis.

Due to the similarity of definitions across authors, in our opinion, Seeger et al. (2003) and Farazmand (2007) definitions of the term “crisis” are the most appropriate when defining this term: “the term crisis evokes a sense of threat, urgency, and destruction, often on a monumental scale. Crisis suggests an unusual event of overwhelming negative significance that carries a high level of risk, harm, and opportunity for further loss” (Seeger et al., 2003, p. 4); “Crises are born out of short chains of events, often unpredicted and unexpected, but they develop with dynamic and unfolding events over months, days, hours, or even minutes. They disrupt the routine events of life and governance, disturb established systems, and cause severe anxieties; they produce dynamics that no one can predict and control” (Farazmand, 2007, p. 150).

Due to the fact that our paper treats an organizational case, we considered important to add the organizational definition of the term crisis. An organizational crisis can be seen as “a low-probability, high-impact event that threatens the viability of the organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly” (Pearson et al., 1998, p. 60). Smith et al. (2006) complement this definition by adding a “set of triggering events” and the “time and place” continuum that unravels into potential threats for the survival of an organization.

As we have observed, crises tend to pinpoint a negative event that will produce catastrophic consequences (Seeger et al., 2003; Fearn-Banks, 1996); furthermore, it is important to
express that not only the organization is affected as a whole, but also individuals, such as managers, employees, as well as community members, in terms of their lives, routines, careers and their personal and family security (Seeger et al., 2003, p. 4). James et al. (2005) also adds two interesting concepts by taking into account “emotionally charged situations” (James et al., 2005, p. 142) and “the potential to threaten the financial wellbeing, reputation, or survival of the firm or some portion thereof” (James et al., 2005, p. 142).

As a result, we have gathered six key points based on the literature of the organizational crisis as follows (Alpaslan, 2009; Kouzmin, 2008; Farazmand, 2007; Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001; Pearson et al., 1998; Fearn-Banks, 1996), which we will use in our analysis for establishing if the event in our case-study, represents a crisis:

- It has a set of triggering events which occurs in an specific time and place;
- Threatens the existences of the organization as a whole as well as its employees and the external entities;
- It is based on a fast decision-making structure where new responsibilities, decisions and takes are involved;
- Contains an unravel set of mixed feelings and emotions;
- Affects the financial stability of an organization as well as its image and reputation;
- They have a low-probability, high-impact effect before, during and after the crisis.

### 2.1.1. Crisis typology

Due to the limitless amount of types of crises (Pearson et al., 1998), for a better analysis, these can be divided into two main categories: industrial and natural crises (Smith et al., 2006). It is necessity to make this distinction as natural crises are created by acts of nature (Smith et al., 2006), whereas “industrial crises are situations in which organized industrial activities are the source of major damage to human life, and natural and social environments” (Smith et al., 2006, p. 31).

Man-made disaster are treated as industrial crises, as the events are announced by a series of triggering signals in a specific time and space (Smith et al., 2006, p. 32); nevertheless, natural disasters also induce a great amount of damage to the organization and must be handled accordingly to protect the reputation of the firm (Fearn-Banks, 1996).

From a different perspective, James et al. (2005) suggests a crises typology of sudden and smoldering crises. “Sudden crises are those unexpected events in which the organization
has virtually no control and perceived limited fault or responsibility” (James et al., 2005, p. 142), while “smoldering crises are those events that start out as small, internal problems within a firm, become public to stakeholders, and, over time, escalate to crisis status as a result of inattention by management” (James et al., 2005, p. 143). Examples of sudden crises can relate to natural disasters, plant explosion or terrorist attacks (James et al., 2005, p. 142). In contrast, smoldering crises treat only internal problems such as bribery, product tampering as well as other man-made crises. Even though the latter authors’ typology differs from Smith et al. (2006), it is crucial for firms to understand the difference between crises that organizations have little to no control of, over crises that can be perceived beforehand, thus allowing a certain degree of preparedness and control over the events; we have chosen to incorporate our case study in the category of sudden crises due to its sudden and unexpected manifestations, which in fact, could have possibly been predicted because of the continuous political oppression of the Mubarak regime (Al Jazeera, 2011).

Due to the focus of our paper, it is crucial to note that crises can either be internal or external. Therefore, we find appropriate to apply Mitroff et al. in Smith et al., 2006 (Chapter 4) crisis typology (see Table 2).

Table 2 Major Crisis Types/Risks

<table>
<thead>
<tr>
<th>Economic</th>
<th>Informational</th>
<th>Physical</th>
<th>Human Resource</th>
<th>Reputational</th>
<th>Psychopathic acts</th>
<th>Natural Disasters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor strikes</td>
<td>Loss of proprietary and confidential information</td>
<td>Loss of key equipment, plants, and material supplies</td>
<td>Loss of key executives</td>
<td>Slander</td>
<td>Product tampering</td>
<td>Earthquake</td>
</tr>
<tr>
<td>Labor unrest</td>
<td>False information</td>
<td>Breakdown of key equipment, plants, etc.</td>
<td>Loss of key personnel</td>
<td>Gossip</td>
<td>Kidnapping</td>
<td>Fire</td>
</tr>
<tr>
<td>Labor shortage</td>
<td>Tampering with computer records</td>
<td>Rise in absenteeism</td>
<td>Rise in vandalism and accidents</td>
<td>Sick jokes</td>
<td>Hostage taking</td>
<td>Floods</td>
</tr>
<tr>
<td>Decline and fluctuations in stock price</td>
<td>Loss of key information with regards to customers, suppliers, etc.</td>
<td>Workplace violence</td>
<td>Workplace violence</td>
<td>Rumors</td>
<td>Terrorism</td>
<td>Explosions</td>
</tr>
<tr>
<td>Market crash</td>
<td>Major plant disruptions</td>
<td></td>
<td></td>
<td>Damage to corporate reputation</td>
<td>Tampering with corporate logos</td>
<td>Workplace violence</td>
</tr>
<tr>
<td>Decline in major earnings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Hurricanes</td>
</tr>
</tbody>
</table>

Source: Adapted from Mitroff et al., 2011, p. 34
In addition, Mitroff et al. (2001) portrays different types of crises into seven general categories ranging from economic to natural disasters. If we observe Table 2, the authors’ classification also relates to Smith et al. (2006) classification of man-made and natural disasters, as the first six categories relate to man-made, while the last category describes natural disasters. Mitroff et al. (2001) classification system takes into account the fact that organizations should “prepare for at least one type of crisis in each of the families” (Mitroff et al., 2001, p. 32). The importance of the authors’ argument that each firm should be prepared for at least one type of crises in each of the categories revolves around the level of uncertainty that each firm wants to reduce (Seeger et al., 2003, p. 45). In other words, a correct classification system sheds light on the type of crisis a firm faces and the ability to respond, plan and allocate resources accordingly (Seeger et al., 2003; Mitroff et al., 2001).

### Table 3 Causes and sources of corporate crises

<table>
<thead>
<tr>
<th>Technical/Economic</th>
<th>Internal</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Service Defects</td>
<td>Failure to Adapt/Change</td>
<td>Symbolic Projection</td>
</tr>
<tr>
<td>Plan Defects/Industrial Accidents</td>
<td>Organizational Breakdown</td>
<td>Sabotage</td>
</tr>
<tr>
<td>Computer Breakdown</td>
<td>Miscommunication</td>
<td>Terrorism</td>
</tr>
<tr>
<td>Defective, Undisclosed Information</td>
<td>Sabotage</td>
<td>Executive Kidnapping</td>
</tr>
<tr>
<td>Bankruptcy</td>
<td>On-Site Product Tampering</td>
<td>Off-Site Product Tampering</td>
</tr>
<tr>
<td></td>
<td>Counterfeiting</td>
<td>Counterfeiting</td>
</tr>
<tr>
<td></td>
<td>Rumors, Sick Jokes, Malicious Slanders</td>
<td>False Rumors, Sick Jokes, Malicious Slender</td>
</tr>
<tr>
<td></td>
<td>Illegal activities</td>
<td>Labor Strikes</td>
</tr>
<tr>
<td></td>
<td>Sexual Harassment</td>
<td>Boycotts</td>
</tr>
<tr>
<td></td>
<td>Occupational Health Diseases</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>People/Social/Organizational</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Widespread Environmental Destruction/ Industrial Accidents</td>
<td></td>
</tr>
<tr>
<td>Large Scale System Failure</td>
<td></td>
</tr>
<tr>
<td>Natural Disasters</td>
<td></td>
</tr>
<tr>
<td>Hostile Takeovers</td>
<td></td>
</tr>
<tr>
<td>Governmental Crises</td>
<td></td>
</tr>
<tr>
<td>International Crises</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Smith et al., 2006, p. 50
Table 3 allows us to understand which events should be considered as internal or external, as well the possibility that it is traced to technical-economical or people-social-organizational causes (Mitroff et al. in Smith et al., 2006, p. 50). Internal-external dimensions relate “to a combination of Jung’s introvert-extrovert and sensing-intuition distinctions” (Mitroff et al. in Smith et al., 2006, p. 50), which are treated either as short or long run respectively; the people-social-organizational and the technical-economical breakdowns, “corresponds to Jung’s thinking-feeling dimension” (Mitroff et al. in Smith et al., 2006, p. 50), where the first is defined by human actions from actions performed group-wise or by a larger entity.

We consider of great importance for our case study governmental crises or political instability, as they are catalogued as external long-term disasters with technical and economic causes. It is important to remark that the latter typology relates only to corporate crisis, while excluding natural crises from the Table 3; to further support this argument, we consider that is not necessary to explore the natural disasters typologies, as it is not pertinent to our main study focus.

### 2.1.2. Crisis management and its focus

We now turn to the definition of crisis management and the importance it has over the literature (Pearson et al., 1998). Managing a crisis corresponds to the different choices, decisions and strategies that organizations adopt in order to contain a situation that is perceived out of control (Smith et al., 2006); across the literature (Alpaslan, 2009; Kouzmin, 2008; Farazmand, 2007; Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001; Pearson et al., 1998; Fearn-Banks, 1996), the management of crises treats the different phases and strategic factors in which a crisis evolves, up to the point of containment (Smith et al., 2006).

Crisis management also focuses on the different strategic choices that a manager must make in order to remediate the situation (Seeger et al., 2003). As Fearn-Banks (1996) states, crisis management diminishes the level of uncertainty due to the choices made by the manager, thus allowing a greater control of the events. Nevertheless, these strategic choices are based in short-timed decisions that seriously affect the level of information and the availability of paths to choose from (Seeger et al., 2003; Mitroff et al., 2001).

Another interesting point to cover is the fact that organizations “have not been designed to anticipate crises or to manage them effectively once they have occurred” (Mitroff et al.,
2001, p. 7). To support this argument, we employ Mitroff et al. (2001), extensive empirical bases which shows that crisis management is not officially recognized as part of the organization’s strategies, while, at the same time, there is no single universal solution. The authors have concluded that a too little number of organizations take into account crisis management.

As a conclusion, we can observe that applying only one terminology of crisis management lacks consistency as it supposes universal solutions of each organization; if we take into account Mitroff et al. (2001) in Smith et al. (2006) a wide variety of crises typologies shows that solutions will vary according to the degree of damage.

### 2.2. Crisis time phases

Organizational crises are phenomena which can have several triggering factors (Pearson et al., 1999) such as socio-political factors, technological and/or psychological factors and even if each crisis is distinct in its cause(s) and way(s) of manifestation, research in the field has shown that common features are many times present (Seeger et al., 2003): “Many crises have common features in terms of cause, locus, source and location of the threat, and consequences” (Seeger et al., 2003, p. 15).

Due to their complexity, crises cannot be seen as consequences of isolated events or single decisions, rather crises should be perceived as “complex interactive structures in which outcomes are systemic and they involve multiple actors” (Seeger et al., 2003, p. 86). For this reason, having a developmental structure can be beneficial for creating a bigger picture, in which multiple actors were involved, many decisions were taken and they had various consequences, but most importantly, the developmental view sees events in a time-frame, from the moment when the crisis was merely perceived, to the response of the actors involved, to the readjustments and post-crisis views, “scapegoating” and adaptations (Seeger et al., 2003)

The literature offers different models of developmental views on crisis, such as Turner’s (1976) “Six stage of failure in foresight” where he argues that crises are generally due to “failure of intelligence”, meaning the inability of the management to perceive the signs of a crisis (Seeger et al, 2003, p. 88); Pauchant and Mitroff, (1992) in Seeger et al. (2003), present a five stages crisis management model, which falls into three larger strategies of crisis management, namely proactive, interactive and reactive crisis management (Seeger et al., 2003); and the last model we would like to refer to in this paper is the three stages
model, which is not associated with a specific author, but has been mentioned in research literature (Ulmer, 2001; Ray, 1999; Coombs, 1999 in Seeger et al., 2003). The three-stage model argues that a crisis has three main developmental stages: the pre-crisis (the incubation period), the crisis (initiation of mitigation activities/plans) and the post-crisis (assessing the cause and restoration) (Seeger et al., 2003, p. 98).

The three models presented have similar structures and hypothesis, seeing a crisis as an event that develops in time and with each stage comes a different series of events, which have a very well established role in the big picture. For the purpose of our paper, we would like to unite the five stages model together with the three stages model, as they are complementary and mutually explanatory, thus entail more comprehensiveness and cohesion. We have structured the developmental stages into three main phases, followed by main coordinates that differentiate and signal them. Following this subchapter, issues such as communication, decision-making and emotions will be discussed, as they are involved in each developmental phase and we prefer to treat them as complementarities.

2.2.1. Pre-crisis stage

The pre-crisis stage, as the name entails, is the period of incubation, which is characterized by a state of perceived normality; cues about potential threats are overlooked and environmental threats are often “unobserved or un-interpreted” (Seeger et al., 2003, p. 106).

Each organization has a different perception about what a threat is and how it can affect daily routines and procedures; this is created according to the organization’s previous crisis experience and to the recentness of the last event that affected the organization; some crisis plans, if existent, might be obsolete and not in concordance with the structure of the facility, the number of employees, even telephone numbers or emergency plans (Seeger et al., 2003; Mitroff et al., 2000). Precautionary norms tend to fade over time even if they are existent and up to date, due to the lack of practice and the inability to create a crisis-like situation. In a crisis simulation, emergency plans could be executed and the personnel will be prepared in case a real crisis should occur (Seeger et al., 2003; Pearson et al., 1998).
Problem perception – Sensemaking

Before they occur, all crises send a trail of “early warning signals”, which announce the possibility that a crisis will take place (Mitroff et al., 2001); these signals are sometimes very weak or hard to detect. In the table below, we will present some limitations of the crisis warnings.

Table 4 Limitations of the crisis warnings

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Weak or subtle signals</td>
</tr>
<tr>
<td>2</td>
<td>Sources of crisis signal not viewed as credible</td>
</tr>
<tr>
<td>3</td>
<td>Signal or threat embedded in routine messages</td>
</tr>
<tr>
<td>4</td>
<td>Risk/threat messages systematically distorted</td>
</tr>
<tr>
<td>5</td>
<td>Signals do not reach the appropriate persons</td>
</tr>
</tbody>
</table>

Source: Adapted from Seeger et al., 2003, p. 109.

It is hard to perceive risk in an environment where risk does not appear regularly; in this context, general beliefs about risk-awareness do not manifest, meaning that threats do not affect the organization on a daily basis (Seeger et al., 2003). In this way, a general belief is created within the company, that current procedures and routines are conducted in a way that entail a low risk; for this reason, it is believed that a crisis could have a low probability of occurrence, thus not affecting the organization in a significant way (Weick, 1988). Most often, the inability to detect the early signals of crisis results in the events following their normal flow and leading to a triggering event (Mitroff et al., 2001). Pauchant and Mitroff, (1992) in Seeger et al. (2003), have suggested that there are cases in which organizations ignore messages which signal crisis, thus concluding that these organizations are more prone to experience crisis.

When the crisis is perceived, the individual’s ongoing routines are affected and a feeling of confusion appears, accompanied by the need to take action or a reluctance to take action (Muhren et al., 2010). Weick, (1988), states that “action is instrumental to crisis perception; crises engage human action […] human action can amplify small deviations into major crises and in any search for causes, we invariably can find some human act which may have set the crisis in motion” (Weick, 1988, p. 308). This is where the concept of sensemaking comes in place, by explaining the process of individual understanding of the early warning signals.
Sensemaking literally means making sense of the things that are happening, and “is usually initiated by a sudden loss of meaning caused by unforeseen changes in the environment, which break the imaginary link between expectations and reality and force actors to re-evaluate what they are doing and where they should go” (Muhren et al., 2010, p. 30). Weick, (2005) explains that sensemaking is a process of social construction that determines people to look for cues that have disrupted them from their activity, and interact by asking for other people’s opinion on what they think is going on. Retrospection plays an important role here, as individuals look back at their personal experiences from similar situations by trying to apply what they have learned to the current situation (Muhren et al., 2010).

Organizational defense mechanisms

The organization’s structure and culture have a determinant role in the way the organization will perceive and handle a crisis situation. Mitroff et al. (2001), explain that within any organizations, there are layers that interact for the functioning of all systems and subsystems. These layers include, from outside to inside, technology, human factors, the organizational culture and the top management psychology; thus, the culture and the psychology of the management are the deepest layers, signifying the parts that are mostly difficult to reach and very likely to be determinants of how the organization will deal with the crisis situation.

Mitroff et al. (2001), also describe that companies, similar to individuals, try to deny their weaknesses and explain why the organization did not engage in a proper crisis management, by use of defense mechanisms. Mitroff et al. (2001) have identified six important defense mechanisms that have a high degree of occurrence, which follow the classic Freudian defense mechanisms that apply to individuals.

A defense mechanism that occurs very often is “denial” (1). Companies deny that they might be vulnerable to threats of imminent crisis, thus considering that no measure is to be taken. “Disavowal” (2), on the other hand, recognizes that the crisis will affect the organization, but its impact is considered to be too small to be taken into consideration; in other words, the magnitude and importance of the crisis are significantly diminished (Mitroff et al, 2001, p. 47). “Grandiosity” (3), as an organizational defense mechanism, presumes that “we are so big and powerful that we will be protected from the crisis” (Mitroff et al, 2001, p. 47) and “idealization” (4) considers that crises do not happen to good organizations, thus ignoring all existing signals of crisis. The “intellectualization” (5) of the crisis minimizes the probability of occurrence of a crisis and the
“compartmentalization” (6) determines the belief that if a crisis should affect the company, it will only affect some departments.

As explained earlier, the stronger the culture of the organization in involving these defense mechanisms internally, the harder it is to perceive any signal of crisis and react, by preparing the organization and the individuals. The classification above serves organizations in identifying the types of defense mechanisms which they are subject to, for the purpose of diminishing the impact of the possible crisis (Mitroff et al., 2001).

**Preparation – ad-hoc planning**

This stage can be seen in crises that cannot be prevented or contained in an early stage; preparation is necessary for organizing matters with all the stakeholders involved in the crisis and creating a feeling of anticipation (Fearn-Banks, 1996). Even in the case where the organization has a previous crisis management plan, the preparation stage still has to take place for assigning roles and delegating responsibilities to put the plan into action.

Preparation involves as many stakeholders as possible; if the crisis affects the organization, then all the parties that conduct transactions with the organization will be also affected by its decisions (Alpaslan et al., 2009). The same authors explain this assumption from the stakeholder model perspective. According to the stakeholder model, all stakeholders have intrinsic value and the company has a moral commitment to have in mind the stakeholders’ interests. The stakeholder approach to crisis management suggests that “managers should pay attention to a particular stakeholder to the extent that stakeholder is actually or potentially at risk of harm or injury caused by the organization’s decisions and actions” (Alpaslan et al., 2009, p. 43).

Preparation, as Fearn-Banks (1996) explains, has as main tool the pre-crisis communication plan, which is made on the spot; the role of the pre-crisis communication plan is to assign roles to individuals, establishing who should do what, who has to be notified, how the people should be reached, how transactions in progress should be handled and so on. This plan is said to provide a “functioning collective brain” for all persons involved in the crisis (Fearn-Banks, 1996, p. 7).
2.2.2. Crisis response

Being the shortest but the most influential stage (Seeger et al., 2003), organizations are faced with the necessity to contain the damage, by finding appropriate solutions in a timely manner (Seeger et al., 2003). As a result, firms must take into account the role of stakeholders and the organizational priorities that need immediate attention; in other words, Pearson et al. (1998) state that “effective crisis management involves improvising and interacting with key stakeholders so that individual and collective sense making, shared meaning, and roles are reconstructed” (p. 66).

Indeed, if crisis management takes into account key actors, organizations will manage to set priorities as soon as the crisis disrupts; by prioritizing, firms manage to reallocate new roles and responsibilities which in turn, enables the individuals who take part in these roles, solve and contain the situation (Seeger et al., 2003; Pearson et al., 1998).

Organizational priorities

As Fearn-Banks (1996) states, managers should have in mind a set of priorities during their routine operations; it is very typical that several individuals within the organization give more importance to some tasks than others. While some organizations do not take into account the importance of crisis management plans (Seeger et al., 2003; Mitroff et al., 2001), employees must always be prepared to determine which tasks are the most important during a crisis (Pearson et al., 1998). As we have observed before, different types of crises require different types of solutions (Mitroff et al., 2001; Pearson et al., 1998); for this matter, prioritizing correctly is based on the level of urgency (Seeger et al., 2003; Fearn-Banks, 1996). To support these arguments, Farazmand (2007) states that prioritizing during a crisis is triggered by the urgency that each task has; to correctly organize, individuals should have the skills and knowledge that enables them to attend the most urgent subject. Examples of organizational priorities are stakeholders, transaction in progress, customers, costs, communication channels, as well as many others (Smith et al., 2006; James et al., 2005; Mitroff et al., 2001; Fearn-Banks, 1996).

Mitroff et al. (2001) and Seeger et al. (2003) explain the importance of stakeholders and their role in prioritizing. Stakeholders “range from internal employees to external, city community, state, national and even international parties” (Mitroff et al., 2001, p. 48), symbolizing the heart of a crisis (Mitroff et al., 2011, p. 48), Stakeholders are the only active members that are facing the crisis; for this reason, managers must not overlook the
influence of the latter group and their ability to cope with a crisis. Even more, Seeger et al. (2003) state that stakeholders are a priority to the organization; more specifically, during a crisis, managers must analyze which stakeholders need the most assistance, in order to avoid the destruction of the firm’s image.

**New roles and responsibilities**

Seeger et al. (2003) state that the role of stakeholders changes drastically due to the sense of urgency, as previously mentioned. As employees aim to prioritize different tasks, new responsibilities and procedures evolve as a result of this new order (Fearn-Banks, 1996). These latter two concepts are held up by the rupture of routines (Mitroff et al., 2001; Seeger et al., 2003), which means that a new organizational structure must fit the current crisis situation. Therefore, during this stage, Pearson et al. (1998) describes that team-working is necessary to mitigate the crisis; nevertheless, some situations exist where only individual work is considered, such as companies with a small number of employees. It is also very common to find different strategic alliances between stakeholders (Pearson et al., 1998); this in fact, enables the organization to allocate and distribute responsibilities according to each stakeholder’s forte.

**Remedial actions and containment**

Managers have the responsibility to take action (Seeger et al., 2003); in order to reduce uncertainty, individuals test their capacity of generating problem-solving ideas (Fearn-Banks, 1996), yet more, when a crisis begins, one can also test the effectiveness of the preparation during the pre-crisis stage. Time pressure (Seeger et al., 2003) plays an important role for the latter aspects; followed by urgency and the creation of new responsibilities and roles, remedial actions must be taken to contain the situation. Remedial actions base their support in the information need and information seeking behavior (Seeger et al., 2003, p. 129).

Staw et al. (1981) in Seeger et al. (2003, p. 9 ) discuss threat rigidity response in crisis situations; due to time constraints, information is highly reduced leaving little to no choice for the individual to react; this in fact, is supported by Farazmand (2007) and James et al. (2005), by stating that managers, during time of crisis, adopt a different approach when deciding which is the best solution; in other words, managers tend to make fast-decisions
that could jeopardize the organization, as well as the crisis plan structure. The relevance of
the term “threat rigidity response” resides in the base of our paper since it tests the ability
of employees to make fast decisions with positive outcomes.

Finally, crisis containment results in the mitigation of the crisis (James et al., 2005). As we
have previously mentioned, crisis control is followed up by the post-crisis stage, as
organizations need to recover from the damage caused. Likewise, the extent and importance
of the pre-crisis preparation eases the ability to react rapidly (Pearson et al., 1993): “those
organizations which are better prepared for crises devote time and resources to assure that
damage containment mechanisms and procedures are in place and effective” (Pearson et al.,
1993, p. 53).

2.2.3. Post-crisis stage

The post-crisis stage is usually the longest, the after-math of the crisis, which depending on
the gravity of the crisis, may last sometimes up to a few years (Seeger et al., 2003). The
post-crisis stage serves as a catalyst (Brockner et al., 2008 in Wooten et al., 2008) and gives
managers the chance to think differently about the organization (Wooten et al., 2008). In
this part of the paper we will consider concepts such as image restoration, recovery and
organizational learning. We will also discuss about the costs an organization incurs for not
being prepared to face a crisis. This will help us further on in the analysis of our case-study,
which is presented in the Analysis and discussions Chapter.

Image restoration

In the wake of a crisis, the organization should have as a primary objective making sure
that its image has not been harmed (Seeger et al., 2003). The decisions and the
responsibility path that was decided before and during the crisis can be seen very clearly
after the intensity of the events have lowered. Once the phones start ringing again, the
company must defend itself to the public and stakeholders.

Benoit et al. (1994) in Seeger et al. (2003) state that the process of image restoration is
mainly concerned with “a genre of public apologetic discourse”, which is “corporate rather
than individual centered” (Seeger et al., p. 144). The same author describes a typology of
what he calls “the most comprehensive and widely applied strategies”. In the table below,
we will present the “salvaging image” strategies of Benoit et al. (1994) in Seeger et al.
Managing Organizational Crises in the Light of Political Unrest

(2003), correlated with a similar view of Coombs (1999) in Seeger et al. (2003), whose image restoration strategies are more closely associated with public relations.

Table 5 Image restoration strategies

<table>
<thead>
<tr>
<th>Benoit</th>
<th>Coombs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denial</td>
<td>Attack the Accuser</td>
</tr>
<tr>
<td>Simple Denial</td>
<td>Denial</td>
</tr>
<tr>
<td>Shifting blame</td>
<td>Excuse</td>
</tr>
<tr>
<td>Evading of responsibility</td>
<td>Justification</td>
</tr>
<tr>
<td>Provocation</td>
<td>Ingratiation</td>
</tr>
<tr>
<td>Accident</td>
<td>Corrective Action</td>
</tr>
<tr>
<td>Good Intentions</td>
<td>Full Apology</td>
</tr>
<tr>
<td>Reducing Offensiveness of Event</td>
<td></td>
</tr>
<tr>
<td>Bolstering</td>
<td></td>
</tr>
<tr>
<td>Minimization</td>
<td></td>
</tr>
<tr>
<td>Differentiation</td>
<td></td>
</tr>
<tr>
<td>Attack accuser</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td></td>
</tr>
<tr>
<td>Corrective Action</td>
<td></td>
</tr>
<tr>
<td>Mortification</td>
<td></td>
</tr>
</tbody>
</table>


The denial strategy of Benoit (1994) in Seeger et al. (2003) implies that the company is simply denying the responsibility for its own actions, on the basis of lack of information, “having acted with good intentions” and so forth. Shifting blame or “scapegoating” as it is called in Coombs’ (2007) Crisis Management Approach, is a very common strategy, where the organization dissociates an employee or a set of individuals from the group, declaring them responsible for the crisis. This strategy is mostly common in man-made organizational crises. Bolstering (which is seen as trying to improve the situation by different means) is considered to “mitigate the negative effects of the wrongdoing by strengthening the audience’s positive feeling towards the organization” (Benoit, 1995 in Seeger et al., 2003, p. 144). Differentiation shows the organization’s attempt to distinguish “the act performed from other similar, but less desirable actions” (p. 144). Mortification is expressed when the organization accepts the responsibility for its bad decisions and demands to be forgiven.

Moving forward to Coombs’ (1999) in Seeger et al. (2003) image restoration strategies, we can see some similarities in the acts of denial, excuse, corrective action and full apology. In this series, attacking the accuser is a very violent action, implying at times law suits and
demanding encounters with the accuser to receive a justification for the accusations. In what concerns justification, “the organization accepts the crisis, but tries to downplay the perceived severity” (p. 145). Ingratiation is a similar strategy to Benoit’s (1994) in Seeger et al. (2003) bolstering and it presumes reminding the public and the accuser of the good actions of the past.

As we said earlier, these strategies are initial steps, as a post-crisis response from the organization. The inquiry made serves as a basis for organizational learning and represents the first step in the organization’s restructuring plan for crisis management.

**Recovery**

The business recovery, as James et al. (2005) explains, refers to getting the business to function “as usual” (p. 144). James et al. (2005) mentions that in this phase, managers focus on reassuring stakeholders that the crisis did not affect the organization in such a way that would influence business transactions. The same article suggests that the recovery phase “makes the difference between crisis managers and crisis leaders” (James et al., 2005, p. 144) in what concerns their ability to see the organization either as an entity which needs to function as “usual”, or as an entity that has been facing a crisis from which it has to learn and improve.

**Organizational learning**

We have decided to place organizational learning in the post-crisis phase as an on-going process (Wooten et al., 2008); even though organizational learning is involved throughout the developmental stages of the crisis, it is preponderant in the last act, where all the events can be recalled and critical learning points can be drawn (Pearson et al., 1993).

James et al. (2005) define organizational learning as “the process of acquiring, interpreting, acting on, and disseminating new information throughout the firm” (p. 144), although this process is seen as difficult, because the firm adopts a “defensive and reactive posture” (p. 144) which inhibits the learning benefits received from the crisis experience. In an ideal model, the company tries to understand each of the steps it took during the crisis, and using the insights to improve the systems and processes within the organization (James et al., 2005).
Learning should be seen more like an objective rather than a stage or phase, and its fulfillment depends on the accomplishment of three forms of organizational learning (Seeger et al., 2003): retrospective sensemaking, structural reconsideration and vicarious learning.

Retrospective sensemaking is described by Weick (2001) as a process of learning which “occurs when people notice some of what was previously overlooked and overlook what was previously noticed” (Weick, 2001, in Seeger et al., 2003). By recalling the events and the explanations they had given for them in the respective moments, individuals find new explanations, which facilitate the process of learning. Looking into the past events is sometimes falsely seen as “reopening new wounds”, as Pearson et al. (1993) have researched, given that exactly the opposite has been proven, that learning is helped and encouraged by looking retrospectively.

In the process of learning, some organizations might take into account structural reconsideration. It is very often that after a crisis of large dimensions, some firms change the leadership, the internal structure, review the operations and procedures, in this way facilitating modifications and enhancements; at the same time, attention is drawn on the competences, capabilities, skills, knowledge and abilities that crisis leaders should have had (James et al., 2005; Seeger et al., 2003).

Finally, vicarious learning is a good practice of “learning by watching”. Sellnow et al. (2001) in Seeger et al. (2003), state that organizations can learn vicariously by looking at the mistakes of similar organizations, in this way reducing uncertainty (Sellnow et al., 2001 in Seeger et al., 2003).

**Crisis costs**

We are not treating economical costs that result from a financial analysis; however we employ the word “cost” in terms of reputation and tradeoffs that the company has done as a result of a major crisis event. The main point to discuss here is that unprepared crises have large costs for all stakeholders involved and most importantly for the organization (Light, 2008). Chong in Light (2008), states that “managers without the benefit of a crisis management plan tend to face a greater challenge in the coping process” (p. 5). The costs that we are referring to in the empirical and analysis chapters are costs incurred with image restoration, fluctuations in the demand due to the changes in the market, recovery of the business and transactions that have been postponed due to the crisis.
2.3. Complementary concepts

2.3.1. Communication

The focus of our study enables us to treat two specific factors regarding the role of communication within the crisis management literature. We are relating specifically to the importance of the communication structure (Jin et al., 2010; Security Director’s Report, 2009; Fearn-Banks, 1996) and the communication channels (Borremans, 2010; Jarret, 2009; Seeger et al., 2003), as a way of solving and facilitating the information seeking and response behavior.

The pre-crisis stage has a direct relation with the individual sensemaking; as Seeger et al. (2003) show, during the sensemaking process, an employee should be able to communicate and inform his/her colleagues about any concerns; moreover, communication acts as a bridge of information sharing, which enables an organization to transmit any early signals detection. Failures to inform these detections will result in the lack of preparation for an upcoming crisis (Smith et al., 2006). Throughout the pre-crisis stage, communication also refers to the use of channels for expressing anxieties, as well as the implementation of a contingency plan (James et al., 2005); what the authors describe as a contingency plan are the available crisis plan guidelines that managers should hand over to all of the employees in order to get ready for an upcoming crisis; “Risk communication suggests that organizations should encourage an ‘exchange of information among interested parties about the nature, significance or control of a risk’” (Covello, 1992, in Seeger et al., 2003, p. 70).

As crises tend to limit the amount of information, effective communication strategies will allow individuals to collect information rapidly (Jin et al., 2010). Certainly, further readings in the Security Director’s Report (2009) show that communication is a connecting factor when coping with a crisis; if participants do not interact, little to no information can be obtained. “In addition, choose communication channels thoughtfully: the manner in which and the form from which you are communicating can be every bit as crucial as what you are attempting to communicate” (Jarret, 2009, p. 19); the latter author’s argument can also be supported by Seeger et al. (2003) information seeking behavior; as we have previously mentioned, participants must seek information to have an overall understanding of the crisis situation; more specifically, their study cases illustrate examples of communication tools such as telephones, fax, the Internet and other viable channels that express a communication structure and uncertainty reduction.
As a final point, post-crisis communication structure follows a different path as organization seeks recovery and image restoration (Jin et al., 2010; Seeger et al., 2003; Mitroff et al., 2001; Fearn-Banks, 1996). Similarly, Fearn-Banks (1996) expresses that communication channels should be accessible to all the participants; this in fact, will enable further organizational learning and the possibility for the employees to express themselves. Furthermore, dialogue (Seeger et al., 2003, p. 79) exists as a tool to integrate knowledge, evaluation of the crisis and further organizational re-structure. For this matter, the latter authors also support the use of group meetings and official apologies, which will facilitate the image restoration process by clarifying the situation and offering apologies to all the relevant stakeholders.

2.3.2. The role of media

As an auxiliary concept, the influence of media over the way organizations handle crisis affects the perceptions and understandings of the individuals who participate directly in crisis management (Fearn-Banks, 1996). Several studies (Borremans, 2010; Jarret, 2009; Li, 2007; Smith et al. 2006) have shown that media directly influences the ability of an individual to categorize a crisis as important. Media examples range from the Internet (all types of informal, social and formal) to television and newspaper broadcasting.

The level of information shared is based on the communication tools that an employee has access to (Jin, 2010; Fearn-Banks, 1996). For that matter, Borremans (2010) and Jarret (2009) show that media, during a pre-crisis stage, could easily deteriorate a firm’s reputation, but also, it can inform the organization of early signals of an upcoming crisis. Several examples observed in the literature (Smith et al., 2006; Mitroff et al., 2001; Fearn-Banks, 1996) such as the Exxon Valdez oil spill (March 1989 – an oil tanker struck a reef in the region of Prince William Sound in Alaska and spilled 260 000 to 750 000 barrels of crude oil) or the Challenger case (January 1986 – the Challenger space shuttle exploded short after launch, destroying the vehicle and causing the death, to all the crew members), help us understand the power of media.

During the crisis response stage, media acts as informants (Seeger et al., 2003). Indeed, what the latter authors are trying to express, is that media is used as a communication channel to inform external readers, stakeholders and other relevant entities about the situation and how it is being handled. Furthermore, it also enables the organization to obtain valuable information regarding the resolution of the ongoing crisis (Smith et al., 2006). The latter type of information obtained must be taken into account when external
crises have a direct influence over the organization. For example, Pearson et al. (1998) concluded that an ongoing crisis could also lead to the creation of another type of crisis; natural crises cause a high degree of damage to an organization, which in turn, will generate an organizational crisis. For this reason, the authors state that media acts as vital source of information regarding the chronology and the future events of a crisis. Even more, it allows the organization to assess the impact and the implementation of a crisis management plan.

Finally, the use of media during the post-crisis stage has a direct influence over the image restoration of a firm (Seeger et al., 2003). Borremans (2010) also states that media has the power to destroy or re-construct the image of a company; if companies seek to change the public opinion, they must use the appropriate news media channels to inform, clarify, apologize and/or accept their responsibilities during a crisis (Borremans, 2010; Jarret, 2009; Seeger et al., 2003).

2.3.3. **Employee authority in decision making**

The events during crises disrupt all type of organizational routines (Mitroff et al., 2001; Seeger et al., 2003), opening the possibility to the creation of new roles and responsibilities. Decision-making plays a vital role within all the stages of the crisis development; however, this term can be fully explored during the crisis response stage. The crisis management takes into account “the organization’s strategic response” (Seeger et al., 2003, p. 16), the decision making process deals with a “high level of uncertainty and an associated need for information, while contracting the amount of time available to decision makers” (Gouran, 1982 in Seeger at el., 2003, p. 191).

Throughout the literature, decision-making is greatly considered as an effective crisis management element (Kouzmin, 2008; Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001); for this matter, we consider Mitroff et al. (2001) and Seeger et al. (2003) as the most relevant authors which are discussing the decision-making process, due to their thorough description and role of the treated concept in each of the crisis developmental stages.

First of all, during the pre-crisis stage, the decision-making process is strictly limited to each participant’s responsibilities and his position within the company (Seeger et al., 2003); this is also supported by Kouzmin’s (2008) decision-making theory, where he states that the employee’s role during the prevention stage lies in deciding the most suitable tasks that
he can perform. Nevertheless, the latter author also describes a clear distinction between decision-making before and during the crisis as the pre-crisis is concerned with preventing and/or preparation procedures for an ongoing crisis.

It is important to notice several concepts that follow a crisis response stage such as “unscheduled, un-expected, un-planned, un-pleasant, un-operational, and, often un-imaginable […]” (Perrow, 1967 in Kouzmin, 2008, p. 155); these concepts allow us to understand why crises deal with non-routine decision-making processes. During the second stage, decision-making is highly based in each of the employee’s capabilities and new assigned responsibilities (Mitroff et al., 2001). In fact, several studies conducted by Mitroff et al. (2001) show that a hierarchical structure could present limitations and obstacles in decision-making during a crisis. For example, the authors explain that some employees have a strict limit in their decision making even though a fast decision must be done; this will result in slowing the response-time due to the employee must seeking approval from top managers.

Seeger et al. (2003) favors group-thinking and team-working as a more efficient action-response to a crisis, rather than a hierarchical decision-making structure. As a result, the decision-making process focuses in giving individuals with a specific knowledge or expertise the autonomy to decide the most appropriate solution, while at the same time, working in teams “to pool their resources and contribute more information” (Seeger et al., 2003, p. 192).

Finally, the decision-making process during the post-crisis stage deals with assigning roles and duties for the individuals or entities that took part in the crisis (Mitroff et al., 2001). The same authors describe the post-crisis stage as the longest and most influential for the organization re-structure. In fact, organizational learning follows the same pattern as the individuals who actively performed during a crisis, which have the capacity to explain their actions performed during the crisis response stage; similarly, they are entitled to decide which aspects are the most relevant to re-introduce into the organization while rejecting extraneous matters (Seeger et al., 2003).

Mitroff et al. (2001) and Pearson et al. (1998) describe the decision-making role as the creation of a new organizational structure, in other words, James et al. (2005) also state that further decisions must be made based on the contributions of each of the individuals who participated in the crisis; hence, new positions or responsibilities could exist that will aid a company to recover rapidly.
2.3.4. Top management support

Top management support acts as crisis policy maker and strategic player (James et al., 2005). Smith et al. (2006) and Mitroff et al. (2001) describe top management as key representatives for making strategic decisions and providing support for their employees during times of crisis; Smith et al. (2006) show that top management should be actively involved in all of the decisions, while at the same time allowing some liberty for their employees. This aspect also relates to the previous idea mentioned by Mitroff et al. (2001), that of how the hierarchal structure and the way decision-making, are affected.

However, if we observe matters from a different perspective, the top management has the responsibility and capacity to directly influence the decision-making process and the strategic choices to be made during a crisis. James et al. (2005) also support the previous argument, by stating that top managers should act as role models, providing support while giving advice and assuming responsibilities; if active top management support exists, employees will have a sense of confidence, while diminishing the uncertainty during the crisis response stage.

During the pre-crisis stage, top management representatives act as policy makers (Seeger et al., 2003). They are in charge of observing how well the plan is designed and to what extent it will enable the organization to prevent or prepare for an upcoming crisis. Furthermore, the authors explain the importance of providing support, as top management should communicate and decide the most appropriate ‘contingency plan’ or guidelines that employees must follow. These arguments are substantiated by Pearson et al. (1998) case studies, where top management’s role was based in preparing the company for one or more potential crises.

As mentioned before, the crisis response stage has a strong dependence on top management support. As a result, it is vital that these key players allow a certain degree of autonomy to each of the crisis management teams or employees that have a specialized knowledge (Alpaslan et al., 2009). The latter authors describe these arguments as “corporate governance”; top managers have the responsibility to take care of their shareholders, nonetheless, as a crisis evolves, a sense of urgency and the need for rapid decision compromise the top manager priorities when facing rapid solutions. Later on, Alpaslan et al. (2009) illustrate a shareholder mode of governance where the “stakeholder should be considered in crisis preparation and response if the stakeholder has or is foreseen to have a significant influence on shareholder value” (Alpaslan et al., 2009, p. 42).
On the other hand, the authors also illustrate a stakeholder model where “firms should have multiple objectives and managers ‘should make decisions so as to take account of the interests of all the stakeholders’ (Jensen, 2002; Vidaver-Cohen, 1998, in Alpaslan et al., 2009, p. 42). Their conclusions and findings lead to pinpoint top management support based on stakeholder value due to the first mode of governance limiting the stakeholder power and influence over crises. Moreover, during the post-crisis stage, a stakeholder mode of governance will allow a constant relationship with top management and the employees to influence over an organizational re-structure; build up trust; manage public relations as well as salvaging image and reputation (Alpaslan et al., 2009; James et al., 2005; Mitroff et al., 2001).

2.3.5. The role of emotions

The term “emotions” is broadly treated within the crisis management literature (Alpaslan, 2009; Kouzmin, 2008; Farazmand, 2007; Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001; Pearson et al., 1998; Fearn-Banks, 1996), throughout the extensive crisis management theories and study cases, emotions plays a key role during crisis management, as individuals’ feelings greatly affect their ability to make strategic choices (Seeger et al., 2003).

Initially, emotions are considered to be hidden within each employee, since early signal detection or preparation plans have not been implemented (Seeger et al., 2003); however, emotions cause anxiety, stress and ambiguity over what to expect (James et al., 2005, Seeger et al., 2003). Certainly, the ongoing of a crisis disrupts any organizational routine which instantly causes a set of mixed emotion based in the uncertainty of the events (Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Pearson et al., 1998). During the initial developmental stage, Smith et al. (2006) put on view that employees feel secure of the fact that a preparation or a contingency plan will enable them to solve the crisis. Still, emotional insecurity arouses if individuals think that they do not have the sufficient preparation to handle the crisis or the uncertainty that a crisis will occur or impact him/her and the organization’s existence as a whole.

Secondly, the emotional factor during the crisis response stage has a direct impact over the decisions participants should make (Seeger et al., 2003). As uncertainty rises, emotional instability also rises. For this matter, it is very interesting to observe how Seeger et al. (2003) involves the role of emotions as the triggering cause of an action response; due to the direct threat that crises pose for an individual, the “emotional response can be
debilitating for those affected by a crisis and in extreme cases may contribute to a crisis paralysis” (Seeger et al., 2003, p. 128).

James et al. (2005) and Seeger et al. (2003) discovered several emotions related to the disruption of a crisis; more importantly, they were related to the lack of information needed to solve a problem, the feeling of being helpless and the high degree of insecurity that can lead to irresolvable crises; examples ranged from emotional unbalances, fear, anger, sorrow, stress, denial among others (James et al., 2005, p. 142-146; Seeger et al., 2003, p. 126-130). These negative emotions were catalogued by the latter authors as potential crises postponement, where individuals tend to deny or avoid a crisis confrontation, thus aggravating the situation and information sharing.

Finally, emotional breakdown and relief are two characteristics that can be observed during the final developmental stage. As Smith et al. (2006) describe the final stages of recovery and image restoration as creating a significant burden over the participants involved during a crisis. More specifically, emotional breakdown relates to long lasting negative emotions that employees face, even though the crisis has been contained; examples of such are based in hatred towards the organization or colleagues, suicidal tendencies, nightmares as well as personal grievance or repentance (Smith et al., 2006, p. 56-58). From another perspective, emotional relief provides the employees with a sense of victory and achievements such as pride, joy, security and so forth (Smith et al., 2006). As a matter of fact, Mitroff et al. (2001) conclude that the management of emotions helps the organization to achieve a faster recovery process while improving the image restoration and reputation.

One must know that a post-crisis stage should also take into account the future impact that emotions have over their employees’ satisfaction and productivity (Mitroff et al., 2001; Pearson et al., 1998). For these reasons, the latter authors also categorize the role of emotions as important as it is during the crisis response stage; due to its long-term consequences and recovery, managers should carefully take into account the emotions “of others as they perceive them, not as you perceive them” (Mitroff et al., 2001, p. 121).
2.4. Organizational crises derived from political risk

We do not wish to enter matters of global politics, because this would require a detailed approach for developing a comprehensive and more understandable view. What we are implying in this subchapter is narrowing down the field of organizational crises and types, to the one that best serves the present research, which corresponds to the organizational crisis that derives from political unrest. Further on, we believe that the understanding of the political risks a company faces when operating in a country, increases the awareness of management on defining and establishing a set of plans for the eventuality that a crisis would occur.

Many scholars have attempted to define political risk (Simon, 1982; Howell, 2001; Kobrin, 1979; Fitzpatrick, 1983, in Ekpenyong et al., 2010) in the hope that by identifying the major characteristics and causes, adequate measures could be taken by organizations for preparation when expanding overseas. However, Ekpenyong et al. (2010), suggest a definition that provides a middle ground from all those found throughout the literature, explaining that political risk represents “[…] any induced event that has destabilizing effects on the politics and distorts the functionality of the enterprise” (p. 28).

The reason why we take into account political risk as a major organizational crisis determinant is because political risk, in itself, is a “major driver of international capital volatility and of risk premiums on borrowing rates” (Ekpenyong et al., 2010, p. 30). The meaning of this is that investors’ reluctance to invest in developing countries is partly due to the perception of risk and instability (Ekpenyong et al., 2010).

Keillor et al. (2003), consider that “political risk elements in a market environment could be best classified as ‘uncontrollable’” (p. 629), and for a firm to be able to deal with these elements, it must maintain a certain degree of flexibility and adaptability (Keillor et al., 2003).
3. Methodology

3.1. Defining the focus

We first took into consideration working with GACBF because one of us had previously conducted an internship within the company and GAC’s management kindly accepted our proposal of collaboration for this paper. We were planning to analyze how information was handled within the supply chain of the Bunker Fuels Department; by means of on-the-spot case studies and interviews with key players along the supply chain.

Unfortunately, the recent events in Egypt gave a new turn to the initial plans, because a crisis of great dimensions had taken place, shaping the future of Egypt and with it, of all people, organizations and entities that were involved. Thus, a new approach came in place: how did GAC, particularly, the Bunker Fuels Department, manage the recent political crisis. We later extended the research to other two departments of GAC, namely the Logistics Department and the Suez Canal Transit Department.

In achieving our purpose, we decided that our physical presence in the Egyptian subsidiary would be beneficial for grasping an impression of the situation; finding out what were the actual facts by talking to the employees who experienced the crisis first-hand, which in turn will facilitate the analysis of the entire event from a post-crisis perspective.

Our first approach was looking outside the theory and models, to the very place where the theory can be proven wrong or right: the real world. We have found inspiration in what we believe is a true scientific approach, putting ourselves out there and “fine-tuning ourselves as research instruments; we need to take science personally” (Gummesson, 2000, p. XI).

The goal of our research paper is firstly using existing theory and previous knowledge which will serve as the bricks of our academic construction. Further on, the GAC Egypt case study will be the principal empirical tool that will support and prove or contrast the theoretical roots. In this way, we plan to make use of already existing theory, while in return bringing our own contribution by our results and empirical findings.
3.2. A philosophical approach

The starting point of this chapter should be pinpointing the paradigm that determined the way the interpretations were made and how we decided to conduct the research. The concept of paradigm was introduced by Thomas Kuhn in the 1960’s (Gummesson, 2000) and its use in the academic literature refers to a set of guiding principles, norms, judgments and values that guide people’s behavior and the way they act. Gummesson (2000) suggests that defining the paradigm that guided the research is essential for the reader, because it explains and channels the argumentation to a frame of reference, a norm or a perspective.

Saunders (2003) has described the three most important paradigms existing in the literature as positivism and interpretivism, as two sides of a continuum, and the realism in between them, as a balance of focus. The positivism entails theory-driven research, which aims to prove an initial hypothesis; the interpretivism aims at “uncovering the socially constructed meaning as it is understood by the individual or a group of individuals” (Cavana, 2001 in Nogeste, 2006). What realism entails is that one should not “choose” a perspective to be guided by throughout the research; instead a realistic presentation of facts and a gather of different perspective of reality are more suitable (Nogeste, 2006).

To make matters clearer, we would also like to use the framework that Gummesson (2000) described in “Qualitative Methods in Management Research”: a study can be dominated by one of two paradigms, the positivistic or the hermeneutic. Similarities can be observed compared to the above mentioned categorization, in the focus on explanation and description, the centrality of statistical and mathematical techniques for processing data and the very explicit distinction between science and the personal experience (Gummesson, 2000). On the other hand, the hermeneutic paradigm relies on understanding and interpretation of facts in a holistic view, while recognizing subjectivity of the author. The researchers are involved, as well as taking distance from the subject and relying in equal proportions on science and on personal experience.

For us, defining our dominating paradigm explains what we plan to do and how we plan to do it, thus giving us a more clear perspective, while also helping the reader understand our approach. Having in mind the two points of reference discussed earlier, our scientific paradigm will be, in consequence, a realistic one, because we would like to balance the subjectivism of our own view of the facts, with the theoretical frameworks that can, more objectively, support the process of analysis, but also a hermeneutical paradigm, as we plan to interpret the facts with an inductive standpoint.
3.3. A descriptive approach

In describing our methodology, we must refer to whether the research is based on quantitative information such as number and figures (Blumberg et al., 2006, p. 124), or if it is mainly based on qualitative information such as words, sentences and narratives (Blumberg et al., 2006, p. 124). Our research was originally based on sending questionnaires to our interviewees in order to obtain quantifiable information that could be further analyzed by statistical tools (Blumberg et al., 2006). Nonetheless, as previously mentioned, our change of focus allowed us to choose a study approach in “which data collection, analysis and action often take place concurrently” (Gummesson, 2000, p. 3). The latter approach relates to the qualitative information that we obtained through interactive interviews directly from the source of our case study.

Another important factor that determines our qualitative approach relies on differentiating the research from a generic qualitative approach. As Caeli et al. (2003), points out, generic styles lack a well-defined guide based in “established set of philosophical assumptions in the form of one of the known qualitative methodologies” (Caeli et al., 2003, p. 6); these qualitative methodologies enable us to focus our findings in the literature review and in making the contrast of both theoretical and empirical factors (Caeli et al., 2003). As a result, our focus connects to knowledge and information-seeking behavior, where we analyze and understand the different actions and plans that a firm had in order to overcome a crisis; it is also important to add whether these actions were successful or not; by taking into account these arguments, the authors of this paper will use analytical lens (Caeli et al., 2003) based on a relevant and consistent literature framework, where we will scrutinize different aspects of theory into a real-life situation.

Even though several authors believe that using a qualitative approach is strongly linked to an exploratory type of research (Blumberg et al., 2006, p. 132; Yin, 2003, p. 3), there is still no direct relation that it should only be used for an exploratory study (Yin, 2003, p. 3). Given the realistic approach that we have taken (Nogeste, 2006) our studies treat a descriptive nature where a formalized structure and a clear investigative question exist (Blumberg et al., 2006, p. 137).

To further support our arguments, a descriptive approach is more suitable when “the researcher attempts to describe, or define a subject, often by creating a profile of a group of problems” (Blumberg et al., 2006, p. 10). As a result, the GAC case study will have an initial set of pre-established conditions where we will find out how well the company managed to overcome obstacles during times of crisis. In comparison with exploratory
studies “where researchers lack a clear idea of the problems they will meet during the study” (Blumberg et al., 2006, p. 132), our case study has a clear problem as it also treats the “how” and “why” questions (Yin, 2003) that relate to explanatory studies (Yin, 2003, p. 6). The combination of both descriptive and explanatory studies will enable us to grasp a holistic perspective of our empirical findings (Gummesson, 2000, p. 86).

In relation to the descriptive and explanatory studies of our paper, we believe that a “case study” will match our interests as it tends to find a solution to “how” and “why” queries (Yin, 2003, p. 7), as well as its importance in management studies (Gummesson, 2000, p. 83). Due to the fact that we are basing our research in a recent event (see 4.1 GAC Cairo Egypt case), Yin (2003) clarifies that the use of case studies is preferably applied when we take into account recent events.

Moreover Yin (2003) portrays two key aspects that sustain the latter research tool as vital for our studies: “direct observations of the event being studied and interviews of the persons involved in the events” (Yin, 2003, p. 8). Going directly to the source in search for information, the researchers will interview and investigate the different reactions of each of the interviewees in relation with the case. Further ahead, we will expand the importance, the types, and the relation of case studies for our paper; yet, we consider the contribution of this research tool for understanding the correlation between our theoretical and empirical framework.

### 3.4. Research design

#### 3.4.1. Primary and secondary data

The empirical part of the paper will focus on a comprehensive case-study of GAC Egypt. Initially, we gave priority to secondary data, where the role of reports, financial documents and result measurements were indispensable for the research (Blumberg, 2005, Gummesson, 2000). Nevertheless, with the change of focus to the new subject of crisis management, a new emphasis appeared, on primary data, which was collected first hand from the representatives of the GAC. The recentness of the events and the limited coverage of more narrow cases, such as the impact of the events on local companies or international subsidiaries, confer us research enthusiasm and the opportunity to bring a contribution by gathering real facts and events in a business study.
The secondary data we are planning to employ originated in the coverage materials from broadcasting channels such as CNN, Aljazeera, BBC and others (see 4. Empirical study); these sources can serve in providing us with broad information on the pre-crisis facts, as well as insights on the main events that took place in Egypt during January-February 2011; as a result, we will draw some conclusions regarding the impact that the political crisis had on our studied case.

From another perspective, several disadvantages of using solely secondary data have resulted in limiting our empirical scope; Bloomberg (2005) details the disadvantages in terms of the unavailability of detailed information on the impact the crisis had on economic units, as well as the incongruence of the subject population with our targeted subjects.

Nevertheless, we consider that the quality and accuracy of the secondary data can be attributed to the audience that our sources have, which are key news agencies, as well as by the credentials of the information providers (Bloomberg, 2005, p. 345). The analysis chapter of this paper will discuss the findings in detail.

3.4.2. Defining the population – Units of analysis

The reasons behind choosing the relevant population for the interviews are important for offering clarity and credibility to the study. For this reason we will point out the main parameters of interest we took into consideration as selection criteria (Blumberg, 2005, p. 210). First of all, crucial for the authenticity of the information collected was the participation in the critical events of the interviewees, as well as the extent to which the interviewees had authority in deciding which strategy will be pursued.

We have interviewed one Department Manager, one Assistant Central Operations Manager, three key Bunker Fuel Traders and one Logistics Sales Representative. The trustworthiness and reliability of the information obtained can be attributed to their extensive knowledge and expertise, which ranges between 4 and a half years for the Representative of the Department of Logistics Sales, to 5-7 years in the company for the Bunker Fuels Traders and Department Manager, and finally 7 years in the Department with 8 previous years of related work experience for the Assistant Central Sales Operations Manager.

It is important for the research results to mention that we have suggested to the interviewees a confidentiality clause which was accepted accordingly. Therefore, we will refrain from stating the identity of the interviewees in the empirical chapter. Nevertheless,
in order to keep a clear view on “who stated what”, we have associated the interviewees with different names: Anita, Brian, Dan, Elena, Fiona and George. This method will serve for analysis and discussions.

Another parameter of interest is the knowledge that the interviewee had about the events we were looking into. Finally and maybe most importantly, the availability of the interviewee for the scheduled meeting, the willingness to participate and the physical access (Gummesson, 2000, p. 32), all had a great impact on the data collection.

3.4.3. Case studies

As mentioned previously, several researchers and scientists have only linked case studies to exploratory studies (Blumberg, 2005; Yin, 2003, Gummesson, 2000); this is a ”prejudiced view held by people who have little experience with case studies” (Blumberg, 2005, p. 190). Based in the previous argument, we consider that a case study is an adequate approach for obtaining quality data intended for our descriptive and explanatory studies.

First of all, it is necessary to give a proper definition of the term “case studies” that has a direct correlation with our paper. Yin (2003) depicts a comprehensive definition as he catalogues the latter term as “an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident […]”; in other words, the case study as a research strategy comprises an all-encompassing method-covering the logic of design, data collection techniques and specific approaches to data analysis” (Yin, 2003, p. 13-14). This broad definition relates specifically to our case, as we are trying to contrast reality with our literature review. In addition, our case study does not only look into the simple facts presented in the secondary data, it transcends beyond by obtaining crucial information of a real-life situation that occurred during a specific time frame.

Blumberg (2005) also illustrate the importance of the researcher’s preferences when choosing the “case studies” rooted “in the traditions of the academic schools at which they were trained and in the approaches the have used in previous studies” (Blumberg et al., 2005, p. 192). Having the same educational background, both of the researchers of this paper find suitable this approach, as most of our learning was based in analyzing real-life situations.
3.5. Communication approach

Choosing an appropriate communication approach, will enable us to understand the “attitudes, opinions, expectations and intentions” (Blumberg et al., 2005, p. 246) of the interviewees. At the end, the quality of information depends on “whether to ask direct or indirect questions in order to collect the most meaningful data” (Blumberg et al., 2005, p. 246).

Consequently, we chose personal interviews as our main communication method by allowing us to obtain more cooperation and more secure quality information (Bloomberg et al., 2005, p. 248). During the interviews we have used a tape-recorder and individual notes, that later helped us in organizing the information and presenting it in the empirical chapter.

3.5.1. Structured or unstructured interviews

As previously mentioned, “a wide range of information-gathering techniques can be used in case studies” (Gummesson, 2000, p. 83). As a support, the most appointed gathering data tool that sheds more light to the studied topic will be the structured interviews.

We have chosen the candidates that fit the before mentioned profile in relation to our study focus (Blumberg et al., 2003). We considered adequate to prepare the interview beforehand and send it to the interviewees for preparation; as Gummesson (2000) states, it will enable them to have a clear understanding of the questions and offer enough time for retrospection.

Secondly, having taken into account the research questions, the interview questionnaires aimed to understand the different positions of the participants and their relation to the subject of study (Blumberg et al., 2003). In the formulation of the research questions we took into account the frame of reference, in order to be able to compare our findings with the theoretical findings.

The interview duration ranged from 30 to 60 minutes where each participant was interviewed in a private room, while the other interviewees where scheduled during different working days, according to their availability.
3.6. Data analysis

In this section we will describe how we plan to analyze the data collected from the interviews. First of all, it is important to mention that for this research paper, the frame of reference plays an important role for further extending the existing academic crisis management research. We have not found important or relevant writings about the management of organizational crises which have as cause political events, thus we will base our analysis on general crisis management theories. Further on, we will make use of the empirical findings we have collected in the interviews and discuss them. Finally, we plan to mirror the frame of reference and the empirical findings and see what the existing gaps are, as well as the learning outcomes for managers and professionals.

3.7. Validity and reliability

Blumberg et al. (2005) explains that validity and reliability are very important concepts in the evaluation of a research paper or project. In his view, validity refers to the extent to which the empirical research achieves the goal the researchers were planning, while reliability has to do with the accuracy and precision of the research outcomes.

In what concerns the validity of our research, we can say that we initially started with a description of the previous research made on the field of crisis management and a general background. We further used the general framework of crisis management for our particular type of crisis, due to the minimal research that was previously done on this field. Later on, we collected the data by travelling to the location where the events took place, by basing our interview questions on what the frame of reference showed, in order to later mirror the two sections of the paper and draw conclusions. Finally, the interviews that we conducted were tape-recorded, which allowed us to quote the answers of our respondents in the empirical findings chapter (Riedel et al., 2010; Yin, 2003).

Before conducting the interviews, we have sent the interview questions to the respondents (see Appendix 1), while offering confidentiality to all the participants. In this way, we assured that the respondents would not have any reluctance of answering our questions (Blumberg et al., 2005). Our physical presence in Egypt and our direct contact with the interviewees played a key role for us in obtaining accurate information. For this reason, we consider our research outcome to be reliable.
4. Empirical study

4.1. GAC Cairo, Egypt

GAC can be traced to its origins when the “Swedish entrepreneur Bengt Lindwall in 1956” (About GAC, 2011), signed a joint venture with the Kuwaiti country. Their local success and expertise lead to one of the fastest growing companies within the Shipping, Logistics, Marine and Solutions services, whose physical establishment is present in 40 countries with 9,000 professionals. “GAC’s globalization strategy is to use steady and consistent geographical expansion, achieved through organic/opportunistic growth, joint ventures, partnerships and acquisitions” (About GAC, 2011). Presently, the headquarters are located in the Jebel Ali Free zone in Dubai, as a strategic geographical position.

GAC is Shipping, Logistics, Marine and Solutions Company, whose forte relies in the use of local knowledge and experience which enables the firm to offer tailored solutions, thus providing a sense of confidence for the customer (About GAC, 2011). Due to GAC’s decentralized position (About GAC, 2011a); each subsidiary operates with a high degree of autonomy, “giving them the flexibility to act in accordance with local conditions and specific customer needs whilst maintaining the global outlook and standards of the Group” (About GAC, 2011a).

GAC has four main business lines where they fully operate worldwide:

Shipping: GAC provides “port and hub agency services, as well as a range of specialized services, such as bunker supplies, ship-to-ship transfers, canal transit, and ship supply services” (Gulf Agency Company ltd., 2011). The organization main specialty resides in the shipping agency business; “GAC is one of the world’s largest ship agencies with a long standing reputation for quality service” (Shipping, 2011). In other words, GAC handles a large variety of incoming or out-going shipping services, which aid customers in their point of arrival or departure to/from a known/unknown port for the customer, specialized crew members, custom paperwork’s, as well as other type of shipping services.

Logistics: “The integrated GAC Logistics network serves local, national, regional and international manufacturers, distributors and retailers, by providing a comprehensive range of supply chain, warehousing and logistics solutions” (Logistics, 2011). GAC offers a wide portfolio of logistics services ranging from “air and sea freight, warehousing and distribution, road transportation, project logistics, global marine
logistics, international moving, and courier services to international manufacturers, distributors, and retailers” (Gulf Agency Company Ltd., 2011).

Marine: The firm’s Marine solution aims to provide offshore exploration, as well as the construction and development of new sources of energy (Marine, 2011). These services are located in “the Middle East, Central Asia and Africa with its fleet of specialized tugs, barges and landing craft” (Marine, 2011).

Solutions: This type of service bases its ideas and resources in specific knowledge specialists; solutions are customized based on the main three services mentioned above. The extra mile achieved by GAC enables the company to outer perform their competitors by not only offering a main service, but by adding complementary services such as weather solutions, transport services, specialized training, office, work-wear and protective solutions (Solutions, 2011); Solutions is responsible for creating “strategic partnerships with world-class producers and suppliers to create new ‘out of the box’ services tailored to the needs of our customers” (About GAC, 2011a).

GAC Egypt was established in 1986; currently, it has 7 offices throughout the Egyptian region, with approximately 300 employees. GAC Cairo consists of 27 employees within the Bunker Fuels, Suez Canal Transit, Logistics Sales and other administrative departments (Egypt, 2011).

GAC Bunker Fuels solutions make part of the Shipping and Solutions Services line, which was established in 2004 in Cairo; GACBF trades with customers that are ship owners, charterers, traders, brokers, as well as other international GAC Bunker offices. For that matter, they have the responsibility to trade effectively between the customer and supplier; hence, they offer a wide variety of services regarding fuel oil and lubricants. GAC Bunker Fuels is the only International Fuel Trader in Egypt; part of the GAC global group in addition to the activities as a port agents. In addition, they interact with suppliers, whether majors, state oil companies or joint ventures. Thus, they are able to offer competitive prices, reliable service; and quality commitment (Puentes, 2009).

According to the GAC Bunker Fuels Operation Manual, bunker trading is a complex process where each team member has an assigned role. The process begins with establishing the quantities and dates of the fuel that the customer want, afterwards, the team specializes in obtaining these quantities according to the customer’s need, later on, they offer a competitive price; if the customer accepts, GACBF takes charge from the beginning
of the delivery and offer solutions to any inconvenience that may occur along the way. GACBF teams are empowered to act as advisors to the customer and act as partners of choice to them.

Additionally, our interviews lead us to obtain valuable information from the Suez Canal Transit and the Logistic Sales Departments. In charge of handling all the operations related to a smooth transition in the Suez Canal, the SCT effectively coordinates the flow of vessels that enter/exit the canals from both ways. Their expertise and knowledge in their day-to-day operations, enables SCT to constantly control the information flow, by ensuring that the vessel is transiting correctly, and offer updates regarding the ETA, as well as other necessary information for the arriving customer in the Egyptian ports. Moreover, they advise their customer with the convoy times and prepare all the necessary arrangements with the authority for a proper and smooth transit. Secondly, Logistics are in charge of maintaining the customer-base, while seeking potential customers in the international market; Logistics operation relates to GAC’s main logistic business line, hence their services range from all the logistic services mentioned above.

### 4.2. Political unrest in Egypt – chronology

In the beginning of 2011, Egypt, the most populous country of the Arab world began massive protests against their President, Hosni Mubarak. As BBC reports in a February 2011 coverage, Egypt was known as a “center of stability in a volatile region”, but this was only a perceived state of facts, which “masked malignant problems” (BBC, 2011). The main causes of the outburst were considered to be the “poverty, rising prices, social exclusion, the anger of the people over the corruption and personal enrichment among the political elite, as well as the increasing unemployment among young people that were not able to find a place to work” (BBC, 2011).

Egypt’s problems have carried a very heavy political weight around the world (BBC, 2011), especially in the Middle East, due to Cairo’s relationships with Washington and the implication on the peace treaty with Israel. A major impact of the political situation was felt in the tourism sector, which became completely paralyzed; even months after the situation was settled, the tourism websites post security warnings for tourists (i.e. Trip Advisor, May 7, 2011).
The economy was deeply affected as well, due to the shutdown of Banks, Stock Exchange; oil prices have risen in response of the fears that the Suez Canal Traffic might be affected by the political situation or that the entire region might be affected (BBC, 2011).

For a better understanding of the step-by-step situation that took place earlier this year in Egypt, we have adapted the chronology made by the News Chanel Al Jazeera, in March, 2011. In addition, we completed the chronology with our visit in Egypt and the planning and preparation for the interviews conducted within the company, GAC Egypt.

Jan 25: “On a national holiday to commemorate police forces, Egyptian people go out on the streets to protest in what they call the “day of rage”, against the regime of Mubarak, in Tahrir Square, Cairo.” This was catalogued as the beginning of the revolution in Egypt.

Jan 26: “Two are killed, a protester and a police officer, in the demonstrations, with rocks and firebombs.” For GAC Egypt, this represented the beginning of the crisis response stage.

Jan 27: “Facebook, Twitter and Blackberry Messenger services are disrupted. The Internet services are suspended.” This was the first day when communication was made difficult for organizations, thus affecting the operations that were handled on-line.

Jan 28: The Egyptian Government announces a curfew to start from 6 am to 3 pm, but protesters are reported to remain on the streets.

Jan 29: “The sheikh of Al Azhar University, a prominent cleric, tells protesters that shedding blood is prohibited under Islamic law and says that the Egyptian people have credible demands.” (Al Jazeera, 2011)

Feb 1: Protests continue in Tahrir Square and surrounding areas, with over 2 million people. Mubarak announces he will surrender the power in September.

Feb 2: “Clashes in Tahrir Square are being described as Medieval.” Internet services are functioning again. Organizational communication is back to normal.

Feb 3: “At least ten people have been killed in clashes, say doctors in Tahrir Square, who are running a makeshift hospital with limited resources and supplies.”

Feb 4: “First gunshots of the day are heard at 5 pm, and pro-democracy protesters cheer as army arrests suspected Mubarak loyalists near Tahrir Square.”
Feb 5: 15 Snipers are counted by reporters on the Egyptian Museum, while “General Hassan El-Rawani, head of army's central command, speaks to masses in Tahrir, urging them to leave. They chant back: "We are not leaving. [Mubarak] is leaving.”

Feb 6: “People continue to defy the curfew and rally in Tahrir Square, saying they would rather sleep under tanks than allow anyone to evict them. The Muslim Brotherhood says it ‘has decided to participate in a dialogue round in order to understand how serious the officials are in dealing with the demands of the people’”

Feb 7: Banks have reopened; schools and stock-exchange remain closed.

Feb 8: Protests continue and many upper class people have joined.

Feb 9: “Egypt's three independent unions are due to demonstrate in front of the state-backed General Federation of State Unions. This move is a major boost for pro-democracy activists. Human Rights Watch says that 302 people have been killed since the start of Egypt's pro-democracy uprising last month.”

Feb 10: Very heavy military presence and Mubarak refuses to resign in the 17th day of protests”

Feb 11: 30 years of Mubarak regime are over. Mubarak resigns. This is considered the end of the crisis.

March 26: We arrived in Cairo, Egypt, at 1 am, during a curfew; we were intercepted by more than 5 military check-points for questioning our visit purpose.

March 29: The first visit in GAC Cairo offices; planning and preparation for the interviews. The situation was calm; there was no reported danger on the streets of Cairo.

April 3: First two recorded interviews with the GACBF team.

April 5: We conducted two more interviews within the GACBF Department.

April 7: Two supplementary interviews with Suez Canal Transit and Logistics Department, for obtaining a perspective view on the connections between the departments during the crisis.

April 12: The last visit to the company for concluding the interview session and expressing our gratitude for the collaboration in our research.
April 19: We returned to Sweden for elaborating the research paper with the use of all the collected information.

4.3. Defining crises – Unexpected events

Interviewees were asked to express and define in their own opinion, the events that took place during the political crisis. As a result, all of the participants were very well informed by narrating the events from a personal point of view with great detail. It is significant to add that Fiona pinpointed the events as unexpected and unanticipated. Furthermore, Anita also supported Fiona’s argument by stating that nobody expected the magnitude of the revolution in the streets.

Furthermore, all the respondents identified the type of crisis as a political event which affected the organization; GACBF, SCT and the Logistics Department supported the fact that daily operations were disrupted by a series of negative events; George stated that the Egyptian society was aware that the revolution will bring a political change “a new form of government”, for that matter, the latter interviewee was fully aware that the political revolution will immediately affect the operations:

“Customers were calling worried regarding the situation in Egypt and how this will affect business, even more, our key customers were concerned with the closure of the ports resulting in losses [...] I was fully aware that these events will have a great impact on the way we were going to handle our daily operations; I was reading the news that several Egyptians within the ports were attending the revolution in the other cities of Egypt [...] of course these aspects will immediately slow down operations where we had to make quick decisions on how to respond to our clients.” (George)

To further support these arguments, Elena was one of the participants who observed how the GAC Bunker Fuels Department was directly affected:

“The unexpected turn of events made us realize that we have lost Internet communication as well as our mobile phones [...] we had to think of a way to reach out for our customers as they needed to know how the situation was.” (Elena)

Even more, Dan and George expressed their concern as employees had to face tough decisions whether to continue to work or not:
“During times of crisis, you have to make a decision whether you want to protect your family or go to work and leave them alone.” (Dan)

“Before the beginning of the revolution on the 25th of January, I heard some news and received an invitation to join a small protest in Tahrir Square, by the time the revolution began, the amount of groups increased so fast that it lead from hundreds to thousands of protestants in the streets […]” (George)

During the interviews, we could observe the respondent’s interests, passion and emotions for the political unrest; for example, Brian attended many of the revolutions held with great pride as for him, it was a way to support his country:

“The revolutions had a direct impact on me, Egyptians wanted a new government, free from Mubarak’s regime and corruption […] we were tired of the lies so I also decided to join the revolution.” (Brian)

Anita also defined the crisis as an event that was unlikely to happen:

“We haven’t seen such a revolution for fifty years, for that reason: I just catalogued it as a small protest that was going to be dissolved by the police.” (Anita)

Anita continues later on by stating she was wrong thus expressing that the revolution posed great challenges for GAC:

“We are the face of the company, anything we do will be directly reflected in the organization’s reputation.” (Anita)
4.4. Pre-crisis stage – The prelude of disaster

The pre-crisis stage is essential for the company to perceive early signals of the imminence of a crisis, fact which will determine how the crisis will be handled in the next steps (Seeger et al., 2003; Mitroff et al., 2000). Our interviews allowed us to understand to what extent the crisis was foreseen, understood and taken into consideration as a potential threat to the organization. We would like to mention that we will refer to the organizational pre-crisis stage as the period before the communication went down in Egypt, which is the 27th of January, 2011, which we catalogue as the first problem that the company had to respond to.

4.4.1. Problem perception- sensemaking

As we described in the frame of reference, before they occur, all crises send “early warning signals”, which are sometimes very hard to observe or perceive (Mitroff et al., 2001). In the interviews we had with the GAC team in Egypt, we asked the questions “Were there any signals of an imminent situation?” and “Did you catalogue these signals as important or credible?”, in order to establish the degree awareness of the interviewees.

Five out of six interviewees said that the situation could not be anticipated to take such proportions; there were rumors that people will gather in Tahrir Square and protest against the regime of Mubarak, but the protests were considered mild and not likely to be taken into consideration.

One interviewee clarified the situation for us saying that the tension in Egypt and preponderantly in the larger cities had built up because of numerous incidents regarding the abuse of the police and religious minorities’ discriminations.

“There have been strikes before in Cairo and Alexandria. [...] One young man was arrested and beat up in a police station and there were similar incidents; a Christian church was blown up on Christmas last year and there was a lot of tension between the Muslims and the Christians”. (Elena)

The media had covered the story of the early signals of revolution in Egypt (CNN, Al Jazeera, BBC, 2011) and articles about the clashes between the Coptic Christians and the Muslims were very much discussed on the news channels:

“Sectarian tensions are not new in Egypt. The nation’s Copts, most of them adherents to the Coptic Orthodox Church, represent the Arab world’s largest non-Muslim minority and
make up approximately 10% of the country’s population. They are geographically dispersed throughout the country and are not ethnically distinct from other Egyptians.” (CNN, 2011)

“The company was operating normally; the tension was not felt that much. Only when the Church was blown up, some Christian employees felt resented against the Muslim employees” (Elena)

“[The signs of crisis] were not in the official channels. It was believed that the Government was behind the protests, to convince the people that there was democracy.” (Elena)

From the answers of the respondents we can see that the signs of the crisis indeed existed, but they were not seen as important, credible or capable of having a negative impact on the company’s operations.

4.4.2. Organizational defense mechanisms

Organizations often try to defend their position in the case of a crisis by denying or minimizing the effects that the crisis might have on the operations, stakeholders and so forth.

In GAC Egypt, the organizational defense mechanisms were low, although denial was admitted by all the interviewees, as well as intellectualization, meaning the minimization of the probability that a crisis would occur:

“We haven’t seen such a revolution for fifty years, for that reason; I just catalogued it as a small protest that was going to be dissolved by the police.” (Anita)

“Because it was such a sudden crisis, there was no preparation; we were not thinking that it will affect our company” (Elena)

“For us rumors are very important, but they are mostly untrue.” (Fiona)
4.4.3. Preparation- ad-hoc planning

In the pre-crisis stage, sensemaking plays an important role in the existence of preparation for the crisis. The interviewees of GAC Egypt agreed that there were many signals that a crisis will occur, but they were not given the proper consideration. Thus, the preparation for the events to come was not made in an organized manner.

“Our reaction was very natural; we did not have any contingency plan.” (Anita)

“I was thinking of a contingency plan in case of a curfew or problems with the transit in the Suez Canal, but it was in thought. My colleagues said that I was crazy when I told them we should think of a plan” (Fiona)

“We did not have an official crisis management plan or a contingency plan. We organized the communication between each-other.”(George)

“The plan was made on the spot, very simple, that each member of the team was supposed to work from home; we also received help from the international offices in Germany and the UK.” (Elena)

4.5. Crisis response - How to cope with unwanted situations

All three departments had to face the consequences that surfaced from the nationwide revolution. More specifically, all of the respondents pinpointed the start of the organizational crisis during the night of the second day of the revolution on the 26th of January, 2011 and the massive Internet shutdown on the 27th of January, 2011:

“Even though tension was growing, we could still operate under normal conditions, although as soon as the Internet was down, we were only left with the landline because even our mobile phones were not working entirely.” (Brian)

“I was very worried that something wrong was going to happen, for that matter, I always told my colleagues to advise me if anything wrong was happening with the Internet, when the Internet was shut down, I had to work 24 hours a day shifting turns with the team.” (George)

Dan and Elena also expressed concern in the way operations should be handled:
“As we did almost all of our operations through the Internet, I was worried with our key clients as they represent most of our revenue, for that matter I knew that we had to make quick decisions on how to solve this matter.” (Elena)

“Due to the unexpected events, we never knew that the Internet and our mobile phones were going to be shutdown, luckily, I managed to use my mobile phone some times before it was deactivated...this allowed me to communicate with some of my current customers and my suppliers that the Internet was down but operations will still go through.” (Elena)

Generally speaking, the respondents agreed that normal office hours were interrupted as a consequence of the political unrest; this in fact, threatened the way every department managed their operations, as they relied on the Internet and the mobile phones as a main communication tools:

“As the crisis affected our team, I immediately think how should we communicate with our offices in the ports? As I knew that emails wouldn’t arrive, I took the determination to create a communication plan that will enable us obtain updates of the transactions in progress [...]. Our plan consisted of working 24 hours a day under stressful conditions.” (George)

Following the Internet shutdown, the respondents had to deal with other important aspects during the crisis such as the curfew (from 6 am to 3 pm), slowdown of the working process (Operational and Sales), closed banks for national and international transactions, lack of manpower from the operational point of view, higher oil prices, customer’s reluctance to continue with their operations, as well as a decrease in the demand of GAC services.

“The flow of the inquiries went down while the prices for the fuel oils went up.” (Elena)
4.5.1. Organizational Priorities

First of all, due to the nature of the crisis, all of the respondents had as an immediate priority the well-being of their families:

“I was afraid; we didn’t see any police force to help us from criminals as all of the streets were desolated.” (Dan)

Anita expressed great concern for her personal safety as curfews were set:

“Curfews were a rather new term for Egyptians, as we haven’t had any curfews for twenty years, the new curfew imposed to stay in the house and it didn’t allow me to go to work for many hours […] I was afraid to walk in the streets or take a taxi as nobody knew what could happen.” (Anita)

Likewise, Dan and Fiona formed a small community of neighbors to protect the neighborhood:

“We all got together to take turns to guard the doors because many rumors said that they will come to every door and tear down our houses...hearing machine-gun shots was a really scary experience, that is why all of our neighbors got together to protect ourselves.” (Dan)

Respondents expressed mixed opinions in terms of organizational priorities. All of the respondents valued the importance of stakeholders and the impact they have in the crisis response. For that matter, all of the interviewees prioritize their stakeholders according to the urgency.

“As soon as the crisis was identified, my first priority was the Bunker Fuels team.” (Elena)

“The first thing that came to my mind was about the transactions in progress, what can I do if I couldn’t communicate with the customer” (Anita)

“The customers were my key priorities, due to my local knowledge; I could offer my international customers a sense of confidence so they can continue to operate under harsh conditions.” (Fiona)

“We had business to conclude, we had to show that we could still operate. Before the Internet went down, we had a delivery at the next day, without any type of communication, my priority aimed to the transactions in progress and
the ability to communicate with our port office to see if the operation was successful.” (Dan)

Three of the respondents gave top priority to their customers, followed by the transactions in progress, and their team-members respectively. The remaining three respondents gave top priority to the team, followed by the customers and the transactions in progress. Overall, all of the departments acknowledge the interaction of the team and their customers, as the top priorities for operations to run smoothly.

Besides, all of the respondents with the exception of the SCT Department followed a change in their office hours as they did not attend their full working hours:

“We worked from home as we had to respect the curfew and for our personal security.” (Anita)

“It was useless to go to the office as we couldn’t communicate with our customers.”(George)

“When the Internet was down and the curfew was set, I had no need to go to the office as I couldn’t do any of my regular invoices.” (Brian)

On the other hand, the SCT Department had to work 24 hours with morning and night shifts between all the team:

“We couldn’t stop operations in the Suez canal as it represents one of the most important treasures for Egypt, for that matter, I had to attend the office day and night with my other colleagues.” (George)

4.5.2. New Roles and Responsibilities

Our findings lead us to understand that the interviewees gave a higher preference to the allocation of new responsibilities rather than new roles. For example, Dan’s role did not change, as he stated that he kept on trading with an important difference in its new responsibilities:

“My new responsibilities were to assist my team-members in communication problems or if they needed me to handle one of their customers or delivery follow-ups, but I still kept my role as a trader.” (Dan)
Several participants also contributed to the team-working concept as their new responsibilities:

“Extra services were greatly appreciated by our customers, apart from my daily transactions; I offered credit terms to our customers due to the lack of working banks to proceed with the transactions.” (George)

“My new responsibility was to keep up-to-date our customers with the help of our international offices [...] during these times of crises, my team assistance was of great help as it allowed us to monitor and check on each member’s customers.” (Elena)

In the GACBF Department, we could observe that the respondents maintained their roles of traders, but adopted new responsibilities to offer extra support to their customers and the team; not only were they handling their own customers, each trader was aware of each team-members situation while information the Bunker Fuels Manager regarding any updates and recommendations. Likewise, the SCT and Logistics Department adopted new responsibilities of going an extra mile for their customers; in other words, they were also responsible for extra monitoring and constant communication with their customers to offer extra support.

### 4.5.3. Remedial Actions and Containment

As a whole, GAC managed to maintain a response posture against the crises, while keeping up the firm’s reputation. The latter argument can be supported by the interview’s solidarity and persistence to solve the crisis in GAC:

“Our plan was simple, as we didn’t have information of how operations were going through, we decided to contact our German and UK office to send emails to our key customers regarding our situation...with the use of the landlines, we managed to contact our local suppliers and our offices in every port for us to know if the delivery had been done.” (Elena)

“I urgently needed to know what was happening in the ports, as protest continued and the Internet was down, I managed to obtain valuable information from our port offices that operations were running but very slow because of the curfew...our solution was to inform the customers about the situation so they were aware that delays will occur; however, we respected the
curfew which allowed us to work only under specific hours but we managed to complete our operations.” (George)

“We had to work directly from our houses as we sense a threat for our security, however, due to our strong relationships with our suppliers, we could accept nominations by phones so the bunker could be performed. [...] Customers were relieved that we could still provide a service even with the ongoing crisis.” (Brian)

All of the respondents agreed that the use of the landline, fax as well as the mobile phones provided them with enough information to update their operations as well as their suppliers and customers. Furthermore, they acknowledge the support of their international offices to inform and update all the relevant stakeholders; for example, three of the respondents had a direct contact with international offices while the remaining three were informed from their managers any relevant information:

“We had great support from our German and Turkish offices [...] they managed to inform our key customers that we were still under operation but our Internet systems were not working, for that matter, they could communicate with us via landline.” (Fiona)

For every single department, operations were greatly affected, for example, for the GACBF Department, all of the respondents agreed that remedial actions were based in obtaining nominations (Bunker Fuels orders) through the use of mobile phones and landlines; more importantly, it was considered a success to win nominations by landlines and mobile phones as it is normally done via Internet. As a consequence, this allowed the department to keep their margins and secure deliveries through strong supplier relations.

For the SCT Department, a 24 hours service-structure system allowed them to be constantly updated regarding the transit in the Suez Canal, even though traditional communication tools were down (Internet and mobiles), the use of faxes and landlines enabled them to communicate with their port offices. Finally, the Logistics Department implemented the support of their managers to contact key customers in order to secure orders, even though they did not attend the offices during the five days of the Internet breakdown, they managed to follow-up the transactions in progress.

If we observe the political unrest chronology, we can notice that the Internet returned on the 2nd of February, 2011, nevertheless, the interviewees had to face the ongoing political
unrest. Therefore, the participants agreed that they had to manage the ongoing curfew, the backlog of emails, the security of the ports, the closing of Egyptian banks among others.

“Before the Internet came back, we had to stay alert for 24 hours to receive calls from our port offices and our customers for vessels that were approaching or leaving the canal[...] when the Internet was re-established, we could rest a little more and had some time for our families.” (Fiona)

“Even though banks were closed, we managed to send soft copies to our customers of the invoices while advising them that operations had run smoothly.” (Brian)

“For the Bunker Fuels Department, we attended the office three times a week for short hours as the curfews didn’t allow us to stay for more and for the security of my team.” (Elena)

“We delivered apologies by emails to our customers and also we expressed that our Internet was doing for five days but that it has been working now again.” (Anita)

“As banks were closed, our solution to keep up sales was based in offering our customer a credit structure, this allowed them to unload their cargo and to continue across the canal...credit terms were given with the help of our managers to decide whether the customer had a strong relationship with us, if the orders were small or the customers were not trustworthy, the credit was denied.” (George)

“We had a small meeting with our Bunker Fuels team to assess the situation and how we will handle customers after the Internet was back again...we share valuable information which allowed us to know how many deliveries were done during the five days of the Internet shutdown as well as the necessary transactions in progress that we followed up.” (Dan)

Finally, after the Internet was working again and the curfew had been respected, three of the respondents agreed that operations came back to normal while the rest recognized that operations were retuning little by little. For example, the GACBF Department managed to successfully return operations and services back to normal with the exception of a decrease in demands and relatively high prices. Likewise, the SCT Department acknowledged that transits among the Suez Canal continued as normal, but some of their services, such as crew handling and spare parts handling were just beginning to be available for their
customers. Lastly, the Logistics Department approved that operations were running under slow conditions due to the curfews; nonetheless, sales were kept with low margins in order to maintain GAC’s image and their services.

4.6. Post-crisis stage – Dealing with the after-math

As we have explained in the frame of reference, the post-crisis stage is the longest one, when the situation has calmed down and the effects it had on the organization can be observed and mended.

It is important to mention that we have conducted the interviews one month and a half after the crisis ended (the end of the Mubarak regime, February 11th, 2011), which has given the interviewees the time to assess the damage suffered by the company and answer our interview questions with a holistic perspective in mind.

4.6.1. Image restoration

The interviewees gave a clear view on the degree to which the image of the company was harmed by the inability to fulfill the demand of clients.

“The crisis was handled by the team-work and involvement of the department. We were in the office 24 hours a day answering faxes and keeping in touch with the authorities. As a result, the customer feedback after the crisis was excellent. The company image actually gained during the crisis because of our devotion and sense of responsibility.” (Fiona)

“The feedback from the customers was very good because the company fulfilled its commitments. The image of the company was not harmed at all.” (Elena)

“The image of the company remained excellent, the operations went smoothly. The customers appreciated our work and our follow-up.” (Dan)

“The reputation of the company was not affected at all. We know that other companies are having internal riots because they want to have their salaries raised and they don’t want to work.” (George)
The process of image restoration in GAC Egypt, as a result of the interviews, can be thus viewed as unnecessary, as the company did not face any image problems, the deliveries were made on time and the customers were satisfied by the way in which the company handled its commitments.

4.6.2. Recovery

Our findings have shown that the company’s recovery was insured by verifications at the ports around Egypt and especially at the Suez Canal, where the transit was slowed down and even suspended during the curfews, which lowered the number of working hours in the ports.

“The curfew is making the custom authority work short hours and all transactions are going through customs, so it takes longer to process. [...] We have to respect the curfew hours because they are for our safety.” (Dan)

The interviewees mentioned that the international customers were worried about the situation in Egypt and for this reason, they were afraid to contact the Egyptian companies and the Suez Canal authorities.

“The clients were concerned about supplying to Egypt because they were worried that the Egyptian ports were hard to communicate with.” (Anita)

Even after the crisis, some of the bank transfers were not yet complete, which slowed down the transactions and the supplier’s activities.

“I think that the main impact was on the bank transfers because it took one week for them to go through and the suppliers were not happy of course.” (Anita)

When it comes to “working as usual”, the interviewees agreed that the general activities went back to normal, communication was back in place and the international customers were informed that the company is operating normally.
4.6.3. Organizational learning

The organizational learning process was seen as very important by all the participants in the interview. Its role was very much emphasized as something essential to the wellbeing of the organization on the long-run.

“We have learned very important lessons from the crisis and they should serve for improvement. [...] We represent the face of GAC and the decisions we make are reflected on the organization, on our clients and on our reputation.” (Fiona)

The interviewees have shown that they consider very important to look back at the decisions that were made and most importantly on the aspects that were not known and fill in the gaps for the future.

“After the crisis we made an assessment of the company and how we all worked. We were very happy with the result that we had.” (Dan)

“Now we have ideas how to improve communication in times of crisis; [...] In the light of the latest incidents, I think that satellite Internet should be placed and it would be really useful to have a contingency plan.” (Anita)

The interviews have showed us that the management and the team would find a crisis management plan very useful for the future. The communication was the first problem that the interviewees considered when discussing about organizational learning.

“It is extremely important for GAC to have a crisis management plan because this can make the difference between companies: the companies that perform in this type of events are the ones that gain the trust of client; performance in times of crisis insures consistency.” (Elena)

“We are actually thinking about designing a crisis management plan. It would be very useful. [...] We realize that we will not be in the company all our lives and we will leave something important as heritage to the followers.” (Fiona)

“An official crisis management plan should be put in action.” (George)
4.6.4. Crisis costs

The crisis costs matter was included in the interview in order to create a more complete image of post-crisis forces that affected the company. Higher costs are expected in situations of crises due to delays, supply-demand fluctuations in the market, postponed transactions and so forth.

The interviewees have approached the matter of costs in different ways, according to the respective departments.

“We have incurred delays in payments because the banks were not working in those days, so we had to give our clients a credit period. The costs have increased, but not significantly to affect the business.” (Brian)

“The market is normally very competitive and a minimum of profit has to be kept to secure the business. [...] The flow of inquiries went down due to the crisis, and the demand went slowly down, not on the spot. [...] The prices went up as a consequence of the crisis, but it was necessary to keep the mark-up. We incurred costs, but they were not that high.” (Elena)

4.7. Complementary concepts

4.7.1. Communication

The interviewees have viewed communication as a key tool for crisis management, which is also closely related to the nature of the business, which highly depends on communication through cell-phones, landlines, faxes and Internet.

“On the 27th of January the Internet was down and the SMS services were not functioning on our mobile phones, later on the outgoing calls did not go through. [...] We are dependent on our cell phones; not being able to use them was a barrier. The client has to call again, as the outgoing calls could not reach.” (Anita)

“We communicate with the port authorities all the time, but the cell-phones were not working for the national calls, only incoming calls could reach. [...]” (Fiona)
In the period preceding the crisis, communication is very important for sharing concerns and information about what is thought to happen. Our research has led us to understand that in this particular case that we are discussing, communication in the pre-crisis phase did not have any particularities, because the crisis was not sensed or anticipated in any way.

“We haven’t seen such a revolution for fifty years, for that reason: I just catalogued it as a small protest that was going to be dissolved by the police.” (Anita)

“There were signs because of all the tension that had gathered, but we did not expect that the boom would be so big.” (Elena)

The barriers encountered in the communication had been overcome by setting up a communication plan on the spot. One respondent from the six interviewed stated that no communication plan for the department was needed because security was their main priority.

“Each member of the team was supposed to work from home, using the landlines.” (Elena)

“The way we work is called customer customization and that means that each trader has his own clients; in this time of crisis the customization disappeared, we were answering all the calls and trying to let our customers know what was happening.” (Dan)

“For us there was no communication plan. I was afraid for my safety and my family was the priority. […] The entire week was off because the work in our department was not crucial for the one of other departments.” (George)

“Our suppliers accepted the nomination by phone, so we could stay home and communicate through the landlines. The office hours were interrupted by the curfew, from 8 am to 3 pm, so we had to stay in our homes.” (Dan)

“We were sending out faxes to advice customers how communication should be done with our department. The offices of Turkey and Germany had access to our email accounts and they sent alerts to all the incoming email addresses that there was a situation in Egypt, but we are trying to stay in contact.” (Fiona)
“In these moments we saw the importance of networking. Our international offices were a great help in letting our clients know about the situation in Egypt and that communication is down.” (Elena)

“The Internet was out for 5 days and during this time we received many emails about the transactions in-process and customers showing concern for the situation; we could only answer when the Internet was working again.” (Anita)

“We were in the office 24 hours a day answering faxes and incoming calls about ships within the Canal or approaching. We took shifts: the first night it was me because I had to set an example for my colleague, because my family was in the house and I was coming to the office. The first night was horrible; I could hear gunshots and people screaming on the street […] but we had a responsibility. The Suez Canal is a legacy and a pride for Egypt, and the most important source of income for the Egyptians. If something happened in the Canal, not only the company, but the whole country would suffer.” (Fiona)

In the post-crisis phase, communication plays an important role in defending the company’s reputation, if it is the case, and sharing among the team the learning outcomes.

“The reputation of the company remained excellent; all our promises were delivered, so we didn’t have to defend our position. We received great feedback and we are really happy about the way we worked.” (Anita)

“We have learned so much and it is our duty to communicate it to the company so the followers could benefit from our experiences.” (Fiona)

“A crisis management plan would be the best communication method for the future, so it should be implemented officially.” (George)

4.7.2. The role of media

The media influenced the beginning of the crisis and the evolution, as the interviewee told us. Two out of 6 interviewees acknowledged that media and social networks directly impacted the pre-crisis and response stages.

“We found out that people will gather in Tahrir Square from Facebook. You could “Join” the event if you wanted to, there were many people, thousands,
but we still didn’t believe they will have such an influence on the Government and that Mubarak will actually resign.” (Anita)

“The international press was interested in news about the Suez Canal and our international clients knew that we were in the office 24/7, so both local and international press were calling and requesting information, but also updating us on what they knew.” (Fiona)

The media was an indirect actor of propagating the news of the protests to the exterior; in this way, all the stakeholders were indirectly informed of the situation.

“The people knew what was happening in Egypt from the news.” (Dan)

4.7.3. Employee authority in decision-making

Employee authority in decision-making processes represents a crucial factor for the interviewed departments as the degree of autonomy was considered crucial for resolving the crisis. Three of the respondents truly agree that decision-making was fully encouraged during the crisis, while the remaining three, expressed that they were able to make decisions with the support of management.

Nevertheless, the interviewees agreed that decision-making processes were always present during all the three crisis developmental stages. First of all, during the pre-crisis stage, four of the interviewees recognized that they were aware of an ongoing protest but they did not catalog them as crucial; this in fact, resulted in deciding to operate under normal conditions while at the same time expecting that the protest will not influence or impact their daily routines.

"I continued with my daily responsibilities although I read in Facebook that a protest was going to be held on the 25th of January [...]. I never expected that it will have a direct consequence over the way we operated daily.” (Brian)

“It was a surprise for all of us that the revolution and the coming consequences will have a direct impact [...] before the crisis occurred I usually had the same amount of responsibility and the ability to decide how to approach to the customers.” (Anita)
“I truly believe in my team and the empowerment they are given [...] although we didn’t decide to prepare for the upcoming crisis, our plan was designed on-the-spot with excellent results.” (Elena)

During the crisis response stage, interviewees recognized that they had to face tough challenges as new responsibilities arose. As previously mentioned, three of the participants were given a high degree of autonomy, while the remaining three had to consult with their managers. Nevertheless, all of the interviewees agreed that they felt satisfied with the amount of responsibility and ability to respond to the crisis.

“I always decided how to approach my clients; however, I know that my independence in deciding comes with responsibility [...]. If I have two suppliers who offer the same price, I am freely to choose which one should deliver the fuel, due to my strong relationships with our suppliers; I trust them that they will deliver even in times of crisis.” (Anita)

“I always contacted my managers to decide whether or not the customer will be given credit [...] at the end, I was in charge of contacting the customer to express our final decision.” (George)

“I was given full responsibility and liberty to take my own choices, as I constantly communicated with our managers, I was updating them with the situation [...] I was backed up by my team as we managed to communicate anything that was going on.” (Fiona)

Finally, all of the departments conducted a general assessment of the situation where each member decided to express and share their experiences. Even though the departments still had not met together for a general GAC meeting, each department had fully considered the circumstances and the possibility to organize a general meeting.

“I decided to inform to the team everything I did during the crisis, as I wanted everyone to learn from what had just happened, I wanted to be sure that we take precautionary plans if it occurs again.” (Dan)

“I work independently from the other departments. Officially, I got together with my managers to discuss our experiences during the crisis [...] unofficially; I’ve decided to share my experiences with other colleagues from different departments.” (George)
Another crucial aspect to note was the use of team-working in relation with decision-making processes. Three of the respondents acknowledged that they have enough authority to decide how they will approach to a customer while at the same time deciding in the margins and supplier prices, however, they truly believe that their decisions are always influenced by their team-members and the support of their managers. Furthermore, all of the respondents expressed great satisfaction in the way decisions are being handled and the amount of authority given to each of them; in other words, they received a great amount of autonomy with shared responsibilities in each team.

“I have learned so many great skills in my work which allowed me to take decisions by my own, however, I always take into account my team-members opinions and suggestions when we have to solve something together” (Fiona)

“During the crisis, I was responsible for my own customers with the exception of helping my fellow team-members [...] if it wasn’t for our team, I don’t think that we could have managed the crisis.” (Dan)

“Creativity and decision-making was very present during the crisis. My team work was exceptionally handled as each of us took their own decisions while informing me and the rest of the team.” (Elena)

4.7.4. Top management support

Individuals view top management support as crucial when handling tough situations. Nevertheless, participants evoked mixed results in terms of received support. In general, three respondents agreed that top management was not directly involved or participating in their decisions while two interviewees expressed that management was always available and participating in their decisions. Finally, one of the participants expressed that top management participated indirectly in the operations while the interviewee constantly updated and shared information with top management.

“We had great support from our managers as we constantly were sharing our experiences that happened during the crisis.” (Brian)

“I didn’t talk personally to any top manager, all the news was updated directly by my direct manager.” (Anita)
“Our team was constantly backed up by top managers [...] we were always informing our decisions and the results of the operations during the crisis.” (Fiona)

A crucial point to observe was the presence of top management during the pre-crisis stage. Due to the respondents sincerity to recognize that no official crisis plan was offered, two interviewees expressed that their crisis management plan was created when the crisis occurred with little to no support from top management. The remaining four acknowledged top management as offering guidance and precautions during the pre-crisis, then again, the support they received was more related to the crisis response stage.

“We were immediately contacted by our managers that some precautions should be made; however, they and also me never knew the magnitude and negative impact in GAC.” (George)

“I personally think that we didn’t receive any support from top management [...] there was no official crisis management plan, I know that it is hard to have a plan especially during unexpected disasters, but it would have been good that top managers could offer some type of support for use to be prepared before it actually happened.” (Brian)

During times of crisis, it is expected that top management offers direct assistance to their employees. Our findings lead us to understand that top management was participating indirectly during the crisis while three of the respondents agreed that they were not aware of top management support. Two of the interviewees acknowledged that top management was actively participating during the crisis, moreover, they expressed that they were allowed to make their own decisions. Finally, one of the participants accepted that top management was indirectly participating, as they were only updated of the situation rather than communicating directly with each member of the staff.

“Top managers were directly concerned with our well-being, while I didn’t talk to any of them, we received an email after the Internet came back where they told us to keep safe ourselves and in our houses and families.” (Dan)

“I was in charge of communicating to our top managers how we dealt with the crisis [...]. My team was aware that I was updating them with any crucial information as well as contacting our key suppliers.” (Elena)

“I was really grateful that my managers helped me to resolve many critical situations where we had to decide whether to stop operations [...] fortunately,
our dedicated staff helped us to resolve operations in a slow but secure manner.” (George)

“Managers and colleagues from international offices extended their support by emailing our key customers and updating the general situation of the political unrest in Egypt.” (Fiona)

On the other hand, top management was actively participating during the post-crisis stage as four of the respondents acknowledged that they were directly recognized for their achievements. Moreover, the latter participants believed that enough support was given to protect the firm’s reputation. In other words, they felt a sense of ownership and direct support from top management which enabled them to deliver results to GAC customers during the crisis response stage.

“I was happy to know that we have received so much positive feedback from our clients, our managers were very satisfied with our overall results” (Dan)

“Top management was not interested in pushing us to the limit; I felt that they had a true interest for our safety.” (Fiona)

“Due to top management support, we were able to maintain GAC quality standards [...] our image wasn’t affected, customers knew that we were passing through rough times.” (George)

Overall, the interviewees agreed that top management was present when offering economical support. For example, during the times of crisis, the closure of the banks impeded GAC employees to withdraw money, thus top management gave full support to any employee who needed economic assistance on-the-spot.

“We were allowed to request money in case we needed to [...]. I personally liked that top management support us financially even though GAC was directly threatened by the unrest.” (Brian)

“I felt confident that we could borrow some money as ATMs were not working, it was a nice gesture from GAC.” (Dan)
4.7.5. The role of emotions

The interviews made it clear for us that during crises; emotions interfered with every decision made. Our respondents explained that during all the stages, but predominantly in the crisis response stage, they were affected by personal views on crisis which enabled them to act/react.

While in the pre-crisis stage there was no feeling of anxiety, later on, the respondents clarified that they were afraid for their families’ security.

“We all got together to take turns to guard the doors because many rumors said that they will come to every door and tear down our houses...hearing machine-gun shots was a really scary experience, that is why all of our neighbors got together to protect ourselves.” (Dan)

“I was afraid; we didn’t see any police force to help us from criminals as all of the streets were desolated.” (Dan)

The curfew was the element that gave the interviewees the feeling that something was going on and they should stay away from the streets.

“Curfews were a rather new term for Egyptians, as we haven’t had any curfews for twenty years, the new curfew imposed to stay in the house and it didn’t allow me to go to work for many hours. [...] I was afraid to walk in the streets or take a taxi as nobody knew what could happen.” (Anita)

The fact that we conducted one-on-one interviews, allowed us to perceive the tension in the interviewees’ statements, when talking about the crisis. As a result, we initially observed the joy to participate in the interview, followed by fear, sadness and insecurity while narrating the crisis events. Towards the end of the interview, which also corresponded to the post-crisis stage, we observed feelings of pride, joy and happiness as the conflicts were resolved in a positive way.
5. Analysis and discussions

The purpose of our report is enhancing the understanding of crisis management in organizations, particularly for crises that take place due to political instability. In this way, we discuss the need companies have to prepare for crisis situations, especially for companies that plan to expand overseas and face threats due to the insecurity and safety issues.

In the analysis chapter we will mirror the frame of reference with our empirical findings and draw conclusions from the similarities and differences. By doing so, we will spot the gaps that exist between the literature on crisis management and organizational practices.

The analysis chapter will respect the structure of the time phases of crises as presented in the frame of reference chapter; nevertheless, the analysis plans to incorporate all the subsequent elements of the time phases without a sectioning structure.

5.1. Defining crisis

We consider of great significance the applicability of the definition of the term “crisis” as it facilitates the understanding of how aware an individual is, when facing a crisis. In other words, we consider important that an individual must be able to identify that he is going through a crisis, as well as the type of crisis he is facing. As a result, in our opinion, knowing this simple but extensive term, an individual will possibly have a general perception of what is surrounding him and the future consequences that will follow as the crisis breaks.

Our interviewees managed to completely understand the term “crisis”, since each of them considered the crisis as the unexpected turn of events. Yet more, Seeger et al. (2003) states that a crisis entails an unexpected turn of events, thus involving negative consequences which can sometimes bring extraordinary losses. For that matter, it is important to notice that our respondents participated in the Egyptian crisis, either directly in the revolution or indirectly through their thoughts and feelings; hence, they acknowledged that the crisis affected their behaviors, as well as the organization’s daily routines and operations. To further support these arguments, the interviewees identified our six points based in the literature (see 2.1 Defining crises) literature (Alpaslan, 2009; Kouzmin, 2008; Farazmand,
The revolution that initiated on the 25th of January, 2011 in Tahrir Square in Cairo, Egypt among years of oppression from the Egyptian community was identified as the set of triggering events in a specific time and place.

The ongoing consequences such as the Internet shutdown, mobile communication shutdown, and closed or frozen banks accounts amid others had a direct impact on the organizations and all of the stakeholders.

GACBF, SCT and the Logistics Department had to face circumstances where they made fast decisions and solutions as well as strong team-working.

Our interviewees expressed mixed emotions such as sadness, anger, desperation, deception among others.

All of the departments approved that costs were present in different ways. For example, for the GACBF Department, higher fuel prices were expected, while the SCT and the Logistics Department had to momentarily suspend some of their extra services (i.e., crew change and custom clearance for containers); GAC’s image and reputation was at stake as each of the employee’s actions and decision, will immediately convey how well GAC handles operations during the Egyptian crisis.

The probability of the revolution was unexpected as the GAC thought the magnitude and impact will not affect the organization. Nevertheless, its impact affected the whole country’s political system while having a direct influence on GAC’s daily operations.

Finally, we can relate to Mitroff et al. (2001) classification of crisis and James et al. (2005) sudden crisis, seeing that the interviewees catalogued the political crisis as external and unexpected. Due to Mitroff et al. (2001) extensive classification system (see 2.1.1 Crisis typology), we are able to match our respondent’s crisis classification with the latter authors. In other words, interviewees were fully conscious and informed that the crisis will have a direct impact on the government structure. Smith et al. (2006) portray the importance of crisis management in terms of strategic choices to contain a threatening situation, the interviewees, more specifically, Dan and George, acknowledged the fact that crisis management was the only viable solution to remediate the organizational crisis. Furthermore, the three departments agreed that they had focused all of their efforts to find strategic solutions during a political transition that they assumed will change Egypt’s governing system while at the same time caring for their own well-being and their team.
5.2. Pre-crisis stage

The pre-crisis, as discussed in the frame of reference chapter, represents an incubation period (Seeger, 2003); in the time before the outburst of the organizational crisis, which can be directly linked to the beginning of the external political events, the organization receives cues that events will take place, thus it should plan accordingly (Pearson et al., 1998).

Our study showed that preliminary cues were disregarded because they were not seen as important. As Elena, one of our interviewees, explained, “[The signs of crisis] were not in the official channels [...]” and they were not believed to take the proportions of a revolution.

This element can be connected with the defense mechanisms discussed by Mitroff et al. (2001): The authors explain that every organization tries to deny its weaknesses and by doing so, avoids engaging in a proper crisis management planning. Our interviewees pointed out that they were not thinking it will affect the company “[...] the crisis was sudden and we had no time to prepare [...]” (Elena), although signs were present and understood, but not taken into account.

At this point, we can understand why preliminary signals were not taken into account as the beginning of the Egyptian political crisis; the Mubarak regime had been present in Egypt for 30 years (CNN, 2011), in which time, as our interviewees witnessed and history records on news channels, injustices and corruption were frequently observed. Nezlek (2007) discussed the psychological factors regarding the familiarity to negative events. The author conducted a study with undergraduate participants, testing their reactions to positive or negative events that occurred in familiar and unfamiliar environments. The result was that “familiarity with the environment moderates reactivity to negative daily events”, because “as people become more familiar with an environment, negative events may elicit smaller decreases in well-being” (Nezlek, 2007, Abstract).

We believe that the GAC team did not respond to the signs of preliminary crisis due to the fact that the triggering events were scattered and localized, thus it was not believed that a mass riot will take place. The familiarity to the environment, as Nezlek, (2007) explains, influenced the way cues were perceived and handled.

On the other hand, over-reactive behavior or “magnification”, as it is called in cognitive psychology (Knaus et al., 2006, p. 106), is not recommended either, because exaggerating the severity of a situation can cause adverse effects, such as over-caution, fear and distortion of events (Knaus et al., 2006). Weick, (1988, p. 572), also suggests that “human
action can amplify small deviations into major crises”. As we have seen in our case, the sensemaking stage was minimal and the early signs were not given credibility.

In what concerns the pre-crisis planning, our interviewees stated that “our reaction was very natural; we did not have a contingency plan” (Anita) and that “we did not have an official crisis management plan or a contingency plan” (Anita). We believe that the lack of proper planning was due to the little credibility given to the local events in Alexandria and Cairo, as well as to the denial and intellectualization (Mitroff et al., 2001) as defense mechanisms.

The pre-crisis planning stage, as the literature entails, must be given great importance, as this step determines how the company will act, operate and communicate during the crisis (Alpaslan et al., 2009). The stakeholders have to be taken into account because they will be affected by the actions of the company (Alpaslan et al., 2009) during the crisis: i.e. the vessels that are transiting the Suez Canal should know that communication is down and there might be problems with the customs authority; international clients in need of Bunker Fuels must be aware that the supplier company is experiencing some issues and deadlines might not be respected, in terms of payments, deliveries and so on.

Considering the case-study and the literature, we can notice a gap between how important pre-crisis preparation is viewed by academics and how little importance it is given by our studied company; in our opinion, we are not the first ones to notice that companies do not act or operate as textbooks, but we do believe that the degree of preparation that companies have is directly affected by the crisis cases the managers observe and learn from. In other words, our analysis plans to serve as a learning point for organizations in giving the proper attention to signs of crisis and designing a crisis management plan. By explaining the way in which the company identified the organizational crisis, we have addressed our RQ1.

5.3. Crisis response

According to Seeger et al. (2003), stakeholders should be given great importance as they have a direct influence over the course of actions and further containment of the crises. If we observe the results of our empirical study, we can notice the latter’s author argument when the interviewees acknowledged that their participation was crucial during times of the ongoing Egyptian crisis.
In fact, our studies show that GAC was operating under normal conditions even after the initial revolution on the 25th of January, 2011. As a result, we can add that GAC was not expecting that the Egyptian turmoil will affect their lines of operations, thus creating the necessity to produce quick decisions as soon as the crisis breached (i.e., on the 26th of January, 2011 and the Internet shutdown on the 27th of January, 2011). “Even though tension was growing, we could still operate under normal conditions, however, as soon as the Internet was down, we were only left with the landline because even our mobile phones were not working entirely” (Brian).

To further support these arguments, Mitroff et al. (2001) express that no single company is prepared for a type of crisis in each of the crisis family trees (see 2.1.1 Crisis typology), thus, covering our RQ2: How did GAC Cairo team respond to and manage the organizational crisis? The implications of not being prepared relate to Seeger et al. (2003) timely decisions, where our interviewees had to react and find solutions for the actual crisis rather than an upcoming crisis; we can observe in the empirical findings that each department had to create a plan just after the Internet was shut down rather than preparing or applying an official crisis management plan during the pre-crisis stage.

First of all, the empirical findings complement the organizational priorities’ frame of reference (see 2.2.2 Crisis response-Organizational priorities), by adding the “personal well-being” term. Truly, all GAC interviewees gave an immediate priority for their own well-being and families which must also be considered as organizational priorities. Afterwards, we can also observe Fearn-Banks (1996) and Seeger et al. (2003) arguments to treat priorities as “the most urgent to the least important.” For that reason, we can notice mixed sets of priorities across the departments as each individual classified their stakeholder’s urgencies. Nevertheless, the process of prioritizing (Mitroff et al., 2001; Seeger et al., 2003) was indeed carried out by each of the interviewees which in turn, offered a sense of direction to determine which stakeholders should have an immediate attention.

Secondly, several authors across the literature (Alpaslan, 2009; Kouzmin, 2008; Farazmand, 2007; Smith et al., 2006; James et al., 2005; Seeger et al., 2003; Mitroff et al., 2001; Pearson et al., 1998; Fearn-Banks, 1996) have pinpointed the importance of designing a crisis management plan which entails the creation of new roles and responsibilities. Indeed, if crisis response entails that individuals take remedial actions, we can notice that GACBF, SCT and the Logistics Departments, managed to outline an on-the-spot crisis management plan to solve the Internet shutdown, closing of the Banks and
international transfers, among others. Furthermore, we can notice that the three departments gave high priority to assigning new responsibilities rather than new roles; for example: SCT’s new responsibilities, i.e. the 24 hours customer service for a smooth transit in the canal, whereas GACBF’s strong supplier relationship enabled them to offer Bunker Fuels services even in times of crisis, while the Logistics Department extended their credit line to enable custom clearance for their customers.

Lastly, we can ask ourselves: Has GAC managed to contain the situation? Was the uncertainty of the political crisis reduced by GAC’s effort to operate under risk? Was Staw et al. (1981) in Seeger et al. (2003, p. 9) “threat rigidity response,” present in each of the interviewee’s decisions? We cannot determine that the interviewee’s decisions and solutions relates to the “threat rigidity” response system due to the fact that each respondent agreed that his/her decision had a positive outcome; in other words, it is difficult to assume that all decisions taken gave positive results. We could validate this point if we would interview key stakeholders, such as customers that had a direct participation during the Egyptian political unrest. Besides, our findings indicate that uncertainty was reduced by seeking information through close ties with the suppliers, committed team-employees and the use of alternative communication plans which enabled each department to inform relevant stakeholders. As a final point, we can notice that GACBF, SCT and the Logistics Departments did take remedial actions to contain the situation.

To conclude, we can notice that there is no universal crisis management solution as Mitroff et al. (2001) has proved in their extensive empirical research. Yet, we can also suggest that organizations should prepare for at least one type of crisis within the family tree (see 2.1.1 Crisis typology). Moreover, it is fundamental to determine whether the crisis treats sudden or smoldering events (James et al., 2005); for example, the findings had lead us to understand that the crisis was highly unexpected, which gives us the possibility to categorize it as sudden crisis; in these cases, one must ask: How can we be sure that an organization is fully prepared for a sudden crisis? If we observe our case study, GACBF, SCT and the Logistics Departments managed the sudden crisis by creating on-the-spot planning which covered both the operational and the well-being of the employees, effective team-working and new roles which enabled each participant to work more than the usual, finding alternate solutions to their traditional communication tools (i.e., the use of landlines and the assistance of international offices was presented as optimal solutions from the Internet and mobile shutdowns), among others.
We believe that an official crisis management plan would be beneficial for any organization on the long run, also aiding with the crisis typology, regardless of its nature, sudden or smoldering.

5.4. Post-crisis stage

In this section we will see how the outcome of a crisis can impact an organization and what the company has to learn from the events, in other words, its recovery and learning. The analysis of this subchapter will also treat our RQ2.

After the crisis is over, companies must pick themselves up and continue running, especially if there are problems that have to be fixed and a reputation to defend (Seeger et al., 2003). The first phase in the post-crisis, as identified by the same authors, relates to image restoration or re-legitimation: for the company to return to the normal state, as perceived by all stakeholders, the organization must assess the damage that it suffered and that it inflicted on other parties.

Our case has been one where the company did not have to suffer image problems or legal issues and this might have several reasons: The input of the personnel of GAC, which was qualified and made the right decisions (as our results show), the sense of responsibility and loyalty towards the company (i.e. the organizational culture factor) are factors that, we believe, influenced the final outcome of the organizational crisis.

In the frame of reference, we presented “widely applied strategies” that the company applies when in the image restoration process (Coombs, 1999; Benoit et al., 1994). Denial, evading responsibility or taking corrective actions were not needed for GAC; on the contrary, the company answered positively to the questions regarding image or reputation, stating that “the feedback from customers was excellent” (George). We believe that this matter can be explained by the sympathetic attitude from the customers, who acknowledged the fact that the crisis originated from external factors, hence GAC was not considered responsible.

In the post-crisis phase, companies must give themselves the opportunity for renewal and learning. As we have seen in the empirical part of this research paper, all the interviewees considered that the only “good” aspect of the crisis was the learning outcome. We believe that having worked as a team and having had to risk their own security for the work responsibilities, gave a new meaning to the job description sheet for each of the interviewees.
As a step for the company, the crisis can be established as a critical historical event, from which already existing employee, as well as new employees, can learn over time (Seeger et al., 2003).

The importance of human resources should be emphasized in this subchapter, because the impact of the political crisis depends solely on individuals and their capabilities to organize, plan and manage.

Long-term thinking and planning, directly and positively influences the strategic management of any crisis, instead of “a series of desperate attempts to gain time and to counter the effects of a situation that threatens to turn into a disaster” (Chifu et al., 2007, p. 147).

In the post-crisis, retrospective sensemaking, as shown in Weick (2001), supports the retrospective recalling of the decisions made and the situations the individuals were faced with; this process helps find explanations for the miscondut and thus facilitates the process of learning.

The phase of retrospective sensemaking was present in our case, through the retrospective view of the interviewees and the fact that we had conducted the interviews in a post-crisis phase; we believe that the time factor impacted positively the results we received for the interviews, as the GAC team was given time to recall the events in their entirety.

Finally, the issue of costs was dealt with, both in the frame of reference, as well as in the empirical findings, although as side-outcome. The GAC team explained that the costs they faced during and after the crisis were not significant, although payments were made late and some transactions were postponed. We believe that a crisis management plan would have helped the company by handing over the key accounts to the international offices, thus taking care of both the business transactions and the personal security.

We would like to group the learning outcomes derived from the analysis of this post-crisis subchapter into the following sequence:

1. Companies should consider dealing with image restoration immediately after the crisis ended; the most important action is reassuring the stakeholders that there will be remedial action for negative consequences;
2. Restorations strategies should be reconsidered before taking any measures;
3. Recovery is one of the longest phases in crisis management and the manager should view the company as an entity that suffered a crisis rather than the same company that needs to go back to normal;
4. The post-crisis retrospective learning is essential for not making the same mistakes and for passing on the experience as a historical critical event for the company.
5. The costs incurred with managing a crisis that the company was not prepared for could be far greater than for a company that had a crisis management plan.

The literature and the real life have shown us numerous cases and scenarios where crisis management plans could have saved not only great costs with property damage, lawsuits and image restoration, but could have spared human lives (i.e. Chernobyl, 1986; the nuclear disaster in Japan that followed the earthquake of 2011; etc.).

5.5. Complementary concepts

Our frame of reference and our empirical study have enabled us to find out that communication represents the strongest pillar that holds the company together during the crisis. As Fearn-Banks (1996) and Jin et al. (2010) state, the communication structure should focus in addressing information gaps among the employees during a crisis. For that matter, five of the six respondents prepared a communication structure that was based in providing alternate communication solutions, which enabled them to continue with their operations.

During the three crisis development stages, we could notice that the communication structure and tools gained more importance during the crisis response stage rather than the pre and post-crisis. For example, sensemaking (Seeger et al., 2003) for GACBF and the Logistics Department was not present during the pre-crisis stage resulting in not communicating early signal detections, on the other hand, the SCT Department managed to communicate among their team-members that the protest during the 25th of January, 2011 could affect their operations.

Finally, risk communication, as Covello (1992) in Seeger et al. (2003) shows, was not present during the pre-crisis stage due to the unexpected magnitude of the Egyptian crisis and its impact on GAC. Further on, GACBF, SCT and the Logistics Department managed to offer a communication structure plan as the crisis preceded. Based in Jarret (2009, p. 9) arguments, all of the departments with the exception of one interviewee, managed to carefully choose specific communication channels such as landlines, fax and the support of the international offices, to be able to communicate with their customers. This also supports Seeger et al. (2003) information seeking behavior where each individual will use any of the alternate communication tools to be informed and to inform the relevant stakeholders regarding sales, trades and other relevant information.
Likewise, the communication structure was based in constantly interacting among each team-member within their department, however, the findings show that little to no communication was managed between the departments as it was not considered important for operations to continue.

Finally, during the post-crisis stage, for GAC, communication was seen as a tool to share experiences but only within each department. For that matter, we could observe that dialogue, in the form of knowledge integration, was present (Seeger et al., 2003); though, Fearn-Banks (1996) arguments that organizational learning should be available through communication channels was not present as GAC as a whole, did not manage to organize a general meeting.

The role of media should also be taken into account; we can learn from our case study that media was playing an important role when gathering individuals for the revolution held on the 25th of January, 2011, which also presented early signal detections that a political turmoil was expected to happened in Egypt. For these reasons, Borremans (2010) and Jarret (2009) argue that media should be used as early detection methods, which in turn, it was not taken into account by our interviewees.

From another perspective, media was indeed taken into account by two of the six interviewees, since they were informed about the Egyptian situation; it could also be that individuals who actively participate during a crisis have a stronger focus on taking remedial actions, for example, the SCT Department was constantly contacted by local and international press to obtain information about the ports situation. However, the focus of the latter department aimed at finding solutions rather than informing the media. Therefore, Seeger et al. (2003) argument that media acts as informant for the external stakeholders was not present for the interviewees because they focused in finding remedial actions for their relevant and active stakeholders during the crisis.

Finally, media did not influence the image restoration process as our case study company did not pass through this process. In fact, the GAC employees were appreciated by their customers due to their efforts during the crisis; hence, Borremans (2010) argument that organizations should use media as tools to restore and apologize did not impact our empirical study. It should be noted, however, that the same author’s argument is valid when treating other crises whose management was influenced by the inputs of media.

Another important concept was the degree of autonomy in the decision-making processes. Overall, GACBF, SCT and the Logistics Department related to Seeger et al. (2003, p. 16)
“organization’s strategic response;” the latter concept treats the degree of autonomy with each interviewee’s decision autonomy; even more, our findings show that decision-making was present as opposed to Mitroff et al. (2001) argument that hierarchical structures will affect the decision-making process, by the need of implication of managers, which will, in theory, affect positively the crisis outcomes. To our surprise, the research studies display GAC’s ability to empower each individual; such examples can be seen within the GACBF Department where the interviewees had the autonomy to decide how to handle the trades, while the SCT and the Logistics Department had more dependent links with their managers.

During the crisis response stage, we could clearly see Perrow (1967) in Kouzmin (2008, p. 155) arguments that GAC’s organizational crisis derived from the Egyptian political turmoil was “un-scheduled, un-expected, un-planned, un-pleasant, un-operational, and, often un-imaginable […]” For these matters, the decision-process was based in non-routine decisions as interviewees agreed that their daily routines were affected, as well as their regular communication tools. Finally, within each department, the interviewees “pool their resources and contribute more information” (Seeger et al., 2003, p. 192) seeing that they catalogued team-working as a main support for their decision-processes.

Equally, during the post-crisis, the decision-making processes were entitled to each of the interviewees’ experiences and ability to express them across their team; although each department decided to communicate their own experience, still, respondents agreed that they spoke with other colleagues from different departments just to share their involvements.

During our analysis, we have seen a strong connection with top management support and the decision-making processes. According to the literature (Seeger et al., 2003, Pearson et al., 1998), the role of top management during the crisis development stages, should focus in active involvement, constant support and autonomy for their employees. On the other hand, our empirical studies illustrate mixed opinions as top management was not actively involved, more specifically, during the pre-crisis stage, the lack of official crisis management plans from top management contrasts Seeger et al. (2003) and Pearson et al. (1998) assertions that top management act as policy makers within the contingency plan.

One must understand that we are relating to organizational crisis derived from a political unrest, which in our opinion, should be treated differently than contingency plans where top management has a stronger control and guidance over the possible events of a crisis.
Furthermore, during the crisis response stage, we can observe that Alpaslan et al. (2009) stakeholder’s mode of governance (see 2.3.3 Employee authority in decision making) was present in the GACBF, SCT and the Logistics Department. For example, within the GACBF team, the degree of autonomy enabled the team to make decisions without the need to be pre-approved by top management; further on, we noticed that the SCT and the Logistics Department had a stronger interaction with top management, but the interviewees could feel that their personal well-being was very important for the organization.

Finally, during the post-crisis stage top management was more visible in the fact that they acknowledged the efforts of four of the interviewees. This also supports Alpaslan et al. (2009) stakeholder mode of governance as the relationship between the interviewees and top management support was closely related to the participant’s achievements and efforts.

Last but not least, our analysis has also treats the importance of emotions and how they affect individual choices (Seeger et al., 2003). The empirical findings shared a great amount of emotions ranging from negative to positive attitudes. The importance of the emotions relies on Seeger et al. (2003) assertion that emotions influence the individual’s strategic choices. Indeed, we could observe during the interviews that each of the respondents dealt with a set of mixed emotions, having stronger preferences for negative emotions. For example, during the initial pre-crisis stage, all of the respondents agreed that the emotions had little or no influence during their decisions, as they did not have any sense of anxiety; the lack of anxiety is backed up by the unexpected situations bound to occur in Egypt. Later on, we could notice that individuals acknowledged that they had to face the crisis; when the 25th of January, 2011 revolution arouse, four of the respondents were caught by surprise while the remaining two expressed feelings of anxiety, concern and sadness. Nevertheless, our findings oppose Seeger et al. (2003) arguments where negative emotions could turn into a crisis paralysis.

While it is true that the interviewees acknowledge a strong sense of insecurity and threat to their personal well-being and their families, they managed to continue operations, despite Egypt’s transition into a new government. Still, we cannot assume that our findings treats emotional breakdowns during the crisis and post-crisis as Smith et al. (2006) expresses; the reason to this, relates to the fact that we did not address specific questions related to emotional collapse, rather, our interview questions lead us to see how each interviewee was feeling during each stage whether through their personal opinions, or our physical observations of the interviewee’s behavior and expressions; at the end of the interview, all of the respondents seem to share the same type of positive emotions, more specifically, we
could observe signs of joy, pride and satisfaction, directly related to the narration of the end of the crisis. This also relates to Mitroff et al. (2001) organization recovery and long term employee’s satisfaction and productivity as we could observe during our visits to GAC, all of the employees were greatly satisfied with their efforts; operations were running almost under normal conditions with the exception of some of SCT and the Logistics services; daily office hours returned to normal and the GAC’s reputation was kept according to our interviewees.
6. Conclusions and implications

We started out in an unknown territory, which was represented for us by crises and crisis management as subject. It is very common to hear on the news about giant corporations collapsing for financial, human or technological reasons, natural disasters that could have been avoided had a crisis management plan existed, or a simple foresight of possible risk.

Managing the unexpected has been one of the major topics in our Master program, for the very reason that it poses a heavy problem to academics, business practitioners and most importantly, to all of us as humans. Thus, we have decided to treat this topic in our research paper because of its never-ending validity and recentness.

The purpose of the thesis is offering an illustrative example of the way crises can affect companies, and in return, how companies identify, respond to and manage sudden crises. We believe that by offering this example, we have extended the base of informative studies for any interested parties, which have the potential of raising the awareness of the importance of crisis management for the organizations.

GAC Egypt has provided us with insightful information together with great support for our research. The findings, which were presented in the Analysis and discussions chapter, reveal a model of crisis that has been indeed controlled, without the use of a previous crisis management plan. We have discussed in the Frame of reference that Egypt has been seen as one of the most stable countries in its region, and the events were not foreseen or expected.

For this reason, we would like to refer now to organizations that do operate in countries where political instability is not a new concept: crisis management is a long process that needs updates and restructuring, as well as skilled personnel that has the ability of formulating procedures to be used in turbulent times, but as academic research has shown, crisis management plans do serve companies as important tools in insuring safety for stakeholders and consistency for the organization.

In what concerns recommendations that we, as Graduate Master Students, could offer to the company, we have summarized a simple, yet concise set of suggestions that can benefit the company from our analysis:

1. GAC could consider a general meeting with all the departments to sum up the roles and responsibilities of the department teams, which led to the results we have found in our research;
2. Stronger influence of the top management in the department’s activities, while allowing a sufficient degree of autonomy for individual decision making in times of need;
3. View the recent crisis as an event the company has to learn from and improve;
4. Reinforce the networks with the international offices, which can help the company in times of crisis;
5. Improve communication systems, by employing satellite networks for both mobile and Internet connections;
6. Focus on the negative aspects or weaknesses that might trigger internal crises;
7. Design an official crisis management plan that should be communicated to all the GAC employees and posted in the offices (urgent telephone numbers and contacts, alternative communication plans and so forth).

“*It is literally crisis du jour, or the ‘crisis of the day’. A major crisis can happen anywhere, anytime, to anyone.*”

(Mitroff et al., 2001, p. 21).

We would like to conclude our paper as we started it, saying that in business, thinking positively might not always be the right strategy, rather, we should try to expect the unexpected and prepare.
References

Articles


James, E, & Wooten, L 2005, 'Leadership as (Un)usual: How to Display Competence in Times of Crisis', *Organizational Dynamics*, 34, 2, pp. 141-152, Business Source Premier, EBSCOhost.

Jarret, J 2009, 'Communicating the Plan', *Public Management (00333611)*, 91, 10, pp. 18-21, Business Source Premier, EBSCOhost.


'This is not an Islamic Revolution' 2011, *New Statesman*, 140, 5039, pp. 24-28, Business Source Premier, EBSCOhost.

'Unrest in Egypt Highlights Importance of Crisis Management Plans' 2011, *HR Focus*, 88, 3, pp. 4-6, Business Source Premier, EBSCOhost.


Books


Managing Organizational Crises in the Light of Political Unrest

Internet

About GAC 2011, GAC Group General History Overview, retrieved from:

About GAC 2011a, GAC Group Corporate Profile, retrieved from:

Aljazeera 2011, 'Egypt: A Revolution in 18 Days,' Aljazeera Featured Articles, retrieved from:

Aljazeera 2011a, 'Egypt Businesses Hit by Instability,' Aljazeera Middle East News, retrieved from:

BBC 2011, 'Q&A: Egyptian Protests Against Hosni Mubarak,' BBC Middle East News, retrieved from:


CNN 2011, 'My Take: Egypt’s Christian-Muslim violence threatens its future,' CNN Religion Blogs, retrieved from:

Egypt 2011, GAC Group Egypt Services Overview, retrieved from:

Gulf Agency Company Ltd. 2011, Bloomberg Business Week Company Profiles, retrieved from:


Appendix I Interview Questions

Master Program in Business Administration: Strategy and Management in International Organizations

Linköping University

Managing Organizational Crises in the Light of Political Unrest

The “Gulf Agency Company” Egypt Case
Thank you very much for taking the time to participate in our research. The purpose of the interview is to help us understand how an International Company, more specifically the GAC Egyptian Subsidiary, managed to prepare for, handle and organize the recent political events that took place in January-February, 2011 in Cairo, Egypt.

We look forward to meeting you for the interviews!

We would like to use a taping recorder during the interviews, but please note that all the recorded answers will be treated with confidentiality.

If you have any concerns, further questions or suggestions regarding this interview outline or our research, please do not hesitate to contact us (Jonathan: jonpu715@student.liu.se, 016 081 51 16; Madalina: madcr329@student.liu.se)

Kind regards,

Jonathan Puentes & Madalina Cretu

International Students in the Master Program “Business Administration – Strategy and Management in International Organizations” at Linköping University, Sweden
Interview Questions

1. What is your position in the company? Which are your main responsibilities?
2. For how long have you been working in the Logistics Department?
3. How would you describe the situation that occurred in January-February, 2011 in Egypt?
4. Were there any signals of an imminent situation? Internally (management/ colleagues) or externally (TV, radio, newspapers).
5. Did you catalogue these signals as important or credible?
6. Where you aware of an official crisis management plan? If no, go to question 8.
7. Did you manage to communicate and implement the crisis management plan?
8. Did you manage to outline/draft, together with the team, a pre-crisis/ contingency plan which would enable the department to respond to the events?
9. Which were your priorities when the crisis originated? Please refer to this in relation to the Logistics team, stakeholders, communication, and transactions in progress.
10. If you were not aware of the organization’s crisis management procedures, which were your plans for organizing the operations in the department?
11. Did you perceive any signals of danger/ threat to your personal security? Did these aspects affect the daily operational routines?
12. What was your role during this period? Which were your main tasks and responsibilities?
13. Which specific communication barriers (internal – within the team/external – with clients/suppliers) did you encounter when seeking information regarding your main activities? How did you overcome them?
14. How was the team organized? Was team-working encouraged?
15. To what extent was the upper management involved in the activities of the department?
16. In your opinion, what was the impact that the political situation had on your department’s operations? What was the trade-off in terms of deliveries, reputation, costs?
17. Considering the recent events and the impact they had on the Logistics Department and the organization, do you consider important to create an official crisis management plan?
18. Looking retrospectively, do you consider that the image of the company was harmed?