The Management University of Africa

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POST GRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF MASTER IN MANAGEMENT & LEADERSHIP

MML 5204: CRISIS MANAGEMENT

DATE: 28TH JULY 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 60

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **FOUR (4)** questions.
4. Question **ONE is compulsory.**
5. Answer any other **TWO** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

THE CYBERSHIELD BANK CRISIS CASE STUDY

CyberShield Bank is one of the leading digital banking institutions in East Africa, serving millions of customers through online banking platforms, mobile banking applications, and automated financial systems. Over the years, the bank built a strong reputation for innovation, reliability, and secure financial services. Due to its rapid digital expansion, the organization invested heavily in information technology infrastructure and integrated financial systems. In June 2026, the organization experienced a major cybersecurity breach that exposed sensitive customer information, disrupted online banking services, and caused widespread panic among customers and stakeholders. The crisis began when hackers infiltrated the bank's central data system and accessed confidential customer records, including transaction histories, personal identification information, and account details.

Initially, customers experienced delayed transactions, system failures, and unauthorized withdrawals from their accounts. Complaints quickly spread across social media platforms, where customers criticized the bank's inability to protect confidential information. Within a few hours, several media houses began reporting that the organization had failed to implement adequate cybersecurity measures despite previous warnings from technology consultants.

The situation escalated further when internal whistleblowers revealed that senior management had ignored recommendations from the Information Technology department regarding system upgrades and risk assessments. Reports also indicated that the organization lacked a comprehensive crisis communication framework and had not adequately trained employees on crisis response procedures.

As the crisis intensified, investors began withdrawing support, customers lost confidence in the institution, and regulatory agencies launched investigations into the organization's operational and governance practices. The organization's Chief Executive Officer immediately assembled a crisis management team to coordinate communication, restore customer confidence, and stabilize operations.

The crisis management team introduced several interventions, including continuous media briefings, enhanced customer support systems, emergency cybersecurity upgrades, and collaboration with government security agencies. The organization also initiated post-crisis recovery strategies aimed at rebuilding organizational reputation, restoring stakeholder trust, and strengthening crisis preparedness mechanisms.

Despite these efforts, the organization continued facing reputational damage, customer dissatisfaction, and operational disruptions. Consequently, the Board of Directors requested a comprehensive review of the organization's crisis preparedness systems, leadership approaches, and alternative crisis resolution strategies in order to prevent similar crises in the future.

Required:

a) Crisis management theories provide organizations with frameworks for understanding and responding to crises effectively. Critically examine five crisis management theories that are relevant to the CyberShield Bank crisis.

(10 marks)

b) Organizational leadership plays a critical role in guiding institutions through turbulent and uncertain environments. Assess five leadership practices that CyberShield Bank management should adopt in order to strengthen crisis response and organizational resilience. **(10 marks)**

c) Post-crisis recovery strategies are essential in rebuilding organizational image and stakeholder confidence after a crisis. Recommend five alternative crisis resolution strategies that

CyberShield Bank may implement in restoring reputation and organizational stability**.** **(10 marks)**

QUESTION TWO

a) Modern organizations continue to experience different forms of organizational disruptions and uncertainties. Critically appraise crisis management and examine the essential elements of effective crisis management. **(7 marks)**

b) Crisis-competent leadership is increasingly necessary in dynamic organizational environments. Analyze four factors that make an individual an effective crisis-competent manager. **(8 marks)**

QUESTION THREE

a) Leadership effectiveness during crises is influenced by different organizational perspectives and managerial approaches. Deconstruct four leadership lenses that provide leaders with insight during a crisis situation.

(8 marks)

b) Organizational crises emerge in different forms and intensities depending on their causes and visibility. Differentiate the characteristics associated with sudden crises and smoldering crises. **(4 marks)**

c) Public relations professionals continue to influence organizational image during crisis situations. Evaluate the roles performed by public relations professionals during organizational crises.

(3 marks)

QUESTION FOUR

a) Organizational crises often generate serious operational and strategic implications for institutions. Assess four adverse consequences of crises commonly experienced by organizations. **(4 marks)**

b) Effective crisis management requires organizations to establish systems that minimize damage and improve response capability. Critique the crisis management set of factors designed to battle crises and reduce actual organizational damage. **(5 marks)**

c) Organizations increasingly prioritize preventive mechanisms in order to minimize crisis escalation. Recommend strategies that organizations can adopt to prevent issues from escalating into full organizational crises. **(6 marks)**