

Research Article

Entrepreneurship And International Business Amidst Covid-19 Pandemic Times

***Dr. Aruna Polisetty**

Sr.Asst.Professor, Department Of Finance
Symbiosis Centre For Management Studies, Nagpur
Constituent Of Symbiosis International University, Pune.

Aruna.Polisetty@Scmsnagpur.Edu.In

**** Vijaya Kittu Manda**

Research Scholar
Gitam University,
Visakhapatnam
Vijaykittu@Hotmail.Com

Abstract:

The Quick And Sudden Pace Of The Worldwide Spread Of The Covid-19 Virus Outbreak Caught Many By Surprise. Owing To The Rapid Spread, The World Health Organization (Who) Upgraded The Epidemic Into A Pandemic On March 11, 2020. (WHO, 2020) By The End Of March 2020, There As Many As 118,000 Registered Cases In 114 Countries, 4,291 Lives Already Lost, And Thousands More Battling For Incubation In Hospitals By March 2020. Experience And Lessons From The Spanish Influenza Of 1918 Claimed 50 Million Lives – The Previous Scariest Pandemic Seemed To Have Been Forgotten. (Saqr & Wasson, 2020) The Covid-19 Pandemic is Predominantly A Health Crisis, A Mass Trauma, A Collective Woe, And Appeared To Be Questioning Humankind's Existence. Everything Overturned Suddenly - From Social Lives To Working Places And Tours And Travels. With Vaccine Availability Not In Any Immediate Insight, Global Lockdowns Appear To Be The Only Safeguards Available, Thereby Confining Everyone To Their Own Homes. (Verma, et al., 2020) As A Part Of The Response To The Pandemic, ***"Travel Restrictions And Border Closures Have Been An Important Part Of The Initial Policy Response To The Covid-19 Pandemic, And These Measures Have Directly Affected Trade In Goods And Services,"*** The Note Said. (Business Standard, 2020)

Introduction

The Quick And Sudden Pace Of The Worldwide Spread Of The Covid-19 Virus Outbreak Caught Many By Surprise. Owing To The Rapid Spread, The World Health Organization (Who) Upgraded The Epidemic Into A Pandemic On March 11, 2020. (WHO, 2020) By The End Of March 2020, There As Many As 118,000 Registered Cases In 114 Countries, 4,291 Lives Already Lost, And Thousands More Battling For Incubation In Hospitals By March 2020. Experience And Lessons From The Spanish Influenza Of 1918 Claimed 50 Million Lives – The Previous Scariest Pandemic Seemed To Have Been Forgotten. (Saqr & Wasson, 2020) The Covid-19 Pandemic is Predominantly A Health Crisis, A Mass Trauma, A Collective Woe, And Appeared To Be Questioning Humankind's Existence. Everything Overturned Suddenly - From Social Lives To Working Places And Tours And Travels. With Vaccine Availability Not In Any Immediate Insight, Global Lockdowns Appear To Be The Only Safeguards Available, Thereby Confining Everyone To Their Own Homes. (Verma, et al., 2020) As A Part Of The Response To The Pandemic, ***"Travel Restrictions And Border Closures Have Been An***

Important Part Of The Initial Policy Response To The Covid-19 Pandemic, And These Measures Have Directly Affected Trade In Goods And Services,"The Note Said. (Business Standard, 2020)

The Pandemic Impacted Key Components Globally, Such As Trade, Travel, And Transport. Global Trade Impact Was Much Worse Than The 2008-2009 Global Financial Crisis (Gfc) As It Affected The Aggregate Supply And Demand For Essential Goods And Disrupted Global Value Chains. The Crisis Caused A Sharp Reduction In Trade, Which Led To 6.8% Of Total Exports And 28.35% Global Service Exports (Which Accounted For Us\$1.7 Trillion Visitor Exports). (WTTC, 2020)

Almost All Countries Have Imposed Travel Restrictions, Thus Impacting Trade (Exports/ Imports), Tourism (Domestic Travel/ International Travel) And Severely Affecting Some Industries Worse Than Others, Such As The Aviation And Hospitality Industry. According To The Report Released By The United Nations Conference On Trade And Development (Unctad), "***The Tourism Industry's Woes Will Cause A Loss Of 1.5% To 2.8% On Global Gdp. It Would Translate To A \$1.17 Trillion To \$2.22 Trillion Loss For The Global Economy. \$730 Billion Lost In Tourism Exports From January To August 2020***". The Global Gdp Contribution By Travel & Tourism Was Impacted By Us\$8.9 Trillion (Which Is 10.3% Of Global Gdp) Due To The Pandemic. Every Country Is Witnessing A Considerable Number Of Migrant Workers Coming Back To Their Home Countries. The Pandemic Would Claim One In Every Ten Jobs would be cut. The Global Job Cut Claimed Is Around 330 Million. (WTTC, 2020) According To Goldman Sachs Group Inc.'s Predictions, The U.S. Economy Shuttered And Experienced A Deeper Slump Than Formerly Anticipated As The Coronavirus Pandemic Hammers Businesses, Causing A Wave Of Mass Unemployment, And Expected A Push In The National Unemployment Rate At 16% Or Higher In Q2 2020. (Shahine, 2020)

Pandemic Impacted Every Part Of Human Lives; It Hassled The Human Personally (Both Physically & Emotionally (Social Distancing)), Financially (Spending Nature, Priorities Of Spending), Professionally (Loss Of Jobs/ Threat Of Loss Of Employment, Cut In Salaries, Use Of New Technologies In Work From Home). However, Concerns Of Epidemics And Outbursts Are Not Disseminated Equally Throughout The Economy, Significantly Poorer Due To Lack Of Health Care Access And Low Savings. The Crisis Moments Offered The Opportunity To Pharmaceutical Companies, Insurance Companies, Data Providers, Amongst Others. Entrepreneurs Have Started Taking Advantage Of The Pandemic By Keeping Social Distancing Rules, New Challenges, And Demand For Goods/Services Because Of Stuck In Services With Pandemic Restrictions. Pandemic Restrictions And Challenges In Mind, The Entrepreneurial Outlook Has Changed And Started New Ideas Such As Hi-Tech and Flexible Use Of Technology, A Better And Healthier Digital Lifestyle, Development In Health Infrastructure, A Revived Appreciation For The Outdoors And Life's Other Simple Pleasures. All These Inventions Using Sustainable Methods Are Welcome To The Uncertain New Normal. (Politico, 2020)

Learning Outcomes

1. By The End Of The Case Study, The Student Will Be Able To Understand How The International Business Affected By The Corona Virus Led Pandemic.
2. By The End Of The Case Study, The Student Will Be Able To Understand How To Steer The Crisis By Overwhelming Obstructions To Resurgence Positively
3. By The End Of The Case Study, The Student Will Be Able To Identify Enterprise Opportunities And Operational Challenges In Pandemic

Background Note

The World Has Grieved From A Series Of Disease Outbreaks. (***Refer To Exhibit I***). Even With A Century's Advancement And Development In Science, 2020 Is Looking Identical To 1918. The Harsh Lesson Learned From The 1918 Pandemic Is Quite Relevant Today. The 1918-1919 "Spanish" Influenza Pandemic Led By The

H1n1 Virus Imposed A Heavy Toll On Human Lives; It Caused Nearly 50 Million Deaths Globally (Taubenberger Et Al., 2006)

These Two Lethal Pandemics Are Identical ,Said Who,"*The Intensity And Speed With Which It Struck Were Almost Unimaginable -- Infecting One-Third Of The Earth's Population.*"(Holly, 2020)Like In The 1918 Pandemic Times, The Current Covid-19 Had No Cure, Treatment, Or Vaccine Immediately Available. However, Modern Science And Technology Had Recognized The Virus, Mapped Its Genetic Code Quickly, And Developed A Test; This Led People To Fight And Stay Safe With Several Restrictions And Quarantine Measures. (Woodward, 2020)

The Health Emergency Has A Significant Impact On The Economy; Even A Slight Pandemic Will Generate Substantial Output Losses And Labor Productivity In The Short-Run. The 2007-09 Financial Crisis Slowed Down Productivity Growth And Affected 70% Of Emerging Market And Developing Economies (Emdes). Global Labor Productivity Growth Slowed Down From Its Greatest Of 2.8 Percent In 2007, Headed For The Global Financial Crisis, To A Post Crunch Trough Of 1.4 Percent In 2016 And Continued Below 2 Percent A Year In 2017-18.Expectations Were That It Might Take A Century At Current Productivity Growth Rates To Halve The Productivity Slit Between Emdes And Advanced Economies (A.E.S). (Dieppe, 2020) Before The Outburst Of The Pandemic, The Global Economy Featured A Broad-Based Decline In Productivity Growth. The Maximum Labor Productivity Growth Decline In A.Es And Emdes Over 2013-18 Reflected Lasting Trends Beyond Cyclical Factors. (World Bank, 2020)The covid-19 Pandemic Is Distinct From Previous Crises, According To The Present Case Writer, A. Polisetty. It Is Unimaginable How This Pandemic Impacts The Longrun In Terms Of Societal Changes, Healthcare, And Lifestyles.The Flawed Healthcare System Has Led To The Less-Preparedness For The Epidemics.*(Refer To Exhibit-Ii)*

Experts Opined That The Covid-19 Epidemic Would Probably Leave Lasting Scars Through Several Channels; Its Rapid Spread *(Refer To Exhibit-Iii)* Impacted Trade, Travel, And Transport, Thus Impacting Supply Chain And Logistics, Investments, Employment, Amongst Others.The Pandemic Affected The Economies Negatively And Has Tipped Millions Of People Into Poverty. World Bank Estimated That 90 Percent Of Countries Globally Would Report Per Capita Income Decline. Speaking About India, The '*Tackling The Covid-19 Youth Employment Crisis In Asia And The Pacific*'report Estimated About 4.1 Million Job Losses, Largely Amongst The Youth. Construction And Agriculture Would Be The Major Sufferer Among Seven Key Sectors The Report Highlighted. (ILO/ADB, 2020)(Alistair, 2020)(Dieppe, 2020)

Impact On Tourism & Travel

Mobility Is A Critical Element In Entrepreneurs' Lives Because They Find It Attractive, Exciting, And Stimulating.(Nummela, Paavilainen-Mäntymäki, Harikkala-Laihinén, & Raitis, 2020)International Travel Got Halted In April And May 2020,Disrupting Business Travel Plans, Increased Cancellations (Such As In Aviation And Hotel Industry), And Running At Reducing Occupancy Even After The Partial Resumption, Overall Affecting International Arrivals.(Sourya, Preksha, & Manisha, 2020)*(Refer To Exhibit-Iv)*All National Economic Sectors Havebeen Shut Down, Including Hotels, Non-Essential Business Trade, Tourism, And Travel. World Tourism Receipts Were Earlier Projected To Be Us\$1.2 Trillion For 2020. The Numbers Dropped To Us\$910 Billion. The U.S. Travel Association And Oxford Economics Estimated That There Was A Us\$1.2 Trillion Decline In The Direct Travel Expenditure, Which Was Nine Times Worse Than The Financial Damage Of The September 2011 Attack. *(Refer To Exhibit-V)*

Despite Relaxations, Several Restrictions Are Put In Place To Enter Into A Country; Perhaps Borders May Not Open To Tourists, Non-Residents, Business Travelers, At Least For A Few Months. Countries Like The U.S., Spain, Italy,And The U.K. Have Reordered High Covid-19 Death Rates Could Only Regain Their Charm After A Few Months. Almost All Significant International Events, Including The Olympics, Were Either Postponed Or Canceled. There Drop In Business Travel Has Opened Doors For An Online-Based Video Conference To Conduct Business Meets. Sixty Percent Of Enterprises Have Set Targets To Cut Trips To Their Suppliers, 66 Percent Lowered The Number Of Journeys To Clients. (ETBrandEquity, 2020)

World Travel & Tourism Council (Wttc) Revealed If The Global Travel Restrictions Remained The Same, Leading To 174 Million Job Losses By The End Of 2020. President Wttc Guevara Said, "***The Longer We Wait, The More The Ailing Travel & Tourism Sector Faces Total Collapse.***"(Schengen Visa, 2020)Experts Opined That, With Beached Flights, Closed Travel, The Uncertainty Of Health And Life, Loss Of Jobs, Recession In The Economy Led Holiday Travel, Group Travels, Destination Weddings, Even Pilgrimages Will Shatter For Now. Besides, There Are Several New Restrictions On Trade Due To Fear Of Health Risks; Also, There Is A Strong Need To Preserve Trade Flow, Ensure The Supply Of Essential/Necessary Products & Services, And Send A Gesture Of Confidence For The Global Economy. Trade Is Vital To Save Both Lives And Livelihoods. But In This Outlook Of The Firm's Economic Strain From The Pandemic Led To Covid-19, It Isessentialto Avoid Escalating The Current Trade Tensions.

Impact On Supplychain & Logistics

The Covid-19 Has Influenced The Thought Process Of Global Companies About Their Supply Chain And Logistics. The Covid Outbreak Resulted In Predicament Measures On International Trade, Impacting Merchandise Trade Volume, Imports, And Exports.(Refer To Exhibit-Vi)Companies Had Faced Substantial Business And Operational Interruptions, Which Has Comprised Everything From Mitigating The Consequences Of The Tightened Supply Chain To Managing Interferences To Logistics Suppliers' Hurdles In Meeting Their Pledged Obligations To Customers. The Logistics Market's Standstill Situation Leads To Unusual And Massive Losses That Hit Both The Supply And Demand Ends Due To The Pandemic. Senior Director Analyst Gartner Supply Chain Practice, Stephen Meyer Said, 2020 Is A Challenging Year For Supply Chains And Logistics Networks."***All Supply Chains Had To Make Significant Changes To The Way They Worked, Both Tactically And Strategically.***"(Material Handling & Logistics, 2020)The Border Closures Impacted The Imports And Exports, Least Developed Countries; Developing Countries Face Difficulties In Importing Medical Supplies, Food, And Emergency Services. When The Countries Could Handle Their Medical Emergencies, Restrictions Continued Heavily On Many Products, Especially On Food And Agri-Related. Export Restrictions Were Prevalent In At Least 75 Countries, And To Make Matters Worse, International Trade Is Ill-Designed Or Equipped To Deal With Such Kind Of Restrictions. (Pelc, 2020)

There Is A Considerable Change In People's Buying Habits Due To A Crisis-Informed Mindset, Besides Socio-Economic Factors. Severe Restrictions And Lockdowns Globally Had Created Many Pressing Situations That Needed Close Attention In The Pandemic's Initial Days; Many Companies Have Now Instigated To Move To A "Recovery Mode" And Have Begun Planning For The Long Run.The Demand Shock Followed After The Supply Shock Started In China In February2020. That Followed As The Global Economy Shut Down Subjected To Vulnerabilities In Firms' Production Strategies And Supply Chains Just About Everywhere.(Shih, 2020)As Companies Seek To Strengthen Their Operations And Business Resilience, The Significance Of Logistics Resilience And Hazard Management Is More Evident Than Ever(Dieppe, 2020)

However, Several Businesses Have Been Agile And Ready To Adapt To Change. Experts Opined That It Is High Time For Companies To Analyze And Prioritize Their Supply Chain, Thus, Understand Where They Need To Make Necessary Changes To Deal With Future Uncertainty. New Regulations And Methods Were Rapidly Introduced. However, Welfare And Sustainability Are Vital Drivers For The Logistics Industry, Particularly Given Environmental Confrontations. However, Prominent Logistics Companies Exploit Connected Technologies To Hoard And Share Data In Real-Time To Support Personnel To Lower Fuel Consumption And Safe Drive.

Economic Crisis

The Economic Tremor Led By The Novel Covid-19 Is Identical To The Global Financial Crisis (Gfc) Of 2007-2009 In Many Ways.As In 2008-09, Governments Had To Intervene With Monetary And Fiscal Policies To Deal With The Downturn And Pledge Provisional Income Support To Households And Businesses. However, The Social Distancing And Quarantine Measures To Slow The Spread Of The Virus Was Not There In The

Financial Crisis Of 2007-2009. Several Countries Have Replanned Their Existing Budgets, Triggered Contingency Reserves, And Implemented Supplementary Budgets. Few Countries Were Even Initiated Extra-Budgetary Funds And Mobilized In Response To Pandemic Led Coronavirus To Promote Emergency Spending. As Many As 40 Countries Have Set Funds To Support Their Broader Response To The Covid-19 crisis, Mentions Who. Much Of This Is Above Extra-Budgetary Provisions. (Rahim, Allen, Barroy, Gores, & Kutzin, 2020)(*Refer To Exhibit-Vii*)

Seed Financing That Is Vital For Entrepreneurial Startups Has Reduced, And So Did New Equity Transactions. (Brown, Rocha, & Cowling, 2020) Governments In Some Countries Made Policy Changes Giving Priority To Local Products From The Local Micro, Small, And Medium Enterprises (Msme) And Asking The Financial Services Industry To Be A Little Flexible To Allow The Msme's To Revive. (Islam, Jannat, Rafi, & Aruga, 2020)

Impact On Output Losses And Labor Productivity

The World Has Seen Many Epidemics Such As Wars, Climate Disasters, And Disease Outbreaks Since 1914. However, The Covid-19 Pandemic Constitutes A Great Shock To The Economy. The Past Attacks Influenced The Epidemic Led Coronavirus To The Maximum Extent In Terms Of Output Losses And Labour Productivity. Amid 1981 And 2015, Poverty Dropped In Emde's With The Firm Increase In Productivity Growth, Leading To A Rise In Economies With Less Pace. Subsequently, Due To The Global Financial Crisis 2007-2009, There Was A Broad-Based Sluggish In Productivity Growth. In Emde's, The Productivity Levels Remained Less Than 20 Percent As That Of An Average Of Advanced-Economies. The Productivity Deceleration Reflected Minor Gains From Sectorial Reallocation, A Strike In Improvements In Several Outputs And Productivity Growth Drivers, And An Increased Frequency Of Adverse Shocks. A.E.S Remain Substantial, With Productivity Gaps. Workers In The Emde's Would Be Producing Less Than One-Fifth Of The Output Of Those In A.E.S. "*These Shocks Have Compounded The Erosion Caused By An Undercurrent Of Weakening Fundamental Drivers Of Productivity Growth, Associated With Slowing Progress Achieved In Convergence Toward Advanced-Economy Productivity Levels*" (Dieppe, 2020)

Large Numbers Of Startups Have To Downscale, With As Many As 70 Percent Of Startups Terminate Full-Time Employee Contracts. (*Refer To Exhibit- X*) With Financials Getting Dry, Governments Only Support High-Growth Startups In This Situation, And Only Those Who Are Agile Enough Will Become Eligible. (Cuyper, Kucukkeles, & Reuben, 2020)

Customer Buying Habits

Moving From An Economic Crisis Followed By A Health Crisis, Companies Are Experiencing Consumer Behaviour Change At A Surprising Speed. Consumers Are Intensely Anxious About The Impression Left By Covid-19 From A Health Perspective And Economic Outlook. People Are Afraid As They Struggle To Adapt To A Contemporary Normal. People From Different Communities Are Responding In Different Ways And Have Divergent Attitudes, Reactions. However, Buying And Personal Habits Across The Globe Are Said To Be Common. The Covid-19 Epidemic Has Reduced The Pace And Transformed Daily Life For Many Consumers, Impacting How We Analyze Health, Personal Hygiene, And How One Engages With Their Professional Communities, Friends, And Families. The Economic Uncertainty Forced Consumers To Value More For Necessities. In A Few Weeks, The Rapid Spread Of The Virus Reshaped The Consumer Goods Industry In Real-Time. Experts Opined That The New Normal Invited New Habits. Many May Stay Indoors Permanently, Avoid Public Places, Maintain Social Distance, Use Digital Tools, Spend Online Shopping, Buy More Mandatory Hygiene Products, Limit Shopping To Only Necessities, And Avoid Wastage. (*Refer To Exhibit-Viii*)

People Are Embracing Technology More Than Ever To Maintain All Aspects And Effects Of Isolation. There Is Also Constructive Evidence To Suggest That This Crisis Will Build Communities Rather Than Separate Them. People Are Operating From Home As Businesses Close Doors And Boost Remote Work.

Numerous Employees Who Have Not Worked Remotely Before—Or Not Often—Plan To Do So More Frequently In The Future.

Entrepreneurial Outlook

Entrepreneurship Requires Addressing Five Critical Aspects: (Shepherd, 2020)

1. The Fluidity Of Everything That Affects Entrepreneurial Actions
2. Magnitude And Frequency Of Adverse Events That Lead To A Series Of New Normal
3. Unearthing Extra-Ordinary Attributes Of Entrepreneurs
4. Online Aspects Of Social Living And Interactions
5. Overcoming Poor Decision-Making And Actions.

While Limited Research And Statistics Are Currently Available, The First Set Of Available Data (April 2020) Has A Severe Negative Impact On Small Businesses, Mostly Because Of Social Distancing Restrictions And Demand Shifts. Immigrant Businesses And Female-Owned Businesses Are Significantly Hit. Reputations Of This Include Job Losses Leading To Income And Economic Inequalities. Hence, Immediate Policy Intervention Is Necessary. (Fairlie, 2020)

Learnings And Experiences Will Transform The Global Business Environment And Inspire A New Breed Of International New Ventures (Invs). (Zahra, 2021) The Changed Dimensions Could Be From An Entrepreneurial Mindset, The Multidimensional Effects Of Resilience And Entrepreneurship, Entrepreneurship Education, Entrepreneurship Enablers, And The Entrepreneurial Ecosystem.(Maritz, Perényi, Waal, & Buck, 2020)

Conclusion

Entrepreneurs Are Hard Hit From Multiple Dimensions, Both Directly And Indirectly, Because Of Covid-19 Restrictions And Subsequent Lockdowns. Entrepreneurs Involve A Lot Of Travel, And With Travel, Tourism And Hotel Industries Having Been Hard Hit, The Operations Of Entrepreneurs Got Delayed. Closure Of Borders And Import-Export Restrictions Hampered Inter-Country Trade's Smooth Flow, Which Has Hit Supply Chain And Logistics. Customer Buying Habits Have Changed, Some Permanently, And This Will Change The Dynamics Of Several Entrepreneurs. Entrepreneurs Have To Brace Up Themselves And Prepare For Thriving In The "New Normal".

Teaching Note

Covid-19-Led Pandemic Is A Health Crisis That Has Drastically Shaken The Global Economy And Profoundly Transformed our Society. The Influences Of The Pandemic Are Most Superficial At The Level Of International Businesses. Government And Authorities Worldwide Instigated Lockdown Measures To Control The Spread Of Covid-19, Leading To A Global Halt Of Economic Activities. The Restrictions On Travel, Border Closures On The Mobility Of Labour, And The Suspension Of Exports And Imports Led To A Shortage Of Necessaries Globally And Demanded An Entrepreneurial Look. Yet, There Are Operational Challenges For Entrepreneurial Opportunities Globally. The Pandemic Impacted The Economy And Led To A Deep Global Recession, And Leaves With Uncertainty As To When Countries Ease Restrictions On Trade And Travel. The Present Case Study Describes The Impact Of Demand/Supply Of Goods And Consumers' Discretionary Disbursement Decisions Due To Uncertainty In Employment. Considering Several Factors, Such As Shortage Of References In Earlier Downturns, Consumers' Perceptions Of Risk At Travel, And Purchasing Behaviour, Entrepreneurs Will Rethink Their Business Ideas And Innovate Sustainable Methods To Welcome The Uncertain "New Normal."

Teaching Objectives

Entrepreneurship And International Business Amidst Covid-19 Pandemic Times

- ✓ To Understand How The International Business Affected By The Coronavirus Led Pandemic
- ✓ To Understand How To Steer The Crisis By Overwhelming Obstructions To Resurgence Positively
- ✓ To Identify Enterprise Opportunities And Operational Challenges In Pandemic

Teaching Audience

This Case Is Based On The International Business Scenario And Crisis Management. It Is To Be Used For Classroom Discussion Formba/ Pg Level For Specialization In Leadership, Crisis / Disaster Management.

Program	Course	Section Of The Course
Mba/Ms	Entrepreneurship/ Crisis Management	The Case Explores Entrepreneurial Opportunities In Crisis And How To Overcome The Operational Challenges.

Immediate Issues

- ✓ How Should Entrepreneurs Involved With International Businesses Deal With The Pandemic?
- ✓ How Should Enterprise Opportunities Be Explored In The Present Context?

Basic Issues

- ✓ Pandemic Effect Of International Business
- ✓ Operational Challenges In Pre-And Post-Covid-19circumstances

Prerequisite Conceptual Understanding

Students Should Have An Idea Of The Concept Of Crisis Management. The Instructor Could Suggest That The Students Go Through The Impact Of The Coronavirus-Led Pandemic (Health Crisis) On The Global Economy, How It Impacted The Trade, And How It Steered In New Entrepreneurial Opportunities.

Suggested Teaching Strategy

Topic	Suggested Time To Spend
1. What Is The Covid-19-Led Pandemic?	8 Minutes
2. How Does It Impact Travel And Trade?	7 Minutes
3. What Is A Global Recession?	6 Minutes
4. Difficulties That Arise Out Of The Crisis Circumstances	8 Minutes
5. Impact Of Covid-19 On The Travel Industry In General And International Business In Specific	9 Minutes
6. Change In Consumer Behavior Due To The Closure Of Businesses And The Downturn In The Economy	6 Minutes
7. Growth Of Entrepreneurial Opportunities	5 Minutes
8. Operational Challenges Of Entrepreneurs	7 Minutes
9. New Ways To Position The Businesses In Pandemic And Post-Pandemic	5 Minutes
10. Lessons From The Global Crisis	7 Minutes
11. Summary	7 Minutes
Total	75 Minutes

Suggested Answers To Discussion Questions

How Did The Covid-19-Led Pandemic Affect The Economy As A Whole?

Coronavirus Led Pandemic That Spread Across The World At An Alarming Pace, Infecting Rapidly, Bringing The Global Economic Activity To A Near Standstill. Most Countries Targeted At Bringing The Spread Of Infection To A Halt, Restricted Movements Across The Borders Added To The Already-Sinking Economy's Woes. As Discussed In The Case Study, Covid-19 Made A Much Worse Negative Impact Than The Global Financial Crisis (Gfc) 2007-2009. Back Then, Global Labour Productivity Growth Slowed Down From Its Greatest Of 2.8 Percent In 2007, Pushing The Economy For The Global Financial Crisis To A Post-Crunch Trough Of 1.4 Percent In 2016 And Continued To Be Below 2 Percent A Year In 2017-18. Much Of Labour Productivity Growth Decline In A. Es And Emdes Over 2013-18 Reflected Lasting Trends Beyond Cyclical Factors. These Shocks Have Compounded The Erosion Caused By An Undercurrent Of Weakening Fundamental Drivers Of Productivity Growth, Associated With Slowing Progress Achieved In Convergence Toward Advanced-Economy Productivity Levels. There Is A Substantial Impact On Aggregate Supply And Demand For Essential Goods And Disrupted Global Value Chains.

The Crisis Caused A Sharp Reduction In Trade, Which Led To 6.8% Of Total Exports And 28.35% Of International Service Exports. The Global Gdp Contribution Of Us\$8.9 Trillion By Travel & Tourism Got Impacted. Every One In Ten Jobs Got Cut. Total Job Cuts Sum Up To About 330 Million Job Losses Globally. Consequently, Millions Will Fall Into Poverty. The Year 2020 Is Expected To Decline Per Capita Income In About 90 Per Cent Of Countries (World Bank 2020a) To Deal With The Downturn And Pledge The Provisional Income Support To Households And Businesses. Several Countries Have Replanned Their Existing, Triggered Contingency Reserves, And Implemented Supplementary Budgets. Few Countries Were Even Initiated Extra-Budgetary Funds And Mobilized In Response To Pandemic Led Coronavirus To Promote Emergency Spending. Above 40 Countries (**Refer To Exhibit Vii For Covid-19 Funds: Revenue Sources**) Have Set Funds To Support Their Broader Response To The Covid-19 crisis, As Mentioned By Who. The Maximum Of The Funding Will Be In The Form Of Extra-Budgetary (Imf Special Issue On Covid-19). However, Due To The Slump In The Economy U.S., There Is A Mass Unemployment Rate, And It Is Unsure When Things Will Restore. According To The Present Case Writer A. Polisetty, One Cannot Compare Covid-19 With The Earlier Crisis. It Is Unimaginable How This Pandemic Impacts The Long-Run, Particularly In The Spheres Of Societal Changes, Healthcare, Lifestyles, Etc., And Not Sure When This Economic Crisis Will Fade.

How Have Imports/Exports Got Affected Due To The Pandemic?

Yes. The Pandemic Heavily Impacted Imports And Exports. Exports Have Dropped For Almost All Industries As Companies Faced Substantial Business And Operational Interruptions. The International Entrepreneurs Who Had Their Manufacturing/Assembling Plants Globally Had Stopped Their Imports/Exports Briefly, And The Resumption Process Was At A Slow Rate. Many Countries Do Not Allow Any Shipments/Containers/Consignments From Other Countries Due To Border Closures And Tightened Supply Chains. It Is Uncertain When This Scenario Will End. However, Precautions Will Take Higher Importance In The Course Of The Trade Of Goods Or Services. The Fear Of Contracting Or Spreading The Virus From Imported Goods From Other Nations Affecting The Business And Economies Worldwide Is Very Much There.

The Crisis Caused A Sharp Reduction In Trade, Which Led To 6.8% Of Total Exports And 28.35% Of International Service Exports. The Global Gdp Contribution By Travel & Tourism Was Impacted By Us\$8.9 Trillion. World Travel & Tourism Council (Wttc) Revealed If The Global Travel Restrictions Remained The Same, Leading To 174 Million Job Losses By The End Of 2020. According To The Present Case Writer A. Polisetty, The Pandemic Affects Imports & Exports And Significantly Disrupts Businesses Due To An Excessive Workforce Decrease. There Is A Strong Need To Preserve Trade Flow, Ensure The Supply Of

Essential/Necessary Products & Services, And Send A Gesture Of Assurance For The Global Economy. Trade Is Vital To Save Both Lives And Livelihoods.

How Have Consumers' Preferences Change Due To Uncertainty In Their Lives?

Consumers Are Intensely Anxious About The Impression Left By Covid-19, Particularly In Countries That Were Deeply Impacted. Artificial Hoarding Of Food And Other Indispensable Items Is Observed As Buyers Prepare Themselves For The Worst Winters. However, Isolating Themselves From Crowds, Using More Digital Tools Personally And Professionally. Consumers Are Proactive In Buying Products Related To Health And Well-Being. Economic Uncertainty Has A More Significant Impact On Buying Patterns. There Is A Shift To Essential Goods, Limited Buying, Interest In Insurance Policies, And Others. Pandemic Controlled Quarantined Living Led To Increased Digital Application Usage Both On The Personal And Professional Front. These Include Increased Online Shopping, Online Health Checkups, Work From Home, Online Education, And Online Business Meetings. (*Refer To Exhibit-Viii*)

What Are The Opportunities For Entrepreneurial Outlook?

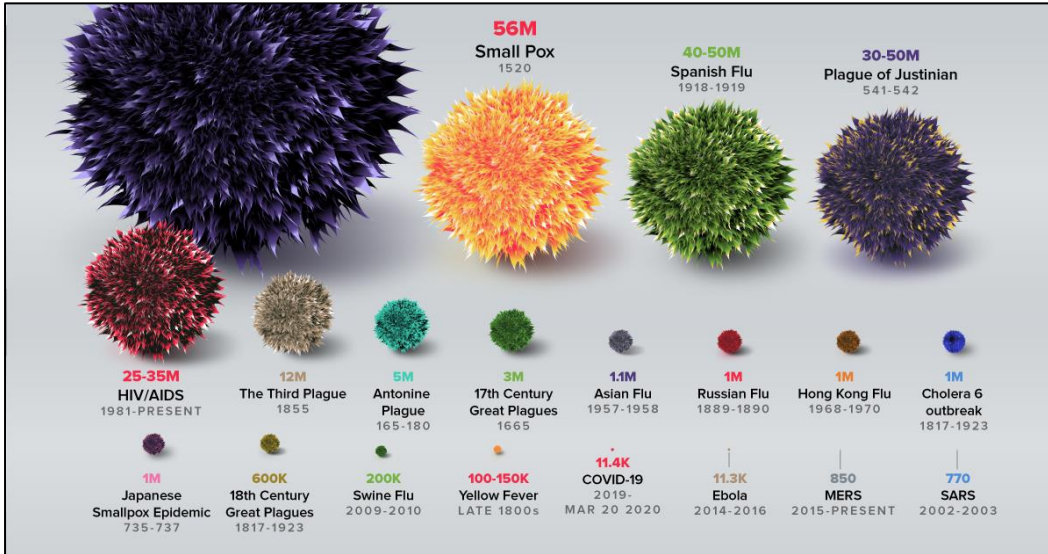
As The World Begins Its Slow Hinge From Handling The Covid-19 Crisis To Revival And The Reopening Of Nations, It's Comprehensible That The Lockdown Episode Has Had A Profound Impact On How People Lived. These Rapid Transformations Brought Changes In Consumers' Minds Set And Behaviour, Which Have Transformed Daily Life For Many Consumers, Impacting How We Analyze Health, Personal Hygiene, And How One Engages With Their Professional Communities, Friends, And Families. The Period Of Toxicity, Remoteness, And Economic Uncertainty Changed The Way Consumers React And Behave Soon. However, Epidemics Concerns Are Not Disseminated Equally Throughout The Economy. The Crisis Moments Offered The Opportunity To Pharmaceutical Companies, Insurance Companies, Data Providers, Amongst Others. Entrepreneurs Have Started Taking Advantage Of The Pandemic By Keeping Social Distancing Rules, New Challenges, And Demand For Goods/ Services Because Of Stuck In Services With Pandemic Restrictions. Pandemic Restrictions And Challenges In Mind, The Entrepreneurial Outlook Has Changed And Started New Ideas Such As Hi-Tech And Flexible Use Of Technology, A Better And Healthier Digital Lifestyle, Development In Health Infrastructure, A Revived Appreciation For The Outdoors And Life's Other Simple Pleasures. (Politico, 2020) And Its Inventions In Sustainable Methods To Welcome The Uncertain New Normal.

Book References

1. Crisis Management: Resilience And Change By Sarah Kovoov-Misra, 2019
2. Crisis Management: Leading In The New Strategy Landscape By William Rick Crandall, John A. Parnell, John E. Spillane, 2013

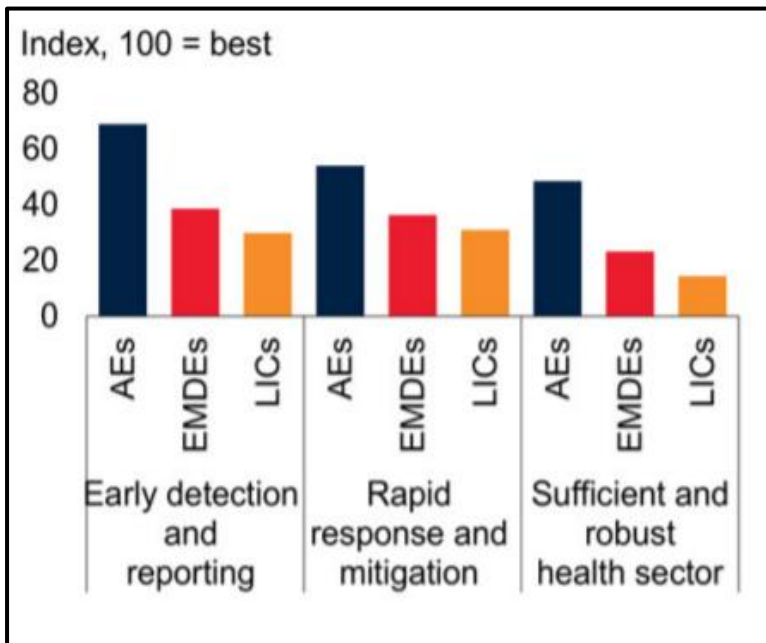
Exhibits

Exhibit I
Visualizing The History Of Pandemics



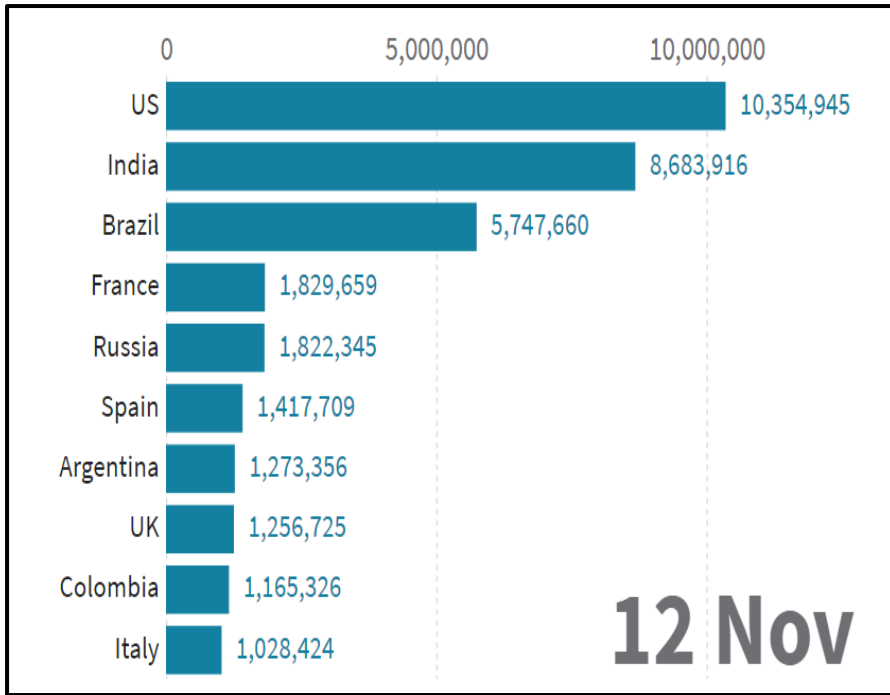
Source: Wa Achievers

Exhibit Ii
Health Preparedness Index



Source: World Bank (<http://Pubdocs.Worldbank.Org/En/112641588788257004/Global-Economic-Prosppects-June-2020-Topical-Issue-1.Pdf>)

Exhibit Iii
The Rapid Spread Of Coronavirus

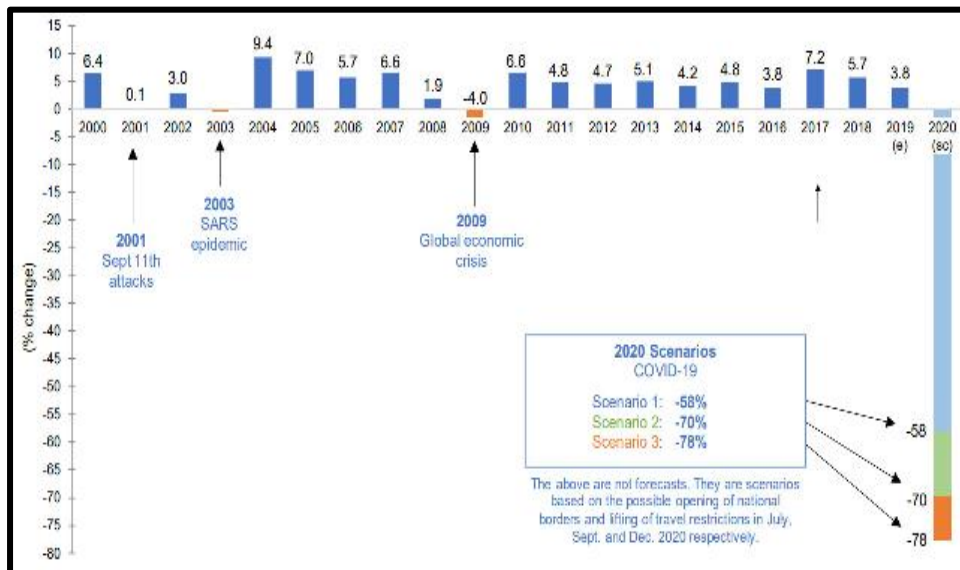


Source: Bbc (<https://www.bbc.com/news/world-51235105> Retrieved On November 12, 2020)

Exhibit

IV

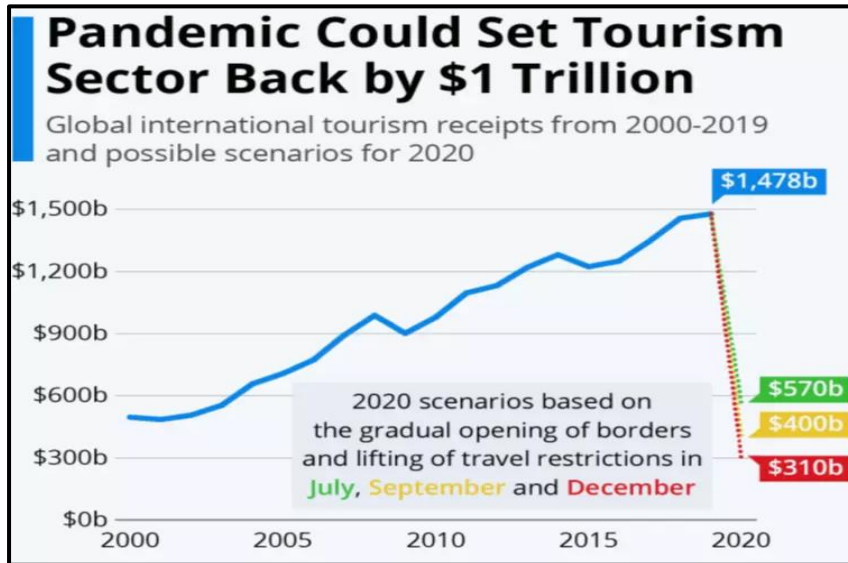
The Global Tourists Scenario



Source: Un Wto (<https://www.unwto.org/impact-assessment-of-the-covid-19-outbreak-on-international-tourism>)

Exhibit V

The Global Tourism Receipts



Source: <https://www.weforum.org/agenda/2020/09/pandemic-covid19-tourism-sector-tourism/>

Exhibit Vi

Merchandise Trade Volume & Real Gdp, 2018-2021

	Historical		Optimistic scenario		Pessimistic scenario	
	2018	2019	2020	2021	2020	2021
Volume of world merchandise trade ²	2.9	-0.1	-12.9	21.3	-31.9	24.0
Exports						
North America	3.8	1.0	-17.1	23.7	-40.9	19.3
South and Central America	0.1	-2.2	-12.9	18.6	-31.3	14.3
Europe	2.0	0.1	-12.2	20.5	-32.8	22.7
Asia	3.7	0.9	-13.5	24.9	-36.2	36.1
Other regions ³	0.7	-2.9	-8.0	8.6	-8.0	9.3
Imports						
North America	5.2	-0.4	-14.5	27.3	-33.8	29.5
South and Central America	5.3	-2.1	-22.2	23.2	-43.8	19.5
Europe	1.5	0.5	-10.3	19.9	-28.9	24.5
Asia	4.9	-0.6	-11.8	23.1	-31.5	25.1
Other regions ³	0.3	1.5	-10.0	13.6	-22.6	18.0
Real GDP at market exchange rates						
North America	2.9	2.3	-2.5	7.4	-8.8	5.9
South and Central America	2.8	2.2	-3.3	7.2	-9.0	5.1
Europe	0.6	0.1	-4.3	6.5	-11.0	4.8
Asia	2.1	1.3	-3.5	6.6	-10.8	5.4
Other regions ³	4.2	3.9	-0.7	8.7	-7.1	7.4
	2.1	1.7	-1.5	6.0	-6.7	5.2

1* Figure For 2020 And 2021 Are Projections.

2** Average Of Exports And Imports.

3 ***Other Regions Comprise Africa, The Middle East, Andthe Commonwealth Of Independent States (Cis), Including Associate And Former Member States.

Wto Secretariat For Trade And Consensus Estimates For Historical Gdp. Projections For Gdp Based On Scenarios Simulated With Wto Global Trade Model.

Source: Wto (https://www.wto.org/english/news_e/pres2_e/pr855_e.htm)

Exhibit VII

Covid-19 Funds: Revenue Sources

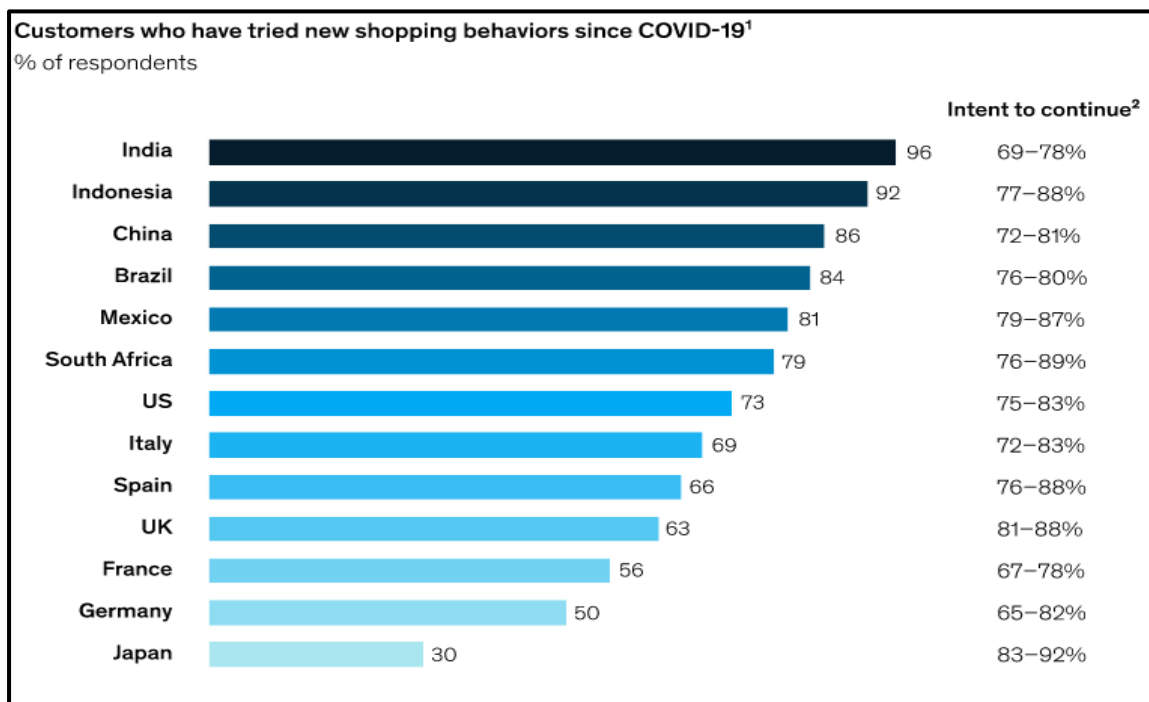
Mostly Public	Mostly Private	Public, Private, And External
---------------	----------------	-------------------------------

Austria, Colombia, Hungary, France, Italy, Liberia, Mexico, Sierra Leone, Ukraine, Uruguay, Zambia	Benin, Cameroon, Gabon, Ghana, Iraq, Jordan, Lebanon, Mali, Mauritius, Niger, Pakistan, South Africa, Tunisia, Uganda, Zimbabwe	Armenia, Azerbaijan, Bhutan, Botswana, Chad, Democratic Republic Of The Congo (Drc), Côte D'ivoire, Djibouti, Equatorial Guinea, Kenya, Lesotho, Mauritania, Morocco, Nepal, Nigeria, Senegal, Sri Lanka, Togo
--	---	--

Source: Imf (<https://www.imf.org/en/Publications/Sprolls/Covid19-Special-Notes>)

Exhibit Viii

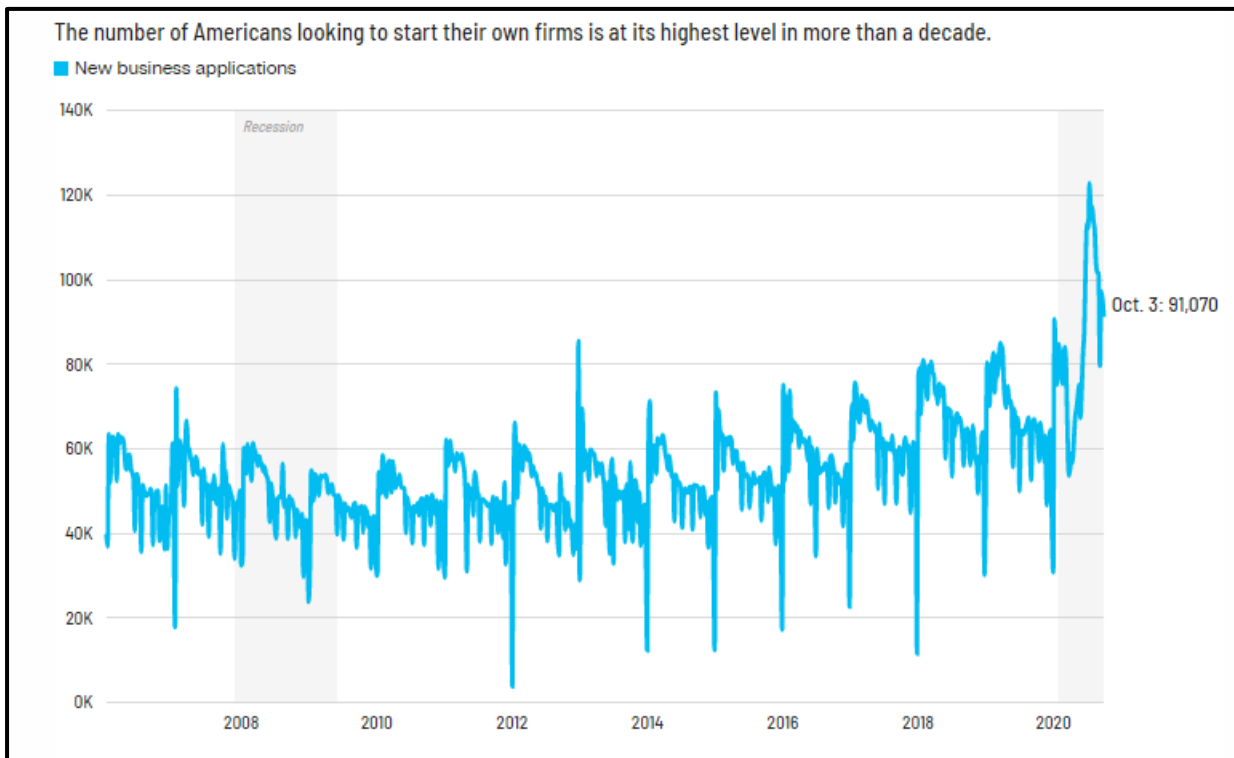
Spectrum Of Buying Patterns



Source: Mckinsey (<https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/a-global-view-of-how-consumer-behavior-is-changing-amid-covid-19>)

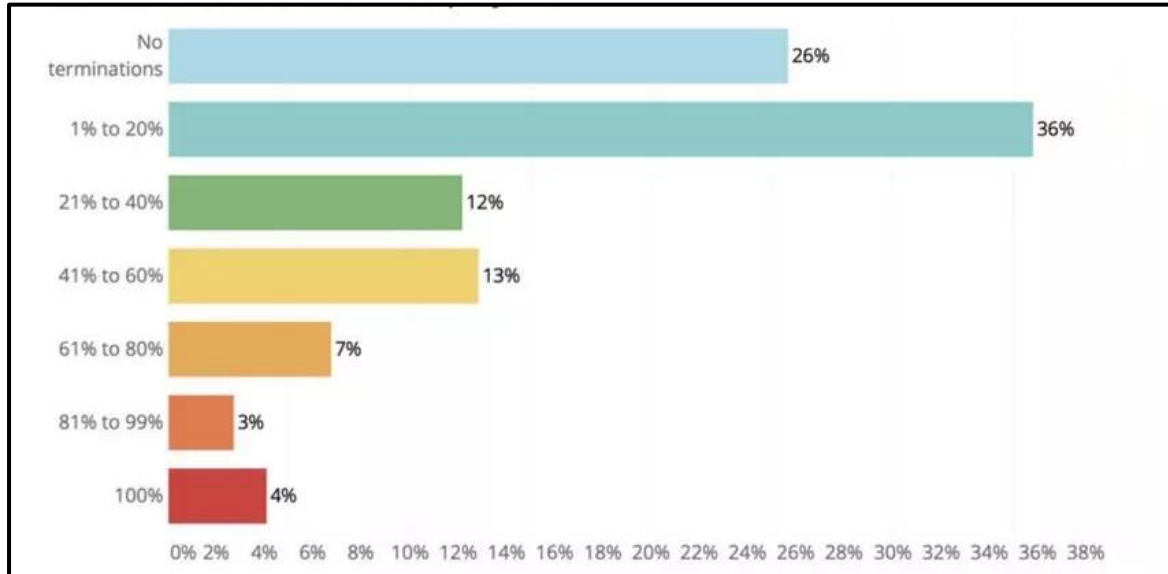
Exhibit Xi

Spike In New Businesses Applications In The U.S.



Source: Cnn (<https://edition.cnn.com/2020/10/12/investing/premarket-stocks-trading/index.html>)

Exhibit X
Termination Of Full-Time Employees



Source: Startup Genome

References

- Alistair, D. (2020). Slowdown In Productivity Growth Compounded By Covid-19. Retrieved From <https://Voxeu.Org/Article/Slowdown-Productivity-Growth-Compounded-Covid-19>
- Brown, R., Rocha, A., & Cowling, M. (2020). Financing Entrepreneurship In Times Of Crisis: Exploring The Impact Of Covid-19 On The Market For Entrepreneurial Finance In The United Kingdom. *International Small Business Journal: Researching Entrepreneurship*. Doi:<https://doi.org/10.1177/0266242620937464>
- Business Standard. (2020, August 13). Travel Ban, Border Closures Directly Affected Trade In Goods, Services: Wto. Retrieved From https://www.business-standard.com/article/economy-policy/travel-ban-border-closures-directly-affected-trade-in-goods-services-wto-120081302025_1.html
- Cuyper, L., Kucukkeles, B., & Reuben, R. (2020, June). Discovering The Real Impact Of Covid-19 On Entrepreneurship. World Economic Forum. Retrieved From <https://www.weforum.org/agenda/2020/06/how-covid-19-will-change-entrepreneurial-business/>
- Dieppe, A. (2020). Global Productivity: Trends, Drivers And Policies. World Bank.
- Etbrandequity. (2020, April 30). Future Shock: 25 Travel & Tourism Trends Post Covid 19. Retrieved From <https://brandequity.economictimes.indiatimes.com/news/business-of-brands/future-shock-25-travel-tourism-trends-post-covid-19/75463449>

- Fairlie, R. (2020). *The Impact Of Covid-19 On Small Business Owners: Evidence Of Early-Stage Losses From The April 2020 Current Population Survey*. Bonn: Institute Of Labor Economics (Iza). Retrieved From <https://www.econstor.eu/bitstream/10419/223753/1/Dp13311.pdf>
- Holly, Y. (2020). The Spanish Flu Killed More Than 50 Million People. These Lessons Could Help Avoid A Repeat With Coronavirus. Retrieved From <https://edition.cnn.com/2020/04/16/health/spanish-flu-coronavirus-lessons-learned/index.html>
- Ilo/Adb. (2020). *Tackling The Covid-19 Youth Employment Crisis In Asia And The Pacific*. Retrieved From https://www.ilo.org/asia/publications/wcms_753369/lang-en/index.htm
- Islam, M., Jannat, A., Rafi, D., & Aruga, K. (2020, November). Potential Economic Impacts Of The Covid-19 Pandemic On South Asian Economies: A Review. *World*, 1(3), 283-299. Doi:<https://doi.org/10.3390/world1030020>
- Maritz, A., Perényi, Á., Waal, G., & Buck, C. (2020). Entrepreneurship As The Unsung Hero During The Current Covid-19 Economic Crisis: Australian Perspectives. *Sustainability*, 12(4612).
- Material Handling & Logistics. (2020, November 18). Top 25 Healthcare Supply Chains Of 2020. Retrieved From <https://www.mhlnews.com/global-supply-chain/article/21148022/top-25-healthcare-supply-chains-of-2020>
- Nummela, N., Paavilainen-Mäntymäki, E., Harikkala-Laihin, R., & Raitis, J. (2020). When All Doors Close: Implications Of Covid-19 For Cosmopolitan Entrepreneurs. *International Small Business Journal: Researching Entrepreneurship*.
- Pelc, K. (2020, June 10). Can Covid-Era Export Restrictions Be Deterred? *Canadian Journal Of Political Science*, 53(2), 349 - 356. Doi:<https://doi.org/10.1017/S0008423920000578>
- Politico. (2020, March 19). Coronavirus Will Change The World Permanently. Here's How. Retrieved From <https://www.politico.com/news/magazine/2020/03/19/coronavirus-effect-economy-life-society-analysis-covid-135579>
- Rahim, F., Allen, R., Barroy, H., Gores, L., & Kutzin, J. (2020). *Covid-19 Funds In Response To The Pandemic*. Imf. Retrieved From <https://www.imf.org/-/media/files/publications/covid19-special-notes/en-special-series-on-covid-19-covid-19-funds-in-response-to-the-pandemic.ashx>
- Saqr, M., & Wasson, B. (2020). Covid-19: Lost Opportunities And Lessons For The Future. *International Journal Of Health Sciences*, 14(3), 4-6. Retrieved From <https://ijhs.org.sa/index.php/journal/article/download/5030/994>
- Schengen Visa. (2020, November 2). 174m Travel & Tourism Jobs Could Be Lost In 2020 Due To Covid-19 Travel Restrictions. Retrieved From <https://www.schengenvisa.info.com/news/174m-travel-tourism-jobs-could-be-lost-in-2020-due-to-covid-19-travel-restrictions/>
- Shahine, A. (2020, March 31). Goldman Sachs Sees 34% Plunge In U.S. Gdp And 15% Unemployment. *Bloomberg.Com*. Retrieved From <https://www.bloomberg.com/news/articles/2020-03-31/goldman-sees-even-deeper-u-s-contraction-in-second-quarter>
- Shepherd, D. (2020). Covid 19 And Entrepreneurship: Time To Pivot? *Journal Of Management Studies*, 57. Doi:[10.1111/joms.12633](https://doi.org/10.1111/joms.12633)
- Shih, W. (2020, September–October). Global Supply Chains In A Post-Pandemic World. Retrieved From <https://hbr.org/2020/09/global-supply-chains-in-a-post-pandemic-world>

- Sourya, R., Preksha, D., & Manisha, P. (2020, May-June). Coronavirus And Service Industries -A Critical Perspective. *Test Magazine*, 83, 8664-8670. Retrieved From [Http://Testmagzine.Biz/Index.Php/Testmagzine/Article/View/8845/6722](http://Testmagzine.Biz/Index.Php/Testmagzine/Article/View/8845/6722)
- Verma, B., Verma, M., Verma, V., Abdullah, R., Nath, D., Khan, H., . . . Verma, V. (2020). Global Lockdown: An Effective Safeguard In Responding To The. *J Eval Clin Pract*, 1-7. Doi:10.1111/Jep.13483
- Who. (2020, March 11). Virtual Press Conference On Covid-19. Retrieved From [Https://Www.Who.Int/Docs/Default-Source/Coronaviruse/Transcripts/Who-Audio-Emergencies-Coronavirus-Press-Conference-Full-And-Final-11mar2020.Pdf](https://www.who.int/docs/default-source/coronaviruse/transcripts/who-audio-emergencies-coronavirus-press-conference-full-and-final-11mar2020.pdf)
- Woodward, C. (2020, May 5). Coronavirus-Afflicted 2020 Looks Like 1918 Despite Science's March. *Mint*. Retrieved From [Https://Www.Livemint.Com/News/World/Coronavirus-Afflicted-2020-Looks-Like-1918-Despite-Science-S-March-11588686426691.Html](https://www.livemint.com/News/World/Coronavirus-Afflicted-2020-Looks-Like-1918-Despite-Science-S-March-11588686426691.html)
- World Bank. (2020). Introduction Chapter. In *Global Productivity*. World Bank. Retrieved From [Http://Pubdocs.Worldbank.Org/En/723561593465321031/Global-Productivity-Introduction.Pdf](http://pubdocs.worldbank.org/en/723561593465321031/global-productivity-introduction.pdf)
- Wttc. (2020). Economic Impact Reports. Retrieved November 26, 2020, From [Https://Wttc.Org/Research/Economic-Impact](https://wttc.org/research/economic-impact)
- Zahra, S. (2021). International Entrepreneurship In The Post-Covid World. *Journal Of World Business*, 56(1). Doi:[Https://Doi.Org/10.1016/J.Jwb.2020.101143](https://doi.org/10.1016/j.jwb.2020.101143)