MODERN PERSPECTIVES REGARDING
ORGANIZATIONAL RESILIENCE

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Abstract:

Resilience stands at the moment as a concept of increasing applicability in several research domains, all having in common the idea of analyzing the ways in which a system succeeds in remaining healthy, strong or upstanding. Whether we refer to domains such as mental health, ecology, biology or economy, resilience describes the phenomenon which allows a system – whether biological, human, or organizational – to withstand difficulty, to survive and grow while facing adversity. Hence, the present paper proposes to reflect, through a theoretical review recent works in the field, upon the organizational resilience. We intend to clarify conceptual aspects regarding the proposed subject and to draw several directions of resilience-enhancing practices that can be approached by organizational structures in order to maintain their best functioning levels.

Key words: resilience, risk management, organization, concept, organizational resources, organizational resilience.

1.Introduction

As scientific literature shows, resilience is referred to in many different contexts and domains – as we will also further discuss – mostly in order to describe a system's ability [1]. The first use of the term – as a system's property – is found is physics, more precisely, in mechanics – as we are reminded by Banagene, Anvuur and Dainty [2]; in the mentioned context, resilience was described as a material's capacity to resist stress and was ulterior extended to engineering to describe a capacity to absorb shock and maintain regular functioning. The mentioned authors, in their review of literature, remind us of elements of resilience as they are extracted from engineering – namely efficiency, stability, predictability and returning to the usual functioning.

Although our focus is upon organizational resilience, we refer to other domains as, by analogy, they might bring us clarifications regarding the concept, which, in spite its increased use, is marked by controversial regarding the best ways of defining and more importantly, assessing it. As Hillman observes [3], the subject of resilience is the center of attention for many representatives of the scientific community, whose efforts are directed to finding ways of supporting vulnerable people, organizations and system keep their normal functioning despite being exposed to unexpected circumstances. It should be noted that resilience sights not only the system's recovery – namely returning to or maintaining regular functioning but it also brings to attention the activating of resources so that – at

times – its action results in improved functioning, growing, and empowerment of the system as a result of being exposed to unexpected situations or conditions [4].

We have chosen to focus our attention on the way resilience might contribute to improved functioning among organizations because, as professional literature also observes, the modern economic times are characterized by uncertainty, by threats which organizations are commonly being exposed to, being part of globalization and reach fluctuations of the conditions of conducting activity [5]. From this point of view, an interesting input is offered by Gibson and Tarrant who emphasize the fact that most organizations are built in order to function in a routine-based manner, which makes them vulnerable to constant changes, unpredictable conditions which, as the authors state based on their reviews, are becoming normative [6]. As it is shown in professional literature, organizational resilience is mostly analyzed with appliance to permanent, stable organizations and less in project-based functioning organizations [2].

2. Elements of organizational resilience

Briefly, resilience is a phenomenon which assures positive adaptation in the context of facing disruptions, in the case of systems – whether we refer to individuals, organizations or other kinds. Within the context of our present analysis, it is important to clarify what is understood by the term of "organization": as Seville et al. describe it, the organization is best described as a complex entity which support society and economy as a whole [2]. As literature shows, organizations, as any other types of systems, are exposed to external conditions making it mandatory to become able to adapt to change – making the best of encountered situations – on one hand, by successfully facing threat and on the other hand, by taking advantage of possible opportunities which may emerge along the way [2].

The need of organizations to adapt to continuous change is also supported by Gibson and Tarrant [6], who notice that natural, economic and social systems are facing an increase in their volatility, with a rapidity hard to be handled by organizations; while most organizations face major difficulties in this context, others manage their recovery well – in other words, show resilience.

The question arises – how do we concretely know whether an organization is resilient or not? From author Seville's perspective, an organization is resilient as long as it keeps it capability of reaching settled objectives despite adversity [7]. Bringing crisis to discussion, the author states that this capacity of the organization is not resumed to reducing the frequency and impact of the crisis but also showing improvement in managing and quickly responding to such interruptions; therefore, an organization should show awareness and use crisis as opportunities of growth.

As for possible definitions of organizational resilience, it is proposed to be seen as a capacity which allows organizations "to adapt to disruptions, moderate the effects of risk an uncertainty and take advantage of emerging opportunities" [2]. Another definition, proposed by Allen et al. refers to the proactive side of resilience, as it includes a continuous exploration, conducted in a structured and integrated manner of the organization's resources with the purpose to prosper in facing unpredicted events [8].

Hillman, in 2013, referred to organizational resilience as an ability of anticipating risk and future trends before interruptions interfere – in order to understand a situation, overcome it and thoughtfully react to it – with the final purpose of recovery, adaptation and refreshing in order to survive turbulent environments [9]. Even though professional literature offers several types of definitions for organizational resilience, we may extract several common aspects, namely – the outcome of adaptation, and not the mere survival in

Modern perspectives regarding organizational resilience

facing adversity, and the fact that resilience is a dynamic characteristic, making it necessary for the organization to continuously prepare and act in proactive and well-planned manners.

What makes it difficult for resilience to be unanimously defined is that it includes aspects of the organization which are not so concrete, such as elements of culture, leadership, and vision, as Seville points out [7]. From the author's point of view, aspects such as proper communication, positive relationships within the organization and outside of it, trust, priorities, are essential for triggering different sides of the organization in order to properly function together and reaching the proposed goals. Seville also emphasizes that even the informal connections should be sighted, as they, together with the mentioned elements, should contribute and show how resilient the organization is during crisis.

As Braes and Brooks show, the components which contribute to survival in facing crisis refer to prevention, protection, being prepared, mitigation, response and recovery, while the strategies applied by the organization in order to show resilience should be adaptive, proactive and reactive at the same time [5]. Same authors relate to the idea that resilience should be included in the organizational routine and it the constant preparation conducted in order to both advance and properly face disruptions.

We have previously mentioned culture as one of the components which should be adjusted in order to make an organization resilient; as Whitehorn explains, in 2010 [4], an organizational culture should include practices such as management of risk, business continuity, safety, quality, control of ethics, integrity and fraud. Also, culture should not be separated from leadership; together they should sight involving the personnel, continuously making use of knowledge and maintaining a proper networking dynamic. And organization should keep in mind being prepared for change and stress [9].

We may also observe that different authors keep in sight different criteria in describing an organization as being resilient; for instance, Hillman brings profit to discussion [3], while Jordan and Alcantara [9] explain that a resilient organization is that which succeeds in maintaining a state of balance in the maintaining the business and successfully managing crisis situations, by quickly recovering following disruptions. The former mentioned authors emphasize that resilience is not simply reduced to facing certain situations but it describes a long-term advantage of the organization, through preparation and flexibility at the same time. It is observed that organizational resilience promotes competence, efficiency and improving behavioral processes conducted by the main employees, in a sustainable manner [2].

In the demarche of offering a more concrete imagine upon organizational resilience, authors Gibson and Tarrant, in 2010 [6] propose a model of the concept which acknowledges the organization's set of capacities and activities which, if directed properly, should enforce resilience. They conclude that the following factors are essential from this point of view: acuity, expressed by using past experiences to become more aware of the present situation and also foreseeing what might further intervene; tolerance to ambiguity (a concept which in psychology is related lower stress [10] – expressed in our context by keeping on taking decisions even if the context is an uncertain one; creativity and agility – increasing the response rapidity in order to match external changes; stress coping – ensuring that involved individuals along with the processes and infrastructure keep working properly in spite of experiencing the pressure of uncertainty and learning – or the capacity of the organization to utilize their own and others' experience in order to properly manage situations.

Learning is also referred to by other sources of the professional literature [2] as a component of resilience, along with aspects such as involvement of knowledge and engagement of the managers, flexibility, coping and persistency.

Modern perspectives regarding organizational resilience

Along with identifying the factors of organizational resilience, professionals should also be open to explore concepts which are similar or bring new light to how resilience could be enforced. For instance, we propose that Taleb's antifragility should be taken into consideration from this point of view. While fragility is defined as a strong sensitivity to a stressor, antifragility comes as the opposite, as in it is associated to generating positive responses to stress instead of harm [11]. From this point of view, constant assessment should be made to detect whether the system is facing benefits or impairments in facing crisis or in the phases of expecting it. As Aven observes [12], antifragility describes cautious actions, being strongly related to risk management, and, as we may propose, represents a component to be included within the organizational resilience factors.

3. Conclusion

Although organizational resilience is a concept of novelty and further explorations, along with empirical evidence should be conducted in order to obtain a clearer view upon it, professional literature agrees that resilience is strongly connected to proper risk management [6] and it seems to be an essential aspect to be considered when discussing an organization's survival [2]. Despite the mentioned infancy of the construct, some authors succeed in identifying some concrete directions in enhancing an organization's resilience, such as adjusting the organizational culture and assessing strengths and weaknesses which should be accounted for in times of crises [7]. As it has been shown in professional literature, resilient organizations strongly resemble resilient individuals, in that they succeed in facing unpredicted shock, they survive and sometimes they may even evolve and prosper as a result [5]. At the moment, organizations are facing the challenge of adapting to globally extended exchanges and activities, thus being exposed to risk of crisis and disruptions [5], while the inclusion of resilience as a mark of organizational strategies and culture is described by the advantage of allowing a holistic approach to potential disruptions [8].

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Modern perspectives regarding organizational resilience

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