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Psychological Resources and Organizational Behavior in Financial Restructuring Processes: A Review in the Context of Concordat

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ABSTRACT: The concordat process is generally approached as a legal and economic restructuring mechanism aimed at ensuring the financial sustainability of organizations. However, beyond its financial dimension, this process produces a multidimensional crisis experience in which managerial capacity, organizational climate, and human behavior are intensively tested. This study aims to examine how corporate crisis management is shaped by psychological dynamics by addressing the concordat process within an interdisciplinary framework that integrates perspectives from business administration and industrial and organizational psychology. Employing a conceptual approach based on a systematic literature review, the study discusses the effects of increased uncertainty and risk perception during concordat periods on organizational behavior, leadership decisions, and employee attitudes. In this context, managerial decision fatigue, constrained communication, and defensive leadership tendencies under crisis conditions are emphasized as critical factors influencing organizational trust, commitment, and performance. Furthermore, the erosion of psychological contracts and the deterioration of psychological safety are examined as key explanatory mechanisms underlying silent withdrawal and organizational alienation during the concordat process. Drawing on the Job Demands–Resources (JD-R) Model and Conservation of Resources (COR) Theory, the study argues that the concordat process generates a strong perception of resource loss for both employees and managers, which may undermine organizational resilience. Accordingly, the article contends that the success of concordat depends not only on the technical adequacy of financial restructuring plans but also on the effective management of uncertainty, the preservation of psychological safety, and the adoption of human-centered crisis management practices. Ultimately, the study concludes that, for organizations, the concordat process represents not merely a financial restructuring mechanism but also an organizational and psychological resilience test.

KEYWORDS: Concordat, corporate crisis management, industrial and organizational psychology, organizational resilience, psychological contract, psychological safety, leadership and decision-making.

1. INTRODUCTION: FROM A FINANCIAL SOLUTION TO AN ORGANIZATIONAL RESILIENCE TEST

In periods characterized by increasing economic uncertainty and financial volatility, organizations resort to extraordinary legal and managerial instruments in order to sustain their operations and manage debt burdens. One such instrument is the concordat, which is fundamentally designed as a mechanism for restructuring debts and preserving the economic existence of the firm. In practice, however, the concordat process transcends a purely technical phase aimed at improving financial indicators and evolves into a multidimensional crisis experience that profoundly affects managerial capacity, leadership practices, and human resources within organizations. In this respect, concordat represents not only a financial recovery initiative but also a critical threshold at which organizational resilience and adaptive capacity are tested. The business administration literature predominantly examines concordat and similar financial restructuring processes through the lenses of crisis management, financial discipline, strategic decision-making, and stakeholder relations. These studies emphasize the decisive role of financial and managerial decisions taken during crisis periods in determining organizational survival. Nevertheless, the psychological burden, perceptions of uncertainty, and behavioral transformations generated within organizations during such processes are often treated as secondary concerns. Yet, from the perspectives of both employees and managers, the concordat process constitutes not only an economic challenge but also an organizational experience characterized by intense stress, anxiety, and perceived loss of control. At this point, industrial and organizational psychology provides a robust theoretical foundation for understanding the invisible yet decisive dimensions of the concordat process. By examining individual behavior and psychological processes within organizational contexts, industrial and organizational psychology seeks to explain the relationships among uncertainty, stress, motivation, trust, and performance. Under conditions of financial crisis, increased job demands, role ambiguity, and job insecurity strain employees' cognitive and emotional resources, thereby exerting indirect but powerful effects on organizational performance. According to Conservation of Resources (COR) Theory, stress emerges when there is a threat of resource loss, actual resource loss, or insufficient resource gain following resource investment (Hobfoll, 1989, p. 516). The concordat process can simultaneously generate all three conditions, producing an intense climate of stress within organizations. Uncertainty emerges as one of the primary dynamics transforming organizational behavior during concordat periods. Diminished clarity regarding the timing, outcomes, and individual consequences of the process increases employees' tendencies toward risk avoidance while weakening initiative-taking and innovative behaviors. Similarly, managers operating under severe financial pressure and time constraints may experience decision fatigue, leading to restricted communication, defensive leadership practices, and avoidance of transparency. In this context, leadership must be evaluated not only in terms of financial rationality but also with regard to its psychological implications. Another critical area that becomes fragile during the concordat process is the psychological contract underpinning the employee–organization relationship. Growing uncertainty regarding job security, fairness perceptions, career expectations, and organizational support may erode employees' trust in the organization, resulting in reduced commitment and the emergence of silent withdrawal behaviors. Moreover, the weakening of psychological safety under crisis conditions constrains employees' willingness to voice ideas and report errors. Edmondson (1999) defines psychological safety as "a shared belief that the team is safe for interpersonal risk taking" (p. 354). In organizations where psychological safety deteriorates, learning and adaptive capacity also decline significantly. This study aims to address the concordat process within an interdisciplinary framework integrating business administration and industrial and organizational psychology perspectives. Employing a conceptual approach grounded in a literature review, the article examines the effects of the concordat process on corporate crisis management through the lenses of uncertainty, leadership, psychological contracts, and psychological safety. The central argument of the study is that the success of concordat depends not only on the technical adequacy of financial restructuring plans but also on how effectively the human factor is managed. Accordingly, the article conceptualizes the concordat process as not merely a financial solution for organizations but as an organizational and psychological resilience test.

2. THE CONCORDAT PROCESS AND CORPORATE CRISIS MANAGEMENT

The concordat process is a restructuring mechanism designed to enable organizations to avoid bankruptcy and sustain their operations during periods of financial distress. However, its corporate-level implications extend beyond the rescheduling of debts and the improvement of financial indicators. Concordat frequently evolves into a comprehensive crisis management process in which strategic decision-making capacity, stakeholder relations, and the ability to preserve organizational continuity are simultaneously tested (Pearson & Clair, 1998). From a corporate crisis management perspective, crises are understood as situations that threaten an organization's fundamental goals while intensifying uncertainty and time pressure. During concordat periods, financial contraction, heightened external scrutiny, and legal constraints complicate managerial decision-making in terms of both speed and substance. Under such conditions, organizations are compelled to make decisions not merely as rational economic actors but as systems operating with limited cognitive and organizational resources. Consequently, the management of concordat requires a holistic framework that integrates financial recovery objectives with an awareness of the crisis's internal organizational effects (Bundy et al., 2017). The impact of the concordat process on corporate crisis management becomes evident in three main domains. First, at the level of strategic management, organizations must balance short-term survival objectives with long-term sustainability. While decisions such as cost reduction, investment postponement, and restrictive personnel policies may appear financially necessary, they carry a high potential to generate adverse effects on organizational motivation, commitment, and performance. Crisis management thus transforms into not only an effort to restore financial equilibrium but also a struggle to preserve organizational capacity (Bundy et al., 2017). Second, concordat constitutes a significant test of stakeholder management. The expectations of creditors, employees, suppliers, customers, and public authorities become more pronounced during crisis periods and often conflict with one another. Efforts to balance these expectations increase the complexity of decision-making while amplifying the communication burden. Because stakeholder perceptions influence the legitimacy of crisis management practices and trust in the organization, stakeholder relations during this period become a strategic variable (Bundy et al., 2017). Third, concordat represents a critical threshold in terms of organizational continuity and resilience. Organizational continuity extends beyond legal survival to encompass the preservation of knowledge, human capital, and organizational identity. Approaches that focus exclusively on financial indicators during crises may contribute to short-term survival yet erode organizational capacity in the long run, thereby weakening recovery performance. This risk increases the likelihood that concordat, while appearing technically successful, becomes organizationally corrosive (Pearson & Clair, 1998). Accordingly, the concordat process should be understood not merely as a phase of financial restructuring but as a transformational period in which corporate crisis management approaches are comprehensively tested. Crisis management practices that neglect the human dimension and organizational behavioral dynamics may struggle to produce sustainable outcomes, even if financial recovery targets are temporarily achieved. Therefore, alongside a business administration perspective, the psychological and behavioral effects generated within organizations must be treated as integral components of strategic decision-making during the concordat process.

3. UNCERTAINTY, RISK PERCEPTION, AND ORGANIZATIONAL BEHAVIOR

The concordat process generates not only a financial restructuring agenda but also a pervasive regime of uncertainty that permeates nearly all layers of organizational life. This uncertainty cannot be reduced to a single issue such as payment schedules; rather, it encompasses a broad perceptual field affecting the duration of the process, decision-making authority, the future trajectory of the organization, job security, and income continuity. As a result, uncertainty becomes one of the principal variables shaping how employees and managers interpret the organization and adopt behavioral patterns during concordat periods. Under conditions of uncertainty, individuals may experience a decline in perceived control as their ability to generate reliable future expectations diminishes. This perceived loss of control intensifies workplace stress and disperses attentional resources. During concordat periods, employees frequently experience "not knowing what will happen" not merely as an emotional strain but as a cognitive burden that complicates the execution of everyday tasks. This burden is exacerbated by sustained vigilance, efforts to avoid errors, continuous mental simulation of possible scenarios, and attempts to interpret organizational rumors. From the perspective of the Job Demands–Resources (JD-R) Model, the simultaneous increase in job demands-such as uncertainty and role ambiguity-and the erosion of job resources-such as managerial support, clear communication, and predictability-creates an imbalance that elevates the risk of burnout (Bakker & Demerouti, 2007). This mechanism indicates that performance problems during concordat periods should be interpreted not solely as motivational deficiencies but as outcomes of a structural demands–resources mismatch. Performance during concordat periods is typically affected in two distinct ways. The first involves directly observable output declines, including delays in delivery, increased error rates, coordination failures, and deterioration in customer relations. The second, more concealed yet often more costly effect involves latent productivity losses: employees continue to perform their roles, but a substantial portion of their cognitive resources is diverted toward coping with uncertainty. This shift of organizational energy and attention from task execution to crisis management rarely appears explicitly in performance reports, yet it silently undermines organizational recovery capacity. As uncertainty intensifies, risk perception within the organization also changes. Employees and managers may perceive the costs of making mistakes as substantially higher than under normal conditions, rendering the possibility of "wrong decisions" particularly threatening. This perception fosters risk-avoidant behaviors, including reluctance to take initiative, withdrawal of innovative ideas, avoidance of visibility, and a focus on minimizing errors rather than pursuing improvement. While such behaviors may function as self-protective strategies in the short term, they reduce organizational flexibility and slow the recovery process-particularly problematic in a restructuring context that requires adaptation and innovation. Industrial and organizational psychology highlights that a critical aspect of financial crises such as concordat lies in the threat to valued resources. According to Conservation of Resources (COR) Theory, the threat of resource loss constitutes one of the most powerful stressors, and resource loss exerts a stronger psychological impact than resource gain (Hobfoll, 1989). During concordat periods, resources such as job security, income stability, status, career trajectories, team belonging, and predictability may all be perceived as endangered. This perception fuels defensive behaviors including information hoarding, responsibility minimization, error avoidance, invisibility strategies, and social withdrawal. Although these behaviors may appear rational from an individual protection standpoint, they impose substantial coordination and trust costs on the organization. Uncertainty and perceived resource loss yield three prominent organizational behavior outcomes. First, initiative diminishes as employees avoid actions that increase visibility and potential blame. Second, organizational citizenship behaviors-such as helping, volunteering, and taking on extra responsibilities-decline. Third, a pattern of silent withdrawal emerges: employees continue to perform required tasks while psychologically disengaging from the organization. This pattern may not immediately trigger an overt crisis, but it progressively erodes organizational capacity and commitment. The psychological processes discussed in this section do not imply that uncertainty during concordat periods is entirely unavoidable or unmanageable. While eliminating uncertainty may be unrealistic, managing uncertainty is possible. Consistent and regular managerial communication, transparent decision criteria, realistic timelines, and coherent messaging across stakeholders can render organizational risk perceptions more manageable. Managing uncertainty not only preserves employee morale but also supports decision quality, coordination, and performance. In conclusion, uncertainty and risk perception during the concordat process constitute fundamental psychological and managerial dynamics shaping organizational behavior. Uncertainty increases cognitive load and perceived loss of control, weakening performance, while heightened risk perception constrains innovation and initiative-taking. The resource loss threat emphasized by COR Theory fuels defensive behaviors and withdrawal, whereas the JD-R Model demonstrates how the imbalance between escalating job demands and diminishing job resources amplifies burnout risk (Bakker & Demerouti, 2007; Hobfoll, 1989). Consequently, crisis management approaches that focus exclusively on financial plans during concordat periods risk undermining organizational recovery capacity by overlooking the psychological costs embedded in the uncertainty–risk–behavior nexus.

4. LEADERSHIP AND MANAGERIAL DECISION-MAKING IN CRISIS PERIODS

The concordat process creates a crisis context that directly tests not only the financial structure of organizations but also leadership capacity and the quality of managerial decision-making. During crisis periods, leaders are compelled to make decisions under heightened uncertainty, intense time pressure, and multiple stakeholder expectations; this, in turn, renders management processes cognitively and psychologically demanding. In this respect, concordat should be understood as a process in which leadership is tested not only through strategic foresight and technical competence but also through psychological resilience and impression management. Compared to normal times, leaders in crisis conditions must make decisions far more frequently, with greater complexity, and with a higher potential for consequential outcomes. During concordat, financial arrangements, personnel policies, stakeholder demands, and legal obligations must be managed simultaneously, creating a substantial decision load for managers. Decision fatigue arises when continuous decision-making depletes cognitive resources, thereby increasing the risk of deterioration in decision quality. The industrial and organizational psychology literature indicates that when cognitive resources are constrained, managers tend to adopt shorter-term, more conservative, and less innovative decision patterns. Shifts in leadership style during concordat periods constitute a salient indicator of crisis management. In contexts where uncertainty and perceived threat intensify, leaders may gravitate toward more centralized and authoritarian modes of governance in an effort to maintain control. Although such a shift may appear to enhance decision speed in the short term, it carries the long-term risk of weakening organizational participation and trust. In particular, when employees perceive that they are excluded from decision-making processes, psychological safety may decline and organizational silence may become more prevalent. Nevertheless, some leaders may prefer to manage crisis conditions through a more inclusive, communication-oriented approach. Even if uncertainty cannot be fully eliminated, providing clarity regarding how the process is being managed can increase employees' perceived control. This may reduce the psychological burden of the crisis and support organizational resilience. During the concordat process, managerial communication becomes not merely a technical activity of information transmission but a strategic instrument that entails the management of perceptions and trust. When communication is disrupted or contradictory messages are conveyed, uncertainty deepens and a rumor culture is likely to flourish. This can erode employees' trust in the organization and render managerial decisions subject to questions of legitimacy. Effective crisis communication does not require the complete elimination of uncertainty; rather, it necessitates transparent disclosure of how and why uncertainty exists. When management clearly articulates the boundaries of the process, plausible scenarios, and decision criteria, employees are better able to interpret the process within a meaningful frame. From an industrial and organizational psychology perspective, such communication practices may limit stress responses by strengthening perceived fairness and predictability. Leadership behaviors displayed during crises shape the direction of employees' psychological relationship with the organization. Constantly shifting decisions, sudden changes in direction, and practices implemented without explanation can foster perceptions of mistrust and devaluation among employees. Over time, this may create a fertile ground for reduced organizational commitment and the emergence of silent withdrawal behaviors. Conversely, empathetic, consistent, and explanatory leadership behaviors can help sustain employees' sense of belonging even under crisis conditions. Leaders' sensitivity not only to financial outcomes but also to employees' psychological burden aligns with the "supportive leadership" emphasis in the industrial and organizational psychology literature. Such leadership can contribute to preserving psychological safety and strengthening organizational resilience. Managerial decisions taken during concordat also generate indirect yet lasting effects on organizational behavior. Decisions such as workforce reductions, changes in wage policies, and the redistribution of roles and responsibilities are interpreted not only as structural adjustments but also as signals regarding the organization's "intent." These signals may either reinforce or erode employees' trust and commitment. Therefore, the success of managerial decisions during crises should be evaluated not only by financial outcomes but also by how decisions are perceived and internalized within the organization. From an industrial and organizational psychology standpoint, this underscores that leadership entails the responsibility to anticipate and manage the psychological consequences of decision-making. In sum, leadership and managerial decision-making during the concordat process occupy the center of organizational crisis management. Decision fatigue, centralization tendencies, and communication weaknesses may heighten uncertainty and psychological strain, thereby undermining organizational resilience. By contrast, consistent communication, empathy-based leadership, and decision practices that consider psychological impacts can support organizational adaptation and recovery even under crisis conditions. These insights highlight that the concordat process must be evaluated not only through management science but also through the lens of industrial and organizational psychology.

5. PSYCHOLOGICAL CONTRACT, ORGANIZATIONAL TRUST, AND COMMITMENT

The concordat process is among the periods in which the psychological contract-forming the foundation of the employee–organization relationship-becomes most fragile. The psychological contract refers to an unwritten relational framework between employees and organizations grounded in reciprocity, fairness, trust, and mutual expectations. It encompasses not only material elements such as pay and job security but also psychological expectations such as respect, support, fair treatment, and predictability. During financial crises and concordat periods, the increasing ambiguity of these expectations may weaken employees' psychological attachment to the organization. During concordat, organizations may be compelled to revise personnel policies to control costs and regulate cash flow. Measures such as freezing wage increases, limiting benefits, suspending promotion and career opportunities, or generating uncertainty around job security directly influence employees' perceptions of the psychological contract. Although such practices are often justified as "necessary" and "unavoidable," employees may interpret them as a failure to uphold implicit promises. This perception can trigger a sense of psychological contract breach and erode organizational trust (Rousseau, 1995). The weakening of the psychological contract stems not only from single policy changes but also from the cumulative effect of uncertainty and communication deficits. When employees cannot clearly distinguish which decisions are temporary and which are permanent, they may develop negative inferences regarding the organization's intentions. As the concordat period prolongs, perceptions of psychological contract breach may become chronic. The erosion of the psychological contract has a direct and powerful impact on organizational trust. Organizational trust refers to employees' belief that the organization will act fairly, consistently, and predictably. During concordat periods, frequently changing decisions, poorly explained practices, and disruptions in managerial communication can weaken this belief. In low-trust contexts, employees may cease to view the organization's long-term interests as compatible with their individual interests. Industrial and organizational psychology research suggests that loss of trust generates cascading effects on employee behavior. As trust declines, employees' identification with organizational goals diminishes, while job satisfaction and affective commitment weaken. In this process, employees increasingly define their relationship with the organization in minimal terms and consciously or unconsciously restrict their level of contribution. During concordat, organizational commitment may undergo a qualitative transformation. Under normal conditions, affective commitment-employees' voluntary attachment to the organization rooted in a sense of belonging-constitutes the strongest commitment form in terms of performance and discretionary contribution. However, in financial crisis conditions, the weakening of the psychological contract and declining trust can erode affective commitment. At this stage, employees' motivation to remain in the organization may shift from affective commitment to continuance commitment. Employees may stay due to limited alternative employment opportunities, economic uncertainty, or fear of losing existing conditions. While commitment may appear to persist formally, it weakens substantively. From a business administration perspective, this "apparent commitment" may be perceived as short-term stability, yet it entails significant long-term risks for performance and innovation. One of the most salient behavioral consequences of psychological contract breach and trust loss is silent withdrawal. Silent withdrawal refers to employees consciously reducing the cognitive, emotional, and behavioral contributions they provide to the organization without formally leaving. During concordat, employees may adopt such withdrawal patterns as a self-protection reflex in the face of uncertainty and disappointment. Silent withdrawal may not manifest as explicit misconduct or overt performance decline; rather, it appears through indirect indicators such as reduced organizational citizenship behaviors, weakened team cooperation, and the withdrawal of innovative suggestions. This undermines the collective effort required for organizational recovery. Although fully preserving the psychological contract during concordat may not always be possible, repairing it is possible. Repair requires transparent communication of the rationale behind managerial decisions, redefinition of expectations, and honest engagement with employees. Rebuilding organizational trust can occur not only when positive outcomes emerge but also when uncertainty and unfavorable conditions are communicated openly. From an industrial and organizational psychology perspective, perceived fairness, consistency, and empathy play a critical role in reconstructing the psychological contract. Employees do not merely evaluate whether the organization fulfills all promises under all circumstances; rather, they attend closely to how the organization manages adversity and how it treats them. Therefore, sustaining trust and commitment during concordat requires the effective management of psychological processes as much as technical financial solutions. In summary, the concordat process provides a crisis context in which the relationship among the psychological contract, organizational trust, and commitment becomes clearly visible. The weakening of the psychological contract and erosion of trust transform commitment patterns and fuel silent withdrawal. Although organizational stability may appear to be preserved in the short term, this process creates substantial long-term costs for institutional capacity and resilience. Hence, the success of crisis management during concordat depends not only on financial restructuring but also on effectively managing the psychological dimensions of the employee–organization relationship.

6. PSYCHOLOGICAL SAFETY AND ORGANIZATIONAL CLIMATE

The concordat process affects not only financial uncertainty but also the psychological conditions that shape organizational climate. At the center of these conditions lies psychological safety-an organizational attribute that enables employees to express ideas, report errors, and take interpersonal risks without fear of punishment, exclusion, or negative evaluation. In crisis periods, the weakening of psychological safety becomes a critical factor that directly constrains organizations' learning and adaptation capacity. As uncertainty and perceived threat intensify during concordat, employees tend to weigh the potential consequences of their actions more carefully. The risk of layoffs, closer performance monitoring, and shrinking organizational resources may create an implicit perception that making mistakes is "intolerable." This perception restricts employees' willingness to share ideas, raise concerns, and provide critical feedback, thereby fueling organizational silence. In contexts of low psychological safety, employees may seek to minimize visibility by avoiding risk-taking. Industrial and organizational psychology emphasizes that psychological safety is shaped not primarily by individual courage but by organizational context and leadership behavior. During concordat, disruptions in leadership communication or a predominance of negative messaging can rapidly erode psychological safety. This contributes to an organizational climate characterized by caution, inward withdrawal, and defensive behavior patterns. Organizational climate reflects employees' shared perceptions and experiences regarding the organization. During concordat, this climate may shift markedly, particularly in dimensions of trust, fairness, and predictability. Failure to adequately explain the rationale for decisions, inconsistency in practices, and breakdowns in information flow can lead employees to draw negative inferences about organizational intent. Deterioration in fairness perceptions further increases the fragility of psychological safety. When employees cannot clearly discern who is protected, who is expected to make sacrifices, or which criteria guide decisions, they begin to perceive the organizational climate as "unpredictable" and "risky." This perception increases stress and anxiety at the individual level while damaging trust relations at the organizational level. Organizations' ability to survive and recover in crisis periods depends largely on their learning capacity. Learning, however, requires error detection and deriving lessons from mistakes. In low psychological safety environments, employees avoid reporting errors and many issues remain invisible. This makes it more difficult to identify structural and operational problems that emerge during concordat in a timely manner. Conversely, when psychological safety can be preserved, employees may remain more willing to produce solutions and improve processes despite crisis conditions. Even if total tolerance for error is unrealistic, treating errors as opportunities for learning supports organizational resilience. In this sense, psychological safety is not a "luxury" during crises but a foundational condition for organizational adaptation. The concordat process requires organizations not only to address existing problems but also to reconsider business models, processes, and strategies. Such reconsideration necessitates the emergence of innovative ideas. Yet innovation is a behavioral domain that requires high psychological safety. When employees believe their ideas will be ignored or will lead to negative consequences, they may refrain from innovative contributions. This directly affects the sustainability dimension of concordat. In organizations where psychological safety weakens, crisis exit strategies often focus on temporarily restoring financial balance, while innovative transformations needed for long-term competitiveness are postponed. By contrast, organizational climates that attend to psychological safety can mobilize employees' solution-generating capacity even under crisis conditions. Preserving psychological safety cannot be left to individuals' personal resilience; it must be managed deliberately at the organizational level. During concordat, the consistency, empathy, and openness exhibited by management shape organizational climate. Regular updates, transparent decision criteria, and enabling employees to ask questions about the process can prevent psychological safety from collapsing entirely. From an industrial and organizational psychology perspective, such practices not only protect employees' psychological well-being but also support the cognitive diversity and collective intelligence that organizations need to exit crises. Therefore, psychological safety is not merely an ethical principle in the concordat process; it is also a strategic management tool. In summary, psychological safety and organizational climate during concordat constitute key determinants of organizations' capacity to cope with crisis. The weakening of psychological safety complicates recovery by producing outcomes such as organizational silence, learning loss, and declines in innovation. Conversely, preserving an organizational climate grounded in trust, fairness, and predictability contributes to managing the concordat process in a sustainable manner-not only financially but also organizationally. These findings reaffirm that the concordat process must be addressed through the lens of industrial and organizational psychology as much as through management science.

7. DISCUSSION: AN EVALUATION FROM THE PERSPECTIVES OF MANAGEMENT SCIENCE AND INDUSTRIAL AND ORGANIZATIONAL PSYCHOLOGY

The findings of this study indicate that approaching the concordat process solely as a financial and legal restructuring mechanism is insufficient for explaining and supporting organizational recovery. Themes derived from the literature review suggest that concordat simultaneously creates a multidimensional crisis context in which managerial capacity, leadership practices, and psychological resilience are tested. In this section, the insights discussed in previous parts are evaluated holistically through the lenses of the Job Demands–Resources (JD-R) Model and Conservation of Resources (COR) Theory. The JD-R Model explains stress and burnout in work settings primarily through an imbalance between increasing job demands and available job resources. When the concordat process is considered from this perspective, it becomes evident that job demands rise substantially in organizations, while job resources erode. Role ambiguity, job insecurity concerns, intensified performance pressure, and emotional strain constitute core job demands for employees during concordat periods. Simultaneously, critical job resources such as managerial support, predictability, clear communication, and psychological safety tend to deteriorate. This imbalance offers a compelling framework for understanding organizational behavior patterns highlighted in this study, including performance decline, loss of initiative, and silent withdrawal. From the standpoint of the JD-R Model, problems experienced during concordat cannot be attributed to a lack of individual motivation or to "non-resilient employees"; rather, they reflect a structural mismatch between demands and resources (Bakker & Demerouti, 2007). This underscores that neglecting the human factor in crisis management practices produces unavoidable costs for organizational performance. COR Theory posits that individuals are motivated to protect valued resources, and that resource loss has a psychologically stronger impact than resource gain. The concordat process generates the threat of multiple resource losses for both employees and managers: job security, income, status, career expectations, predictability, and organizational belonging may simultaneously be placed at risk. In line with COR Theory, this produces a resource-loss spiral that triggers defensive behaviors and withdrawal (Hobfoll, 1989). Behaviors discussed throughout this study-such as silent withdrawal, risk avoidance, and organizational silence-can be interpreted as behavioral manifestations of this resource-loss spiral. When organizations focus primarily on protecting financial resources while overlooking psychological losses in human resources, they may produce a secondary crisis that weakens long-term recovery capacity. This helps explain why concordat may appear technically successful in some organizations while failing to deliver lasting organizational improvement. When the JD-R and COR frameworks are considered together, the central role of leadership and managerial decision-making in the concordat process becomes more apparent. Leaders not only make financial and strategic decisions, but also shape resource perceptions and the experience of uncertainty within the organization. Inconsistent communication, abrupt decision changes, and centralizing control tendencies increase job demands while further weakening job resources. By contrast, leadership practices that actively protect psychological safety-even if they cannot eliminate uncertainty-may increase perceived control and slow the resource-loss spiral. In this regard, psychological safety emerges not as a secondary employee satisfaction factor during concordat but as a strategic variable that directly influences organizational resilience (Edmondson, 1999). A key contribution of this study lies in making visible the explanatory gap between the business administration literature and the industrial and organizational psychology literature. Crisis management scholarship often addresses concordat-like processes through strategy, financial structure, and stakeholder relations, tending to treat psychological processes as peripheral variables. This study, however, demonstrates that psychological processes are not merely the "outcome" of crisis management, but among its determinants. Taken together, JD-R and COR theories indicate that success during concordat depends not only on technically sound financial plans, but also on how these plans are perceived within the organization, which psychological resources employees draw upon to navigate the process, and how leadership manages and protects these resources. This holistic perspective highlights the necessity of an interdisciplinary approach to concordat. Overall, the findings discussed in this section confirm that concordat constitutes not only a financial restructuring effort for organizations but also a psychological and managerial resilience test. While the JD-R Model explains how an imbalance between increasing demands and diminishing resources shapes organizational behavior, COR Theory clarifies how the threat of resource loss triggers defensive responses. Evaluated together, these frameworks make it more evident why crisis management approaches that overlook the human factor struggle to support sustainable organizational recovery during the concordat process.

8. CONCLUSION

This study demonstrates that approaches treating the concordat process solely as a legal and financial restructuring tool have limited explanatory power. Analyses grounded in a literature review indicate that concordat creates a multidimensional crisis context in which managerial capacity, leadership practices, and psychological resilience are tested simultaneously. In this sense, concordat represents not only a financial solution mechanism for organizations but also an organizational and psychological resilience test. The findings reveal that uncertainty, heightened risk perception, and the threat of resource loss during concordat deeply influence employee behavior, managerial decision processes, and organizational climate. The JD-R Model explains that an imbalance between escalating job demands and diminishing job resources increases the risk of burnout, motivational decline, and performance deterioration. COR Theory, in turn, shows how perceived resource loss fuels defensive behaviors and silent withdrawal. When considered together, these theoretical frameworks suggest that neglecting the human factor in concordat produces not only psychological costs but also strategic and managerial costs for organizations. Themes discussed throughout this study-leadership, psychological contract, and psychological safety-illustrate the extent to which intra-organizational relationships become fragile during concordat. In particular, inconsistent communication, centralizing decision-making tendencies, and ineffective uncertainty management contribute to the erosion of organizational trust and the transformation of commitment forms. This offers an important explanation for why concordat may appear technically successful while organizational recovery remains unsustainable.

Managerial Implications

One of the most important managerial implications of this study is that managing concordat solely through financial experts and legal advisors is insufficient. The effectiveness of crisis management depends directly on how financial restructuring decisions are perceived within the organization and how these decisions affect employees' psychological resources. Therefore, during concordat periods, management teams should adopt a holistic crisis management approach capable of anticipating the psychological consequences of decisions. Although it is often impossible to eliminate uncertainty entirely, how uncertainty is managed becomes a critical determinant. Regular and consistent updates, transparent communication of decision criteria, and realistic expectation management can increase employees' perceived control and constrain stress and defensive behavior. In this sense, crisis communication is not a secondary support activity in concordat, but a strategic management instrument.

RECOMMENDATİONS FOR HUMAN RESOURCES AND LEADERSHİP PRACTİCES

From an industrial and organizational psychology perspective, the role of human resources and leadership practices becomes even more pronounced during concordat. Even if fully preserving the psychological contract is not always feasible, explicitly redefining the contract and addressing employee expectations through honest communication can prevent a complete loss of trust. In this process, perceived fairness, consistency, and empathy are central factors shaping employees' emotional responses to the organization. Preserving psychological safety is also critical. An organizational climate in which employees can report errors, voice concerns, and propose solutions increases the organization's capacity to learn from crisis and recover. Accordingly, leaders should not focus solely on outcome-driven performance expectations; they should also engage in behaviors that support learning, feedback, and participation.

Overall Evaluation

This study also indicates that organizational resilience during concordat cannot be assessed solely through financial indicators. Resilience is closely tied to the extent to which an organization can preserve its human capital, knowledge base, and institutional identity. Even if depletion of psychological resources does not produce an immediately visible crisis in the short term, it can erode organizational capacity over time and threaten sustainability. Hence, decisions taken during concordat should be evaluated not only with a "saving the day" logic, but with a perspective that considers the organization's post-crisis rebuilding capacity.

Contributions and Directions for Future Research

By integrating business administration and industrial and organizational psychology perspectives, this study offers an original contribution to the literature. It demonstrates that psychological processes-frequently neglected in crisis management scholarship-constitute key determinants of concordat outcomes. These findings reinforce the necessity of interdisciplinary approaches in crisis management research. Future studies may empirically test these insights through mixed-method designs (quantitative and qualitative) in organizations undergoing concordat. Longitudinal research examining the relationships among psychological safety, leadership styles, and organizational resilience would be particularly valuable. In addition, comparative studies across sectors and cultural contexts may clarify the universal and context-specific aspects of concordat experiences.

In conclusion, this study demonstrates that the concordat process is not merely a financial restructuring effort but also a critical period that tests organizations' capacity for human-centered crisis management. Without the support of psychological and organizational processes, financial solutions alone are unlikely to produce sustainable recovery. Accordingly, concordat should be conceptualized as a multilayered transformation process in which not only debts, but also organizational relationships, trust, and resilience are restructured.

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