

# **ORGANIZATIONAL RESILIENCE MANAGEMENT IN THE FACE OF A CRISIS: RESULTS OF A SURVEY OF SOCIAL SERVICE INSTITUTIONS BEFORE AND DURING A COVID-19 PANDEMIC**

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## **Abstract.**

The article analyzes the problematic situation of organizational resilience in the face of a pandemic, reveals the importance of managerial solutions for positive changes in the organization. It identifies the key challenges facing the organization during a pandemic and identifies key actions to overcome the challenges and survive the COVID-19 emergency. Organizational resilience factors are compared in order of importance, determined in 2020. The onset of the first wave of the pandemic, and 2021 - during the second wave of the pandemic.

**Purpose** – The aim of the article is to reveal the problems that arise in the management of the organization during the emergency, to present possible actions and managerial solutions to overcome those problems and to identify the most important factors of organizational resilience.

**Design/methodology/approach** – a quantitative study of empirical data was performed. Research method - questionnaire survey and descriptive statistical analysis. The results of the study are summarized in the tables.

**Findings** – The analysis of the scientific literature revealed the consequences of the COVID-19 pandemic and the significance of management solutions for organizational resilience. The study identified the main problems that arise in the management of the organization during the emergency, the actions to solve those problems and revealed the most important factors of organizational resilience in the organization during the emergency.

**Research limitations/implications** – the survey was conducted by distributing the questionnaire Apklausa.lt. system. The link of the questionnaire was sent to 120 addressees - by e-mails of the institutions indicated on the Internet, 63 completed questionnaires were returned. Because of this limitation, the insights of the study can only be seen as general trends.

**Practical implications** – the results of this study can be useful for managers of organizations in making managerial decisions to recover from the difficulties caused by a pandemic, to continue operations and to strengthen organizational resilience.

**Originality/Value** – comparing 2020 and 2021. research results, the author of the article identified the most important factors of organizational resilience during the COVID-19 pandemic. The actions identified in the study to help overcome difficulties during a pandemic will help organizations to stay afloat and strengthen organizational resilience.

**Keywords:** organizational resilience, pandemic, management solutions.

**Research type:** research paper.

**JEL classification:** L2, Y1, I1, H7.

## **Introduction**

With the global COVID-19 pandemic, organizations are facing many challenges. Management solutions become a particularly important for sustainability of organization. The organizations are forced to manage working activities during the pandemic so that the organizations won't fail but

overcome difficulties. By strengthening their resilience, organizations can prepare to better respond and adapt to changes in their environment, to continue performing in inappropriate circumstances and to survive in the long run. With this relevance, the research aims to identify the main problems that arise in the management of the organization during the current emergency and to reveal the main factors for strengthening organizational resilience.

The article compares the organizational resilience factors by importance in the beginning of the pandemic in 2020 and after the entry into force of the second wave of the pandemic in the 2021. On the base of the research, the main problems of organization management during the pandemic are investigated and management decisions that could help to overcome the challenges and survive the pandemic circumstances are identified.

The survey in the population of social services organizations was used to collect empirical data, and descriptive statistical analysis was performed to investigate the survey results.

The first section of the article analyses the organizational resilience in the face of a pandemic and discuss possibilities of overcoming the crisis. The second section reveals managers' role in making organizational changes, describes the importance of managerial solutions in a crisis and disclose opportunities to overcome difficulties in an organization. The third and fourth sections describe the research methodology and present the research results. The research results are summarized in conclusions.

## **1. Organizational resilience in the face of a pandemic**

The COVID-19 pandemic, which brought many changes, affected areas of public life and the activities of organizations. In surviving a pandemic, the main difficulties have had different short- and long-term effects on organizational resilience, and major disruptions are likely to leave a permanent mark on the organization (Foss, 2021). In the current situation of the COVID-19 pandemic, an organizational crisis is becoming inevitable. To overcome the difficulties, special efforts must be made to prepare for the fight against the pandemic and turn the difficulties caused by the pandemic into opportunities (Channa et al., 2019) and the ability of organizations to respond to external threats such as COVID-19 is related to the concept of resilience. Thus, when disruptions occur, organizations need to develop the ability to anticipate difficulties, adapt to adversity, and recover by creating new opportunities for organizational resilience. Organizational resilience is defined as the ability of an organization to return to normal conditions after a crisis (Morales et al., 2019). The authors argue that organizational resilience provides an organization with the ability to overcome emergencies and crises, adapt to unforeseen situations, and maintain its core functionality. Therefore, an organization's ability to respond to various disruptions depends on the

organization's goals and level of maturity in a crisis, and to become resilient, it must be able to absorb the effects of the crisis and adapt to the current situation to survive, continue and strengthen organizational resilience. According to Hillmann and Guenther (2021), with the onset of the crisis caused by the pandemic, resilient organizations had already decided on priorities and knew how to organize and continue operations and maintain their capabilities. This allowed them to make a smooth transition to alternative ways of working, such as teleworking. To be successful and resilient, organizations seek to develop organizational resilience, which Duchek (2020) defines as the ability to anticipate potential threats, deal effectively with unexpected events, and learn from these events to create a dynamic opportunity for successful organizational change. Overall, three stages of resistance to crisis are defined in a current literature: 1) before the event - the foresight phase includes the ability to monitor internal and external developments, identify potential threats and, as far as possible, prepare for unexpected situations and events. At this stage, the ability to identify the signs of a crisis quickly and respond to them effectively; 2) during the event - overcoming phase, at this stage, organizations must also be able to deal effectively with unexpected situations. Overcoming usually involves developing and implementing solutions; 3) after the event - the adaptation phase, which includes adaptation after an adverse event, restores organizational functions, and focuses on creating new opportunities (Duchek, 2020; Duchek et al., 2020; Salehi and Veitch, 2020; Sanchis et al., 2020). Also, according to Bailey and Breslin (2021), three factors that help strengthen resilience to external uncertainties caused by a pandemic, are of high importance: 1) adaptation - adaptive business models developed by an organization that allow for rapid innovation; 2) resilience to pandemic challenges - the ability to strengthen and maintain its value during and after a pandemic; 3) unity of employees - employees adapt to new ways of working, interpersonal relationships change.

Comparing the stages and factors of resistance provided by the researchers, we see that they refer to the same actions, only to describe them in other words. Meanwhile, Gečienė (2019) found that the most important groups of organizational resilience factors are nine: structural - organizational; human resources; leadership; communication - cooperation; economic; social; legal; groups of political and environmental factors. The model of organizational resilience assessment factors developed by the above-mentioned author enables organizations to overcome adverse events in significantly unfavourable circumstances and helps to continue to function effectively and achieve positive results in emergency situations.

Although resilient organizations have progressively anticipated hardships, used resilience factors to overcome hardships, and have overcome and survived, Foss (2021) notes that the COVID-19 pandemic will have many and complex consequences for organizations even with a relatively rapid return to pre-pandemic, normal working conditions. A pandemic is likely to lead to

teleworking, smaller teams, more formalization, and more planning. Some of these changes increase operational efficiency, and some may reduce, in any case whether the effect is positive or negative it remains visible. He and Harris (2020) noted that a pandemic may last for a long time globally and its effects are likely to be long-lasting, but it will end, but change is likely to be overcome by some internal and some external changes in the organization's goals (He and Harris 2020). It is important for organizations to view challenges as opportunities to harden, as resilient organizations accept challenges as learning opportunities and capacity building, further strengthening organizational resilience (Sanchis et al., 2020). Bailey and Breslin (2021) argue that organizations should clearly define responsibilities for each aspect of ongoing operations, establish temporary emergency relief, and establish long-term recovery procedures.

To sum up, the COVID-19 pandemic will leave traces on the activities of organizations. And in order to adapt to ever-increasing changes caused by sudden disruptions, in order to survive, stay afloat, and be prosperous and resilient, organizations need to be able to anticipate, prepare for, and respond dynamically to a crisis.

## **2. The significance of management decisions for positive change**

The difficulties posed by the pandemic not only highlighted the most sensitive operational problems of organizations, but also required competent management decisions to ensure business continuity. The rapidly changing situation, which required quick reaction and decision-making, showed how much a strong position of a leader can lead to these processes. Gečienė (2020) found that the challenges of organizational management are determined by: accelerating external changes; increasing uncertainty; shortening operating cycles; the growing need for rapid solutions; the growing need for learning and innovation; the growing need for interoperability; rapidly aging knowledge; increasing risk of competence traps; increasing importance of time (Gečienė, 2020). Although crisis management is widely discussed, it appears that in some organizations, the crisis caused by this pandemic was poorly managed and crisis management capabilities were insufficient (Bailey and Breslin, 2021). The speed and scale of the pandemic crisis poses extraordinary challenges for organizational leaders and the problem of managing organizational change is becoming one of the important research objects in the management knowledge space. The most important challenge for business leaders during a pandemic is management changes and unforeseen, crisis situations.

Seilius and Šimanskienė (2006) noted that organizations led by managers who understand the importance of innovations and changes in management science will promote and implement the latest organizational changes, remain competitive and ensure long-term survival (Seilius and Šimanskienė, 2006) In times of difficulty, the success, survival, and longevity of organizations

depend on the choice and development of a leader, so it is clear that having a leader who can overcome great difficulties is an achievement for organizations of any size (Kerrissey and Edmondson, 2020). It is important how managers respond to disruptions and challenges to bring about positive change in the organization.

Kerrissey and Edmondson (2020) propose the following actions for effective leadership,:

1) act urgently - it is dangerous to waste vital time in a crisis, especially in a pandemic situation;

2) communicate transparently - a transparent, honest and accurate description of reality, open communication with people is a vital antidote to a crisis situation. Communication must have a hopeful vision of the future to which people can direct their energy;

3) Responding productively to mistakes - the problem of a pandemic will inevitably lead to wrong steps and unexpected challenges no matter how well the leader behaves. The leader must not look back or blame for making mistakes, a strong leader must remain focused on the goal and look ahead to further address other important and relevant issues for strengthening the organization;

4) keep up-to-date - the misconception about good leadership is that the leader must be constant, although permanence is needed these days, but given the pandemic situation and rapid evolution, the leader must constantly update his understanding of previous probabilities by quickly learning and absorbing new information.

To successfully apply the above mentioned actions, the manager must be competent - the managers themselves, face to face with the new reality, have noticed that they need to learn new skills and competencies. The success of leadership depends on the competence of managers, the interaction of managers and members of the organization, reciprocity and feedback, common goal and a sense of mission (Gečienė and Raišienė, 2019). Leaders of organizations operating in a turbulent pandemic environment have a great responsibility not only to learn for themselves, but to embed learning throughout the organization so that they can adapt and recover more quickly and continue to operate successfully. Organizational learning, promoted by inspiring leadership, contributes greatly to organizational development in resilience, growth, and effective work during a pandemic (Basil John Thomas, 2020). In the fight against the COVID-19 pandemic, efforts must be focused on involving members of the organization in solving complex organizational problems (Wilson, 2020). The importance of involving members of the organization in crisis management is also highlighted by Thielsch et al. (2021), emphasizing that teamwork can provide specific resources to address problems and pandemic challenges.

Although optimal information exchange within a team is not guaranteed and may interfere with team dynamics (Wilson, 2020), a manager seeking to prevent crisis situations by joining a team has the advantage of potentially diverse experiences and perspectives, and team

communication provides more information (Thielsch et al., 2021). The importance of change in organizations led by managers who know the innovations of management science and who implement the latest organizational changes, remain competitive and ensure the long-term survival of the organization (Gečienė, 2020).

Summing up, managing an organization in a pandemic environment is a complex process. Organizational management can be successful and effective if the organization's activities during a pandemic are coordinated by competent organizational leaders who make smart management decisions that can bring together a team and create positive change.

### **3. Research methodology**

The aim of the study is to identify the main problems that arise in managing an organization during an emergency and to reveal the main factors for strengthening organizational resilience. With the onset of the first wave of the pandemic on April 2020 Gečienė (2020) conducted a quantitative study to identify the most important factors of organizational resilience. Continuing the study and comparing the first 2020 (spring) pandemic waves and the second in 2021 the importance of the factors influencing the activities of the institutions of the (autumn) pandemic wave and to determine which actions help to strengthen the organizational resilience in the emergency situation - in 2021 February a quantitative study of empirical data is performed. Research method - questionnaire survey and descriptive statistical analysis. The research was carried out by distributing the questionnaire in the survey system Apklausa.lt. The link of survey was sent to 120 social service organizations. The contacts of potential respondents, in particular the heads of the organizations, were collected from their official websites of the organizations. 63 completed questionnaires were returned. The SPSS data processing program is used to calculate the results. Because of this limitation, the insights of the study can only be seen as general trends.

### **4. Research results and findings**

In order to identify key management challenges and problems faced by managers in managing an organization in an emergency, respondents were asked in an open-ended question to list the main problems they face in their organization during the COVID-19 pandemic and what actions they thought would help organizations overcome those challenges. Most of the problems and the actions planned to overcome them in 2020 and 2021 in the studies overlapped (Table 1).

**Table 1. Organizational problems and possible solutions in 2020/2021**

<b>The main problems that arise in managing an organization during an emergency</b>	<b>Key actions to help organizations survive an emergency</b>
The state is not ready to manage the state of emergency in the country, therefore worries and disruptions arise not only due to objective circumstances but also due to the unpreparedness of state institutions	Sufficient organizational potential to overcome unforeseen changes, effective business continuity processes and risk management
Insufficient preparation of the legal basis, i.e. legislation adapted to work in normal circumstances	An adequate legal basis regulating the activities of the organization is ensured
Insufficient preparation of the organization itself to work in an emergency situation in the country, unplanned actions and measures	Human resource management, promoting maximum productivity and concentration of employees. Information on the prevention of malfunctions and the development of new skills to adapt to changing conditions is provided periodically
Interference with information and telecommunications technologies	Adaptive innovations, introduction of new technologies, application of innovations, striving to be innovative and proactive in one's field
Insufficient organizational flexibility and ability to work effectively remotely	Flexibility of the organization to adapt and maintain balance in business and problem solving
Excessive sense of insecurity, excessive burden of responsibility on the manager in an unexpectedly changed emergency environment	Use of social capital, strengthening the inspiring organizational culture, promoting social relations and communication networks, benevolent cooperation, trust in the team
Increased need for psychological help (fear, emotional stress, ignorance)	The organisation's ability to manage the consequences of adverse events and to take remedial action in a manner that minimizes shock
Financial instability (particularly high expenditure on personal protective equipment)	Efficiency - the ability of an organization to achieve priorities and goals in a timely manner, limit losses and prevent the consequences of emergencies

Source: (author, 2020, 2021)

Although most of the 2020/2021 The indicators of the research results coincided - in 2021, at the end of the second wave of the pandemic, the results of the survey show that the respondents face new problems and plan actions to overcome those problems (Table 2).

**Table 2. Organizational problems and possible solutions in 2021**

<b>The main problems that arise in managing an organization during an emergency</b>	<b>Key actions to help organizations survive an emergency</b>
Lack of human resources	Increasing the number of employees, motivating them and implementing the latest information technologies. Reception of volunteers
Increased workload	Preparation of a reserve list of specialists who could replace temporarily incapacitated specialists of the institution. Clear strategy and model for how to organize activities

Table 2 continues on the next page

<b>The main problems that arise in managing an organization during an emergency</b>	<b>Key actions to help organizations survive an emergency</b>
Lack of infrastructure solutions (adaptation of premises to work during an emergency)	Ability to adapt to the conditions and needs of an emergency situation, making common decisions in the organization
Communication challenges - lack of direct communication, distance meetings began to be tiring	Providing information in a way that employees can understand. Constant internal and external communication
Lack of competencies	Periodic dissemination of science-based knowledge among employees, periodic testing of acquired knowledge and skills, development and dissemination of action algorithms

Source: composed by author.

Comparing the results of both studies, we can see that most of the main problems in managing the organization during the pandemic remained unchanged - according to the study, the state and the organizations themselves are not fully prepared to manage the emergency, and the legal framework is insufficient. The difficulties are caused by the disruption of information technology and the challenge of working remotely. Increased need for psychological help in organizations. The problematic situation is also exacerbated by financial instability. 2021 respondents identify additional issues that did not emerge in 2020. According to the study, the end of the second wave of the pandemic highlighted the lack of human resources and increased workload. Respondents note that there is a lack of space to work during a pandemic, which requires the adaptation of management solutions to infrastructure solutions. The results of the study reveal that organizations face communication challenges, tired of remote communication. During the pandemic, the lack of competencies in overcoming the challenges of the emergency was also highlighted.

It can be assumed that many of the management problems remained unchanged during the first and second pandemics, but the onset of COVID-19 corona virus disease also created additional problems in managing the organization during the emergency.

In order to identify which organizational resilience factors are most important in an organization's emergency response, respondents were asked to rank organizational resilience factors in order of importance from first to eleventh, with first place being the most important, eleventh place being the least important factor. The results of the study were calculated using the RII (Relative Importance Index), a statistical method used to rank various factors. To determine the relative importance of the factors, the scores are transformed into a relative importance index according to the following formula:

$$RII = \sum W / A * N (0 \leq RII \leq 1)$$



W- the participant gave a rating of 1 to 11 for each factor;

A - the highest rating;

N - number of survey participants.

Both studies are from 2020 and 2021, and analysis of research results is presented in Tables no. 3 and no. 4

**Table 3. Organizational resilience factors by importance in 2020**

<b>Organizational resilience factors</b>	<b>RII</b>	<b>Place</b>
Technological development and knowledge development	0,600	1
Innovation and proactivity	0,535	2
Improving knowledge and competencies	0,514	3
Performance optimization and continuous improvement	0,492	4
Standardized risk management procedures	0,474	5
Empowering leadership	0,468	6
Strategic planning	0,394	7
Human resource management	0,388	8
Business continuity process management	0,385	9
Cooperation	0,380	10
Financial stability	0,306	11

Source: (author, 2020)

**Table 4. Organizational resilience factors by importance in 2021**

<b>Organizational resilience factors</b>	<b>RII</b>	<b>Place</b>
Improving knowledge and competencies	1,150	1
Innovation and proactivity	1,044	2
Technological development and knowledge development	0,701	3
Performance optimization and continuous improvement	0,582	4
Empowering leadership	0,572	5
Strategic planning	0,567	6
Business continuity process management	0,496	7
Standardized risk management procedures	0,471	8
Financial stability	0,408	9
Human resource management	0,395	10
Cooperation	0,088	11

Source: (author, 2021)

Comparing the results of both studies, we can see that the factors in the 2nd and 4th place - "Innovation and proactivity" and "Performance optimization and continuous improvement" remained in the same places. "Knowledge and competences" are currently identified as key factors, 2020 this factor ranked 3rd. 2020 factor in place 1 2021 moved to 3rd place.

Based on the data of the study, we see that there are no cardinal differences in the distribution of factors comparing the indicators of the results of both studies, the factors in order of importance

in 2020 and 2021 arranged in a similar way. The survey data reveal that in 2020 and 2021 the most important factors of organizational resilience coincide in places 1-3.

#### 4. Conclusions

The study found that the main problems arising in managing an organization during an emergency are unregulated emergency management at the national level, insufficiently smooth preparation of the legal framework, inflexibility of the organizations themselves, financial and information - technological problems. The end of the second wave of the pandemic raises new challenges that were not present during the first pandemic, such as a lack of human resources, increased workload, lack of competencies and infrastructural solutions, and communication challenges for distance communication.

The most important factors of organizational resilience in an organization's emergency response are the development of knowledge and competencies; Innovation and proactivity; technological development and knowledge development are both factors in 2020 and 2021. according to research data remained in 1-3 places. The analysis of all 11 factors of organizational resilience reveals that there are no cardinal differences - the factors in order of importance in 2020 and 2021. arranged in a similar way.

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