

Critical Vulnerability of the Leading Industries of the Polish Economy

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ABSTRACT

The perspective of the division into industries gives the opportunity to implement more advanced analyses regarding the type and frequency of image crises. **Scientific objective:** The presentation of an example of how to select oppressive industries based on a model referring to the leading branches of the Polish economy. **Research methods:** The quantitative research using an auditorium questionnaire conducted among PR specialists and desk research, incl. 500 List of the “Rzeczpospolita” daily. **Results and conclusions:** Studies have shown that there is a group of industries operating on the market that are particularly vulnerable to the occurrence of communicational crisis situations. The results show that the enterprises included in this group (e.g. Companies representing the public, food, pharmaceutical or telecommunications sectors) are more likely to attract image crises and are more often forced to manage them. Therefore, the company’s business activity has been analysed based on the principle of a crisis magnetism, which attracts many unfavourable phenomena from the internal and external environment of the organisation. **Cognitive value:** The presented results may provide support for both the assessment of the effects of public relations and media science techniques (e.g. media coverage analysis).

KEYWORDS

image crises, analytical model, oppressiveness of the industry, public relations, crisis management

In the literature on the subject, the image crisis is defined in various ways. Usually, it is interpreted as an unfavourable phenomenon, although even in a difficult situation it may be possible to obtain positive effects. It is a stage in the life of an organisation that determines many future events. It is the turning point that causes change (Coombs & Holladay, 2010). Image crisis is a state in which opinion, reputation and public trust deteriorate and threaten the functioning or the very existence of an organisation (Vid, 2016). Therefore, crises are a kind of tests for the efficiency of the company's crisis services, the suitability of procedures, and the possibility of using them successfully in managing image problems.

The organisation's image security can be guaranteed with the support of appropriate security systems. In this area, the analysis of emerging symptoms of potential crisis situations is crucial. Properly implemented monitoring helps identify symptoms and problems before they occur. The main symptoms of crisis situations are: surprise with event or situation, lack of full information, escalation of events, loss of control, special attention of the environment paid to the organisation, trapping and panic (Seitel, 2003). Monitoring is a component of the early warning system, but not every entrepreneur is aware of the importance of this element of support. This results not only from research, but also from practical analyses on the functioning of enterprises.

Taking care of the right level of image protection of the company by means of a wide spectrum of tools (training, simulations, model statements or combinations of answers to potential questions of the environment, especially media, lists of allies and enemies, reaction instructions) is a fundamental element of anti-crisis preparation (Sienkiewicz-Małyjurek, 2015). One should also remember the awareness of managers responsible for the quality of communication processes and the high level of their education (Jaworowicz & Jaworowicz, 2017). However, the emergence of crises and their impact on business entities are also influenced by external factors, and the industry in which they operate plays an important role. At this point, it is worth considering whether sectors can be identified on the Polish market, which are much more vulnerable to image perturbation than others.

The issue of crisis susceptibility was the main research problem of the project, the results of which were presented in this article. The research hypothesis assumed the existence of oppressive industries characterised by higher vulnerability to the occurrence of crisis situations. The article presents one of the ways of their selection based on a model based on the leading branches of the Polish economy – the *500 List* of the *Rzeczpospolita* daily.

First, it is necessary to introduce and clarify the term “oppressiveness of the industry”. The oppressive industry in the context of crisis-making should be understood as one that involves entities that are particularly vulnerable to image crisis situations. And thus, they are more vulnerable to the crisis and the frequency of its occurrence.

The Exacto agency's strategic research and analysis department, the Alert Media Communications team and the Information Society Development Institute (and earlier the University of Information Technology and Management in Rzeszów) has been conducting a number of research projects in the field of crisis management for the past 10 years, which show that a helpful element in diagnosing crises image is the dimension of the so-called oppressiveness of the industry (Tworzydło, Łaszyn, & Szuba, 2018). Taking into account the issues related to the affiliation of an organisation to particular market segments gives the opportunity to conduct more advanced analyses on the type and frequency of image crises, and to obtain information on the anti-crisis prevention applied among various categories of companies. In connection with the above, research was conducted, based on the so-called tournament ladder (or: oppressiveness tree), based on 24 industries most often represented by the largest Polish companies from the *500 List*.

Research Concept

The purpose of this article is to show that companies with oppressive risk, due to their affiliation to a specific industry (sector of economy), should be aware of the threats resulting from belonging to this category and should adequately respond to image problems, e.g. through preventive actions. Taking into account the anti-crisis prevention model as part of the standard management tasks of such entities is a logical way to reduce vulnerability to crises. It should also be emphasised that functioning in the oppressive industry limits the effectiveness of operations in an intuitive way by communication managers, because any ill-considered decision may result in escalation of problems.

Oppressive industries are mainly those that touch areas where there are individual customers on the other side, each of whom may otherwise receive services provided by a given economic entity. It is also such industries where the probability of errors, breakdowns or problems in the use of produced goods increases due to the scale of production (Tworzydło & Szuba, 2018).

The company size expressed in the number of employees is also reflected in the degree of oppressiveness risk and the crisis management model implemented in the organisation. Research in the field of taking actions in crisis management confirms the thesis about the greater probability of occurrence of crises in large enterprises, where the expanded organisational structure is more exposed to image-based perturbations¹. In addition, the more numerous the staff, the more often the actions related to anti-crisis prevention are taken. In the cited research, the percentage of positive indications among small companies oscillated around 22%, while it increased to 33% in the group of medium-sized companies and up to 53% among large companies (Tworzydło, 2017).

When discussing the phenomenon of oppressiveness of the industry, one should also remember the role of managers who are responsible for communication processes in organisations. The awareness of the fact that a company operates within the oppressive industry can have a positive impact on the entire program of preparation and prevention in the event of adverse events. Mainly it is about working out a set of attributes that will translate not only to economic values, but also to hard-to-measure parameters, including company's image, its perception, trust. Knowledge about the potential risk of industry oppressiveness is important, but not sufficient for effective crisis management, where a set of preparatory actions is crucial (Tworzydło & Życzyński, in print). Therefore, identification of industry risk may constitute an alarm system for the organisation, but it will never be an immune system that does not allow the crisis to occur on the one hand, and on the other hand it must be properly processed if the crisis does occur.

It is difficult to clearly define the full profile of characteristics, along with a operationalised set of oppressive industries and reference groups, which are at least in theory less likely to experience a crisis. However, based on the experience of crisis management experts, it is worth trying to measure these processes. Previous studies of the authors of this text have shown that the largest Polish enterprises classified in the oppressive category stand out (results statistically significant with a test probability $p < 0.05$)²:

¹ The subject of the analysis covered the scope of activities undertaken by companies from the industrial processing sector (section C in the PKD classification) as part of the main PR areas. An analysis was based on 202 industrial companies: small (10–49 employees), medium (50–249 employees) and large (250 and more employees).

² Publication *Crisis management in Polish enterprises. The summary of 10 years of research on crises* takes into account the oppressiveness of the industry when explaining key elements of crisis management, including anti-crisis prevention, specification of the crisis organisational structure.

- increased crisis vulnerability, where crises were understood as real problems that companies faced in 2016, while the aspect of weakening reputation in the business environment had to be a significant event, along with translation into the economic and reputational sphere;
- a model for faster prevention of the consequences of potential crisis situations;
- a more complex structure of image crises (intensified impact of unfavourable factors from the external environment towards industries recognised as non-oppressive);
- higher level of knowledge in the preventive sphere, the so-called managerial crisis awareness indicator;
- active attitude in the context of anti-crisis prevention, e.g.
 - industries included in the oppressive group more often send their management team to communication training;
 - in companies more threatened by the crisis, a greater role is attached to the development of communication procedures and plans (such documentation is more often present and updated there).

Bearing in mind the analyses carried out, it should be stated that the market activity conducted by the enterprise in a given industry may translate into the risk of a crisis of a brand image. Research conducted among the largest Polish enterprises showed that the industries classified to the oppressive group³ more often experience crises, in comparison with other specialisations (branches from the reference layer). The research study was an opinion-forming ranking of enterprises listed in the *Rzeczpospolita* daily, where the financial results of the leaders of the Polish economy are published annually. The *500 List*. The question of whether in 2016 the company was in a crisis situation was answered positively in 50% cases in the oppressive industries, and in 30% among non-oppressive industries⁴. This state of affairs justifies the sense of conducting further research that will systematise knowledge in the area of vulnerability to image crisis situations. It is mainly about developing an identifying analytical model of the leading industries of the Polish economy, which will be a tool supporting the crisis audit methodology⁵. Statistical data and assumptions of the research protocol, which will be presented later, are to show one of the ways to analyse the oppressiveness of the industry in the context of the threat of image crises, taking into account the specificity of the Polish economy.

Research Method

The main objective of the study was to identify industries that, according to public relations experts, are characterised by an increased likelihood of communicational crisis situations, i.e. That are more vulnerable to image problems. Due to the fact that the subject of the Congress of Public Relations Professionals in 2018 concerned image crises and media, this event was used

³ The classification was of a qualitative nature and was based on the knowledge of the expert panel, which included leaders of the leading PR agencies that deal with crisis communication.

⁴ The chi-square test confirmed significant differences between oppressive and non-oppressive industries: $\chi^2 = 4.641$; $df = 1$; $p = 0.031$, and the strength of the relationship is expressed by the coefficient of $f = 0.201$.

⁵ The audit is based on questions that the auditor asks the company's representatives. Questions can concern various areas of management. Crisis audit can be carried out not only in the company, but also outside its walls. It may concern and include other target groups, such as: media, clients, contractors, local communities, etc. However, the audit in the external environment is carried out after its internal part, because a number of areas examined during the first part may be used during an external study.

to conduct surveys. It was assumed that thanks to the extensive professional experience of the respondents, it will be possible to develop a list of industry oppressiveness, which will initiate a cycle of research in this area (Figure 1). The effect of the research was obtaining 136 auditorium questionnaires, which were subjected to statistical processing⁶.

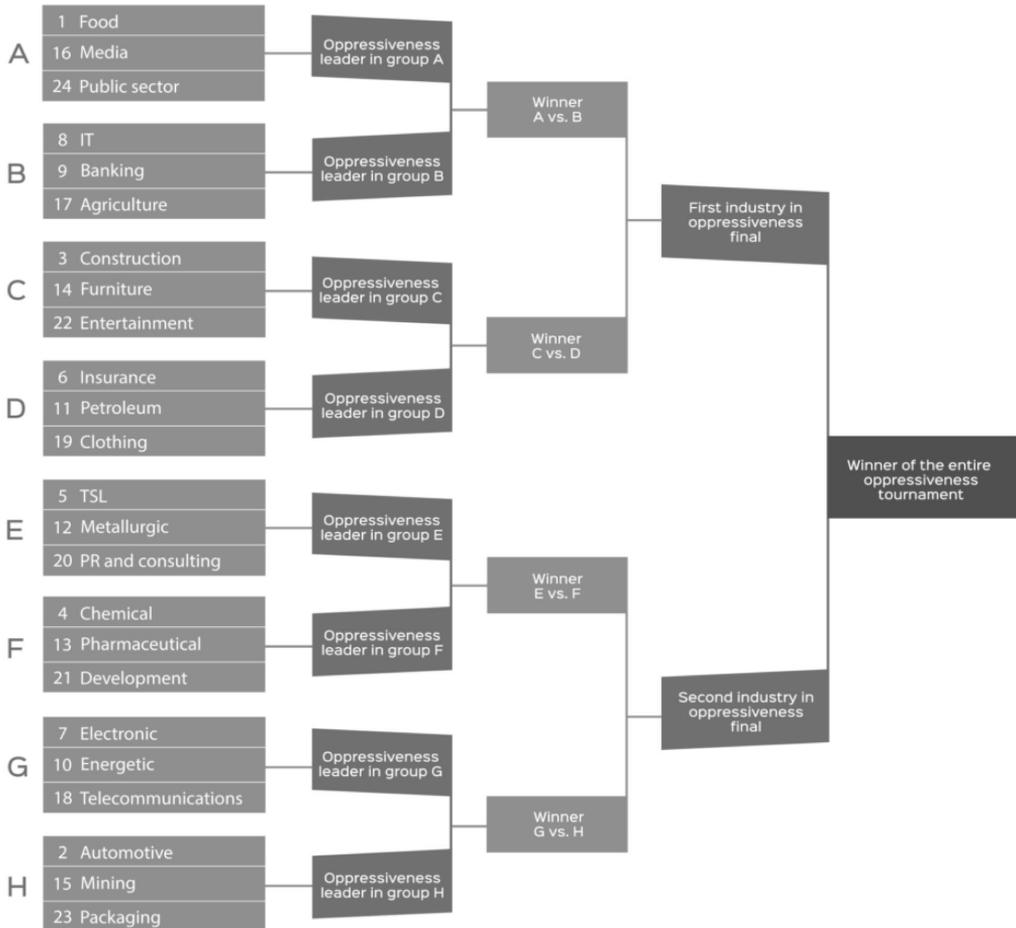


Figure 1. Deployment of industries separated on the basis of data from the *500 List* of the *Rzeczpospolita* daily⁷

Source: own study based on data from the *500 List* of the *Rzeczpospolita* daily – 2016 edition

⁶In addition to the oppressive tree, other factors that were used in the analysis were also tested. The structure of the research tool is a block assessing the oppressiveness aspect (3 questions) and a block identifying the professional profile of the respondents (7 questions).

⁷The set of indicators was prepared on the basis of data from the ranking of the *Rzeczpospolita* daily – 2016 edition. Due to the structure of the questionnaire, appropriate modifications were made, using the industries terminology.

Current (for the duration of the research design) *500 List* of the *Rzeczpospolita* daily (the 18th edition of the 2016 ranking) distinguishes 19 general industry categories in which the largest Polish enterprises operate. In the course of analyses, the list of industries tested in the tournament ladder has been expanded to 24 items, due to the separation of individual categories, more understandable naming for respondents and the rules of the developed knockout stage. In addition, the “public sector” category was taken into account due to the fact that almost 7% of the largest Polish enterprises were assigned to the state ownership structure (in 2018 it is already 9%). Individual industries were introduced to the tournament ladder using a model that assumed that the industries most represented by the largest Polish companies (numbering 1 to 8) cannot be in the same tournament group. Other items and numbers were assigned randomly (numbers 9 to 24). As a result of the draw, a group stage of the oppressiveness tournament was created.

At the initial stage, all respondents were asked to select one industry from each group, which in their opinion is the most crisis-provoking. In this way the knockout stage was initiated, which ended when the winner was selected, the so-called leader of oppressiveness. Such a mechanism allowed for conducting many analyses, as each respondent provided data on an individual approach to the sphere of crisis vulnerability.

Research Sample

The profile of the respondents with relevant parameters in terms of the issues addressed is given in Table 1. However, the method of verifying oppressiveness points will be presented in the further part of the study.

Table 1. The sample structure based on the professional profile (general profile), N = 136 respondents⁸

Analytical categories		N	%	
GENERAL PROFILE	Professional experience in public relations	Up to 3 years.	27	21.4
		4–10 years.	56	44.4
		Over 10 years.	43	34.1
	Position	Lower-level	31	25.0
		Lower level-managing	64	51.6
		Managing	29	23.4
	Type of PR employee	Agency PR employee	26	19.8
		Internal PR employee	44	33.6
		Institutional PR employee	46	35.1
		Other profession*	15	11.5

* The collective category includes marketing representatives (n = 4), media/journalists (n = 3), academic staff from academic centres (n = 2) and specialists not directly employed in PR (n = 6) e.g. IT, economics, NGOs, advertising, non-profit. Due to the wide professional diversity of this category, it will not be taken into account in cross-sectional analyses.

Source: own study based on the study of the PR environment

⁸ The highest possible number within a given feature in a situation where all respondents answered the questioned questionnaire.

Only every fifth respondent (21.4%) did not have at least 4 years of work experience in the public relations industry at the time of the study. However, as many as 1/3 of the sample could show over 10 years of experience in PR. The respondents occupy mainly lower-level and managing positions in their work establishments (51.6%). On average, every fourth respondent performed only lower-level functions. A similar percentage (23.4%) was the managers (full decision-making). PR specialists from public sector private sector have divided the research sample into two leading categories (over 1/3 of the share of each of the layers). In addition, nearly 20% of the respondents were people employed in PR agencies. 11.5% of respondents declared other professions than PR. A highly balanced distribution of variables positively affects the quality of analyses in the area of crisis vulnerability.

Table 2. The sample structure based on the professional profile (detailed profile), N = 136 respondents⁹

Analytical categories		N	%	
DETAILED PROFILE	Professional specialisation in crisis management	Yes	45	34.1
		No	87	65.9
	Subjective assessment of the level of experience in crisis management	Small (from 0 to 2)	19	14.6
		Medium (from 3 to 7)	81	62.3
		Large (from 8 to 10)	30	23.1
	Scale of crisis actions	Beginner (less than 10 projects)	59	55.7
		Common level (10–19 projects)	24	22.6
		Advanced (20 projects or more)	23	21.7

Source: own study based on the study of the PR environment

Over 1/3 of respondents declared that they relatively take the most actions related to public relations as part of crisis management. In addition, 23.1% the respondents expressed their conviction about a very high level of their own professional experience in this area of PR (self-declaration). Interestingly, a similar percentage took active part in at least twenty crisis projects. Such a scale of crisis actions was assigned to the most advanced category in the discussed sample profile. Nevertheless, gaining experience on a living organism is quite a difficult practice of PR, as almost 3/5 of the public relations respondents surveyed could not declare at least ten crisis projects in which they held important/decision-making functions. It is worth noting that the correlation between the subjective assessment of the level of experience and the scale of crisis activities was positive, and the value of the ratio was very high¹⁰. This means that the more often respondents declared a high level of experience, the greater their participation in projects in the field of crisis management. The above variables will help in

⁹ The highest possible number within a given feature in a situation where all respondents answered the questioned questionnaire.

¹⁰ A nonparametric correlation based on ranking results takes values from -1 to 1. The result for the sample is $\rho = 0.786$; $p = 0.001$.

the identification of an expert model for communication crisis management in explaining the determinants of the oppressiveness of the industry.

Cross-analyses based on averages have shown that the profile characteristics of the surveyed PR experts affect the selected issues related to the subject of the study (Table 3). The quality of crisis management competence – measured by means of seniority in PR and the self-declaration of the level of crisis experience – is conditioned due to:

- occupied position in the organisation (the higher the position in the employment structure, the higher the values of competency indicators);
- nature of the PR experts' work (people representing the client in external companies are longer connected with the PR industry – on average for over 11 years, in comparison with agency or institution employees – less than 9 years);
- the level of specialization in the crisis PR (if the respondent in his/her daily work performs duties closely related to crisis situations, then the seniority and subjective evaluation of the experience was relatively higher). A similar pattern was noted when analysing the scale of crisis activities (the more case studies processed, the higher the competence)¹¹.

Research Results

PR experts employed in institutions recognised that their employment sector is particularly exposed to the risk of image-related crisis (relatively the highest assessment of the oppressiveness of the industry – 7.76 per 10 points). A smaller threat in this respect was perceived by people who work in various types of companies (average 7.33) and PR agencies (average 5.72). In the case of other categories of analysis, no significant relationships were found in the context of the perception of the risk of crises.

Based on the responses of the respondents who completed the tournament tree, oppressiveness points were awarded in two compatible dimensions for each of the 24 tested industries¹². Depending on the duration of the tournament, each industry could receive a different number of points from a single respondent. The longer a specified industry category maintained in the knockout stage, the more justified it is to speak of greater degree of vulnerability to the image crisis. Each respondent had to distribute 4 points for all sectors, which gives the total pool of 544 points among 136 respondents, the so-called relative index¹³. The second method of point description – saturation index¹⁴ – assumes that a single industry could obtain a maximum of 1.875 points from each

¹¹ Significant differences between groups were evidenced by p values below 0.05 on the Kruskal-Wallis test (when the variable divided into at least three categories of answers) and the Mann-Whitney U test (when the variable had only two categories of answers).

¹² The way of awarding oppressiveness points is based on the tournament system, and the further the industry reaches in the tournament ladder, the more points it receives. Due to the above:

- for the promotion from the group, 1/8 point (0.125) was awarded to each indicated industry (there were 8 tournament groups);
- for the promotion to the quarter-finals, 1/4 point (0.250) was awarded to each indicated industry;
- for the promotion to the semi-finals, 1/2 point (0.500) was awarded to each indicated industry;
- the tournament's most oppressive industry additionally receives 1 point (winner only).

¹³ Indicator expressed in percent, which adds up to 100% in the distribution of all 24 industries. It expresses the percentage of points scored in the entire pool, although it does not take into account the maximum point limit that a given industry could have achieved (one industry could have scored a maximum of 255 points).

¹⁴ The indicator based on multiple responses, which shows the percentage of the achieved points in relation to the maximum number of points to obtain ($1.875 \times 136 = 255$).

survey. In a hypothetical variant, if the “X” industry was chosen each time as the winner of the oppressiveness tournament, then in such a situation it would acquire 100%, or 255 oppressiveness points. However, such a situation would mean that only one industry in the entire list works on the principle of “crisis magnetism” (attracts to itself the entire risk related to crisis situations).

Table 3. Factors differentiating sets of indicators measuring on a qualitative scale

Analytical categories		Average for quantitative indicators		
		Seniority in PR [*]	Subjective assessment ^{**}	Oppressiveness of own industry ^{***}
		from 0 to 28	from 0 to 10	from 0 to 10
Position	Lower-level	5.17	3.77	6.87
	Lower level-managing	9.11	5.87	7.11
	Managing	13.66	6.65	6.93
<i>Kruskal-Wallis test</i>		<i>p < 0.001</i>	<i>p < 0.001</i>	<i>p > 0.05</i>
Type of PR employee	Agency PR employee	8.40	5.24	5.72
	Internal PR employee	11.23	6.31	7.33
	Institutional PR employee	8.27	5.42	7.76
<i>Kruskal-Wallis test</i>		<i>p < 0.05</i>	<i>p > 0.05</i>	<i>p < 0.001</i>
Professional specialisation in crisis management	Yes	11.29	7.05	7.52
	No	8.08	4.65	6.80
<i>Mann-Whitney U Test</i>		<i>p < 0.01</i>	<i>p < 0.001</i>	<i>p > 0.05</i>
Scale of crisis actions	Beginner (> 10 projects)	6.20	3.90	6.75
	Common level (10–19 projects)	11.33	6.30	7.50
	Advanced (20 projects or more)	14.00	8.29	6.77
<i>Kruskal-Wallis test</i>		<i>p < 0.001</i>	<i>p < 0.001</i>	<i>p > 0.05</i>

* Measured by the number of years worked in the public relations industry. The answers were in the range from 0 to 28 years.

** Assessment of your own professional experience in the context of communication management in crisis situations. Quantitative scale from 0 to 10.

*** The indicator reflects the way respondents perceive vulnerability to image crises in the current employment industry. Quantitative scale from 0 to 10.

Source: own study based on the study of the PR environment

After summing the oppressiveness points, one can see the decisive advantage of the three tested industries over the others. According to the respondents, the most oppressive industry is the public sector and the food industry. Both segments have reached over 30% of the maximum point limit, which indicates that, with the methodology used, these industries can be defined as leaders in crisis-making. The pharmaceutical industry has gained almost a quarter of possible points, and telecommunications with a saturation index of 15.6% is just after the best three. A high point rate was also recorded in the automotive, energy, mining, fuel and construction sectors. In each case, the value exceeded 10%.

Table 4. Critical vulnerability of industries to the image crisis situations in the opinion of the respondents – the results of the oppressiveness tournament

Oppressiveness ranking	Industry	Total oppressiveness points	Relative index	Saturation index
1	public sector	96.375	17.7%	37.8%
2	food industry	78.875	14.5%	30.9%
3	pharmaceutical industry	60.25	11.1%	23.6%
4	telecommunications	39.75	7.3%	15.6%
5	automotive industry	28.25	5.2%	11.1%
6	energy industry	27.25	5.0%	10.7%
7	mining industry	26.125	4.8%	10.2%
8	petroleum industry	25.875	4.8%	10.1%
9	construction industry	25.75	4.7%	10.1%
10	development/real estate industry	23.75	4.4%	9.3%
11	banking industry	21	3.9%	8.2%
12	PR/consulting/audit industry	18.25	3.4%	7.2%
13	insurance industry	17	3.1%	6.7%
14	entertainment	12.5	2.3%	4.9%
15	TSL (transport, forwarding, logistics) industry	11.25	2.1%	4.4%
16	clothing industry	9.375	1.7%	3.7%
17	media (TV, radio, press, Internet)	6.75	1.2%	2.6%
18	IT	5.5	1.0%	2.2%
19	chemical industry	4.5	0.8%	1.8%
20	electronic industry	2	0.4%	0.8%
21	metallurgic industry	1.5	0.3%	0.6%
22	packaging/paper industry	1.125	0.2%	0.4%
23	agriculture	1	0.2%	0.4%
24	furniture industry	0	0.0%	0.0%
Total		544 points	100.0	213.3*

* Multiple answers.

Source: own study based on the study of the PR environment

Looking through the prism of the total amount of oppressiveness points awarded, it can be seen that the first four industries of the ranking absorbed more than half of the possible points (50.6%). This means that among all industries particularly vulnerable to the occurrence of crisis situations

are: public, food, pharmaceutical and telecommunications sectors. It is worth adding that on the target *500 List*, the state ownership structure aggregates the 33 largest Polish enterprises (6.6%). However, considering only the industry classification of the ranking, it can be seen that 40 entities deal with food production, while 28 companies specialise in the production of chemical products (including medicines). 9 companies were assigned to the telecommunications activity (*500 List* of 2016). A high degree of crisis threat for these industries should determine activities in the area of developing appropriate anti-crisis prevention and equipping the organisational structure with people competent to manage communication processes. Of course, the oppressiveness ranking is only an attempt to determine the crisis risk by experts, based on their professional experience, not its precise identification.

One can also look at the tournament ladder of oppressive industries on the principle of a simplified criterion of proportional character¹⁵. In this way, we obtain the knockout stage model supplemented in a majority manner by experts, where the categories with the higher number of indications in the qualifying group and in direct “head-to-head” matches are moved to the next stage (Figure 2). Such an approach allows to see interesting regularities¹⁶:

- The group set-up indicates that the biggest competition for the knockout stage was in group A (food, media, public sector), D (insurance, fuel, clothing) and H (automotive, mining, packaging). This is due to the fact that the smallest point differences between the industry which advanced to the knockout stage and those classified second in the group were recorded. Deviation in group A was just 4 indications in favour of the public sector.
- The banking industry (group B oppressiveness leader) accumulated relatively the most indications in the group stage. In this case, PR experts showed a relatively high level of unanimity in determining the promotion.
- The public sector is a definite leader of oppressiveness, taking into account only the proportional criterion.
- The absolute majority (minimum 69 indications) for the promotion to the knockout stage were obtained by a total of five industries: banking, construction, pharmaceutical, telecommunications, PR and consulting. However, only the pharmaceutical industry reached the semi-finals of the oppressiveness tournament, which confirms the lack of domination in the elimination group in the decisive stage of the tournament.
- The most even eliminating group consisted of insurance, fuel and clothing industries. Each of these industries has gained over 20 indications (the only such case).
- Assuming that the low level of oppressiveness may be indicated by sporadic indications in the group stage, it can be assumed that the following industries are less vulnerable to the occurrence of crisis situations: furniture, electronic, packaging and agricultural.

¹⁵ A larger number of indications for a given industry rewards it with promotion to the next stage of the tournament.

¹⁶ Scheme solutions were based on the answers of all 136 respondents, where one indication was tantamount to granting one point.

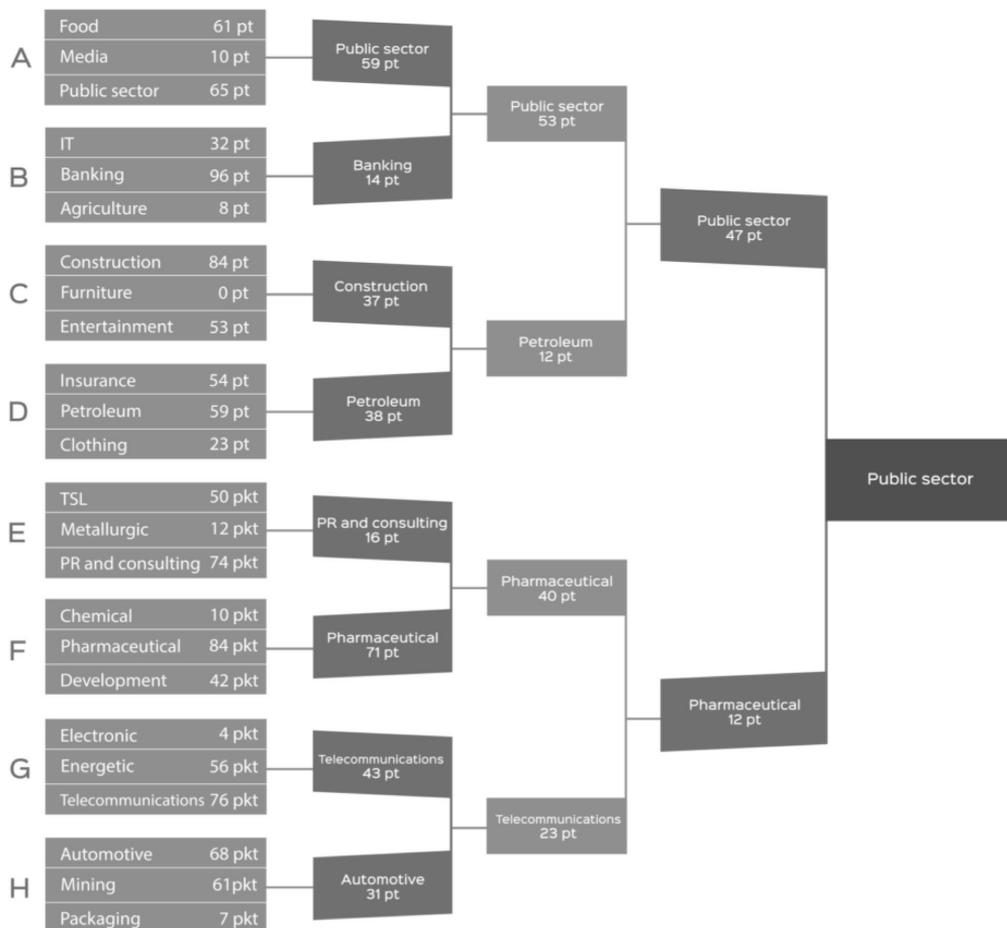


Figure 2. Completed tournament ladder based on a proportional criterion (the industry that gained more indications automatically advanced further in the tournament)

Source: own study based on the study of the PR environment

Expert Model in the Process of Oppressiveness Analysis of the Industry

Several indicators were used in the questionnaire, by means of which it was possible to qualitatively select an expert group with a high level of competence in the management of communication crisis situations. For the purposes of analyses, an expert is defined as a person who meets the majority (at least 3) of accepted recruitment requirements (Figure 3).

The first concerned a high self-assessment of professional experience in the sphere of communication management during crises. The average for the sample was 5.45, which after translating into the available score in the question means that it was necessary to mark the option above this ceiling (level in the range of 6–10). This requirement was met by half of the respondents. The expert also had to hold at least 5 years of professional experience in the PR industry. The context of the conducted research brought results in this case, because 2/3 of the sample gave the required values in the question about seniority in PR.

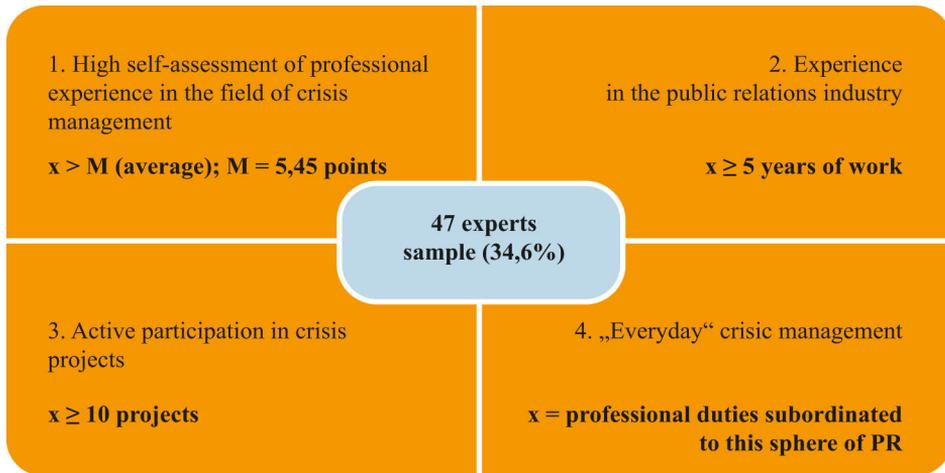


Figure 3. Expert panel for communication crisis management – verification model for the needs of analyses

Source: own study based on the study of the PR environment

The practical criterion expressed in terms of active participation in at least 10 crisis projects has significantly verified the resources of the expert group. Only slightly over 1/3 of respondents could declare such achievements in the management sphere. The last requirement was related to the hierarchy of professional duties. Declaration that, as part of crisis management, the respondent most often performs daily tasks at work, was tantamount to meeting the target criterion of the public relations task area. 33.1% of respondents responded in this way. Ultimately, 47 respondents who met the adopted assumptions were qualified to the expert model. Importantly, among them were 22 people who have successfully passed the verification of all recruitment requirements.

In addition to the four verification attributes¹⁷, the experts were characterised by the fact that they deal with management positions in organisations twice as often (34% in relation to 16.9%). Analysing the structure of the expert panel, it can be seen that they comparatively represented both companies (41.3%) and institutions (39.1%). Every fifth expert works in a PR agency. The expert panel consisted of representatives from over a dozen different specialisations, of which the most represented were PR, public sector, academic environment, health care and FMCG.

Selected experts, in addition to crisis management¹⁸, more often perform professional duties related to two other PR areas, i.e. media relations¹⁹, lobbying and public affairs²⁰. However, they

¹⁷ Statistically significant differences ($p < 0.001$) in the distribution of averages: self-assessment of experience (7.71 for experts, 4.26 for others); years of experience in the PR industry (12.96 for experts, 6.91 for others); number of crisis projects (40.25 for experts, 3.74 for others).

¹⁸ chi-square = 42.387; $p = 0.01$, Phi = 0.567.

¹⁹ chi-square = 4.772; $p = 0.029$, Phi = 0.190.

²⁰ chi-square = 13.369; $p = 0.001$, Phi = 0.318.

become less active in the area of visual identity²¹ and during the organisation of events²². As part of the other task areas (e-PR, internal communication, investor relations, research and evaluation projects, CSR, sponsorship, influencer relations, employer brand, relations with the government and PR person), no significant statistical differences were found, as $p > 0, 05$.

Experts' opinions were similar to the views of the remaining respondents when it comes to identifying industries that have advanced to the knockout stage of the oppressiveness tournament. None of the 24 cases presented any statistically significant differences. Relatively the biggest disproportions in the level of percentage in the selection of eight winners of the qualifying groups occurred in the context of the development industry (21.3% for experts, 36% for others) and automotive industry (57.4% for experts, 46.1% for others), while the smallest – in furniture and electronic industry (deviation did not exceed 1.5 percentage point).

Looking at the industries most threatened with crisis vulnerability (winners of the oppressiveness tournament), it can be seen that expert types do not definitively decide which industry deserves the title of an independent leader of oppressiveness. Both the public sector and the food industry have obtained a comparable number of indications. Experts gave the third place to the pharmaceutical segment. It is worth noting that the remaining respondents provided comparable answers to those issued by the expert panel (Chart 1).

It is noteworthy that as many as 16 out of 24 industries have at least once finished the tournament classification with the title of the most oppressive industry in the entire list. This state of affairs is shown by the balanced distribution of the risk of crisis-making. However, the expert panel was more rigorous in terms of the range of scale of winners, limiting the list of leaders to 12 industries (public, food, pharmaceutical; shared position: development, energy, automotive, clothing; shared position: construction, mining, petroleum, telecommunications, TSL). In addition, the three most often indicated industries received over 72% effectiveness of ending the oppressiveness tournament in the first place.

The research procedure presented in the article is an exemplary model in the approach to the analysis of the organisation's crisis vulnerability. The authors are aware that the selective selection of the sample is a weak side of the research and requires a more detailed development in subsequent editions. It is necessary to focus the analysis unit on specialised PR agencies, which have experience, a broader look at multi-faceted image problems and a dedicated catalogue of services in the PR-crisis area. This results from the activity being carried out, as well as from the scale and typology of crises that their clients have to deal with on a daily basis. It is also worth verifying the claim on the relationship between crisis vulnerability and the market structure of the industries based on representative research samples.

The research conducted among the largest Polish enterprises shows that 52% of companies that underwent an image crisis in 2016 used external support. Such entities sought help primarily in PR agencies and in law offices. It is significant, though, that mainly the industries that were referred to the oppressive group turned to the agency in the struggle against the crisis situation: 87% relative to 75% among the reference group (Tworzydło, Laszyn, & Szuba, 2018).

²¹ chi-square = 4.589; $p = 0.032$, $\Phi = (-0.186)$.

²² chi-square = 4.836; $p = 0.028$, $\Phi = (-0.191)$.

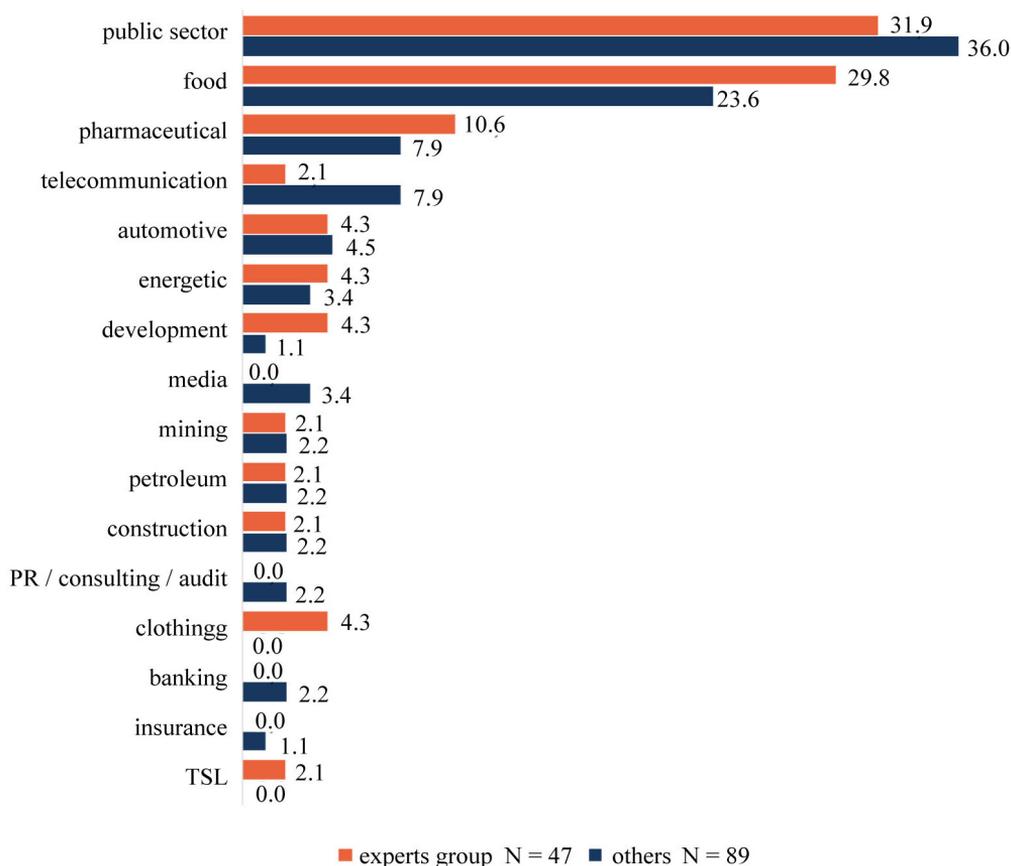


Chart 1. Crisis vulnerability – ranking of winners of oppressiveness tournament (in %) ²³

Source: own study based on the study of the PR environment

Conclusions

The image crisis and the need to manage its stages are problems, most of which will have to be tackled sooner or later by the companies operating on the market. On the one hand, it is an inseparable part of the organisation's life, and on the other hand, it is difficult to determine the time when it will happen (Kaczmarek-Śliwińska, 2015). Experts in crisis management agree that crisis situations are common phenomena, being a verifier of the efficiency of the functioning of specific organisations. This results, among other things, not only from the failure to prepare

²³ The analysis includes only the frequency distribution among the winners of the oppressiveness tournament – the leaders of oppressiveness. Two analytical categories were analysed: separate expert panel and other respondents. An image of three industries emerges from the analyses, which particularly attract image crises, i.e. public, food and pharmaceutical sectors.

managers or the companies themselves, but above all from the fact of universality and easy access to the media. Currently, basically everyone can be called a journalist and generate various content, including crisis content. Such “people unpunished on the web” is the biggest problem for companies and institutions, because they are the creators of serious image problems. The world of media and the world of PR are constantly infiltrating each other, which means that a lot of crisis management takes place in the media (Łaszyn, 2015). Therefore, the crisis vulnerability test model may provide support for both the assessment of the effects of public relations and media science techniques (e.g. media coverage analysis).

Bearing in mind the wide range of crisis-generating factors, but most of all the vulnerability to the crisis of Polish enterprises, especially those operating in the so-called oppressive industries and the growing likelihood of further events dangerous for the image, it is necessary to prepare for potentially image-sensitive events and education in the field of appropriate responses.

The preparation in question can not only consist in the development of relevant documents, such as crisis manual, Q&A or model statements. There are such factors that have an impact on a given economic entity, regardless of experience or preparation, among which the oppressiveness of the industry in which the examined business entity functions plays the main role. Oppressive industries, as evidenced by the analyses carried out for the purposes of the article, focus economic entities particularly exposed to image problems, which translates into both the frequency of occurrence of crises and their strength. In addition, research conducted among the largest Polish enterprises confirmed that the industries that were classified to the group of the most oppressive, in combination with other industries, attract crises to a much greater extent.

The analyses show an image of a strongly balanced distribution of the crisis-making risk among 24 industries distinguished on the basis of the ranking. This state of affairs is confirmed by the fact that 2/3 of them finished the tournament model at least once in the position of the leader of oppressiveness. Additionally, in the cross-section of the entire study, only the furniture industry failed to obtain a single point of oppressiveness, which of course is not synonymous with the fact that image crises completely bypass enterprises dealing with the wood-paper industry.

Based on the experts' answers, there are several segments particularly vulnerable to communicational crisis situations, which confirms the hypothesis of the existence of this type of specialisation. Both the public sector and the food industry obtained relatively the most indications in the opinion of the surveyed PR experts. This means that the “ability” to attract crises is in a way automatically included in the nature of their functioning. In addition, companies operating in the pharmaceutical, telecommunications, automotive, energy, mining, fuel, construction or banking industries can also be included in the broader group of oppressiveness leaders on the Polish market.

Therefore, in order to effectively counteract image-related problems, enterprises burdened with the risk of oppressiveness should be aware of the threats that result from belonging to this category. In addition, they must be properly prepared for image-related problems. They also need – considering their participation in the oppressive industry – to prepare for permanent monitoring of symptoms and constant analysis of the environment in terms of potential threats that may translate into serious image crises. An important element is also equipping the organisational structure with people competent to manage communication processes or cooperating with PR agencies specialised in crisis.

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