SOCIAL CHANGES AND MODERN CRISES – CHALLENGE FOR THEORY AND MANAGERIAL PRACTICE

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Abstract: The paper deals with the phenomenon of modern crises and its main features, comparing them to classic ("normal") crises, as well as the main processes that influenced this transformation. After that, the author discusses the key difficulties that coping with modern crises impose for managers. Administrative repertoire of prevention and intervention strategies is not adequate for modern crises that are much more complex and interdependent. Moreover, the conventional model of coordination is improper for dealing with proliferate number of organizations and individuals included in crisis management process. Increased politicization of crisis processes imposes new demands on crisis managers. New kinds of crises require a new way of thinking.

Key words: crisis, crisis management, prevention, leaders, managers

1. Introduction

In a certain way crises are constants of social life. Their names and dates are constants of social life, the cornerstone of historic eras. They have changed significantly the entire societies and cultures. So crises have been the integral part of human history, and they will also mark our future. Namely, with the development of the society and the progress in technology, human kind is facing frequent and more diverse crises. As a consequence, our planet has become „the world of risk"(Beck, 2002) in which the activities in one country have a dramatic influence on populations beyond its borders. This refers to the devastating natural disasters, international and domestic disturbances in vital products and services supply, industrial and nuclear accidents, fires in storehouses and hotels, accidents

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of aircrafts and ships, laboratory experiments out of control, unrests and other social conflicts, terrorist attacks on political leaders and ordinary citizens, hijackings of trains, aircraft and ships, hunger and epidemics of infectious diseases. These are serious challenges for the police and other subjects of security system in each society.

Crises are actually abstract concepts for real events that can push certain community, region, nation or the whole world to the edge of chaos. These real and devastating events present a challenge for social, political and administrative elites, questioning the philosophical, social and moral nature of political leaders, society and world community, causing the changes that were inconceivable in the past. Remembrance on Brixton disorders, Challenger and Chernobyl disasters, sinking of Estonia and Akile Lauro ships, AIDS epidemic etc., are followed by fear, grief and anger, and a number of questions: Why did it happen? Was it possible to avoid the disaster? Who is responsible? The answers are often incomplete; the facts and evidence are not always transparent, while the public forgets quickly.

The European continent has always been the crisis prone place. The European history is full of text-book examples of different crises imaginable ranging from classic epidemics of infectious diseases to all forms of modern warfare, from a deep economic crisis to modern terrorism, from a serious environmental menace to a nuclear disaster, from the "mad cows' disease" to the "millennium bug". While the national governments are very slowly becoming aware of the crucial importance of establishing the appropriate institutional capacities for crisis management, new crises are emerging at the horizon.

However, it should be noted that our thought on crisis evolved. Comprehension of disasters and destruction as God's punishments have been overgrown more or less, although many Africans even today talk about the AIDS in these terms. A rational scientific explanation of causes, patterns and characteristics of crises dominate the contemporary world (Boin, Kofman-Bos, and Overdijk, 2004). Regardless of that, crises and disasters will continue to surprise us in the future. We do not expect them to happen right now, but they always choose some very bad moment. We do not expect them to happen here, but they occur here, in our country. It is high time to take these events seriously, to learn from them and to implement this knowledge in order to prevent similar events in the future, or at least, limit their harmful consequences. That is the purpose of the foundation of crisis management as a new research field and academic discipline, process that occurred in the Western countries in 1980s. Crisis management has become an academic discipline present on a number of scientific and research institutions. The fund of available knowledge that is presented in specialized journals and conferences is growing. Parallel with that, crisis management is recognized in functional and organizational sense in the state and public administration, private non-profit and NGO sector and companies that

sell products and services. The old conceptions and value systems are changing in a way that crisis management is not perceived solely as a cost, but more and more as an investment.

Methods and techniques developed within this discipline appear to be mostly efficient in coping with classic ("normal") crisis. However, modern society is very dynamic environment in which only permanent and certain thing is the change. Due to that, the nature and character of modern crisis has changed. Their behavior and pattern differ from that of "normal" crises. The consequence of this change is that the old and proven responses on classic crises are not effective and could even be counter-productive. They are not part of the solution any more and they practically become a part of the problem.

In the above-mentioned context, the modern crises, very different in their nature, phenomenology and effects, represent particular challenge for scientists and researchers and crisis managers and leaders in the state and public administration, first of all in police and other emergency services, non-profit organizations and business enterprises.

2. A phenomenon of modern crises

The classic crisis was a destructive event, which caused death, serious body harm and other damage. It was a clearly defined event, marked by a relatively clear beginning and end, cause of destruction, and victims (Rosenthal, 1998). Such events still occur and they still cause damage and despair. But the causes of these events are much better understood today. Complex organizations now deal with such crises on a routine and professional basis. The classic crisis has become the routine crisis that falls within the accepted risk boundaries of modern society.

The modern crisis is quite different from the events that used to be studied in terms of crisis. It takes on endemic quality: a modern crisis is a logic counterpart of increasingly complex systems, which, for technological, financial or political reasons, cannot keep up with safety and security requirements. The modern crisis is of a complex nature: it consists of new combinations of known crisis that suggest solutions, which only turn out to be the sources of escalation. Moreover, the modern crisis has a self-perpetuating tendency; the process turns into a vicious circle fed by uncertainty about causes and causal chains (Masuch, 1985; Ellis, 1998). There is no return to normalcy, because the future crises reappear in mutated forms. The 9/11 terrorist attacks in the U.S. exemplify the modern crisis. It clearly showed that future crisis would significantly differ from those we know today. The modern crisis is the product of the society we live in. It is the result of what we value and of the way we perceive threats. Ulrich Beck pointed out that contemporary society, rather than by the risk of destruction, is

characterized by obsessive fear of the menace to security (Beck, 2002). It is also the logical outcome of the dominant trends like trans-nationalization, media society, technological development and dissipation of the state authority that have shaped and continue to shape our society.

Trans-nationalization

Crises are increasingly defined in transnational terms. We have become accustomed to the global scale of adverse developments: two World Wars, worldwide economic regression, and ecological trends have necessitated a global outlook. The original source of the problem at hand may continue to be local or national, but immediate and long-term impact of disasters and crises spread over countries and continents. A great many major disasters and crises of the last decade have already indicated the significance of these transnational dimensions. Until the Chernobyl disaster, nuclear power plant disaster scenarios were typically nation-bound, with international implications being subordinate to national concerns. However, the radiation fallout from Chernobyl that caused substantive damage to many countries in the Northern and Western Europe indicates trans-boundary risks and consequences of modern crises. Since the dismantling of the Soviet Union, one of the most serious worries of the Western countries has been the appalling state of the nuclear plant facilities in Russia and other Eastern European states.

Crises may flow over from the local areas and domains into the international arena, but more than ever they may be a part of manifestation of problems that are global in nature. (Kennedy, 1988; Huntington, 1996). The most convincing examples are some ecological trends (ozone layer depletion, global warming, and acid rains) that spread and, according to some experts, threaten Planet Earth, requiring the international action and huge investments. At the same time the worldwide nature of the problem generates considerable uncertainty (Nijkamp, 1994). Negative consequences that have been manifested within national borders so far, like environmental endangering and economic stagnation have more influence on political and social situation in neighboring countries. In Africa, mass migrations and refugee movements reflect the artificial and conflict-ridden nature of state boundaries. Chemical accidents, air pollution, computer crimes, monetary crisis and viral diseases do not respect national borders.

Media society

The subjective notion of disaster and crisis can be summarized in a version of the Thomas theorem: "if men define a situation as a crisis, it will be a crisis in its consequences" (Thomas and Thomas, 1928). When citizens or authorities define or declare a difficult situation a disaster or a crisis, this may have a decisive

impact on subsequent course of events. To call the situation by such an evocative word may provoke hyper-vigilance and over-reaction, running from collective stress to escalatory decision on the part of the authorities; on the other hand, it may solicit the collective energy and mobilize the emergent rules and norms necessary for the effective disaster and crisis management

The modern crisis has its own version of the Thomas theorem: If CNN defines a situation as a crisis, it will indeed be a crisis with all its consequences. The media have become one of the driving forces in the world of crises. The media connect a crisis site with the rest of the world.

The media seem particularly apt to select two categories of events for intensive coverage. First, they will be keen in the ominous prospect and occurrence of mega-disasters. The category of disasters defines itself by the sheer number of potential or actual causalities and the amount of physical damage. Second, the media take a particular interest in the typically subjectivist categories of crises with the characteristics of madness, panic and collective stress. Such disasters and crises may put a heavy burden on the social fabric. They may weaken the normative structure of society.

Technological developments

The technological jumps in the area of information and communication technology have been breathtaking both in speed and scope. Our perception of time and space limitations has changed dramatically with the availability of satellite communications, the Internet and the growth of mass transportation systems.

These technological developments have consequences for both the causes and characteristics of crises. For instance, our technological systems have become so sophisticated and compressed that a minor malfunctioning is capable of causing a system breakdown (Perrow, 1984). Technology has become increasingly complex to a degree that users often do not understand how the technology works (which makes it hard to detect and correct malfunctioning elements). Yet, the efficient design of technological systems requires a tight coupling of elements (which enhances the chances of chain reactions). This explains why a malfunctioning valve and a broken warning light together may lead to a nuclear meltdown (Perrow, 1984).

The development of these immanently high-risk technologies also affects the potential scope of a crisis. This applies to mega-carriers in the transportation industry – from the forebodings of the Estonia ferry disasters with nearly 900 victims in September 1994, to the grim prospects of the new airplanes carrying 600-800 passengers, as well as to nuclear power plants disasters. The increased dependency on computer systems makes our societal and economic systems

increasingly vulnerable. This vulnerability is compounded by the threat of hackers and cyber terrorism. (Demchak, 1999).

An entirely new dimension of high-risk technologies now calls our attention in the realm of medical technology and genetic manipulation. The consequences of these developments may reveal themselves in a few generations down the line, but the impact could be irreparable. Such developments can develop partly because of the growing discrepancy between mega-science and the knowledge or understanding of the part of administrative and political decision-makers.

Dissipation of state authority

In the Western world, the role of the state has declined over the last decades. The traditional prerogative of civil authorities in times of crisis is giving way to a less pronounced and less taken-for-granted definitions of the tasks that public authorities are to perform in order to prevent, prepare for and cope with crises. The political and administrative trend has repercussions for the causes, characteristics and consequences of crises.

The declining role of public authorities is captured in the twin developments of retrenchment and managerialism. As a result of performance crises, huge budget overruns and overall decline in public legitimacy, new governments were elected in the Western democracies on the promises of a New Public Management. One of the means to "do more with less" was found in spending cuts and a re-evaluation of priorities. Another means were found in the improvement of public management.

In the atmosphere of retrenchment and reform, measures aimed at the prevention or mitigation of potential crises receive less attention than the problem at hand, which may be perceived by many as an endemic crisis of public governance. A decline in resources affects personnel numbers, maintenance activities, repairs, exercises, planning, in short: many factors that somehow may interact to cause a crisis. Since the benefits of crisis management activities are much harder to quantify than the costs, the importance of such activities is likely to be underappreciated which, in turn, may easily lead to underfunding.

A significant counter-development is found in the increasing number of participants entering the crisis arena: private companies complement the traditional but declining role of the state. In other words, crisis responsibilities have become a shared concern or a co-production between private and public actors. Public safety, for instance, is depending more and more on the role of security companies. Crisis in large-scale organizations, even in public organizations, have become the near-exclusive domain of management consultants. It is now recognized that governmental actors can be a major source

of public and private crises, an observation that relegates the public role to one amongst many others.

When crisis do occur, the public turns to public authorities for decisive action, instant relief and long-term leadership. Public authorities get caught between their limited abilities to provide effective crisis management and the increased willingness of the part of the public to scrutinize governmental actions and assign blame when deemed necessary. During crises a critical attitude towards government and its practices will rapidly translate into a decline of legitimacy. The loss of support pertains not only to what public authorities have done during the crisis but it also reduces the ambitions of the public authorities which refer to the prevention of future crises. The public role in the crisis arena then becomes part of a vicious circle.

Arien Boin and Patric Lagadec suggest a very interesting comparative description of classic (traditional), modern and future crises (Boin and Lagadec, 2000: 185-191).

Characteristics of Traditional `Faults' and Fault Management

- a known, isolated event, framed within conventional hypotheses;
- a situation perceived as manageable (technically, economically, socially);
- costs relatively easy to estimate, and recoverable within the context of tried systems;
- a limited duration;
- codified intervention procedures, well known by the specialists solicited;
- a limited number of interveners, all specialized in one aspect of the problem at hand;
- well-determined roles, responsibilities and hierarchies, known by the services in charge.

Characteristics of Modern Crises

- large impacts, large populations affected;
- very high economic costs, surpassing the classical insurance capabilities;
- unprecedented, generic and combined problems, affecting vital resources;
- snowball dynamics due to a multitude of resonance phenomena;
- emergency systems reacting on the wrong foot: obsolete, non-applicable and even counter-productive procedures;
- extreme uncertainty that will not vanish within the emergency period;
- a long duration with threats transforming over time;

- convergence, i.e. large numbers of actors and organizations bursting onto the scene;
- critical communication problems: within the responsible organizations, with the public, the media, the victims (even populations very distant in space or time);
- considerable stakes of all kinds.

Characteristics of Future Crises or `Breakdowns'

- there is a pre- and post-breakdown state, the change being irreversible;
- the breakdown is not due to a specific event: there is global and polymorph resonance;
- basic and unquestioned procedures do not apply anymore: i.e. the fundamental principles, the identities, the contexts, the actors, the rules of the game, the defense mechanisms, the knowledge, all these tools are up for re-consideration;
- breakdown brings repeated, iterative crises, with sudden crystallization, occurring and disappearing in a seemingly incomprehensible and random fashion;
- powerfully anchored in deep disequilibria of the system, the breakdowns are even more resistant to conventional treatment;
- the `decomposition' side being most perceptible, the prevailing impression is one of a generalized decoupling process, a work of disintegration almost impossible to suppress;
- The breakdown pervades the whole theatre of operations. Fundamental problems resonate with each other, preventing any sequential treatment ordered in time, space and by category. There is a feeling of loss.

3. Managing modern crises

Crisis management is stenographic phrase for all managerial practices that refer to non-routine phenomena and development. It is usually associated with hectic moments of crisis decision-making but also covers area of prevention, preparedness and crisis response, as well as sensitive area of recovery and change.

Old fashioned response to crisis was recovery through combination of flexibility, improvisation and prudence of individuals, groups and societies. Over the time both the practitioners and scientists tried to comprise the best crisis management practice into operative procedures, check lists, organizational structures and job descriptions.

Versatile nature of modern crises has direct implications on crisis management. The administrative repertoire of prevention and intervention strategies is not adequate for modern crises that are more complex and oblique. Moreover, the conventional organizational model of coordination is inappropriate for dealing with proliferous number of organizations and individuals included in crisis management process. Increased politicization of crisis process imposes new requests on crisis managers. In short, new crises require a new way of thinking.

In the future, complex disasters will be the rule, not the exception. While the stake is rising, the pitfall of traditional crisis repertoire is becoming wider. The gap between "normal" prospects of what the authorities can do to prevent the crisis and actual disturbances will be wider. Traditional strategies of crisis management – secrecy, privilege of executive power, and autarchy – are losing the ground in conditions where awaked public wants to know the details. The increased media competition will strain capacity of crisis authorities to win the support for preparedness and intervention strategy.

Future crises will necessitate preparations that will comprise recovery strategies and those based on anticipation. If there is consensus on the fact that recovery is the key in dealing with future crises, it is necessary to organize this recovery in proper manner, e.g. to facilitate fast, flexible, innovative and effective response when future crisis emerge.

As new crises by their nature are becoming more complex and transnational, the need for flexibility in prevention will be more important. Of course, chances for "routine crises" have to be reduced, based on general knowledge and specific lessons learned from the previous crises. However, an excessive reliance on prevention leaves social and political system exposed to consequences of new forms of crises. The balance between prevention and resilience is a real challenge for crisis managers.

The preparation of preventive measures and planning the activities that are to be taken in the case of crisis for a long time have been within the mandate of mezzo-level managers and operative agencies. The work in this field has characteristics of bureaucratic routine that is far from hustle and conflicts characteristic for "high" policy. The new context of risk and crisis management is quite different. An appropriate perspective of new forms of crisis management emphasizes social and psychological challenges and assumes great media attention that inevitably puts the event in the politic arena. In this context the very labeling of certain social circumstances or concrete event with the term "crisis" becomes a political act. In that context, it is not a routine bureaucratic job any more, but a challenge for political leaders and highest officials. Of course, crisis management must not remain the exclusive domain of government officials, as their agencies would not achieve results without the help of intermediary organizations.

But crises create situations that cannot be predicted and that call for responses that have not been programmed. During the crisis tactical problems are not the core of the challenge. What is at stake is the very being of activity, policy or the institution. Top managers of the organization have to take the rudder in their own hand in a very unclear environment. They have to identify key objectives, review the priorities, rethink the relations with stakeholders, clear the communication strategy; in short, they have to provide cement that keeps the organization together. Leaders often understand this as a task of the security personnel, not as their own task. As they have no knowledge of future crises pattern, they are prone to use classic model in new context. However, new crises are bringing new challenges. The facts remain unknown – you know that you will not know. Managers take the risk if they do not stop unusual activities that influence crisis. At the same time, they risk their job or company if they stop those activities without strong reasons they are not sure about. This is like piloting in the middle of tornado. They have to be trained to anticipate banishing given basic rules, to outline new vision, to recompose new coalitions of stakeholders, to avoid key errors in communication and decision-making. Imperatives that might help an organization to prepare for the unknown are the following (Boin, Lagadec, 2000):

Ensure Awareness at the Highest Levels

The first and indispensable step is to get the problem of crises and breakdowns on the agenda of top-level decision-makers ('t Hart, 1997; Preston and Cottam, 1997). Executive awareness may be raised through workshops or simulations specifically dedicated to new crises and to the decision-makers' new responsibilities (Kleiboer, 1997). The aim is to forge new attitudes: tolerate open and shared questioning about possible, yet uncertain situations; reflect on the decision-making process in the absence of clear expertise; understand the need to communicate internally and externally whilst in a situation of uncertainty, even complete ignorance, for the extended periods of time; steering complex systems by accommodating the co-existence of conflicting logics.

Develop Appropriate Operational Capabilities

In order to facilitate a resilient response, the following organizational capabilities must be developed:
- monitoring capability and capability to detect weak and non-conventional signals;
- emergency information systems, which can process relevant information to and from central authorities;

- alert and mobilization capability of crisis units, with support from all parts of the organization;
- capability to handle the technicalities of `first emergencies': actors must be prepared to deal with uncertainty and complexity and be able to relate technical matters to strategic issues;
- capability for action in situations of decentralized crises: provide for an organizational structure which allows the largest possible number of actors access to the system's response capacity (betting on centralization only leads to heaviness, closed logics, communication delays; see `t Hart, Rosenthal and Kouzmin, 1993).

Engage in continuing preparation efforts

Experience, previous research and the contributions in this field suggest a few mandatory signposts for the effective preparation. A continuous practice of feedback from experience in a constructive spirit, each crisis episode has to be subjected to a precise analysis to identify and understand the series of events that occurred in handling the case. Immediate operational learning points have to be extracted; this means that the analyses must relate to the functioning of decision support systems. International cross-fertilization has recently proven to be extremely useful.[‡]

Tests and simulation exercises - It is necessary to engage in a continuous training program; not so much to prepare for well-codified faults or failures (the `fire exercise' ritual), but for destabilizing surprises. It is irresponsible to rely on previous experience only for collective training. Simulation is a bare necessity. These simulations have to be followed by rigorous debriefings (`t Hart, 1997): this effort, often neglected, is indispensable to make progress. The tests must be both extremely short to develop the mobilization reflexes of the teams, and more complex to develop the polymorph capabilities which will be required for steering through crisis.

Training - It is of major importance to provide the various managers with the appropriate types of training. Different responsibilities require different preparatory efforts: the executives, who will play a crucial political role

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[‡] After ice storms destroyed the electrical grid of southern Quebec in January 1998 (see Scanlon, 1999), the French electrical company EDF (Electricite de France) sent a team to study the problems and solutions developed by Hydro-Quebec and government agencies. Less than two years later, France was struck by two successive storms that destroyed part of the French grid. EDF reacted quickly: the nature of the problem was immediately understood, key mistakes to avoid were known, and strategic initiatives were undertaken. EDF leaders credit the learning process after the Quebec experience in explaining their successful crisis management.

throughout the crises; the crisis unit managers, who will have to steer extremely complex systems with often little known and massively perverse effects; the spokespersons; the experts - abruptly dislocated from their laboratories to the television set - are often obliged to offer judgments whilst their tools are deficient. In advanced organizations, media training is a common feature. But it is necessary to go much further: new areas of management issues are to be discovered and shared with those concerned.

Inter-actor learning - As crises are processes unfolding amidst complex networks, it is necessary to expand the learning process to the external world: meetings, feedback from experience and exercises, the exploration of unprecedented vulnerabilities - these learning mechanisms should not be internally restricted. A continuous enlargement of the circle of actors involved is necessary.

Personal involvement of elites - As crises and breakdowns typically touch upon fundamental elements of an organization's mission and structures, nothing serious is likely to happen without the durable involvement of the organizational leaders. Personal involvement in preparatory and learning processes tends to change completely when the `boss' is personally engaged in the case. This requires that high-level managers break with the pervasive attitude that a highly placed person does not need to learn about crises and crisis management, neither that he should not get involved with simulations nor engage in feedback from experience.

A general scheduling of the intervention - One has to be wary of spectacular plans and projects without follow-up, which exhaust energy, goodwill and budgets. It is necessary to introduce tests and resources progressively over time, gradually and incessantly, involving increasing numbers of actors. All aspects of learning have to be canvassed: an undertrained institution cannot support multiplied exercises or feedback from painful experiences without getting effective methodological and know-how support at the same time.

Mastery of core processes - Any effort to prepare an organization, or a network of organizations, for unknown crises that may occur sometime in the future requires an intimate knowledge of core processes and critical vulnerabilities (Wilson, 1989). The generics of crisis management must fit the specifics of the organization's core competences. In a situation of uncertainty, solutions must be anchored in a deep understanding of the organization's inner-workings. In today's world, where executives typically are generalists, not specialists, crisis preparation will thus be enhanced by project-management methodologies. The temporary nature of 'project management' must, in turn, be offset by a conscious effort to embed the developed structure in the organization.

Due to the complexity, understanding the real nature of the modern crisis is very hard managerial task. A crisis manager is restrained by the complex conditions and characteristics of undeveloped crisis and uncertainty of the results.

According to Turner, the unreliability of the response could result from the "initial lack of information, wrong initial classification, of change of the nature of the incident during its development" (Turner, 1992). Resulting dissonance between the definition of a situation and its real and actual characteristics undermine crisis response. Crisis managers believe that they are solving the crisis, while careful analysis of the situation shows that this is not the case. It usually takes some time for crisis managers to adjust their definition of the situation.

Crisis managers are undecided between immediate action and long-term effectiveness. Traditional repertoires of crisis management are marked by preoccupation "here and now" dealing with the acute threat. Consequences of initial decision are fading in the background of actual happening. However, modern crisis is not a single event, but a long term process. Long after the crisis began, crisis managers are facing problems that can become "a crisis after crisis". For example, a minor incident like oil spill or gas leak can have long-term effects that are much harder to deal with. Such crises do not fit the traditional crisis repertoire.

Consequences of contemporary crises have tendencies to be as durable and intensive as their acute phase, while leaders are under pressure of informal investigation, provocative journalism, and demands related to insurance and legal procedures against them.

Finally, in future crises it should be noted that, in the beginning, they give free hands to politicians and managers, enhancing their legitimacy. But this cannot last for a long. In the moment of serious crisis eyes of the nation are on their political leaders. While the success in solving crisis makes statesmen out of them, failure to do so eliminates them from political scene.

4. Closing remarks

A crisis response is a serious challenge. A crisis requires critical decisions that have to be made under the unsuitable circumstances. At the same time, the crisis is generating obstacles for quality decision-making. Common problems are propelling during the crisis. All of these are multiplying due to the nature and character of modern crises. Crisis managers have to solve complex dilemmas without the necessary information in unsteady organizational environment and under serious stress. If we consider dilemmas emerging during the crisis, crisis management could be labeled mission impossible. For example, crisis managers have to decide, during the initial phase of the crisis, whether it is the whole crisis or just a signal of forthcoming crisis. From the limited and fragmented pieces of information he has to conclude if it is the whole story or just the beginning. This dilemma has a consequence in resource allocation: should they all be directed to what seems to be the beginning of the crisis or it is better to wait until the

situation develops. This dilemma is even harder during the so-called conflict crises. War and terrorism are followed by disinformation campaigns, sudden attacks and multiple arenas.

In the circumstances where emotions are very intensive, it is impossible to pose impartial diagnosis. Crises are often treated as political failures. In such circumstances research following the crisis is less related to learning and more to *blame game*. Journalists and citizens consider that someone has to be responsible for faults and failures that resulted in crisis. Politicians are aware of this and they respond by improving their defense routines like seeking for acceptable negating and developing public relations skills. The more time they devote to this, the less time they have to use the crisis potential for learning. Real efforts for improving the system are often lost in post-crisis politics. If there is such a thing as post crisis learning, it is a long-term process.

All the above-mentioned indicates that modern crises are significant challenge for managers, exposing substantial and organizational insufficiency of the classic repertoire of crisis managers and their philosophy, and testing the capabilities of individuals, teams and whole organizations.

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кrize su stalni pratilac društvenog života. Sa napretkom društva i tehnologije koja postaje sve dostupnija i sve komplikovanija, ljudska vrsta se suočava sa sve rasnovrsnijim i brojnijim krizama.U ovom radu razmatraju se karakteristike fenomena modernih kriza i njihova razlika u odnosu na klasične krize, kao i najznačajniji procesi koji su doveli do ove transformacije. Pored toga ističu se ključne teškoće koje moderne krize postavljaju pred menadžere. Promenljiva priroda savremenih kriza ima direktne implikacije na krizni menadžment. Administrativni repertoar strategija prevencije i intervencije nije odgovarajući za savremene krize koje su sve složenije i sve više međuzavisne. Vreme je da se ovi događaji uzmu ozbiljno, da iz njih počne da se uči i da ta znanja počnu da se primenjuju kako bi se ubuduće takvi događaji izbegli, ili barem ograničile njihove štetne posledice. Upravo u tome i jeste smisao zasnivanja kriznog menadžmenta kao novog istraživačkog polja i nastavno naučne discipline. Štaviše, konvencionalni organizacioni model koordinacije je neprikladan za postupanje sa prolifelirajućim mnoštvom organizacija i pojedinaca uključenih u proces kriznog menadžmenta. Sve veća politizacija kriznog procesa stavlja nove zahteve pred krizne menadžere. Moderne krize javljaju se kao izazov za savremene menadžere pokazujući sadržinsku i organizacionu nedostatnost klasičog kriznog menadžerskog repertoara i filozofije, ozbiljno stavljajući na probu sposobnosti pojedinaca, timova i celih organizacija. Nova kriza zahteva i novi način mišljenja.

SUMMARY

Crises are the constants of social life. With the development of the society and the progress in technologies, which become increasingly available to almost everyone, human kind is faced with more diverse and more numerous crises. This paper deals with the characteristics of the modern crises phenomenon and how the modern crises are different when compared to traditional crises, as well as the main processes that influenced these transformations. In addition to this, the authors discuss the key difficulties the managers are faced with when coping with modern crises. The administrative repertoire of prevention and intervention strategies is not adequate for modern crises that are much more complex and interdependent. It is high time to take these events seriously, to learn from them and to implement this knowledge in order to prevent similar events in the future, or at least, limit their harmful consequences. That is the purpose of the establishing of crisis management as a new research field and academic discipline. Moreover, the conventional model of coordination is improper for dealing with proliferate number of organizations and individuals involved in crisis management process. Ever increasing politicization of crisis processes imposes new demands on crisis managers. Modern crises appear as significant challenges for contemporary managers, exposing substantial and organizational insufficiency of the classic repertoire of crisis managers and their philosophy, and testing the capabilities of individuals, teams and entire organizations. New kinds of crises require a new way of thinking.