

## THE IMPACT OF E-MANAGEMENT ON CRISIS MANAGEMENT (AN APPLIED STUDY ON THE JORDANIAN COMMERCIAL BANKING SECTOR DURING THE CORONA PANDEMIC)

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### ABSTRACT

*The study aims at identifying the impact of e-management on crisis management, which is an applied study on the Jordanian commercial banking sector during the Corona pandemic.*

*The study tries to show that e-management with its dimensions, electronic tools or individuals, has an impact on crisis management during the Corona pandemic. This study is based on analyzing the point of view of workers in the commercial banking sector and the results of their work in achieving the goals of their institution in an electronic way. The circumstances of the stage require them to change the way they perform their work. The principles of data analysis are used to reach accurate and realistic results. It also recommends that the banking sector shall provide all the requirements that help in completing work electronically, and the need of continuous development of the skills of workers in this sector electronically, which helps to be able to complete work at all times.*

**KEYWORDS:** *E-Management, Crisis Management, Commercial Banking Sector, Electronic Tools, Individuals, Corona Pandemic*

### INTRODUCTION

Business organizations work in an environment that characterized by the presence of many sudden and changing events. These events may be natural or abnormal, and may cause crises in different levels of the economy. These crises affect the process of achieving the goals of organizations. The Corona pandemic is one of the most important crises that occurred at the contemporary time, which affects the economies of the whole world and the business environment, including the banking environment, which encourages business organizations to adopt electronic work, so that they can deal with this crisis and manage it successfully. This study is an attempt to explain the impact of E-management on crisis management on the Jordanian commercial banking sector during the Corona pandemic.

### THE PROBLEM AND QUESTIONS OF THE STUDY

The Corona pandemic is considered as one of the most difficult crises that has occurred in the contemporary time, which has affected all aspects of life, especially the economy. In Jordan, business organizations have transformed their business from traditional to electronic business in completing their internal and external operations, so that, they can confront and manage this crisis. Adapting the banking sector electronically in order to operate during this pandemic is one of the most necessary requirements on a large scale. Accordingly, the study problem can be formulated in the following main question:

Is there a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) on e-management with its dimensions (electronic tools and individuals) in managing crises during the Corona pandemic on the Jordanian commercial banking sector? This main question leads to the following sub-questions:

- Is there a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for electronic tools on crisis management during the Corona pandemic on the Jordanian commercial banking sector?
- Is there a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for individuals on crisis management in light of the Corona pandemic in the Jordanian commercial banking sector?

### **The Importance and Objectives of the Study**

The importance of the study aims to achieve the following objectives:

- Presenting the results of the study to the management of the Jordanian commercial banking sector, to develop future plans to avoid any crisis that may occur in the future.
- Presenting the results of this study to researchers and those interested in electronic management and crisis management, as well as clients in the Jordanian commercial banking sector.
- Providing recommendations to decision makers in the commercial banking sector.

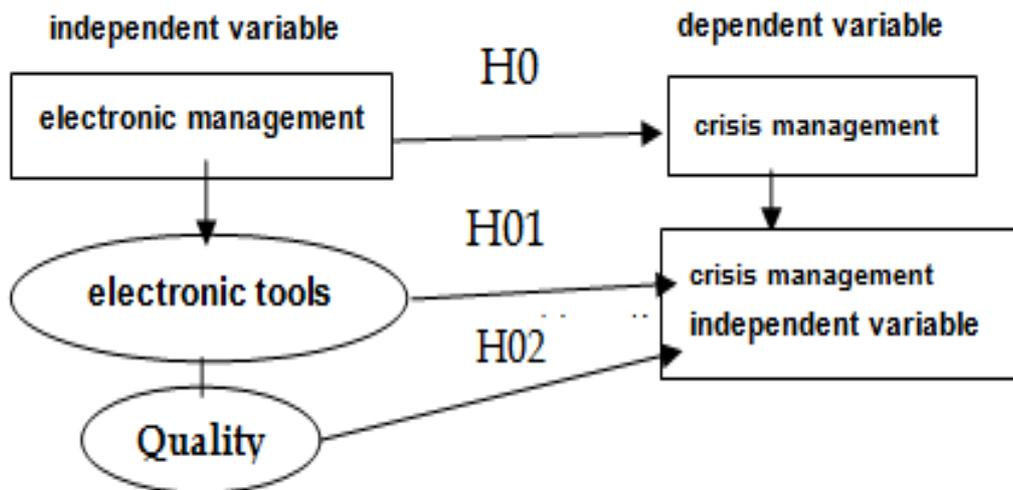
### **The Hypotheses of the Study**

In light of the study questions, the following hypotheses are:

- HO: There is no statistically significant effect at the level of significance ( $\alpha \leq 0.05$ ) for electronic management with its dimensions (electronic tools and individuals) on crisis management during the Corona pandemic in the Jordanian commercial banking sector, and this hypothesis rises the following sub-hypotheses:
- HO1: There is no statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for electronic tools on crisis management during the Corona pandemic in the Jordanian commercial banking sector.
- HO2: There is no statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for individuals on crisis management during the Corona pandemic in the Jordanian commercial banking sector.

### **The Model of the Study**

The study model involves the independent variable which is the electronic management, with some of its dimensions (electronic tools and individuals), and a dependent variable which is the crisis management, as shown in the model No. (1).



Source: The Model was Prepared by Researchers Based on Previous Studies

Figure 1

### Idiomatic and Operational Definitions

The study contains a number of the following terms:

- **Crisis:** a non-routine situation that is out of control and leads to a halt in the movement of work and a decrease in its level, and therefore the organization cannot achieve its goals on time. (Muhanna, 2008, 5)
- **E-management:** It is a contemporary administrative approach that carries the philosophy of the concept of management by relying on technological and electronic tools in the communication processes, and in the administrative processes of planning, organizing, directing and controlling, to provide the best products. (Abdulkader, 2016, 5)
- **Crisis management:** It means planning in advance for an unexpected negative event to limit or reduce its damage to the organization, by developing appropriate strategies or solutions for each expected event. (Jafar, 301, 2017)
- **Electronic tools:** are the tools that are used in the completion of electronic business. (researchers)
- **Individuals:** They are the working individuals who will carry out electronic business. (researchers)

### THEORETICAL FRAMEWORK

#### E-Management

The electronic administration is one of the modern administrations in its field of work, as this administration uses modern technology to complete its work, in order to improve and develop the administrative process and raise its efficiency.

E-business is considered as successful business in achieving the goals of the organization in all places and times, and in natural and unusual conditions. E-business makes the organization continue to perform its work in the presence of a crisis, whatever the type of this crisis. This is what distinguishes electronic business from traditional business, to continue to accomplish the work of organizations during the Corona pandemic.

### **The Concept of E- Management**

There have been many definitions of the concept of electronic management, and the following definition can be presented “It is a contemporary administrative approach that carries the philosophy of the concept of management by relying on technological and electronic tools in communication processes, and in administrative processes such as planning, organizing, directing and controlling, to provide the best products.” (Abdul Qadir, 2016, 5)

### **Requirements of application of Electronic management**

In order to be able to apply electronic management, the following requirements must be provided:

- Administrative requirements of strategies and plans, provision of infrastructure for electronic administration, and development of administrative organization.
- Economic and social requirements in terms of providing all aspects that help and facilitate the community to use electronic business.
- Human requirements, which means the provision of qualified manpower capable of technological and electronic work.
- Technical requirements, which means providing all the tools and devices that are necessary to complete the required work electronically.
- Security requirements: It is intended to provide all means of safety and confidentiality during accomplishing the required work, which maintains the security and privacy of the client.

### **The Obstacles of the Application of the Electronic Management**

The obstacles of the application of electronic management can be presented as follows:

- Administrative obstacles, such as poor planning and coordination of electronic management programs, and failure to make the organizational changes required for the application of electronic management.
- Financial and technical obstacles, represented by the lack of funds and necessary tools that help in the application of electronic management.
- Human obstacles, represented by the lack of qualified manpower capable of completing the required work electronically.
- Security obstacles, which are represented in the customers' fear of electronic transactions, and their lack of conviction in them.

(Abd al-Qadir, aforementioned reference, 73-81)

### **CRISIS MANAGEMENT**

Crisis management is one of the modern concepts in management, and this concept has come to be used in public administration domain, to indicate the role and interests of the state in dealing with emergencies. This concept has come to be used in other fields such as the field of international relations and foreign policy. (Ruslan, 1994, 3)

## **The Concept of Crisis Management**

There are many definitions of crisis management, but in this study the focus will be on one definition by Al-Shaalan "2002". The crisis management is a special administrative process, aimed at producing a strategic response to crisis situations, through a team of administrators who have the skills and are pre-selected to deal with crises in order to decreasing the losses to the minimum as possible. (Al-Shaalan, 2002, 50)

## **Models of Crisis Management**

There are several models of crisis management, which can be briefly mentioned as follows:

First: The model of Steve Albrecht, the crisis period is divided into:

- The pre-crisis stage
- The crisis exacerbation stage
- The crisis management stage
- The post-crisis stage.

Second: The model of Johnston Westbanovic. Crisis management is divided into:

- Planning
- Action
- Education.

Third: The model of Pearson and Mitroev. Crisis management is divided according to this model into:

- Stage of identifying early warning signs
- Stage of preparation and prevention
- Stage of damage containment and reduction
- Stage of recovery
- The stage of education.

Fourth: The model of Shaalan. This model consists of the following stages:

- Pre-crisis stage (mitigation and preparedness)
- Crisis stage (confrontation and response)
- The post-crisis stage (rebalancing). (Misk, 2011, 26-31)

## **JORDANIAN COMMERCIAL BANKING SECTOR**

The Jordanian commercial banking sector consists of operating commercial and Islamic banks, whether foreign or national. The first commercial bank operating on the land of the Hashemite Kingdom of Jordan was in 1930 CE. (Central Bank of Jordan, website).

## Method and Procedure

In this chapter, the methodology and procedures that are used to reach the goal of the study, which is to identify the impact of electronic management on crisis management during the Corona pandemic, which is an applied study on the Jordanian commercial banking sector, will be presented.

### The Methodology of the Study

The study has adopted the descriptive analytical approach as it is an appropriate approach to the nature of the study. The questionnaires of the study were distributed to the sample of the study and then collected to obtain the required data.

### The Population and Sample of Study

The population of the study consists of branches of commercial banks operating in Jordan. As for the sample of the study, the researchers have distributed the questionnaire of the study to a small banks, a medium banks and a big banks in terms of the number of branches. The numbers of the branches of the banks are as follows: The small banks has 24 branches, the medium banks has 63 branches, and the big banks has 105 branches.

### The Sources of the Data

The study relies on two types of the sources of the data:

- Primary data: A questionnaire is developed as an appropriate study tool to obtain the primary data in order to answer the study questions. The questionnaire consists of two parts: the first section includes obtaining introductory data about the workers in the sample of the study and the second section includes the impact of electronic management on crisis management during the Corona pandemic, which is an applied study on the Jordanian commercial banking sector.
- Secondary data: It is based on a review of the various information related to the subject of the study, published in Arab and foreign university books and letters, in addition to specialized websites.

## DEMOGRAPHIC VARIABLES

The following table (3 - 1) shows the personal characteristics of the workers in the sample of the study:

**Table 3-1: Distribution of the Sample of the Study According to the Variables of Gender and Job Title**

Variables	Repetitions	Percentage%
<b>Variables of Gender</b>	-	-
Male	32	0.627
female	19	0.373
Total	51	100
<b>variables of job title</b>	-	-
Employee	42	0.823
Head of the Department	6	0.118
Director	3	0.059
Total	51	100

## THE RESULTS OF THE STUDY

The main question of the study: Is there a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for electronic management with its dimensions (electronic tools and individuals) on crisis management during the Corona pandemic on the Jordanian commercial banking sector?

To answer this question, the arithmetic averages, standard deviations, and ranks of practice degrees are calculated for the impact of electronic management with its dimensions (electronic tools and individuals) on crisis management during the Corona pandemic on the Jordanian commercial banking sector from the point of view of the sample of study, as shown in the following:

### THE ELECTRONIC TOOLS

**Table 3-2: Arithmetic Averages, Standard Deviations, Ranks of Practice Degrees for the Dimension of Electronic Tools**

No.	The Dimension of Electronic Tools	Arithmetic Average	Standard Deviation	Practice Degree	Rank
1	Electronic tools is very important in completing e-business	3.6471	1.35386	medium	5
2	Electronic tools help to complete the required work in times of crisis	3.8627	1.31179	High	1
3	Electronic tools help to complete the required work very fast	3.7647	1.35038	High	2
4	Electronic tools help to complete the required work with high accuracy	3.7255	1.29736	medium	4
5	Electronic tools help to provide the required information	3.7451	1.38337	High	3
	Total Average	3.7441	1.3362	-	High

The results of Table (2-3) indicate that all the answers of the sample of study to to electronic tools show that the arithmetic averages have ranged between (3.86-3.64). According to the scale adopted in this study, the degree of approval of the sample of the study has come between medium and high. The general average as a whole is (3.744) and a standard deviation is (1.336), which is a high level according to the scale. Therefore, the study concludes that there is an impact of electronic tools on crisis management during the Corona pandemic on the Jordanian commercial banking sector from the point of view of the sample of the study.

### Individuals

**Table 3-3: Arithmetic Averages, Standard Deviations, and Ranks of Practice Degrees for the Dimension of Individuals**

No.	The Dimension of Individuals	Arithmetic Average	Standard Deviation	Practice Degree	Rank
1	Realizing the importance of electronic work in times of crisis	3.8039	1.11390	High	2
2	prefering to use e-work instead of traditional work	3.4510	1.39016	medium	5
3	Having a sufficient experience in the use of e-business	3.8627	1.23320	High	1
4	E-business helps to develop my skills	3.7059	1.28521	High	4
5	E-business reduces the routine of work	3.9804	1.2726	High	3
	Total Average	3.7584	1.2586	-	High

The results of Table (3-3) indicate that all the answers of the sample of the study to the domain of individuals show that the arithmetic averages have ranged between (3.86-3.45). According to the scale adopted in this study, the degree of approval of the sample of the study has come between medium and high. The general average as a whole is (3.758) and a standard deviation is (1.258), which is a high level according to the scale. Therefore, the study concludes that there is an impact for individuals on crisis management during the Corona pandemic on the Jordanian commercial banking sector from the point of view of the sample of the study.

## CRISIS MANAGEMENT

**Table 3-4: Arithmetic Averages, Standard Deviations, and Ranks of Practice Degrees for the Dimension of the Crisis Management**

No.	Dimension of Crisis Management	Arithmetic Average	Standard Deviation	Practice Degree	Rank
1	The administration of the bank realizes the importance of crisis management	3.4706	1.31686	High	5
2	The administration of the bank realizes the importance of electronic business	3.7759	1.40420	High	3
3	The administration of the bank provides all the requirements of electronic business	3.8151	1.30909	High	1
4	The administration of the bank manages to develop the skills of the employees	3.5882	1.45844	High	4
5	The administration of the bank has the ability to work at all times	3.7951	1.3090	High	2
	Total Average	3.6846	1.3592	-	High

The results of Table (3-4) indicate that all the answers of the sample of the study to explain the dimension of the crisis management show that the arithmetic averages have ranged between (3.81-3.47). According to the scale adopted in this study, the degree of approval of the sample of the study has come between medium and high. The general average as a whole has reached (3.684) and a standard deviation is (1.359), which is a high level according to the scale. Therefore, the study concludes that electronic management with its dimensions (electronic tools and individuals) has an impact on crisis management during the Corona pandemic on the Jordanian commercial banking sector from the point of view of the sample of the study.

### The Test of Study Hypotheses

The main hypothesis of the study

HO: There is no statistically significant effect at the level of significance ( $\alpha \leq 0.05$ ) for electronic management with its dimensions (electronic tools and individuals) on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

Testing this hypothesis includes using the appropriate statistical methods for the nature of this hypothesis to present the answers, as in the following table (3-5):

**Table 3-5: The Results of Testing the Main Hypothesis of the Study**

H	Calculate T	Sig
H0	30.091	.000

The results of the analysis indicate that there is a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) of electronic management with its dimensions (electronic tools and individuals) on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

### **The First Sub-Hypothesis**

H01: There is no statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for electronic tools on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

Testing this hypothesis includes using the appropriate statistical methods for the nature of this hypothesis to present the answers, as in the following table (3-6):

**Table 3-6: The Results of the Test of First Sub-Hypothesis**

H	Calculate T	Sig
H01	26,385	.000

The results of the analysis indicate that there is a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) of electronic tools on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

### **The Second Sub-Hypothesis**

H02: There is no statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ) for individuals on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

For testing this hypothesis the use of statistical methods appropriate to the nature of this hypothesis has been included to present of the results as in the following table (3-7):

**Table 3-7: The Results of the Test of the Second Sub-Hypothesis**

H	Calculate T	Sig
H02	29,918	.000

The results of the analysis indicate that there is a statistically significant effect at the level of the significance ( $\alpha \leq 0.05$ ), for individuals on crisis management during the Corona pandemic on the Jordanian commercial banking sector.

## **RESULTS AND RECOMMENDATIONS**

### **First: The Results of the Study**

The study has concluded that electronic management, with its dimensions, whether electronic tools or individuals, has an impact on crisis management during the Corona pandemic on the Jordanian commercial banking sector from the point of view of the sample of the study. It has also concluded that the impact of these dimensions was close on crisis management, as each dimension has a high degree of application.

### The Recommendations of the Study

The study recommends that the banking sector should provide all the requirements that help in completing work electronically. It also recommends the need to continue developing the skills of workers in this sector in completing work electronically, which helps this sector to be able to achieve the work efficiently at all times.

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