# NATIONAL AND ENTERPRISE POLICIES FOR SUSTAINABLE DEVELOPMENT IN THE CONTEXT OF COVID-19

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***Abstract***

*The ongoing COVID-19 pandemic has had very severe social and economic consequences. Despite these challenges, businesses must find ways to survive and grow sustainably in at least the medium term. Thus, they must quickly identify applicable solutions in the form of enterprise policies. To address this need, this study describes the COVID-19 pandemic’s influence on the economic environment, highlights the importance of sustainable business development in this context, and identifies the medium-term policies required to overcome this crisis. Specifically, this study lays out national policies that can help to ensure sustainable development as well as a set of enterprise policies, which are generally medium-term objectives that may refer to all of an enterprise’s activities or to only its important components. These enterprise policies assist in managing COVID-19 infections among employees and in maintaining and enhancing economic indicators during the COVID-19 pandemic to ensure sustainable development.*

***Keywords:*** *enterprise policies, sustainable development, COVID-19 pandemic, quality of life, economic relaunch*

***JEL Classifications:*** *M40, M41*

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# 1. Introduction

Although most of 2019 was slow and relatively quiet [11], the COVID-19 pandemic, which began in December 2019 in Wuhan, China, required countries to impose isolation on their citizens. This measure was not necessarily intended to defeat the virus but rather was meant to slow the infection process to avoid exceeding the public health system’s capacity to handle the crisis [5]. These public isolation policies were oriented towards individual health, and their economic consequences have been worse than expected. Imposing isolation has made it difficult for national economies to function. Isolation has destroyed relationships between employees and employers and between producers and customers both within and across nations. Economic structures and relations have been severely affected as a result. Borders have also been closed, which has affected the global economy. The COVID-19 pandemic’s precise economic effects are difficult to assess at present. However, it is also a psychological pandemic and, thus, has disrupted human behavior and impacted the functionality of all markets, including goods, capital, services, monetary, and financial markets.

The pandemic has also had some positive effects. For example, the digitalization of government and social life in general has been accelerated, the spread of distance education has been intensified, businesses are increasingly operating in the online environment, and the consumption of local products is growing. Additionally, it has highlighted the importance of preparing for any crisis that may arise [10].

In the context of the COVID-19 pandemic, which has fundamentally changed important aspects of modern life, the sustainable development of enterprises provides a solution to the current crisis, is necessary for the subsequent reconstruction, and can serve to prevent similar situations in the future. Applying the principles of sustainable development is more necessary than ever before. It is critical to transform the current crisis into an opportunity to achieve a solid, sustainable social and economic reconstruction through the use of appropriate policies. These policies should seek to introduce new elements that were not previously considered in strategy development [6], as no one was able to predict the COVID-19 pandemic. Thus, this study develops the frameworks for two enterprise policies that can support sustainable development during COVID-19: a policy for managing COVID-19 infections among employees and a policy for maintaining and enhancing economic indicators during the COVID-19 pandemic to ensure sustainable development.

# 2. Sustainable development in the context of COVID-19

Sustainable development can be achieved only by ensuring a balance between socioeconomic systems and natural potential [3]. The concept of sustainable development first appeared in 1987 and refers to balancing the development of industrial civilization, which is constantly growing, with the conservation of the planet’s limited resources to ensure this growth [7].

The COVID-19 pandemic has created major dysfunction in the economy and in the business world, which can no longer operate as it did before the pandemic. Thus, pandemic-affected countries must enact four types of national policies to ensure sustainable development, as follows.

First, states must draft laws to strengthen worker protections or adapt their current legislative frameworks for emergencies. They must also monitor and react to violations of these laws, such as sales of false protective equipment. Second, states must provide businesses with guidance on managing the COVID-19 pandemic, establish channels for dialogue between companies and other stakeholders seeking guidance and advice, address the spread of misinformation and harmful content related to COVID-19, and facilitate collective initiatives across the economy and various stakeholders to provide large-scale assistance and respond to the COVID-19 pandemic. Third, governments must cooperate with other governments to adopt trade policies that facilitate the supply of essential medicines and equipment, consult with employees and other stakeholders to define expectations for the COVID-19 pandemic, and ensure that their emergency measures are non-discriminatory. Finally, states should ensure worker protections and demonstrate best practices, such as social distancing, within the government. Moreover, state-owned enterprises should adopt the highest standards of conduct and responsibility in responding to the COVID-19 pandemic.

Enterprises’ sustainable development policies in the context of COVID-19 may reflect these public policies but may also include other specific elements depending on the field of activity, organizational culture, and so forth. Current enterprise policies need to address digitization; teleworking; access to non-reimbursable financing; worker protections; consultations with employees and other stakeholders to define expectations during the COVID-19 pandemic; the use of innovative technologies to assist in treatment, testing, monitoring, or other aspects of the COVID-19 pandemic; and international trade.

The COVID-19 pandemic has highlighted the need for enterprises to develop and implement both overall enterprise policies and partial policies to overcome this crisis. A company's policies are not only simple concretizations of its strategy but also account for changes in its external and internal environments. Applying these policies by adapting them to the context in which they are implemented can serve to increase a company's performance. Furthermore, a company's policies are established at different hierarchical levels. Top management policies reflect the company’s mission, purpose, and business philosophy. The policies developed for lower hierarchical levels are used to execute the policies developed for higher hierarchical levels, and thus, they are more explicit, concrete, and detailed, with limited areas of applicability and short time horizons for implementation [6].

**3. Detailed frameworks for enterprise policy models**

During the COVID-19 crisis, an enterprise may need to implement several partial policy models to facilitate sustainable development. This study lays out the frameworks for two such policy models. The first is a policy for managing COVID-19 infections among a company’s employees, and the second is a policy for maintaining and enhancing a company’s economic indicators, such as its sales volume, turnover, profit, and number of employees, in the context of COVID-19.

# A. Policy for managing COVID-19 infections at work

Developing a company policy for managing COVID-19 infections among employees at work has become a necessity in the context of the pandemic. This issue was not necessarily predicted when companies’ global and partial policies were being drawn up. However, such policies are now required to overcome the challenges of the pandemic. These policies can act as emergency plans in times of necessity. A company policy for managing COVID-19 infections among employees can be structured as follows [6]:

* Presentation of the policy’s medium-term objectives, such as reducing exposure to COVID-19 at the workplace, resuming activity safely after a break, managing employees who work from home, dealing with a high absenteeism rate, and handling employees who have been ill.
* Determination of the volumes and resources necessary to achieve the policy’s objectives based on the company’s number of employees, financial strength, access to non-reimbursable financing for COVID-19 management, and targeted activity; these resources can include material, financial, and human resources that may be made available to manage COVID-19 infections among employees.
* Establishment of actions that can lead to the achievement of the policy objectives, thereby mobilizing all of the company's resources. The primary actions to be taken to manage COVID-19 within an enterprise are conducting an enterprise risk assessment and establishing the appropriate measures accordingly, ensuring employee involvement, enabling remote work as a new way to carry out the enterprise’s tasks, managing sick employees, identifying lessons to be incorporated in the future, and providing accurate information to employees.
* Prioritization of these actions according to the company’s needs to address all requests in due time. Among the actions listed in the previous bullet point, a company can start by reassessing its risks, followed, in sequence, by establishing which employees can work remotely, identifying activities to be carried out in shifts, managing sick employees, and transmitting lessons and good practices for the future. Throughout the implementation of this policy, it is necessary to provide good information to employees and involve them in all activities.
* Identification of the parties who are responsible for implementation among managers at all of the company’s hierarchical levels and workers, depending on the activity’s complexity. For example, the manager who leads a department is responsible for remote work among that department’s employees.
* Establishment of deadlines according to the complexity, necessity, and periodicity of each activity. For example, long-distance work and shift work can be undertaken until any danger related to COVID-19 is eliminated.
* Approval of the realized policy, which is necessary and is performed by the company’s management team. Without such approval, this policy cannot be implemented.
* Delegation of actions to employees to establish their tasks. This step is the last step before this policy can be effectively implemented and, at this stage, the responsibilities for applying the policy’s provisions are essentially established among the employees. For example, the company’s risk assessment is performed by the workers who are designated for this purpose, and remote work is performed by employees whose tasks can be performed without their physical presence at the company.

# B. Policy for maintaining and increasing economic indicators in the context of COVID-19

During the COVID-19 crisis, the main problems faced by companies are high production costs, high labor costs, a lack of well-trained labor, a lack of demand for goods and services in the market, a lack of transportation infrastructure, the need for public investments, and the unpredictability of the fiscal environment. These issues suggest the need to develop, approve, and implement a company policy for maintaining and increasing economic indicators, such as sales volume, turnover, profit, and the number of employees, in the context of COVID-19. This policy should be established at the level of a company’s top management and is a more general policy that includes less detail and covers large areas of business. Given this context, the composition of this policy is as follows:

* Presentation of the medium-term objectives that must be realized, which may include the promotion and sale of the company's products and services online; business development in the online environment; investments in real estate, the stock exchange, or other instruments that will have decreasing prices; work-from-home employees; hiring skilled, valuable staff who lost their jobs in the pandemic; expanding into markets that some competitors have exited; launching new products; or increasing the number of required products on the market during this period.
* Determination of the volume and resources necessary to achieve these objectives, which is based not only on the company’s financial possibilities but also on the possibility of attracting external financial resources in the form of loans or access to non-reimbursable financing.
* Establishment of actions leading to the achievement of these objectives, which is necessary for the implementation of this policy. These actions include creating the necessary digital platforms for online commerce and promotion, buying shares, identifying employees to work remotely, receiving loans to provide liquidity, investing in innovation and development, and submitting projects to obtain non-reimbursable funds.
* Prioritization of these actions, as follows: ensuring liquidity from the company’s or other sources; building an online presence to expand sales and promote business; implementing remote, shift, or staggered work; hiring qualified staff who were laid off during the crisis; investing in real estate and the stock market; and investing in innovation and business expansion.
* Identification of the parties responsible for implementation. Depending on the complexity of each action, the responsible parties may be top managers or individuals at other hierarchical levels.
* Establishment of deadlines according to the urgency of implementing the actions based on the company’s financial, material, and human possibilities. For example, a telework regime can be implemented from when this policy is approved until the COVID-19 crisis is overcome, and the duration of this action’s implementation can be extended if it benefits the company.
* Approval of this policy, which is necessary because the enterprise’s management cannot begin implementing the policy without approval.
* Delegation of actions to the responsible parties to enable implementation. For example, the manager of the department in which an employee works is responsible for that employee’s remote work.

# 4. Conclusion

The COVID-19 pandemic has negatively affected society as a whole. Public and private policies that not only reduce the pandemic’s negative effects but also ensure sustainable development in the medium and long term are necessary. It is critical to design a society for the future, after the pandemic is overcome, with an even better quality of life than before the pandemic. This process must involve not only public authorities but also the private sector, civil society experts, academics, research institutes, and non-governmental organizations. All members of society must believe in the principles of sustainable development and implement them in their daily lives.

Establishing global and partial enterprise policies means providing major guidelines for a company’s overall business. This study has therefore created frameworks for both a company policy for managing COVID-19 infections among employees at work and a company policy for maintaining and enhancing economic indicators, such as sales volume, turnover, profit, and the number of employees, in the context of COVID-19. Such policies can provide solutions for managing COVID-19 infections among employees and overcoming the economic stalemates that are increasingly impacting companies to ensure sustainable development.