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# Managers' Behaviour in Situations of Crisis: The Case of the Hotel Industry in Tunisia

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#### **Abstract**

It is an "exploratory" research that attempts to understand the behaviour of managers in crisis situations through a basic theoretical scheme that we try to test in the field. This study aims to test the validity of the theoretical model by confronting it with the perceptions of hotel management. Develop an understanding of behavioural variables according to the nature of the crisis. Find ways for leaders to anticipate the crisis in advance and manage the situation in time to reduce the scale of the damage. The results of the research should allow us to provide recommendations through the different types of actions to be taken before, during and after crisis situations.

**Keywords:** Managers' behaviour; Management crises; Crisis management; Company's lifecycle

#### Introduction

The characteristics of a crisis have implications for the situation and the behavior of the managers who face it. The emotional aspects of the problem, and especially the level of stress, will be a holding back factor for the decision maker. The management of the crisis will also reveal organizational difficulties all the more acute as many factors will intervene, which will pose problems of coordination. These problems will weigh on the behavior of leaders who are facing crisis situations, different from those they are usually and they must therefore be the subject of research.

More concretely, it is a question of determining the behaviors of the managers in situation of crises of management in the hotel industry. First, there is no consensus either theoretically or practically on the behavior of managers in crisis, since these vary from one person to another and more precisely are related to the personality, the perception and profile of the manager. However, from this multiplicity of behaviours it is possible to identify certain common dimensions found in the different models and to draw the conclusion. To do so, we will define behavioural variables and integrate them into a descriptive and analytical conceptual model.

In this case we propose a framework of reflection which will make it possible to study the behaviour of the managers according to the nature of crisis during the evolution of their company. According to Jean Rubidoux, the typology of management crises is defined as follows:

Launch Crisis, Cash Crisis, Delegation Crisis, Leadership Crisis, Financing Crisis, Prosperity Crisis, Continuity Crisis. It should therefore be said that in this typology of crises the entrepreneur will find specific benchmarks and suggestions to minimize the scale of crises and to involve him more in crisis management [1].

Thus, the classification of these seven types of crises was made in a way that: on one hand the crisis of liquidity launch and delegation are those that usually hit start-up companies or small businesses, on the other hand, the crisis of leadership, Financing crisis, crisis of prosperity and continuity often hit the more evolved companies.

## **Hypotheses**

This research is based on the following assumptions:

H1: The nature of the crisis depends on: The Life cycle of the hotel.

H2: The behavior of managers to face the crisis is explained by the variables related to:

- 1. Information,
- 2. The weather,
- 3. The power,
- 4. Decision.

# Methodology

# Variables of the models

Faced with a crisis, the manager is dealing with a problem, on which he has little information. In addition, the sheer scale of the issues exacerbates the risk, and he must act quickly. He will have to decide in uncertainty. The time pressure is high and the level of stress is high. Moreover, the crisis situation can also be considered as an unexpected opportunity for the enhancement of power.

In this sense, it is therefore appropriate to say that the behavior of a manger in a crisis situation depends on four variables namely: (time, information, decision, power).

Therefore, our research pattern can be written: CC=f (t, I, D, p)

Where "CC" means: the behavior of the manager in a crisis situation.

The choice of these four variables namely:

- 1. Decision
- 2. The power
- 3. The weather
- 4. Information.

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Analyzing the behavior of managers in crisis situations, this choice is based mainly on the diversity of theoretical approaches, on the psychological impact of crises which also has an impact on the behavior of managers. Despite the various contributions proposed on the choice of behavioral variables in the face of the crisis, we note that a certain number of authors such as: Christophe-Roux Dufort, Bernard Forgues agree on the use of four variables to highlight the impact of the crisis on the behavior of the manager [2,3]. The study of the nature of the crisis according to the life cycle of the company then compared to the behavioral variables can indicate respectively the time of appearance and the behavioral variables of each type of crisis.

### Impact of the crisis on the competence of the manager

a) Impact of the crisis on the manager's power: According to Dutton "the crisis has a great influence on the exercise of the power of managers in organizations". Actually, it should be said that crisis situations tend to favor a centralization of power [4]. A crisis can also threaten the manager's power by challenging his ability to manage the organization.

However, managers who sometimes see the crisis as a threat to their legitimacy and questioning their power may also see it as an unexpected opportunity to strengthen their power. Their ability to manage the crisis may be an opportunity for them to re-legitimate organizational effectiveness. This can be explained by a willingness of managers to take things in hand and a kind of abandonment of autonomy at the lowest level.

b) Impact of the crisis on the management of information: Crises make the flow of information much more important than in normal times, but little information about the problem in question is provided. The ability of managers to absorb all this information is put to the test. Overloaded with information and high doses of stress, managers manifest several behaviors in their decision-making: inability to perceive problems, increased cognitive rigidity, difficulties in estimating the consequences of actions being taken, and avoidance behavior in the decision [3].

Experiencing stress in times of crisis also causes a decrease in the attention capacity, and the tolerance of the ambiguity of the behaviors, as well as disorders.

However, Holsti indicates a tendency towards "regression towards simpler, more primitive modes of response, rigidity in problem solving" [5].

- c) Impact of the crisis on the decision-making process: Forgues observed decision-making processes in times of crisis. Among the most frequent behaviours of managers in a crisis situation, he notes the rejection of responsibilities, the conformity to existing procedures, the decision not to decide or the denial of reality [4]. For Forgues, avoidance is an explanation of the behavior of managers who seek to avoid risk by shifting their responsibility to external experts, who cause a lot of delay before making decisions.
- d) Impact of the crisis on time: The crisis situation requires decision making in an emergency. However, the short amount of time provided to make decisions induces stress which further accentuates this perception of time compression. However, time pressure affects the search for alternatives and helps to increase the level of stress. In this type of situation, managers are inclined to focus on classic or familiar solutions and to apply them without taking into account the real specificity of the situation. Managers tend, under the pressure of situations, to concentrate on a very short-term horizon or the rejection of responsibilities (Tables 1-9).

#### Validation of theoretical model

In order to verify the hypotheses resulting from the theoretical model that we previously explained, we used a sample of 44 hotels in Sousse (TUNISIA), which enabled us to draw conclusions that support our hypothesis through our model of research. This observation focused on:

- The importance of behavioural variables (in determining variables and suppletive variables) according to the nature of the crisis in the hotel business.
- Typology of behaviors: active, passive and ambiguous
- The nature of the crisis according to the life cycle of the company.

**Result (1):** Validation of the proposed model shown in Table 10.

This model proposes to study the behaviour of leaders in crisis situations, taking into account the following behavioral variables:

- 1) Decision
- 2) Time pressure (period)
- 3) Information
- 4) Power.

	Crisis of Strate	gic Management: Ge	eneral Direction	Crisis of Operation		Crisis of Financing		
Crisis	Launch Crisis Continuity Crisis		Prosperity Crisis	Leadership Crisis	Delegation Crisis	Funding Crisis (financing plan)	Cash Crisis (CT)	
Managers' behavior								
Decision								
Time								
Information								
Power								

**Table 1:** Crisis type according to behavioral variables.

	Crisis of Strategic	Management: Gener	al Direction	Crisis of Operation	1	Crisis of Financing		
Management crisis	Launching crisis Continuity crisis		Prosperity crisis	Leadership crisis	Delegation crisis	Funding crisis	Treasury crisis	
Managers' behavior								
Active behavior								
Passive behavior								
Ambiguous behavior								

Table 2: Type of crisis according to behavior of the managers.

Research model	
Launching crisis (1)	
Decision	The launch crisis requires decision-making in the emergency, as the manager is alone in his head, alone to decide and does not have the basic data required to make rational decisions, he finds himself confronted with loneliness very quickly, very overwhelmed. Therefore, this generates a high level of stress. This anxiety can make the future appear particularly black and give the intuition of being unable to cope with it. This stress is most often exacerbated by the manager's obligation to succeed on the one hand and the fact that he risked all of his wealth in the creation of his business on the other hand, so most of the time leaders make the decision to sell their business.
Temporal pressure	The crisis of launching a new company develops in the leader different behaviours generated by the lack of experience in the subject, the lack of time to prepare for the professional "jump" and the involvement necessary for its professional success. To handle this situation, the pressure of time has a negative impact on leadership behavior.
Information	The crisis of launching a new company leads to pathological behavior, which is suffered from by a significant number of managers to varying degrees. The main triggering factor of these pathologies is the feeling of helplessness in the face of events that are no longer mastered due to the lack of experience and necessary information concerning the problem in question.
Power	The crisis of launching a new business can lead to three pathologies, particularly prevalent in the entrepreneur. * Megalomania, * exaltation and myopia * nervous breakdown In this sense it should be said that the main trigger of megalomania is the intoxication of success, this behavioral slippage can have serious consequences for the company. Indeed, the manager gradually loses his ability to judge situations objectively. As for exaltation and myopia, they manifest when the manager is carried away by the multiple tasks that surround him and the exaltation for first successes, the manager often sees his intellectual capacity limited to the solutions of daily tasks, he loses then his ability to clearly see things with a certain level, errors of anticipation, irrationality of decisions are then extremely frequent pitfalls Finally, the nervous breakdown affects a very large proportion of business managers as well as employees generated by a feeling of helplessness and lack of authority in the face of events that are no longer in their control. The anxiety- provoking factors take over and such crises can be manifested by a growing disinterest in the company.

Table 3: Research model.

Cash flow cris	is
Decision	Being confronted by a liquidity crisis is essentially caused by the constant search for growth and excessive profits among the managers of young companies. However, the imperatives of growth and profit require more and more investment that must be supported by increased liquidity and credit margins. This leads to high fixed costs that weigh heavily on the young company and therefore it may experience a major cash crisis that could compromise its development and long- term survival and may also have a psychological impact on the behavior of the manager. In this sense, it should be said that the decisions taken in this situation are directly affected by the stress and anxiety that try to increase the cognitive rigidity and alter the ability of the leader to manage this crisis. To cope with the liquidity crisis, the first step in recovery is to rebuild working capital. On the other hand, in order to avoid this crisis, the manager must carefully prepare forecasts on the inflows and outflows of a company so as to avoid a shortage of working capital at a time when the volume of a company's activities is starting to grow. For this purpose, it is appropriate for the manager to measure the working capital specific requirement to the company's activity, which is equal to: BFRE (working capital requirements).
	* "BFRE" = stocks + trade receivables - supplier, tax and social debts.
	* The BFRE measures the working capital required by the activity. A (FR <bfre), and="" bank="" cash="" causes="" flow="" in="" increase="" is="" of="" overdrafts.<="" td="" tensions="" the="" visible=""></bfre),>
Time pressure	Holst (1971) mentions that time pressure is not only a question of duration, but it is relative to the extent of the task to be accomplished in this crisis situation. In this sense, it should be said that the reconstitution of the working capital to manage the crisis and under the compression of time is a task that is not obvious and consequently there is an accumulation of errors committed by the leader during decision making. In addition, Holsti (1971) cites an experiment in which errors were found fifteen times more if the managers of start-ups were asked to make decisions within a given time frame five times more.
Information	In a situation of liquidity crisis, even if the manager has the necessary information, it would be illusory to hope to have thought of everything, and the best-prepared organization may find itself on the wrong footing. In this sense it should be said that the manager must carefully prepare forecasts on the entries and on the outflow of funds of the company in order to avoid the liquidity crisis.
Power	Driven by their enthusiasm, the managers of some companies fall into liquidity crises. This leads to high fixed costs, and therefore their power will be more or less threatened.

Table 4: Cash flow crisis.

The delegation	on crisis
Decision	The delegation crisis can have serious consequences for the company as well as the behavior of the manager, because the manager must make the decision to delegate to someone else a part of his work at this precise moment and at the same time give up a level of authority sufficient to ensure the survival of his business. This modality is very difficult for the company executive as it attacks his psychological resistance. However, in order to cope with the crisis of delegation, the manager must recruit a second partner who has knowledge of the sector and a corresponding training.
Time pressure	The compression of time in a crisis of delegation generates a high level of stress in the manager and affects his decision making concerning the hasty recruitment of the new partner.
Information	In a crisis situation, the manager tends to favor the information circuits set up in the company or to use the network of his personal contacts. However, this information can be either the source of a great disappointment or of total success. In short, it can be said that in this situation the lack of the necessary information on the problem in question may cause tension.
Power	The delegation crisis has a negative impact on the manager's behavior; this is due to the fact that business owners are often people who like making quick decisions and not being accountable to anyone. In addition, in small businesses, the capital often comes from the owners themselves and they see their businesses as their little personal realm. It is therefore extremely difficult to persuade entrepreneurs to give up some of their power or authority to someone else, which is why they delay delegations consciously or unconsciously, since they are psychologically not so prepared to deal with it. In addition, it is difficult for a business owner to recognize his own weaknesses and to admit that a subordinate can be more competent than him. However, the lack of delegated authority in a growing business typically results in behavioral errors committed by their managers towards their customers and current staff.

Table 5: The delegation crisis.

In this case, we will focus our research on isolating the behavioural variables involved in different types of crisis. This relationship has been validated thanks to our investigations. The table that we have been able to draw from the flat-sorting method as well as the factorial analysis

of the multiple correspondences could indicate to us clearly that it is thanks to these four variables essentially that the managers were able to face the various crises which have affected their businesses.

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Leadership cri	sis
Decision	In general, situations of leadership crisis tend to favor a centralization of power; this trend is accompanied by a decrease in participation in the decision-making process. To cope with this crisis the manager must make the decision to change his style of leadership within his organization.
Time pressure	The compression of time in a crisis situation is likely to alter the intellectual and reaction abilities of the manager. The latter, therefore, tends to focus on a very short-term horizon.
Information	Crises in a generally speaking and in particular that of the leadership converge towards the organization an important flow of information by appealing to the network of its personal contracts or the usual circuits set up in the company. Managers subjected to this overload of information and to high doses of stress, manifest several behaviors in their way of making decisions: concentration on a very short term horizon, avoidance behavior in the decision etc.
Power	Managers facing a leadership crisis sometimes see a threat to their legitimacy and a challenge to their power. The latter may also conceive it as an unexpected opportunity to value their leadership, their ability to manage the crisis and an opportunity for them to re- legitimize the effectiveness of the dominant coalition in the organization; this can be explained by the will of managers to take matters into their own hands. In this sense, it should be said that the leadership crisis is the situation in which the managers have the greatest opportunities to show a very strong leadership but it is also a situation in which this leadership can totally collapse.

Table 6: Leadership crisis.

Crisis of finan	cing
Decision	The financing crisis requires urgent decision-making because when a company is late on its payments or mortgages, the situation can quickly escalate into a catastrophe and creditors can demand the liquidation of assets to recover their debt. Each of these challenges will affect how decisions are made. However, the magnitude of the funding crisis implies an uncertainty that leads the manager to adopt a reactive behavior. Therefore, the response to a particular fact from the crisis may have aggravating consequences for other parties. Finally, the solution adopted can also provoke a new crisis. Thus, to cope with the funding crisis, in some cases a period of financial tightening may force the manager to give a new impetus to his business while reducing its vulnerability. This can result in the sale of a portion of the company's shares.
Time pressure	Time pressure is reflected in the need to make a decision within a short time. This constraint can prevent leaders from deeply analyzing and managing the crisis. Thus, we can say that the time variable always influences leadership behavior.
Information	During the financing crisis the manager: * lacks the necessary information to act whether he is contradictory or absent. In this case, he will try to make a decision and manage the situation without being able to evaluate all the consequences. Therefore, we can say that the relevance of the information always has an impact on the behavior of the manager.
Power	Generally the crisis situation tends to favor the centralization of the power of the manager but it can also threaten it. Actually, it should be said that the manager's ability to manage the financing crisis, which essentially results in a financial restructuring including capital contributions and the reconstitution of the working capital, may be an opportunity for him to demonstrate a very strong leadership.

Table 7: Crisis of financing.

Prosperity Cri	sis
Decision	Being confronted with a crisis of prosperity is usually the result of either excessive complacency or the desire to expand too rapidly, the manager finds himself at a standstill and may fall into a state of immobility due to the lack of foresight and constant improvement of the competitive level of his company's products or to the overestimation of his talents and underestimation of the abilities of his subordinates. Thus, this is explained by the fact that the level of success in his business is a function of a particular skill that may be the key to success but, unfortunately, has no intrinsic value to the actual potential of the business. This problem prompts the manager to make a decision very quickly but the manager's uncertainty and complexity lead to a high level of stress that can affect his decision-making process. In this sense, to cope with the crisis of convenience managers must opt for a reconstruction strategy that is a reorientation of the business activity where the business, products or technologies are outdated. This strategy requires the existence of a latent competence allowing the conversion of the company. In addition, in order to cope with the crisis of a too rapid growth, the manager must resort to a strategy of refocusing or redeployment, which consists in refocusing on the most profitable activities and for which the company has real competitive advantages. The company must focus on profits rather than growth.
Time pressure	The prosperity crisis requires immediate attention from the manager. We can say that an important factor affecting decision-making will be time pressure. The need to act quickly often leads to a significant increase in the number of mistakes made by the manager. In this sense it would be necessary to specify that the temporal pressure at the decision-making level often generates a high level of stress and consequently immobilizes the reaction capacities of the managers.
Information	The absence, insufficiency or unreliability of information in a situation of crisis of prosperity can lead to negative behaviors and consequently the manager always tends to make serious mistakes.
Power	The crisis of prosperity has a strong impact on the authority of the manager because it weighs on his psychological resistance. It must be said that in order to face the crisis of prosperity a reorganization of the company becomes necessary at the level of the responsibilities. In other words, the manager must delegate a part of his authority to experienced partners. This reorganization requires a clear identification of each function (finance, accounting, production, marketing, personnel) in the organization and the positions that must be filled to adequately perform each of these functions.

Table 8: Prosperity crisis.

Continuity cris	is
Decision	The continuity crisis is mostly family-related and usually is the result of: The aging of the owner The illness or the death of the owner. However, the occurrence of this crisis weighs heavily on the psychological resistance of the family of the founder who is quickly obliged to make the decision of the succession of the manager. To manage this crisis, generally the solution adopted is the transfer of the organization in question. This is a very common behavior that involves the rejection of responsibilities, the time saved and the decision not to decide. Foroues (1993), avoidance is an explanation of the behavior of decision makers (heirs) who seek to avoid risk by shifting their responsibility to external experts.
Time pressure	The continuity crisis is quite common in family businesses that have experienced a considerable level of prosperity for several years. However, the lack of time to manage this situation leads to significant emotional shock among the heirs. increased anxiety and fear increased nervousness Sleep disorders Nervous breakdowns Personality disorders Nightmares General fatigue Headaches Weisaeth highlights the effects of psychosomatic health disorders resulting from continuity crises, often linked to an obsession with the deceased.
Information	Faced with the continuity crisis in which the company is barely or not prepared, the new manager will have to make a decision quickly except that the information he has on the profile of the successor manager is insufficient or wrong, this may have impacts on organizational behavior.
Power	The crisis of continuity tends to favor the decentralization of authority and decision- making within the family. In other words, the power of authority and the decisions belong to the family members of the founder. Thus, it must be said that in a case of a continuity crisis, the successor's leadership capacity to manage can build an opportunity for him to demonstrate strong leadership.

Table 9: Continuity crisis.

Crisis	Crisis of strategi	c management: gene company	eral direction of the	Crisis of	operation	Crisis of Financing		
	Initiation Crisis	Continuing Crisis	Prosperity Crisis	Leadership Crisis	Delegation Crisis	Funding Crisis (L.T.) (financing plan)	Treasury Crisis (C.T.)	
Behavioural variables								
Decision	+	+	+	+	+	+	+	
Time	++	++	++	++	++	++	++	
Information	++	++	++	++	++	++	++	
Power	+	+	+	+	+	+	+	

<sup>+</sup> denotes single variable and ++ denotes double variables

Table 10: Validation of the proposed model Crises/behavioural variables.

Only two variables proved to be decisive in managing the crisis, namely time and information variables.

Indeed, if the time variable is missing when a company is in a crisis situation it will cause a significant time pressure in the manager, which will generate a high level of stress and therefore a capacity to immobilize his reactions.

Similarly, if the information variable is missing, this will lead to an increase in cognitive rigidity and difficulties in estimating the consequences of the actions undertaken [6-10].

With regard to each variable, the summary of the survey makes it possible to point out the following specificities:

- a) The decision: (1) Making the right decision and in a hurry; (2) Have basic data required to streamline behaviour.
- **b) Time pressure:** 47.36% of managers say that the strong time pressure affects their decision making, generates a high level of stress and immobilizes their reaction capacity.

In short, we can say that we must have:

- Sufficient time to prepare for the professional jump.
- Enough time to make the right decision.
- The time needed to look for new alternatives to manage the crisis.
- c) Information: Almost all managers (92.50%) say that the presence of credible information helps them manage the crisis better, to have a sense of self-confidence and to master unpredictable events.

#### d) Power

- Avoid a skidding behavior that can lead to unpleasant consequences for the company.
  - Judge the situations objectively
  - Intellectual abilities to solve problems that may arise.
  - Good anticipation for the rationalization of decisions.
- Avoid the nervous breakdown which would generate impotence and lack of power.

At the end of this analysis of the result (1) we can confirm the validity of the hypothesis (2).

**Result (2):** Typology of leaders' behaviour in the face of the crisis shown in Table 11.

The validation of the correlation (behavioural variables according to the typology of crises) that we defined during the conceptual study led us to the verification of our theoretical model, ie: typology of behavior ( active, passive and ambiguous) depending on the type of crisis. In fact, the study of behavioural variables in relation to the three groups of crises that we have already described has shown us that there are three types of behaviour of mangers in the face of the crisis, namely: active, passive and ambiguous Behaviours.

These three attitudes can be explained as follows:

When a manger behaves in an active way, he is able to cope with all types of crises.

When behaving in an ambiguous way his ability to cope with the crisis is never predictable (he can succeed as he cannot).

Finally, when his behaviour is passive, he can no hope for success in a crisis situation.

In order to give a better explanation of these behaviours we specify that:

The majority of mangers behaved actively when their company was in a crisis situation and this behavior was possible because they were in possession of credible information that their power was strengthened and finally that their decision was centralized. This is how the mangers were able to see their reaction capacity and their mobilization increase and were able to handle such a situation.

A second group behaved in a passive way. This negative reaction was explained by the unfavourable conditions in which the leaders found themselves.

Indeed, these leaders have mentioned that the lack of necessary information on the problem in question, the strong temporal pressure, the decentralization of power and the avoidance of decision-making, have led to a high level of stress, an increase in cognitive rigidity and a power sometimes called into question.

Finally, a third group of mangers had ambiguous behaviour.

These managers have indeed declared that when they are subjected to an overload or impertinence of information, to a strong time pressure and when their power is only partially centralized i.e. for a limited period, they implied an avoidance sequential decision.

All these partially and sequentially favourable conditions have given the mangers ambiguous identification of their behaviour.

**Result (3):** Nature of the crisis according to the life cycle of the company shown in Table 12.

- Only 2% of surveyed executives have hotel training. From this result we can conclude that this barrier and the lack of experience in hotel management are the main causes of bankruptcy in business in Table 9.
- -The majority of companies were affected by a strategic management crisis that occurred during the start-up phase of their life cycle.

Crisis	Crisis of strategic management: general direction of the company			Functioning Crisis		Funding Crisis		Comments
Manager's Behavior	C.L.	C.C.	C.P.	C.Led	C.D.	C.F (LT).	C.Tré (C.T.).	
Active Behavior With credible Information, moderate Time pressure, Empowerment and centralization of decision making, the majority of managers mobilize their response capacities to a crisis and try to manage this situation.		++	++	++	++	++	++	There is a total involvement of mangers regardless of the nature of the crisis. Only two variables proved to be decisive in managing the crisis, namely: time and information variables. Surprisingly, the variables "power and "decision", despite their relevance to the literature were of lesser importance to the surveyed mangers. V.D. Information and time V.S.: Power and decision.
Passive Behavior: The lack of necessary information on the problem in question, the strong time pressure, decentralization of power and the avoidance of decision-making lead to high levels of stress among some mangers, increased cognitive rigidity and threatened power. This situation tends to alter the ability of managers to manage the crisis.		-	-	-	-	-	-	There is a complete absence of the involvement of managers regardless of the type of crisis. In this situation the mangers adopt a behavior of avoidance of the decision. The determining variables are information and time for crisis management. However power and decision are secondary variables yet of importance. V.D.: Information and time V.S.: Power and decision.
Ambiguous behavior: The overload or impertinence	+	+	+	+	+	+	+	There is a partial involvement of mangers regardless of the nature of the crisis. The determining
Active Behavior: With credible information, moderate time pressure, empowerment and centralization of decision making, the majority of managers mobilize their response capacities to a crisis and try to manage this situation.		++	++	++	++	++	++	There is a total involvement of mangers regardless of the nature of the crisis. Only two variables proved to be decisive in managing the crisis, namely: time and information variables. Surprisingly, the variables "power and "decision", despite their relevance to the literature were of lesser importance to the surveyed mangers. V.D. Information and time V.S.: Power and decision
Passive Behavior: The lack of necessary information on the problem in question, the strong time pressure, decentralization of power and the avoidance of decision-making lead to high levels of stress among some mangers, increased cognitive rigidity and threatened power. This situation tends to alter the ability of managers to manage the crisis.		-	-	-	-	-	-	There is a complete absence of the involvement of managers regardless of the type of crisis. In this situation the mangers adopt a behavior of avoidance of the decision. The determining variables are information and time for crisis management. However power and decision are secondary variables yet of importance. V.D.: Information and time V.S.: Power and decision.
Ambiguous behavior The overload or impertinence of information, the strong temporal compression, the centralization of power and the avoidance of the decision are accompanied by an ambiguity in the behavior of the mangers.		+	+	+	+	+	+	There is a partial involvement of mangers regardless of the nature of the crisis. The determining variables in the management of the crisis are the information and the time. The variables power and decision, despite the relevance that literature grants them, were of less importance to the managers surveyed.

**Table 11:** Typology of leaders' behavior in the face of the crisis.

Crisis	Crisis of strategi	c management: gene company	eral direction of the	Crisis of	operation	Crisis of Financing		
	Initiation Crisis	Continuing Crisis	Prosperity Crisis	Leadership Crisis	Delegation Crisis	Funding Crisis (L.T.) (financing plan)	Treasury Crisis (C.T.)	
Business Lifecyo	cle							
Start	++	++	-	-	-	++	+	
Growth	-	++	++	++	++	++	++	
Expansion	-	+	+	+	+	+	+	
Maturity	-	+	+	+	+	+	+	

<sup>+</sup> denotes single variable and ++ denotes double variables

Table 12: Nature of the crisis according to the life cycle of the company.

- Most mangers saw the birth of an operating crisis during the growth phase.
- Almost all hotels were affected by a funding crisis during the start-up phase.

At the end of this analysis of the result (3) of the nature of the crisis according to the life cycle of the company we can confirm the validity of the hypothesis (1).

**Result (4):** Therapeutic to consider: Businesses and administrations are more and more exposed to storms of crisis; the mangers are most often unprepared.

They are even in a delicate situation, even more delicate than one might think.

Crises tend to destabilize them.

Therefore, we recommend mangers to limit the negative effects of a particular launch crisis by providing the best responses, immediate and substantive. Any shortcomings in this regard may entail considerable costs.

Secondly, we propose some suggestions concerning the behavior of mangers in crisis. Our recommendations are organized by theme:

# Theme 1: Tips for entrepreneurs

1) Professional experience of the creator: People who want to start

businesses should have enough business experience to master each basic activity of their future business.

- 2) Market study: The creator must be aware of existing studies and given very general information, he must necessarily achieve at least part of the market research by meeting directly with potential customers.
- *3) Choice of partners:* The manger must choose his associates based on their actual skills and not just on the basis of relationships such as friends or family.
- 4) Limit non-essential investments: The manger must maintain a reasonable limit of the weight of the material and human investments while the company develops.

Voluntarily oversized investments often jeopardize the life of the company: Unplanned sales growth, underestimated increase in expenses related to this new investment.

- 5) Investment financing: The manager must avoid excessive self-financing investments because the lack of available cash will strangle the company.
- 6) Business development: The manager must maintain flexibility and maximum adaptability, in other words, the company must be able to reposition itself very quickly in the face of the unexpected: low turnove, etc.

Flexibility can involve:

- Limit indebtedness
- Limit large "real estate" type investments.
- 7) Bank overdraft: The manager must limit the maximum the use of bank overdraft which is a costly.
- **8)** Dashboards: Provide very accurate tables for monthly monitoring of sales and expenses.
- 9) The manager must always stay one step ahead of the competition: A company that does not innovate is a company condemned to disappear sooner or later as a victim of competition.
- **10)** *Being organized:* The manger must be able to prioritize and manage his time effectively.
- 11) Know how to delegate: The manager must accurately allocate the duties of each, delegate tasks and empower staff.
- 12) Fully perform the duties of personnel officer: The manager must play a role of facilitator, listen to his staff and systematically give them information on the evolution of the company.
- 13) Stay modest: The manager must know how to not to exceed his threshold of incompetence and to question himself personally.
- **14)** Diversify and monitor customers: The manager must always diversify his clients because the very survival of the company is at stake when it depends on one or a few large customers only. A S.M.E. must not have a single client representing more than 20% of the turnover.
- -The manager must monitor his clientele; unpaid bills are a major cause of bankruptcy for both creators and older MPCs.

#### Theme 2: Possible actions

Regarding the second theme, being prepared for crisis must cover four key dimensions:

1- Information

- The decision
- 3- Time
- 4- The power.
- 1) Information: Information management is considered crucial support for crisis management in many ways.

In the field of prevention, the management of the information passes by the establishment of proper networks to detect the warning signs. Here the formalization of the systems and the channels of information take all the importance to ensure the existence and the treatment of unambiguous, credible and sufficient information.

It should therefore be said that companies must develop several networks to cross the information and verify their reliability in the treatment of early warning signs and in the management of a crisis situation.

To manage the crisis, the ability to gather all the necessary information on the problem in question multiplies the chances of a company to successfully exit a crisis.

In short, in order to manage a crisis, it is necessary to improve the information collection system and its computerization.

- **2)** The decision: a) The decision-making process should vary according to the difficulty so that the manager can make the routine decisions without delay.
- b) Decision processes, regardless of the degree of difficulty, must conform to a cybernetic model or control system, i.e. the decision must be incorporated into a system that includes:
  - Setting a goal
  - Planning.
- c) If no solution to the problem is known, the decision must be preceded by a search for possible solutions.

The best techniques for finding solutions are:

- Localization: research and establishment of boundaries
- Abstraction: reduction to the essential
- Adaptation: transposition to the new situation of ideas and methods drawn from previous experiences, ie diagnosis and therapy, tactics and strategy.
- Analysis: division of the general problem into particular problems and progression in stages.
- *3) Power:* a) In crisis situations the time-limited use of authoritarian methods is often necessary for the manager to make quick and painful decisions and energetically implement them.
- b) The methods of leadership (exercise of power, suggestion, and assignment to an official task. etc.) do not replace the will. They are only tools in the hands of capable men with a sense of management.

On the other hand, companies are only going to survive in the long run when they are organized in such a way that men of average talent can drive them successfully.

The managers should think about it.

- 4) The time: a) In periods of high anxiety and stress, managers must have the ability to assess time and make the right decision quickly.
- b) It is recommended to make the right decision as soon as possible at the time of the declaration of the crisis in order to minimize the resulting damage.

# Conclusion of the Study

The empirical study on crisis management and the behavior of the managers helps identify the following salient indications:

Almost all hotels have experienced the crises of launch, prosperity, continuity, financing or cash especially in the start-up phase. On the other hand, at the growth phase more than half of the hotels experienced leadership or delegation crises.

These results are explained by several factors but in particular, the lack of professional experience and know-how appropriate in the trade. (This can be deduced from the very low rate (2%) of managers who were provided with professional training).

These crises generated a diversity of behavior, which justified the existence of four behavioral variables, which were at the origin of these behaviors while facing crisis.

These include: time, information, decision and power.

The importance, scope and weight of each of these variables in the crisis resolution justifying the behavior were analyzed, which allowed to classify them as determining variables namely information and time whereas, the decision and power these have proven to be complementary variables regardless of the nature of crisis.

At the behavioral level, the survey identified three types of behavior: active, passive and ambiguous, justifying the relative importance of the variables:

# The determining variables

**Information:** Whatever the nature of crisis 66, 67% and 70.59%, 64% of managers say that the lack of necessary information on the problem in question leads to a significant increase in cognitive rigidity and difficulties in estimating the consequences of the actions undertaken.

-Whatever the nature of crisis 69,23%, 47,06 and 61,54 of the managers affirm that the abundance of information tends to increase the tension, the stress and immobilize their capacities of reaction.

-Operational crises and funding respectively (5294%) and (53.85%) of the managers state that the irrelevance of the information leads them strongly to errors and causes a strong ambiguity in their behavior, on the other hand when it comes to management crisis 46.15% of managers say that the irrelevance of information has little impact on their behavior.

# Synthesis

- 1- No matter what the nature of the crisis is, the absence and irrelevance of the information strongly affects the behavior of the managers.
- 2- Whatever the nature of the crisis is, 92.50%, 100% and 92% of managers say that the presence of credible information leads them to manage the crisis more efficiently.
- 3- Whatever the nature of the crisis is, the absence and irrelevance of information strongly affects leadership behavior.

#### Time

- 1- Whatever the nature of the crisis is 74.36%, 64.71% and 76.92% of managers say that time pressure strongly affects their decision-making ability, generates a high level of stress and strongly immobilizes their reaction capabilities.
- 2- In the face of operating and financing crises respectively, 52.94% and 46.15% of executives say that the strong temporal compression will tend to encourage them to focus heavily on conventional or familiar solutions and to apply them without taking into account the real specificity of the situation. While in the face of the management crisis, 48.72% say that the low temporal compression weakly encourages them to focus on conventional solutions.
- 3- Regardless of the nature of the crisis, 80%, 82,35% and 80% of the managers say that with a weak time pressure they behave normally and manage to take care of the crisis.

#### **Summary**

Regardless of the nature of crisis, time pressure strongly affects the behavior of managers in decision-making.

### The complimentary variables

#### Power

- 1- No matter what the nature of crisis is, 81.58%, 52.94% 70.83% of managers say that their power is slightly questioned and that this situation tends to slightly alter their ability to operate the crisis.
- 2- Whatever the nature of crisis is, 81.58%, 76.47% and 79.17% of managers say that their power is slightly threatened and this trend is accompanied by a low ambiguity in their behavior.
- 3- Regardless of the nature of the crisis 70%, 52.94% and 78.26% of the managers say that their power is strongly reinforced and this situation conceived as an unhoped-for opportunity to value their leadership.

# Synthesis

Regardless of the nature of the crisis, the power is not affected and consequently its behavior is not affected as well.

#### Decision

- 1- While facing management and financing crises, respectively 61.10% and 69.23% of managers slightly centralize their decision-making.
- 2- While facing the operating crisis, 64.71% of the managers strongly centralize their decision-making.
- 3- Facing management and financing crises, respectively 58.97% and 61.54% of the managers strongly decentralize their decision-making, while in the face of the operating crisis, 75% of the managers slightly decentralize their decision-making.
- 4- Regardless of the nature of crisis, 92.50%, 81.25% and 96.15% of executives have a low avoidance behavior in decision making.

## **Summary**

Regardless of the nature of the crisis, managers do not adopt an avoidance behavior in the decision, they strongly centralize the decision to deal with the operating crisis and strongly decentralize the decision to face management and financing crises.

In short, regardless of the nature of crisis, the decision does not affect the behavior of the managers.

The results of our investigations concerning the behavior of managers in crisis situations have shown that there is indeed a correlation between typology of behavior and nature of crisis.

Based on the key variables namely time and information, the following conclusions can be drawn:

The Active behavior of managers to face strategic management, operation and financing crisis is done according to the following degree of importance (Table 13):

**Active behavior:** In the light of this information drawn from the table above we note that the active behavior is fully exploited to cope with operational crisis namely: crisis of delegation or leadership.

Secondly, this same behavior is adopted to deal with strategic management crisis and general company orientation, namely: launch, continuity or prosperity crises, but at a slightly lower degree of importance than the previous group.

While faced with funding crisis, active behavior is of less importance than the other two crisis groups.

To sum up, it can be said that the active behavior of the managers surveyed varies according to the nature of the crisis.

The passive behavior of managers in response to crises (strategic management, operation and financing) is done according to the following degree of importance (Table 14).

Passive behavior: From the conclusions drawn out of Table 14 we

can say that the passive behavior is explained mainly by the crisis of strategic management and financing.

While dealing with operating crisis this behavior is of slightly lower importance in relation to other crisis groups.

Similarly: the passive behavior varies according to the nature of the crisis.

The ambiguous behavior of the managers to face strategic management, operation and financing crisis is done according to the following degree of importance (Table 15):

**Ambiguous behavior:** From the information from Table 15 we find that the ambiguous behavior is explained to the same degree of importance to face the three groups of crises.

## Conclusion

At the end of this research dedicated to the analysis of the typology of behavior of managers according to the nature of the crises we were able to identify four types of variables of different importance according to the phases of the life cycle of the company.

The analysis revealed:

- Seven types of crisis namely: launch, prosperity, continuity, leadership, delegation, financing and cash flow crises, which could be grouped into three categories; strategic management crisis, operating crisis and funding crisis.
- Three types of behavior: active, passive, ambiguous.
- Four explanatory variables of the behavior to know: information, time, decision and power.

Crisis	Strategic Management Crisis			Operating Crisis		Funding Crisis	
	Launch	Continuity Crisis	Prosperity Crisis	Leadership Crisis	Delegation Crisis	Financing Crisis (L.T)	Treasury Crisis. (CT)
Managers' Behavior The presence of credible information strongly leads the manager to manage the schism With a low time pressure the managers behave normally and manage the crisis	Crisis	92.50%		100%			92%
		80%		82.35%		80%	

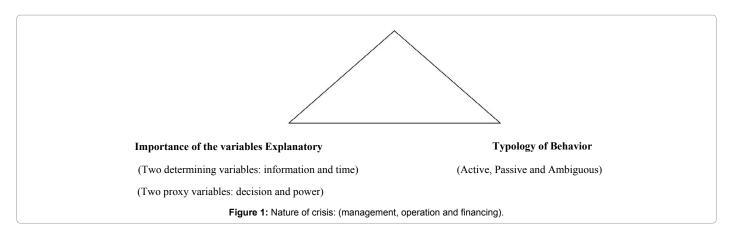
 Table 13: Active behavior is fully exploited to cope with operational crisis namely: crisis of delegation or leadership.

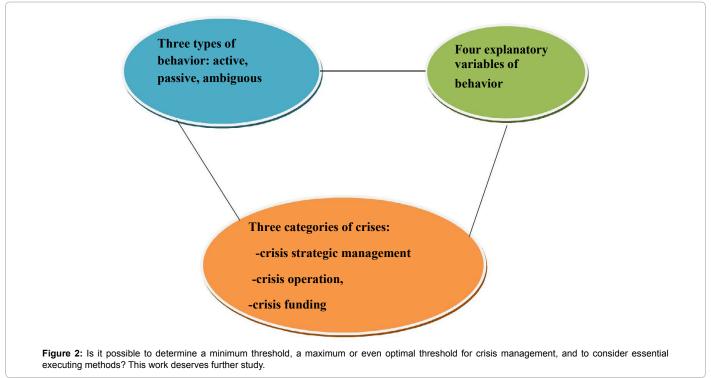
Crisis Managers' Behavior	Strategic Management Crisis			Operating Crisis		Funding Crisis	
	Launch Crisis	Continuity Crisis	Prosperity Crisis	Leadership Crisis	Delegation Crisis	Financing Crisis (L.T) (Financing plan)	Treasury Crisis (CT)
The absence or abundance of information concerning the problem in question tends to increase the manager's stress and to immobilize his capacity for reaction.		66.67%		70.59%		64%	
The strong time pressure affects the decision- making of the leader generates a high level of stress and strongly immobilizes his capacities of reaction		74.36%		64.71%		76.92%	

Table 14: Passive behavior is explained mainly by the crisis of strategic management and financing.

Crisis	Strategic Management Crisis			Operating Crisis		Funding Crisis	
Managers' Behavior	Launch Crisis	Continuity Crisis	Prosperity Crisis	Leadership Crisis	Delegation Crisis	Financing Crisis (L.T) (Financing plan)	Treasury Crisis (CT)
The irrelevance of the information strongly leads the manager to errors and ambiguity in his behaviour	43.59%			52.94%		53.85%	
Time compression will tend to encourage managers to focus on conventional solutions and to apply them without taking into account the real specificity of the situation			52.94%		46.15%		

Table 15: We find that the ambiguous behavior is explained to the same degree of importance to face the three groups of crises.





This trilogy made it possible to link three essential axes explaining the behavior of the manager to face the crisis by justifying the importance of the variables (Figure 1).

In order to appreciate the relationship between crisis and the company's life cycle, Jean Robidoux's model provides a framework for managers to identify the types of crisis that are most critical during the evolution of their business.

The analytical study of the model has shown that during its evolution, a company essentially passes through the following steps by analogy to the evolution of a human being:

- 1- Launch phase
- 2- Growth phase
- 3- Prosperity phase
- 4- Phase of maturity.

The proposed model was thus validated on the three axes. The application would be variable according to the situations and according to the importance of the variables, nature of the crisis and the types of behavior (Figure 2).

The results of the research have allowed us (although we can never propose a systematic recipe for each management crisis), to provide recommendations through the different types of actions to be taken, before, during and after crisis situations.

Recommendations for managers will be needed to avoid and reduce the frequency and impact of crisis, especially during the launch phase.

We can conclude that the conceptual scheme that we set out in the first part of our study is well adapted to the management problems encountered in the majority of small and medium-sized enterprises in the process of evolution.

The founder of a new company will therefore be able to quickly

identify and become familiar with the most common problems he faces in the daily management of the business.

Specific suggestions will also allow him to anticipate several situations before they degenerate into insurmountable problems.

In short, this study is therefore intended to provide managers with methods and tools to help them develop management systems designed to prevent crisis, to react to them, to take certain give them a better understanding of situations.

These results were relevant and persuasive to the extent that one could find a benchmark in other countries in the field of hospitality on a comparable basis, which constituted a research path to be accomplished at both the academic and operational levels.

We have been able to identify an explanatory model of the behavior of the managers by the typology of crisis of management, which can allow us to hope for the continuation of our researches to indulge in other promising tracks allowing a more in-depth exploration on a multitude of dimensions:

- An interesting point to discuss is the extent to which organizational learning models are transferable in crisis situations. The question raises a dilemma: one can think on the one hand that organizations can learn lessons from a crisis but also that these lessons would be of no use in case of dissimilar crisis and consequently it would be wise to deduct that the points converging are points that diverge. Indeed, the limit of learning: it is very unlikely that the same crisis situation is repeated identically.
  - The second area of research to be explored could be the

analysis of the behavior of organizations after the crisis, ie during the reconstruction phase.

Indeed, it would be relevant to look at what managers are doing to restart the organization, if they are trying to learn from experience. Similarly, one can imagine identifying factors of failure or success in the recovery of an organization that has experienced a crisis.

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