

# Management Of Global Crisis

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## I. Introduction

Social media have developed with improvement in technology. It has made communication much easier, and thus transfer of information is easy. A journalist gathers information and releases it for the public to be aware. The most recently social media, such as social networking expose information even that which seems private. It is very challenging for the corporation to stop media from releasing their information the reason being they have being powered by the nation. It thus implies that corporations are left with no option but to accept the medical phenomena. It is buying either countering them in an efficient manner in case of a crisis.

Toyota is an American corporation that deals with the automobiles. The firm strives to build quality vehicles and thus it had a very good reputation. The organisation was recalled and later their information exposed by media. There is the likelihood of their reputation being lowered and thus high chances of losing customers. The recall of the corporation exposed some digitisation in their industry of automobile as well. Digital technology applied in videos and music industries, as well as its exploration by Apple on the internet and the press, made Sony, an old corporation, lose its reputation. Toyota was at the same risk. The management feared they might lose status as well and lose customers (Rajasekera, 2013).

## II. Definition evaluation: product-harm crisis.

Product-harm crisis is an event that is highly published as a result of a product being found not fit for consumption by the clients. It is possible for the crisis to affect the category of the whole product. Often are the times when the crises call for a recall for the product on a voluntary basis or even forced upon the company that is affected by state regulators. After the corporation gain popularity in the services it used to offer, some bad news appeared. The firm reported the first loss of US\$1.5 billion, in its organisation history. Apart from the loss, more recalls had been accompanied by a streak of emotionally charged accidents. Besides, 52 people died as a result of sudden acceleration problem.

## III. The problem that Toyota leaders must solve

Problems to be addressed by the leaders of the corporation revolves around service to the customers. The first challenge to be solved is the issue of reputation. The leaders are supposed to offer good products for good reputation. After the recall of the organisation product, they lost reputation. The customers were not able to trust them anymore. Thus the leaders are supposed to develop ways that will help in raising the quality of their products to attract more customers. The second problem is the issues of handling media. Social media is supposed to be handled well (Cleeren, Van Heerde & Dekimpe, 2013). The reason being they have the right to collect and display any information. The only option left to the organisations is to adjust themselves. Thus, it is the responsibility of the leaders to establish a good relationship with the journalists to avoid the issue of commotion with them. It will reduce the cases of display of their information to the public.

## IV. Organizational changes

Change is inevitable. The reason being the world is dynamic, and everything keeps changing. In the corporation there were those changes that were successful while others were not. To start with is the successful changes. Development of SNS software is a change that was very successful in the corporation. From the software the company could gather almost real-time information about the feelings as well as complaints of their clients. The consumers would use the software to express their decisions or opinions on buying the automobile. The firm has used the software for some time, and thus it was a successful change adopted. Besides, some other changes were not successful in the organisation. Digitization was a change adopted in the firm. It was the application of computerised operation of an automobile with the aim of optimising the function as well as the performance of the vehicles (Liker & Ogdén, 2011). It is the same change that cost them the many recalls. There was a faulty electronic system and thus the change was not successful.

## **V. Recommendations and conclusions**

There is always a solution to every challenge presented. Below are some of the recommendations that should be adopted for the corporation to gain back the loyalty of their customers and dominate the world market. The first one is the issue of competition with its competitors. They are supposed to improve the quality of the automobile product and the second one is to increase the number of fans in the SNS at a high rate. Besides, the corporation should also develop and manage SNS software in an effective way for it is the only one that can solve their challenge of digitisation.

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