

Impacts of Covid 19 in Business

A century after the Spanish flu, we are confronted with a completely new virus that has swept the globe and spread swiftly owing to its contagiousness. The coronavirus outbreak that began in China in 2019 soon expanded around the world, posing a threat to people of all genders, ages, and backgrounds. At the beginning of this journey, the health sector was severely impacted by the crisis; hospitals were overcrowded, and many people died as a result.[1] The initial shock of the crisis occurred in the field of health, and the process quickly expanded to all sectors around the world. To combat this highly contagious disease, hygiene and distance requirements were implemented in the first stage. Vaccination experiments have begun while researchers try to find a cure for this disease. Governments have taken a variety of steps to limit human interaction until a cure for the sickness is discovered and the vaccine process is completed. It is intended to reduce the number of patients by prohibiting people from congregating in groups.[2] Many business sectors have begun to be affected by the epidemic as a result of these restrictions.

Using the pestle framework, I believe that I will be able to examine more functionally how covid 19's effects on the outside of the business environment affect the internal environment. First of all, if we talk about the political factors, we can say that policy-making governments in almost every country have started to take various measures to protect the health of their citizens. For example, one of these policies is the implementation of remote work in all possible sectors and to put in place supportive policies in this regard to avoid public contact and disease spread. Some regulations have been implemented as a result of political decisions made in the fight against the epidemic, and aid packages have been provided to sectors and employees who have been severely impacted.

When we look at this issue from an economic standpoint, the virus has benefited some sectors while damaging the majority. The distribution of industries that lead the economy has shifted as well. Also, the outbreak had severe financial consequences for unemployed people.[3]

The social effects of covid 19 on the internal business environment are also quite high. Social life has altered worldwide, and because it is inconvenient for individuals to meet in person, virtual social life has emerged. People's engagement with one another has fallen to a minimum as a result of the decrease in in-person communications, and as a consequence, anxiety symptoms have begun to arise among individuals.

As the virus continues to spread, the concept of working from home has been quickly adopted across all industries. As an outcome, employers had to provide all of their employees with the option of working from home, as well as technological support. Although this appears to be a technological advancement, the sudden

demand for technological devices has forced manufacturing and production companies to take action quickly.[4]

If we look at this issue from a legal standpoint, we may claim that new temporary laws have been enacted that are peculiar to the pandemic time. For example, temporary layoff bans have been implemented to keep employees on the job, and curfews were imposed at certain hours to ensure the safety of people's lives.[5]

Finally, we can state that since remote work solutions were implemented and vehicle usage fell, carbon emissions have decreased to a minimum, and air and sea pollution have been deducted. In this context, there has been a major environmental clean-up. Dolphins that began to show up in Venice's canals may be an excellent example of this cleansing. [6]

I briefly talked about the effects of covid on the business environment by using different perspectives and making use of pestle analysis above, but I would like to make a detailed examination in terms of two factors that will have a great impact on the internal business environment in the next five years.

One of the most major external factors that will affect the internal business environment is economical aspects. With the increasing health risks due to covid and implementation of curfews, people's time spent socializing has fallen dramatically, and places like restaurants and cafes have become unappealing. Companies in the service industry had to close one by one.

For example, demand for small food stores, greengrocers, and stationery boutiques has decreased. People can now easily meet these necessities without leaving their homes by using internet purchasing platforms. [7] People are now using the internet not just for their needs, but also for amusement too. Art auctions, concerts, and other social activities have been displaced by apps like Netflix which are available on everyone's phone.[8] While this situation benefits corporations with large resources and technology infrastructure, it has resulted in the loss and closure of many small businesses. Because the mentioned enterprises were unable to make sales, they ceased to produce so the supply of raw materials was stopped. On a chain basis, the companies that provide these companies with raw materials have started to have problems. As a result, related industries have found themselves in a terrible condition, with several going bankrupt. Between March 28 and April 4, 2020, more than 5,800 small enterprises were surveyed to see how the 2019 coronavirus disease affected businesses. The impact of the epidemic on small enterprises may be addressed in four steps, according to the poll results. To begin with, widespread layoffs and shutdowns occurred extremely rapidly as a result of the pandemic's impact. Secondly, as the recession continued longer than projected, additional insolvency risks arose. Moreover, many small enterprises with monthly expenses of more than \$10,000 had only two weeks' cash on hand when the survey was

conducted, demonstrating their financial vulnerability. Finally, the Coronavirus Relief (CARES) Act has been proposed as a source of support for many small businesses. However, due to bureaucratic challenges and eligibility hurdles, grant funding was extremely difficult to receive. [9]

So far, I've discussed the financial difficulties faced by small firms as a result of covid-19, but to gain a deeper understanding of how external variables influence the business environment, the unemployment problem caused by the topic cited should also be investigated. Government-imposed bans have left many people unemployed for a long time, particularly those working in the service sector. Barbers, spas, theatres, and other businesses, for example, have not opened in the last 6 months to a year. Because the workers in these industries have been unemployed for a long period, policymakers have taken some steps to help them. In some countries, laws prohibiting the dismissal of employees for a specific length of time have imposed extra costs to enterprises in financial distress; employers who have no income and are unable to engage in commerce must pay both rent and staff expenses. In other words, despite efforts to protect workers' rights, enterprises without sufficient capital were unable to meet their obligations and were forced to declare bankruptcy. As a result, despite the efforts taken, unemployment reached a new high. [10]

Despite the above-mentioned economic issues, the second topic I'd want to discuss is the harmful consequences of technological advancements brought by the virus epidemic on our life. To begin, among the measures taken with covid 19, social distancing, which makes it compulsory to study at home and employees to work from home, was implemented. As a result, technical features are being used more frequently. So In the next five years, if the current pattern continues, major difficulties will emerge.

One of the most serious risks is the danger of cyber assaults. Important pieces of information are safeguarded by the office's cybersecurity procedure since employees utilize office equipment at work; however, those working from home do not have this option and do their job on their own devices, so they are not protected by cybersecurity. Sensitive information is more likely to wind up in a dangerous environment due to the blurring lines between personal and professional life. Because of the vulnerability, remote workers are at risk of receiving phishing emails from attackers. These are phishing scams that attempt to fool you into revealing personal information or downloading a malicious file that contains a keylogger. [11]

Furthermore, with the coronavirus outbreak, virtual communication tools that we utilize in education, business, and other areas have replaced face-to-face communication as the center point of our life. Since technology has taken over so much of our lives, people's abilities and desires to communicate face-to-face in business have dwindled.[12]

Now and in the near future individuals will encounter social anxiety difficulties as a result of the technological advancements in our life. Although new technologies appear to make our lives easier, they cause us to lose our human skills and social capacities. In this instance, if business life can be normalized in the next 5 years, I believe there will be a significant loss of contact among employees, as well as difficulty adapting to group work such as face-to-face meetings. These adaptation difficulties will certainly cause disruptions in the business environment.

To sum up, the impact of the pandemic on external elements such as politics, social life, and the economy must not be underestimated. Factors impacting the outside of this business setting indirectly had a huge impact on the internal business environment. Covid may have profited some companies (for example pharmaceutical industries[13]), but it has had a significant detrimental impact on the majority of enterprises. Companies and governments have attempted some successful and unsuccessful initiatives to offset the negative effects of these factors. (However, the majority have failed.)

Apart from these approaches, I'd like to suggest a few additional effective alternative solutions to the aforementioned problems. First and foremost, by forming the appropriate organizations, economic relief packages, and credit opportunities can be prepared and distributed, beginning with the enterprises that have been severely impacted by the outbreak. Also offering business-specific solutions and reform suggestions, as well as tax exemptions on topics like workplace rentals and minimum wage, can help businesses stay afloat. Layoffs can be avoided or kept at very low levels if a tax exemption is applied to the minimum wage, thus lowering the consequences of the pandemic on an individual basis. Furthermore, this solution will be extremely beneficial to businesses, since it will free up the money spent on staff. Another approach for preventing enterprises from going bankrupt is to provide various pieces of training by conducting change analyses for businesses and organizing state-sponsored training in areas that require technological change. Additionally, working approaches that are useful for the more efficient use of labor and financial resources can be offered.

While these solutions can be utilized to address issues in the economic and political realms, it is also possible to develop new approaches to mitigate the technological losses caused by covid. Advanced inventions can be developed to counteract technological shortcomings. For instance, to address the cyber security issue that occurs as a result of working remotely, companies working in this field might be given incentives and new technology solutions could be developed. As a result, while the epidemic continues and employees' lives are safe, new job possibilities can be generated by increasing investments in technology businesses that conduct cyber security development and improve the online working environment. To put it another way, organizations' security weaknesses are covered, and access to their

infrastructure and vital business information is blocked, all while employment increases.

Finally, applications that blunt human communication is implemented as a result of the social distancing decision made during the pandemic. To solve this concern, informative meetings can be held so that people can easier and quickly adapt to face-to-face business life once the global epidemic has finished. Organizing meetings to safeguard employees' mental health and social skills via zoom, rather than merely business-oriented meetings, will boost work efficiency by making it simpler for employees to adjust to their former work life during the normalization phase.

To conclude, we are in the midst of a major outbreak that has not been seen in the community in a long time, and this period is impacting all aspects of our daily lives as well as the business world, altering our business practices and allowing us to establish solutions that help us to adapt to the new situation. Even though we are in the middle of a major crisis, I firmly believe by working together, governments and businesses will be able to get through it with the least amount of damage.

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