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Managing Complex Crises

Editor's Note

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The pandemic of COVID-19 generated an unprecedented global crisis with immediate dramatic consequences on human health and life and with long term consequences in the economic, social, educational, and cultural domains in many countries all around the world. Governments, national health systems, educational systems, companies, banks, non-governmental organizations, and scientists from many research domains make great efforts to find solutions to all the problems initiated by this pandemic and to manage somehow this unexpected and very complex crisis.

The purpose of this *Special Issue* is to publish papers dedicated to these new phenomena and, especially, to look at the managerial perspectives of developing effective solutions for ending that crisis and coping with its consequences. The COVID-19 pandemic is by all characteristics a *Black Swan* phenomenon that shocked our minds modeled primarily by deterministic and linear thinking. The *Black Swan* metaphor was introduced in literature by Nassim Nicholas Taleb in his bestselling book *The Black Swan. The impact of the highly improbable* (2007), published by Penguin Books. Being a phenomenon with a very small probability, it is hardly accepted by deterministic thinking, and even by probabilistic thinking based on known probability distributions and not on disruptive forces. Also, our perception about the future is based on the space-time metaphor where the observer is moving and the time framework is stationary. That means we go toward the future in a continuum past-present-future following an evolutionary algorithm. A crisis is a result of a disruptive force that cannot be contained within an evolutionary thinking model. It can be understood if we change the time perception with the metaphor of moving time and stationary observer. That means the future comes toward us in an accelerated manner and we are taken by surprise.

From a strategic perspective, when we go toward the future that is perceived as an extrapolation of the present time, we can design deliberate business strategies and implement them according to a certain time metric. However, in the case of crises, the future comes over us with new and unexpected phenomena. Our deliberate business strategies cannot be used anymore and we are forced to react to the fast-changing environment with emergent strategies. The business game changes completely. Instead of designing and implementing competitive advantage strategies, we must now think of intelligent emergent business strategies that aim to keep our business within a survival framework. Beyond all their catastrophic consequences, crises bring with them some business opportunities. They can be identified and used by those managers who have developed a strategic vision based on entropic, nonlinear, and probabilistic thinking models. For them, there are multiple possible futures and creative solutions.

For many other managers, managing complex crises means to understand their causes and to find practical ways to keep the business on the survival line, and to use resilience for recovering when the life cycles of these crises enter the decline phase. The most important thing is to consider complex crises as learning opportunities and after each such crisis to formulate lessons to be learned and used in the future.

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We consider the COVID-19 pandemic as a complex crisis because it appeared as an epidemic in Wuhan, China in December 2019, and then it spread in an accelerated manner throughout the world generating a pandemic with many millions of infected people and many deaths. Governments in most of the affected countries declared emergency states with many circulation restrictions for people and lockdowns for business. The negative effects transferred very quickly in all social life aspects from the health systems to economic systems, educational systems, cultural and sports systems, and even religious institutions. To manage such a complex crisis means to have in each country creative cooperation between the government and all the affected systems, a requirement that proved to be extremely difficult to be achieved.

The papers included in this *Special Issued* focus only on some of the mentioned aspects of such a complex phenomenon, but together they aggregate into a larger image of managing complex crises. The first paper, *Supply chain resilience under a pandemic: The need for revised contingency planning* elaborated by Stephanie Black & Daniel Glaser addresses the need to think about the whole chain supply management process and its adaptation to the new business environment dynamics created by the COVID-19 pandemic.

The paper *A knowledge management approach to complex crises* elaborated by Constantin Bratianu presents a knowledge vision of generic crises. It underlines the importance of understanding the *knowledge gap* created by any crisis and how managers can bridge it by developing emergent knowledge solutions. These knowledge solutions should be integrated into the organizational learning process and in the emergent business solutions of the companies.

The knowledge perspective is extending then toward the business customers and their behavior in the paper *The expanding role of customer knowledge management and brand experience during the pandemic crisis* elaborated by Rares Mocanu. During the COVID-19 crisis, customers showed a change in their behavior as a result of the restrictions introduced in normal shopping and the necessity to switch toward online shopping. Customer Knowledge Management (CKM) reveals the magic of learning not only about customers' buying intentions but also about how they think and feel with respect to brands, and branding experience.

In the paper *Food security management for Indonesia: the strategy during the COVID-19 pandemic* elaborated by Surya Darma and Dio Caisar Darma, it is analyzed a vital problem of any country – the food security during a pandemic, with concrete data taken from Indonesia. The COVID-19 crisis-induced some radical changes in the working programs and working attitudes due to the necessity of switching to online systems, wherever possible. These changes are analyzed in the paper *Teleworking perspectives for Romanian SMEs after COVID-19 pandemic* elaborated by Adriana Grigorescu and Andreea Mocanu (Nicolae). Although the study is focused on the Romanian SMEs, the problems have a generic characteristic and thus many conclusions of the study can be extended to other countries. A very close topic is analyzed in the paper *Factors contributing to work-related absenteeism during the COVID-19 pandemic* written by Oana Magda Grigore. Here we should reconsider the semantic of the concept of absenteeism due to the radical changes in the working conditions requested by performing the working tasks online from home.

The paper *Challenges of the managerial decision in the context of the economic crisis induced by the effects of COVID-19* elaborated by Sergiu Octavian Stan focuses on the decision-making process in conditions of uncertainty. The classical approach to decision-making is a rational one. However, under the pressure of uncertainty, managers change their thinking mode by incorporating emotional knowledge and emotional intelligence. The decision process is based now on different knowledge dynamics with an emphasis on the emotional knowledge field. A very good illustration of this aspect is developed in the next paper *Crisis management and resilience for restaurants in Romania during the COVID-19 pandemic* written by Adrian Motoc. The paper deals with the family business framework during the COVID-19 crisis when many restaurants have been shut down with

their classical inside operations. Only terraces and take-home food services are allowed, which created many survival problems.

The paper *Actors in the knowledge economy* written by Eduardo Tome invites us to think of the structural changes imposed by the knowledge economy, and then to reflect on the consequences of business during complex crises. The paper introduces a new typology of actors structured mainly on the following categories: composers, performers, owners/administrators, and customers/ citizens. By understanding the new structure, we can deal in a better way with the specific of the knowledge economy and knowledge management. This knowledge approach is detailed in the paper *Knowledge flows barriers: an exploratory study in the IT industry* written by Dan Stefan Ciotlos. The knowledge flows are very important in improving any business activity, and from this point of view, it is necessary to identify and analyze the tangible and intangible barriers in any company, especially during complex crises.

Finally, we thank all contributors for this *Special Issue* and invite you to read and reflect on the multiple aspects generated by complex crises in our social and economic life.