

CRISIS MANAGEMENT AND EMPLOYEES MORAL FOUNDATIONS (CASE OF SERBIA)

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Abstract: *The paper presents an investigation into the morality of the employees of the Ministry of the Interior of the Republic of Serbia and their behavior in crisis situations. The investigation was conducted on a sample of 150 employees. Morality was operationally defined by the Moral Foundations Questionnaire (MFQ). Crisis management was operationally defined by TASS:O Questionnaire. The obtained results show that the moral dimensions of fairness and sanctity positively affect the behavior of the employees in crisis situations.*

Key words: *moral, crisis management, MFQ, TASS:O*



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This Publication has to be referred as: Pecujlija, M[laden] & Cosic, I[lija] (2018). Crisis Management and Employees Moral Foundations (Case of Serbia), Chapter 04 in DAAAM International Scientific Book 2018, pp.041-050, B. Katalinic (Ed.), Published by DAAAM International, ISBN 978-3-902734-19-8, ISSN 1726-9687, Vienna, Austria

DOI: 10.2507/daaam.scibook.2018.04

1. Introduction

The concept and the role of crisis management and civil protection in Serbia have evolved by shifting the emphasis from civil defense during the war in 1999 to a large number of various threats. Despite political and economic difficulties, Serbia proved to be quite efficient in dealing with challenges the country faced. The Ministry of the Interior renamed its Directorate for Fire Protection into Protection and Rescue Sector in order to reflect its broadened mandate for coordination and response to all kinds of disasters including fire, floods and spills of toxic substances. Protection and Rescue Sector replaced the Directorate for Fire Protection within the Ministry of the Interior in 2002.

Out of the total number of 3000 employees of the sector, 150 of the employees are prevention inspectors, whereas the others are firefighters. Just like the police force, this sector is an independent branch within the Ministry of the Interior. In 2006 the Ministry of the Interior introduced a bill by which the overall responsibility for domestic crises would be located in this ministry. A typical role of the police in crises is to ensure safety locally. During the 1990s, the police were responsible for registration of refugees and internally displaced persons. The police force also has its rescue teams which can be mobilized in crisis situations. Gendarmerie is a special police unit which is additionally equipped and trained so it can be used in hostage crises, antiterrorism, more serious violations of public order etc.

2. Literature review and research questions

Crisis management is a set of functions (processes) whose aim is to identify, examine and predict possible crisis situations and to find ways which will enable an organization to prevent a crisis or successfully deal with one and overcome it with minimal consequences, and to return to its normal state as quickly as possible. Crisis management is mostly applied in the state of organizational chaos, under the pressure of numerous media in stressful circumstances, and in the absence of precise information. The basic and mutually connected phases of crisis management are prevention, preparation, response and recovery. The end of a crisis should be followed by learning from the past event.

Crisis managers should stick to the important principles of crisis management, deal with difficulties which occur during the process and adjust the available tools of crisis management to the specifics of particular crises. Organizationally, building a team for crisis management is extremely important so that the team would be as efficient as possible with the necessary adherence to the most significant ethical principles. In previous decades, numerous authors conducted conceptual and empirical investigations into the topic of big organizational crises [13]; [17]; [20]; [22];[23]. Clearly, as with all new fields of research, these studies lacked integration (consolidation) [23]. The lack of integrated knowledge was much due to the interdisciplinary nature of crisis [23]. It is specific that crises are phenomena in which psychological, socio-political and technologically-structural issues seem to be important forces which create and manage them [22].

As crisis studies involve various disciplines, researchers believe that crises have to be studied and managed using a systematic approach [19]. Certain scientists openly take the multidisciplinary approach in their studies ([3]; [17]; [24]; [25]). Some other scientists, however, analyse the causes, the consequences and crisis management from the aspect of one discipline [23]. The result is the effect of the “Tower of Babel” where “there are many different disciplinary voices which speak about different topics and to a different audience in different languages” [23] about the same thing- crisis. The lack of an integrated approach resulted in leaving crisis research on the periphery of the management theory ([14]; [19]; [22], [23]).

Dealing with crisis is nowadays one of the major priorities of policy makers, civil servants and executives in companies. Scientists and crisis researchers agree there is much to be done to be able to accept future challenges in crisis management ([18]; [1]). In this context, the constant absence of an adequate typology of crises and accidents is particularly painful [18]. The main focus of typology is to identify crises which have common characteristics, especially those characteristics concerning proactive or reactive measures that should be taken in order to avoid a crisis or to confront one. Predictability of a crisis is one of its most important characteristics which enables proactive planning when needed.

Almost every time when a dramatic crisis occurs, there are public debates about whether the crisis could have been predicted. Barry Turner [26] was the first to introduce the concept of predictability into the scientific arena. His book *Man-Made Disasters* puts crises into the context of bad management and mistakes during the incubation period, which means that accidents or at least big incidents can be predicted in a way which is not abstract [26]. As Gephart pointed out, some information can be completely understood only after the event has happened, in which case, the idea of a defined period of incubation does not correspond to reality [5]. Bearing in mind the fact that any definition of predictability is not fully complete, it can be said: *A crisis is predictable if the place, the time and especially the way of its occurrence are familiar to at least one third of competent persons/parties involved, and the possibility of its occurrence must not be neglected.*

Apart from predictability, the possibility to be acted on is another functional identifying characteristic of a crisis. Only in cases of crises and accidents which can be directly affected, can emergency managers put the situation back to normal by their reactive response within a reasonable time frame, or at best predict the event and prevent it. An accident or crisis can be acted upon if responses which put it under control or which reduce its damage by confronting the causes of the crisis are known and feasible.

According to Gephart [5], some researchers advocate the perspective that crises are recurrent and that they cannot be prevented [20], whereas the others focus on identifying ways of managing or preventing organizational crises ([18]; [19]; [22]). Although criteria for the assessment of the efficiency of crisis management have been proposed by researchers [16], it is hard to distinguish between efficient and inefficient crisis management in practice. What follows from this is: *Crisis management is a systematic attempt by members of an organization and external stakeholders to prevent a crisis or to efficiently manage a crisis when it occurs.*

The efficiency of crisis management is evident if a potential crisis is prevented or when crucial stakeholders believe a successful outcome of short-term and long-term consequences of a crisis is stronger than an unsuccessful outcome. The degree of readiness for a crisis can be classified into five levels where the first level represents the lowest degree of readiness, and the fifth level represents the highest degree of readiness. Based on the way of preparing for a crisis, crisis management can be divided into active crisis management and reactive crisis management. Active crisis management refers to activities which are aimed at preventing the possibility of a crisis event.

It is offensive in character, directed against a potential and latent crisis of a company. It is divided into anticipatory crisis management and preventive crisis management. The aim of anticipatory crisis management is taking countermeasures against a potential crisis which might affect a company in the future, if it occurs in the first place. The main countermeasure is alternative or contingency planning to gain time in case of a sudden outbreak of crisis. The aim of preventive crisis management is taking measures for timely identification of a latent, already existing crisis. Timely identification is enabled by the early warning system. Based on the obtained information, it is possible to plan, implement and control measures aimed at avoiding or preventing a latent crisis.

Reactive crisis management consists of activities aimed at combating the acute crisis or mitigating its destructive effect. Reactive crisis management is defensive in character. It is divided into repulsive crisis management and liquidity crisis management. Repulsive crisis management is the best known form of crisis management with the aim of taking measures for repulsion and overcoming the already existing acute crisis – it ensures the survival of a company. The most important countermeasures here are planning, realization and control of remedial measures. Liquidity crisis management refers to taking measures for planned liquidation of companies which are hit by an acute crisis of such intensity that there is no chance for further survival in the medium or in the long run.

2.1 Moral foundations theory by Haidt

This theory [11] is based on five elements, called five moral foundations by the authors: care/harm, fairness/reciprocity, ingroup/loyalty, authority/respect and sanctity/purity. They believe that the five moral foundations are the foundation of unique morality in every community worldwide. Haidt [7] believe these five dimensions are the foundation of every community. They are present in every individual and they create human virtues. According to Haidt [9], the theory is based on the claim that certain groups of people are capable of constructing moral virtues, meanings and institutions, relying in different degrees on five innate moral values. Haidt [8] believes that morality is an innate characteristic with little variation across cultures. Haidt [8] also reports that moral values are present in every individual, being the basic values of human civilisation.

Based on this, Haidt [9] redefined the definition of morality, describing morality as: "an intertwined set of virtues, values, norms, practices, identities, institutions, technologies and evolved psychological mechanisms all working together to sublimate or regulate selfishness and make social life possible."

Such functional approach is believed to give new strength to psychology and a chance to move from the state of parochialism and to create surroundings of moral pluralism which leaves room for the existence of a number, and in some societies sometimes irreconcilable, moral norms [9].

This paper deals with the relationship between the morality of the employees of the Ministry of the Interior, operationally defined by Haidt et al. [11] on the one hand, and crisis management among the employees on the other. The Ministry of the Interior, like any other company, accomplishes its mission defined by its purpose, a strategy of actions, driving forces which spur the employees into action and by standards of behaviour in the surroundings (including crisis management, too). The conditions under which the Ministry accomplishes its mission are complex, unstable and uncertain. This requires an active role of management which has the knowledge, the desire and the power to manage the functioning and the development of the Ministry. The management of the Ministry of the Interior is supposed to accomplish the mission and the goals that were set by its founder - to achieve an optimum return on investment, and to make efficient use of human resources, technological equipment and money. At the moment, there are two competitive concepts concerning the future organization of crisis management in Serbia.

The Ministry of the Interior advocates the idea that that the field of crisis management should be legally defined as the jurisdiction of this ministry. They support the idea with a number of practical reasons (well-equipped and trained Protection and Rescue Sector, etc.) On the other hand, the Ministry of Defence believes that they have the right to the field of crisis management and has therefore established a Directorate for Emergency Situations. For these reasons, we asked the following research questions:

1. *What are the moral characteristics of the employees of the Ministry of the Interior of the Republic of Serbia working in the sector of crisis situations?*
2. *How do they react to crisis situations?*
3. *Do their moral characteristics influence their behaviour in crisis situations?*

3. Research procedure

The first part of the investigation [21] involved completing the MFQ questionnaire. Out of 343 online questionnaires sent to the email addresses of the employees, 159 responses were received (response rate=44.83%). The second part of the investigation involved sending a crisis scenario to the email addresses of the respondents from the first round and asking them to fill in the TAS:O questionnaire. In the second round, 153 responses were received. Three were eliminated from the investigation so the final sample consisted of 150 responses.

4. Research procedure

4.1 TAS:O Questionnaire

Myer and his colleagues [18] claim that the reaction of an individual to a crisis is mainly affective, behavioral and cognitive or is a combination of the three [18]. Since organizations are made up of individuals, it is realistic to assume that organizations as wholes react in similar ways [2]. Assuming that a parallel can be drawn between individual and organizational reactions to a crisis, Myer and his colleagues [18] developed the TAS:O questionnaire in order to assess the perceptions of individuals about affective, behavioral and cognitive reactions of an organization to a crisis [2]. TAS:O was specifically designed in order to sample the perceptions of people about how their organization reacts to a crisis [18].

The instrument was created from a rationally-theoretical approach [15] which assigns a value to presented statements by entering constructs which are part of organizational response to a crisis [18]. The statements in TASS:O were evaluated using qualitative criteria for writing statements [2]: statements are written in the present tense; statements with double names, ambiguous statements, statements which are irrelevant to organizational crises, statements which are longer than twenty words, as well as words such as ‘never’, ‘all’, ‘always’, and ‘none’ (frequent determiners) are avoided (in our investigation Cronbach’s Alpha= 0.884). The TAS:O questionnaire consists of 27 statements and uses a five-point Likert scale.

4.2 Moral foundations questionnaire (MFQ-30)

The moral foundations questionnaire (MFQ) was created by Graham, Haidt and Nosek [6]. The questionnaire measures the attitude of an individual to the five moral foundations. The MFQ measures in what degree the five moral foundations (Care/harm, Fairness/Reciprocity, Ingroup/Loyalty, Authority/Respect, Sanctity/Purity) are present in every individual and which of these is the most dominant one in their behaviour (in our investigation Cronbach’s Alpha=0.914.)

5. Results and discussion

After the analysis of the MFQ scale, a Table 1 was created showing that the respondents best evaluate the dimension of INGROUP/LOYALTY (18.12) in their organization, whereas they are the weakest in evaluating the concept of CARE/HARM (12.29).

Variable	Mean	Number	SD
INGROUP/LOYALTY	18.12	150	4.769
CARE/HARM	12.29	150	3.838
AUTHORITY/RESPECT	13.15	150	3.757
SANCTITY/PURITY	16.05	150	4.466
FAIRNESS/RECIPROCITY	16.16	150	4.744
Affective component	26.02	150	4.230
Behavioral component	24.26	150	4.741
Cognitive component	24.18	150	4.739

Tab. 1. Descriptive statistics

When analysing how organizations react in a crisis, according to the results of the TAS:O questionnaire, the affective component is the most dominant one (26.02), whereas the least dominant component is the cognitive component. These points to the fact that in crisis situations respondents tend to react more on the affective level rather than on the cognitive level, which reduces their capacity to react.

In this investigation, the variable on the nominal level is the position of the respondents in the Ministry of the Interior. This variable is relevant to the description of the sample. The Table 2 shows that this variable affects neither the independent nor the dependent variables in the investigation which confirms that the sampling was done properly and that the sample of the respondents is balanced when talking about the relationship between nominal variables and interval variables.

Source	Variables	Sum of squares	df	Mean square	F	Significance
Position	INGROUP/LOYALTY	1.555	1	1.555	.068	.794
	CARE/HARM	12.418	1	12.418	.850	.357
	AUTHORITY/RESPECT	30.634	1	30.634	2.176	.140
	SANCTITY/PURITY	66.751	1	66.751	3.373	.067
	FAIRNESS/RECIPROCITY	37.968	1	37.968	1.693	.194
	Affective component	6.391	1	6.391	.359	.549
	Behavioral component	9.763	1	9.763	.434	.510
	Cognitive component	17.505	1	17.505	.780	.377

Tab. 2. The effect of nominal variables on independent and dependent variables

5.1 SEM Analysis

For the purpose of confirming or rejecting the hypotheses of the investigation, the obtained results were analysed using SEM. The basic parameters of the SEM analysis show that the proposed model is statistically significant and that all the relevant parameters which indicate the significance of the analysis are within the boundaries which make the model acceptable. The Table 3 gives a list of the parameters.

Parameter	Value	Significance
Average path coefficient (APC)	0.273	<0.001
Average R-squared (ARS)	0.203	<0.001
Average adjusted R-squared (AARS)	0.201	<0.001
Average block VIF (AVIF)	1.091	Acceptable if ≤ 5 , Ideal if ≤ 3.3
Average full collinearity VIF (AFVIF)	2.443	Acceptable if ≤ 5 , Ideal if ≤ 3.3
Tenenhaus GoF (GoF)	0.429	low ≥ 0.1 , medium ≥ 0.25 , high ≥ 0.36

Sympson's paradox ratio (SPR)	1.000	Acceptable if ≥ 0.7 , ideal = 1
R-squared contribution ratio (RSCR)	1.000	Acceptable if ≥ 0.9 , ideal = 1
Statistical suppression ratio (SSR)	1.000	Acceptable if ≥ 0.7
(NLBCDR)	1.000	Acceptable if ≥ 0.7

Tab. 3. Basic parameters of SEM analysis

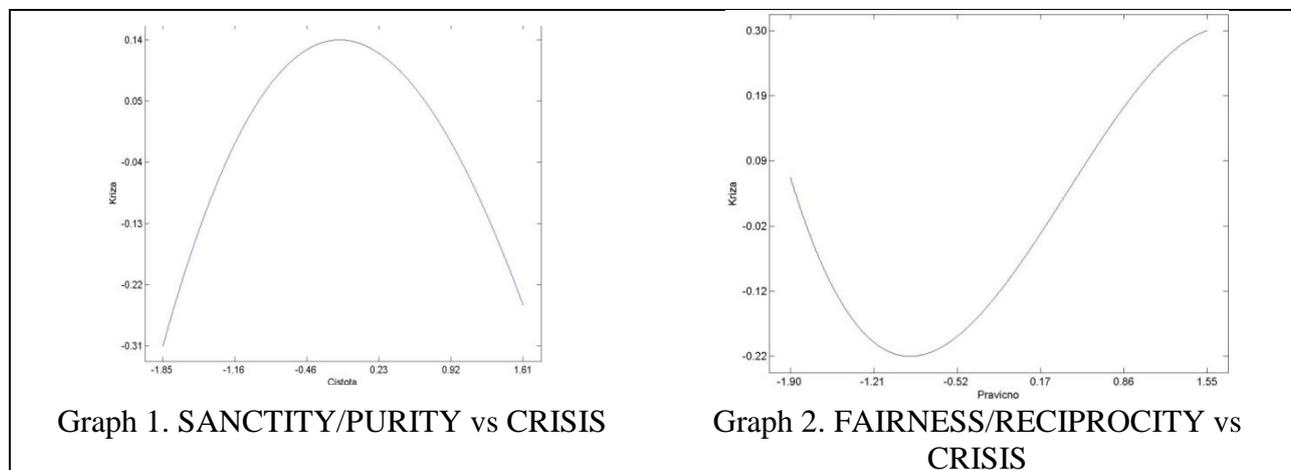
The Table 4 (path coefficients, p values and effect sizes) unambiguously shows that the relationship between our independent variable (moral foundations) and the dependent variable (crisis management) is significant and that the correlation is positive: an increase in the value of the independent variable correlates with the increase in the value of the dependent variable.

dependent independent	CRISIS Care	CRISIS Ingroup	CRISIS Sanctity	CRISIS Fairness	CRISIS Authority
Path coeff	0.016	-0.077	-0.146	0.184	0.077
P values	0.423	0.169	0.033	0.010	0.170
Effect sizes	0.010	0.007	0.026	0.040	0.010

Tab. 4. SEM analysis results for Crisis vs moral foundations

The results of the SEM analysis show that the dimensions which significantly affect crisis management with our respondents are the moral dimensions of SANCTITY/PURITY (p 0.03) and FAIRNESS/RECIPROCITY (p 0.01).

The positive coefficient points to the following: the more fairness and sanctity are present in our respondents, the more efficient and effective their behaviour in crisis situations. This is not a linear relationship and the following graphs represent that relationship.



It can be seen in the Graph 1 that the respondents show the highest degree of moral sanctity in high-intensity crises, whereas this dimension does not play a critical role in low-intensity crises. The second graph shows that our respondents rarely rely on fairness in low-intensity crises, whereas this moral dimension has a major role in their behaviour in high-intensity crises.

6. Conclusion

According to the obtained results, it can be concluded that the respondents above all react affectively in crisis situations. The respondents have an attitude of subjective morality in crisis situations, since flexibility dimensions of an organization (active participation and learning) are not part of the structural model for increasing the efficacy and efficiency of crisis management. Reaction to crisis and the crisis management itself in the organization which was the subject of the investigation are REACTIVE in nature. There is a growing need for ANTICIPATORY approach to crisis management and for strengthening the will and cognitive component among the employees with the aim of strengthening the reactivity of companies, as well as the efficacy and efficiency of repulsive crisis management. The fact that fairness and sanctity of the respondents increase with the increase in crisis intensity is a ground for optimism.

7. References

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