Chapter 11

Drawing the Technologies of Improving the Methods of Crisis Management Based on a Complex Approach

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ABSTRACT

The purpose of any modern economic politics is to ensure the stability and economic growth. In order to achieve this goal, each economic agent models (builds) an individual economic strategy. The building of the actual economic model is influenced by many factors – political, geographical, national, and cultural. Today, by the notion of crisis, we understand an aggravation of the discrepancies of the social-economic system that threaten its stability. Specialist that deal with problems of crisis management claim that measures must be taken when the financial results of the enterprise become unsatisfactory, when symptoms of an unfavorable situation of the activity of enterprise appear. This chapter presents the economic-organizational analysis of the strategies applied in the anti-crisis management.

INTRODUCTION

The crisis takes part of the economic life of society (Munro, 2014). It represents a moment (a period) of malfunction in economic activity, which requires viable solutions, meant to assure a change or revitalization of damaged systems and processes (Kets de Vries, 2003). The causes of crises are complex, and its solving depends on

the managerial-economic functioning in the system and process (Brown & Harvey, 2006). Although the crises were strictly analyzed, there are not known and mainly there cannot be forecast all the causes that trigger them, and sometimes not even the most essential causes (Burnes, 1997). No human society that has been known so far has developed and develops linearly (Lichtenstein, 2000). The economic life of a society has symmetric, dissymmetric and asymmetric moments, fast evolutions and stagnations, progresses and regresses, normal situations but also abnormalities, crises (Ulrich, 1997).

The external factors characterize the economic situation in which the organization functions and which she cannot depend on (Weiss, 2001). If the economic system is in crisis, it is expanded upon the public organizations, upon each one in a different way (Paton & McCalman, 2008). Everything depends on the type of property of the organization, its types of activity and its economic and professional potential (Harari, 1999). This is why we must have in view that each organization reacts differently at the co-rapport of external and internal factors. Thus, if the crisis appears in the system, a series of organizations disappear, others oppose strongly to the crisis phenomenon, and other find different possibilities to change the action of the external factors in their advantage, even if temporarily, in the chaos of general crises phenomena.

From the point of view of the action upon the organization, the causes of appearance of crisis within it may be classified in internal and external (Chandler, 1994). The external ones are determined by the condition of economy, the state’s activity, the condition of the branch from which the organization takes part, as well as the impact of some natural phenomena.

The problem of crisis appearance in the public organizations must be approached from systemic positions (Bartunek, 1984). Any organization represents an incorruptible system made of elements, parts, components etc. interdependent. Concomitantly the developing of the organization even in the case of quantity increase does not modify the general characteristics of its integrity if, of course its destruction does not take place (Burke & Litwin, 1992).

The system in the process of its cycle of life can be either in a stable or unstable condition. Thus it is delimited the static and dynamic stability (Isabella, 1990).

Thus, in order to recognize the crisis, the symptoms must be tracked down on time, the factors that regard the possible intervention of the crisis situation must be determined, and its causes must be clarified (Latham & Pinder, 2005). Intuition and experience, analysis and diagnosis of the state of things are considered as means of discovering the possibilities of intervention in case of the crisis from the organization (Piderit, 2000). These means must be applied in all the stages of existence of the public organization by the management of public organization,
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