

Structural Equation Modeling to Investigate the Impact of Strategic Planning on Crisis Management: Empirical Evidence from Jordanian Telecommunication Companies

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Abstract

In this study, the impact of strategic planning (SP) and crisis management (CM) in the Jordanian telecommunication companies was investigated after COVID 19 pandemic. The sample of the study consisted of (180) employees working in the Jordanian telecommunication companies selected randomly. In order to achieve the objectives of the study, a questionnaire was used. Data were analyzed and study hypotheses were tested using SPSS and Amos. The results showed that strategic planning plays a vital role in the ability to manage crisis and that there is a statistically positive significant impact for SP and CM, in light of the results, recommendations were provided.

Keywords: Strategic Planning, Crisis Management, Jordanian Telecommunication Companies, COVID 19,

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1. Introduction

1.1 Crisis Management

The business world is distinguished by an unstable and competitive business environment, which has the potential to influence the efficiency and effectiveness of the organization, as well as its survival. As a result, every business must have a clearly defined strategy that will guide all stakeholders in the direction of the firm's vision and goal without any ambiguity. Various scholars have defined strategy in various ways (John-Eke & Eke, 2020).

Regardless of how a crisis definition is used in a specific context to explain a specific crisis, it is generally agreed that there are three common elements to most crisis definitions: (1) a major threat to the organization's survival, (2) the element of surprise, and (3) a short decision time to respond. Furthermore, due to the dynamic nature of a crisis, the majority of literature supports the concept of crisis as a process rather than an event. As a result, most crisis researchers see crisis management as a process, and most crisis management models are based on stages of a crisis. Crisis management according to many researchers can be divided into three stages: (1) before the crisis (crisis planning), (2) during the crisis (crisis response), and (3) after the crisis (crisis recovery/crisis evaluation and learning) (Ghaderi, Mat Som & Henderson, 2015).

In the same vein, Hermann considered as the first scholar who develop the theory of organizational crisis. He stated that a crisis has three dimensions, which are (John-Eke & Eke, 2020):

- 1. It threatens the organization's high-priority values.
- 2. It presents a limited amount of time in which a response can be made.
- 3. It is unexpected or unanticipated by the organization.

In addition, Tamásné Vőneki (2020) defined crisis as a serious circumstance linked with high risk to business that might result in rapid municipal policy change because it affects public confidence while also attracting media and public interest.

According to Sidak and Koval (2018) crisis management may be viewed as a versatile and diverse system composed of many different aspects that are related in certain ways and create a single organism. In general, crisis management aims to improve the financial performance, overcome disparities in the distribution of financial resources, analyze and account for operational risks, and optimize settlements with creditors and borrowers in the real economy.

Given the internal importance of strategic management to the organization, various researchers, like Nickols (2016), have shown that most business operations must be handled intentionally in order to achieve their goals in the future. As a result, strategic management entails maintaining the concept of attaining organization goals and



objectives while identifying a firm's growth in terms of the company's public resources.

In the same line, Al-Khrabsheh (2018) defined crisis management as the technique of attempting to recognize and predict areas of crisis, developing actions or measures designed to prevent crises from occurring, or an incident from evolving into a crisis, and minimizing the effects of disruption caused by a crisis that could not be avoided.

Another definition is provided by Abo-Murad and Abdullah (2019), crisis management is a proactive method of preparing a corporation for the worst-case situation. It entails careful planning of techniques to minimize the consequences on its functioning in both the short and long term. In addition, crisis management is, in some ways, the discipline of providing the resources and organizational structures required to respond successfully to a crisis.

1.2 Strategic Planning

Planning has always been critical for companies, whether they are new or established. It is made up of a series of written papers that have a significant influence on all functional business areas and establish the value of key performance indicators in the future. Planning encompasses all critical concerns, beginning with a vision, goal, and strategy and progressing through operations, management, marketing, and other areas. Of course, planning might vary based on the company domain, the amount of business, or the target audience; nonetheless, they typically conform to regulated business procedures. Moreover, in its most basic form, planning is a sort of roadmap that enables business organizations to explicitly articulate their corporate goals and how they expect to attain them. Planning has changed from its beginning to the current day, and as a result, there are many distinct forms of planning that are utilized and used in the corporate sector. With the emergence of new waves of sustainable economy, corporate planning must take into account both the social and environmental sustainability of the enterprise (Matović, 2020).

While, strategic planning is often used to improve a company's efficiency. It is the foundation of every organization; without it, the organization has no idea where it is heading or when it will achieve its goals. A key notion of strategic planning is the realization that in order for an organization to thrive, everyone must work together to guarantee that the team's goals are realized. Additionally, the fundamental strategic planning model proposes that a firm's strategies are the product of a plan; therefore the planning process is rational, highly structured, and directed by senior management. Strategic planning practices are used by businesses to precisely identify their aims and objectives. However, Strategic planning can be described as the harmonization of an organization with its environment. It is a top-down approach that is involved with an organization's long-term aims, the resources used to achieve those objectives, and the policies and standards that govern the acquisition, use, and disposal of those resources. It must also consider the opportunities accessible to the organization, as well as an assessment of its ability to capitalize on those opportunities in order to acquire a unique strategic advantage (Nyanaro & Bett, 2018).

According to Bryson et. al., (2018), Strategic planning is a "deliberate, disciplined endeavor to develop basic decisions and activities that shape and steer what an organization (or other entity) is, what it does, and why." Strategic planning that fulfills this criterion is becoming more popular in governments around the world. It can refer to organizations or parts of organizations; intra-organizational functions such as finance or human resources; purpose-driven inter-organizational networks or collaborations designed to fulfill specific functions such as transportation, health, education, or emergency services; and locations ranging from local to national to transnational. Strategic planning can and frequently is part of the broader practice of strategic management, which integrates planning with continuous implementation.

Otieno et. al.,(2018) defined strategic planning as the act of establishing strategic change in any company and is critical to the implementation of strategic intents. In conclusion, John-Eke and Eke (2020) stated that the focus of crisis management is on improving an organization's capacity to survive, whereas the focus of strategic planning is on improving its ability to prosper. Surviving is one of the qualities of crisis management, whereas thriving is one of the characteristics of strategic planning. Crisis management is based on the tragedy of the future, while strategic planning is based on the assumption that future events will be identical to the present. Any business that wants to survive and prosper before, during, and after a crisis must have a team of strategists and crisis managers experts who are ready to learn from past mistakes and always think and prepare ahead of any potential occurrence.

2. Previous Studies

Al-Khrabsheh (2018) investigated the relationship between crisis management approaches (escape, confrontation, collaboration, and containment) and strategic planning processes in 5-star hotels in Egypt. The sample of the study consisted of (190) of general managers at the Egyptian five-star hotels. To achieve the study objective, a descriptive analytical method was employed. The findings of the study revealed that there were a statistically significant relationship between strategic planning procedures and crisis management approaches, with a



negative relationship between strategic planning and escape and a positive relationship between strategic planning and confrontation, collaboration, and containment.

Monye and Ibegbulem (2018) examined strategic planning's impact on organizational performance and profitability. The sample of the study consisted of (100) participants. To achieve the study objectives, a questionnaire was used. The findings of the study revealed that strategic planning improves organizational performance, which has a long-term impact on profitability, and the intensity of strategic planning is determined by management, environmental, and organizational factors.

In their study, Aljuhmani and Emeagwali (2017) determined the roles of strategic planning in organizational crisis management in Jordanian banks in Ramtha. The sample of the study consisted of (75) of employees of Jordanian banks. To collect data, a questionnaire was used. According to the findings of this study, Jordanian banks in Ramtha have a clear strategic plan in place to deal with and avert crises when they arise, which is communicated to all of the bank's workers at all levels and divisions. In addition, it revealed that there was a relationship between strategic planning and crisis management on Jordanian banks adopted by bank employees and thus affected the banks performance positively.

Using a sample consisted of (120) of managers in Gaza Electricity Distribution Company, Mudalal (2021) investigated the impact of crisis management on strategic planning in the Palestinian service sector firms. To achieve the study objectives, a survey was employed for collecting data. The results of the study indicated that except for Strategic planning comprehensiveness, there was a considerable positive association between the crisis management concept as a whole and the strategic planning characteristic. Furthermore, research findings also indicated that there were some substantial positive relationships between the crisis management and strategic planning dimensions. This study added to the field by bringing fresh empirical evidence in organizational studies, primarily on the function of crisis management in creating and improving the strategic planning process.

2.1 Study Problem

Crisis is a part of the activities and operations of any successful organization. It is a negative sudden event can occur without any signs and this indicates that organizations should develop plans to help them manage these crises as they appear. Based in that, crisis management is an integral part of organization operations since the latter must have previous planning to help them overcome the crisis they face. For this reason, crisis management is one of the key processes of any organization when knowing that being prepared to deal with crisis is a significant indicator of organizational success.

In the last few years, strategic planning has become a major focus in management literature since it is based on forecasting what organization can do in the different contexts, especially with the high competitiveness organizations are now facing in any sector. Thus, strategic planning implies that the organization can handle effectively the future events with negative or positive outcomes and able to work out solutions that can have positive effects on organizations or minimize the negative ones.

Studies have documented the relationship between strategic planning and crisis management. For example Mudalal (2021) stated that organizations having high quality strategic planning operations were more likely to overcome crisis as they appear and this means that they have clear crisis management procedures having the ability to help the organization pass through it.

2.2 Model of the Study

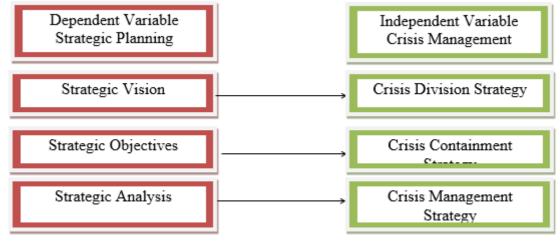


Figure 1: Study Model



2.3 Study Hypotheses

The problem of this study lies in testing the following hypotheses:

- H1: There is no significant impact for the total strategic planning on the total crisis management in the Jordanian telecommunication companies at significance level of 0.05

The following three sub hypotheses were derived from this hypothesis:

- H1-1: There is no significant impact for strategic planning on crisis division strategy in the Jordanian telecommunication companies at significance level of 0.05
- H1-2: There is no significant impact for strategic planning on crisis containment strategy in the Jordanian telecommunication companies at significance level of 0.05
- H1-3: There is no significant impact for strategic planning on crisis management strategy in the Jordanian telecommunication companies at significance level of 0.05

2.4 Significance of Study

Significance of the current study emerges from the fact it addresses one of the most significant organizational variables that have proven to be an integral part of daily routine processes. Strategic planning may be one way for achieving organizational objectives and this means that the results of this study may help junior and senior managers in developing organizational operations. Also, it is hoped that this study may provide these involved in the management process at any given organization with invaluable information that may help them overcome the negative events organizations may face. The current study results are expected to shed light on the importance of strategic planning as an effective tool for passing through the negative events. Finally, the hypotheses of this study were analyzed using Structural Equation Modeling through the use of Amos software, which enables the researcher to get more accurate results. Few of the previous studies adopted this technique.

2.5 Limitations

This study was limited to a sample of Jordanian telecommunication companies and this means that the results cannot be generalized to employees working in other sectors. Furthermore, the study was confined to employees and this means that junior and senior managers were not investigated.

3. Methods and Procedures

3.1 Methodology

In order to achieve the study's objectives, the researchers employed a quantitative research design.

3.2 The Population and Sample of the Study

The population of the current study included all the employees working in the Jordanian telecommunication companies during the year 2022/2023, the sample consisted of (180) employees.

3.3 Instruments of the Study

The study developed two instruments by reviewing previous studies. The first measuring strategic planning, while the other measuring crisis management as follow:

3.4 First: Strategic Planning Questionnaire

The researcher adopted the questionnaire which was developed by AbdElaal et. al., (2021). The questionnaire consisted of (12) items.

3.4.1 Construct Validity

Correlation coefficients were calculated between the items and the total score in order to obtain construct validity via a pilot sample included (20) employees. Additionally, for every item Correlation coefficient was counted (correlation point to validity significance of every item), as shown in the following table.

Table 1: Correlation-Coefficients between Items, the Total Score and the Domain to which they belong

Item	correlation coefficients to the domain	correlation coefficients to the instrument	Item	correlation coefficients to the domain	correlation coefficients to the instrument	Item	correlation coefficients to the domain	correlation coefficients to the instrument
1	.93(**)	.92(**)	5	.88(**)	.82(**)	9	.70(**)	.68(**)
2	.94(**)	.87(**)	6	.89(**)	.89(**)	10	.69(**)	.83(**)
3	.90(**)	.81(**)	7	.92(**)	.87(**)	11	.81(**)	.81(**)
4	.89(**)	.91(**)	8	.92(**)	.85(**)	12	.85(**)	.75(**)

^{*} Significant at (0.05)

It is noted that the correlation coefficients are significant.

^{**} Significant at (0.01)



3.4.2 Reliability

To verify reliability, Cronbach Alpha Coefficient for internal consistency reliabilities was employed by administrating and re-administrating the questionnaire after a period of two weeks on the pilot sample (n = 20), and the results presented in table (2).

Table 2: Cronbach Alpha Internal Consistency Reliabilities for Individual Domains and Total Instrument

Domain	Cronbach's Alpha Coefficient	Number of Items
Strategic Vision	0.74	4
Strategic Objectives	0.79	4
Strategic Analysis	0.81	4
Strategic Planning	0.84	12

Table (2) shows that Cronbach Alpha Coefficient ranged between (0.74-0.84)

3.5 Second: Crisis Management Questionnaire

The researcher adopted the questionnaire which was developed by AbdElaal et. al., (2021). The questionnaire consisted of (12) items.

3.5.1 Construct Validity

Correlation coefficients were calculated between the items and the total score in order to obtain construct validity via a pilot sample included (20) employees. Additionally, for every item Correlation coefficient was counted (correlation point to validity significance of every item), as shown in table (3).

Table 3: Correlation Coefficients between the Items and the Total Score

Item	correlation coefficients to the instrument	Item	correlation coefficients to the instrument
1	.75(**)	8	.71(**)
2	.80(**)	9	.62(**)
3	.77(**)	10	.70(**)
4	.54(*)	11	.79(**)
5	.77(**)	12	.80(**)
6	.73(**)	13	.55(*)
7	.80(**)	14	.78(**)

^{*} Significant at (0.05)

It is noted from the previous table that the correlation coefficients are significant

3.5.2 Reliability

To verify reliability, Cronbach Alpha Coefficient for internal consistency reliabilities was employed by administrating and re-administrating the questionnaire after a period of two weeks on the pilot sample (n = 20). It was found that Cronbach's Alpha coefficient for crisis management was (0.81).

3.6 Hypotheses Testing

- The first hypothesis of the study states: There is no significant impact for the total strategic planning on the total crisis management in the Jordanian telecommunication companies at significance level of 0.05

In testing this hypothesis, correlations between total strategic planning and the total crisis management in the Jordanian telecommunication companies were analyzed using correlation and linear regression analysis. According to Pearson's correlation test, the relationship between SP and CM is presented in table (4). There is a statistically positive significant correlation (r=0.794, α =0.000) between the SP and CM. This means that the first hypothesis is rejected.

Table 4: The Correlation Coefficient the SP and CM

		Strategic Planning
Crisis Management	Pearson Correlation	.794(**)
	Sig. (2-tailed)	.000
	N	180

A simple linear regression was also used to estimate the relationship between SP and CM.

^{**} Significant at (0.01)



Table 5: Simple Regression Analysis to Estimate the Relationship between Strategic Planning and Crisis

Management in the Jordanian Telecommunication Companies

				Std.				
	R	R Square	\mathbf{F}	Sig.	В	Error	T	Sig.
1	.794(a)	.631	304.600	.000(a)	.780	.045	17.453	.000

a. Predictors: (Constant), Strategic Planning

Table (5) shows that regression coefficient R2 value was 0.631 which means Strategic Planning explains 63.1% of the variance happening in Crisis Management, B value tells us that for every one unit increase in SP there is a corresponding 0.780 unit increase in CM. Because the p-value is so low (p < 0.001), we can reject the null hypothesis and conclude that there is an impact for the total strategic planning on the total crisis management in the Jordanian telecommunication companies

3.7 Testing Sub-Hypotheses

H1-1: There is no significant impact for strategic planning on crisis division strategy in the Jordanian telecommunication companies at significance level of 0.05.

The relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis division strategy was analyzed using correlation and linear regression analysis.

According to Pearson's correlation test, the relationship strategic planning (Strategic Vision, strategic Objectives, and Strategic Analysis) and crisis division strategy is presented in table (6).

There is a statistically positive significant correlation (r=0.348, 0.744, 0.582 respectively α =0.000) between strategic planning (Strategic vision, Strategic objectives, Strategic analysis) and crisis division strategy. This means that hypothesis H1-1 is rejected. This means that there is a statistically significant impact for strategic planning.

Table 6: The Correlation Coefficient between Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and Crisis Division Strategy

		Strategic Vision	Strategic Objectives	Strategic Analysis
Crisis Division Strategy	Pearson Correlation	.348(**)	.744(**)	.582(**)
	Sig. (2-tailed)	.000	.000	.000
	N	180	180	180

The Multiple linear regressions was used to estimate the relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis division strategy.

Table 7: Multiple Regression Analysis to Estimate the Relationship Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and Crisis Division Strategy

								dardized ficients	Standardized Coefficients	_	
	Model	R	R2	F	Sig.		В	Std. Error	Beta	T	Sig.
-	1	.776(a)	.602	88.908	.000	(Constant)	.335	.190		1.759	.080
						Strategic Vision	.162	.057	.170	2.828	.005
						Strategic Objectives	.691	.064	.674	10.783	.000
						Strategic Analysis	.285	.065	.275	4.392	.000

a. Predictors: (Constant), Strategic Analysis, Strategic Vision, Strategic Objectives

Table (7) shows that regression coefficient R2 value was 0.602 which means Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) explains 60.2% of the variance happening in Crisis Division Strategy, B value tells us that for every one unit increase in Strategic Vision there is a corresponding 0.162 unit increase in the Crisis Division Strategy, B value tells us that for every one unit increase in Strategic Objectives there is a corresponding 0.691 unit increase in the Crisis Division Strategy, B value tells us that for every one unit increase in Strategic Analysis there is a corresponding 0.285 unit increase in the Crisis Division Strategy. Because the p-value is so low (p < 0.001), we can reject the null hypothesis and conclude that there is a significant impact for strategic planning on crisis division strategy

b. Dependent Variable: Crisis Management

b. Dependent Variable: Crisis Division Strategy



H1-2: There is no significant impact for strategic planning on crisis containment strategy in the Jordanian telecommunication companies at significance level of 0.05

The relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis containment strategy was analyzed using correlation and linear regressions analysis.

According to Pearson's correlation test, the relationship strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis containment strategy is presented in table (8).

There is a statistically positive significant correlation (r=0.622, 0.825, 0.729 respectively α =0.000) between strategic planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and crisis containment strategy. This means that hypothesis H1-2 is rejected.

Table 8: The Correlation Coefficient between Strategic Planning (Strategic Vision, Strategic Objectives,

Strategic Analysis) and Crisis Containment Strategy

		Strategic Vision	Strategic Objectives	Strategic Analysis
Crisis Containment Strategy	Pearson Correlation	.622(**)	.825(**)	.729(**)
23	Sig. (2-tailed)	.000	.000	.000
	N	180	180	180

Multiple linear regressions is used to estimate the relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis containment strategy.

Table 9: Multiple Regression Analysis to Estimate the Relationship Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and Crisis Containment Strategy

					•		ndardized fficients	Standardized Coefficients		
Model	R	R2	F	Sig.		В	Std. Error	Beta	Т	Sig.
1	.884(a)	.782	210.264	.000(a)	(Constant)	.188	.125		1.508	.133
					Strategic Vision	.120	.037	.143	3.203	.002
					Strategic Objectives	.505	.042	.556	12.018	.000
					Strategic Analysis	.295	.043	.321	6.932	.000

a. Predictors: (Constant), Strategic Analysis, Strategic Vision, Strategic Objectives

Table (9) shows that regressions coefficient R2 value was 0.782 which means Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) explains 78.2% of the variance happening in Crisis containment Strategy, value tells us that for every one unit increase in Strategic Vision there is a corresponding 0.120 unit increase in the Crisis containment Strategy, B value tells us that for every one unit increase in Strategic Objectives there is a corresponding 0.505 unit increase in the Crisis containment Strategy, B value tells us that for every one unit increase in Strategic Analysis there is a corresponding 0.295 unit increase in the Crisis containment Strategy. Because the p-value is so low (p<0.001), we can reject the null hypothesis and conclude that there is effect for strategic planning on crisis containment strategy

H1-3: There is no significant impact for strategic planning on crisis management strategy in the Jordanian telecommunication companies at significance level of 0.05.

The relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis management strategy was analyzed using correlation and linear regressions analysis. According to Pearson's correlation test, the relationship strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis management strategy is presented in table (10).

There is a statistically positive significant correlation (r=0.308, 0.555, 0.686 respectively α =0.000) between strategic planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and crisis management strategy. This means that hypothesis H1-3 is rejected.

b. Dependent Variable: Crisis Division Strategy



Table 10: The correlation coefficient between strategic planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and crisis management strateg

		Strategic Vision	Strategic Objectives	Strategic Analysis
Crisis Management Strategy	Pearson Correlation	.308(**)	.555(**)	.686(**)
63	Sig. (2-tailed)	.000	.000	.000
	N	180	180	180

Multiple linear regressions is used to estimate the relationship between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis management strategy.

Table 11: Multiple Regressions Analysis to Estimate the Relationship Strategic Planning (Strategic Vision, Strategic Objectives, Strategic Analysis) and Crisis Management Strategy

						Unstandardized Coefficients		Standardized Coefficients		
Model	R	R2	F	Sig.		В	Std. Error	Beta	T	Sig.
1	.726(a)	.527	65.335	.000(a)	(Constant)	.772	.186		4.147	.000
					Strategic Vision	.161	.056	.188	2.870	.005
					Strategic Objectives	.268	.063	.292	4.276	.000
					Strategic Analysis	.573	.063	.616	9.031	.000

a. Predictors: (Constant), Strategic Analysis, Strategic Vision, Strategic Objectives

Table (11) shows that regressions coefficient. R2 value was (0.527) which means that strategic planning (Strategic vision, Strategic objectives, Strategic analysis) explains (52.7%) of the variance happening in Crisis management Strategy, B value tells us that for every one unit increase in Strategic Vision there is a corresponding 0.161 unit increase in the Crisis management Strategy, B value tells us that for every one unit increase in Strategic Objectives there is a corresponding 0.268 unit increase in the Crisis management Strategy, B value tells us that for every one unit increase in Strategic Analysis there is a corresponding 0.573 unit increase in the Crisis management Strategy. Because the p-value is so low (p < 0.001), we can reject the null hypothesis and conclude that there is effect for strategic planning on crisis management strategy.

Amos v.25 used to test these hypotheses Figure (2) and table (12) show the analysis results.

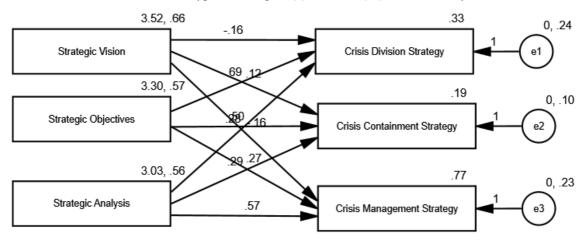


Figure 2: Research model for effect for strategic planning on crisis division strategy

b. Dependent Variable: Crisis Division Strategy



Table 1	2: Results	of Study	v Hv	notheses

Н			Estimate	S.E.	C.R.	P	Decision
Crisis Division Strategy	←	Strategic Analysis	.285	.049	5.843	0.000	Rejected
Crisis Division Strategy	←	Strategic Objectives	.691	.048	14.335	0.000	Rejected
Crisis Division Strategy	←	Strategic Vision	162	.045	-3.613	0.000	Rejected
Crisis Containment Strategy	←	Strategic Objectives	.505	.032	15.976	0.000	Rejected
Crisis Containment Strategy	←	Strategic Vision	.120	.029	4.093	0.000	Rejected
Crisis Management Strategy	←	Strategic Vision	161	.044	-3.667	0.000	Rejected
Crisis Containment Strategy	←	Strategic Analysis	.295	.032	9.223	0.000	Rejected
Crisis Management Strategy	+	Strategic Analysis	.573	.048	12.015	0.000	Rejected
Crisis Management Strategy	+	Strategic Objectives	.268	.047	5.684	0.000	Rejected

4. Discussion

The study investigated the effect of strategic planning on crisis management in the Jordanian telecommunication companies. The results showed that strategic planning plays a vital role in the ability to manage crisis. As known, crisis is a sudden event that negatively affects companies and organizations ability to achieve their strategic objective. In the last three years, crisis management has become one of the main concerns of organizations, especially with the outbreak of COVID-19 despite the fact that telecommunication companies capitalize from this crises as people were forced to stay home and this meant that they were more open to using telecommunication services such as phone calls and internet. In other words, persons stayed home without the need to go to their work and this meant more time to spare. When staying home, individuals are more prone to resort on the services provided by telecommunication services and this meant more profit for them. Nonetheless, telecommunication companies were expected to fulfill the needs of their clients by providing them with high quality services. But, with the sudden increase in the number of telecommunication services users, telecommunication companies in Jordan were forced to attract more employees able to meet the needs of their clients. Also, and with the vast numbers of telecommunication services users, the flow of services especially internet services were negatively affected by the increasing number of users and this dictated the need for Jordanian telecommunication companies to be innovative and creative in finding solutions for such problems. As known, strategic planning is based on forecasting the dangerous and threats the organization maybe exposed to as a result of negative future events and this dictated the need for Jordanian telecommunication companies to be prepared and alert to working on fulfilling the needs of their clients. Since these companies have qualified management and professional technicians they were able to effectively respond to their clients and work hard to provide them with all they need as much as possible. This is why the results of this study indicated a significant positive correlation between strategic planning and crisis management as the former is highly depended on the management ability to put plans in advance so as they can face the latter.

The study found a statistically positive significant correlation between strategic planning (Strategic vision, Strategic objectives, and Strategic analysis) and crisis division strategy. This result can be attributed to the fact that strategic planning is a process that anticipates the future events and work on developing the positive aspects of the organizational operations and minimizing the negative effects of them. As known, dividing the crisis into small manageable parts helps managers on working out some of the effective procedures as they realize that when the crisis is divided into small pieces they can effectively work on them and try to pass through the crisis they encounter.

It also found a statistically positive significant correlation between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis containment strategy. One of the most effective procedures is to contain the consequences of the crisis. When knowing that strategic management is mainly concerned with developing procedures and steps the organization rely on when faced by a crisis, it is plausible to assume that effective managers are able to maintain a set of procedures that help the organization in times of crisis. As Jordanian telecommunication companies attract highly qualified managers, these are in the best place



to manage the crisis by attempting to contain its negative effects and they also acknowledge the need for putting some previous procedures that may come in handy when the telecommunication company faces a crisis.

The results showed a statistically positive significant correlation between strategic planning (Strategic Vision, Strategic Objectives, and Strategic Analysis) and crisis management strategy. Strategic planning is always a preventive measure that organizations attempt to develop as they realize its importance in time of crisis. Thus, putting some effective procedures is the first step for crisis management. It is well known that Jordanian telecommunication companies know that they face different forms of crisis; something needing to be managed at one time or another. Furthermore, the management in these companies always seeks to prevent the occurrence of a crisis despite the fact it is part of the organizational variables and this dictates the development of well-defined and well-structured procedures able to help Jordanian telecommunication companies.

The results of the study are consistent with the results of Al-Khrabsheh (2018) which revealed a statistically significant relationship between strategic planning procedures and crisis management approaches. It is also consistent with the results provided by Mudalal (2021) which indicated a considerable positive association between the crisis management concept as a whole and the strategic planning characteristics.

5. Recommendations

In light of the results, the study recommends that strategic planning should be used as an organizational tool for preventing the occurrence of crisis or for minimizing its negative consequences on the organizations operations. Also, managers should be well-informed about the possibility of having a crisis and this means that they should work on developing preventive procedures. Finally, future research may examine the relationship between strategic planning and organizational performance as the correlation between these two variables is not fully studied in the Jordanian context.

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