


Chapter 3

Experiences, Perceptions, and Expectations of the Business Community in Mexico Amidst the COVID–19 Crisis

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ABSTRACT

The objective of this chapter is to provide a contextualized perspective about the effects of the COVID-19 health crisis for companies with economic activity and fixed installations in Mexico, mainly during the second to third phases of the contingency. For this purpose, data from the INEGI ECOVID-IE 2020 survey is analyzed, which used a sampling frame of 1,873,564 Mexican companies compared by size. Relevant information is provided about the reality of the Mexican business community to report the main sanitary measures implemented, the operational actions used, the sources and types of support received, the best support policies identified, and the income expectations for the following months. Faced with a negative scenario, targeted support strategies from governmental, chambers, and business organizations must be aligned to regain the confidence of the business community to support their continuity.

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INTRODUCTION

The COVID-19 pandemic has underlined both the relevance and opportunity to approach several strategic management topics, entrepreneurship, and supply chain management in a synchronized way to better understand organizational success, particularly during such times of emergency (Ketchen & Craighead, 2020). As a result, academic research has gradually been building valuable insights and practical lessons from a qualitative and quantitative standpoint about how to steer through crises.

Faced with the limitations and unfavorable conditions derived from COVID-19, companies have had to implement (and often improvise or comply) operational actions to face the pandemic (Caligiuri et al., 2020; Palma-Ruiz, Castillo-Apráiz, et al., 2020). Thus, administrators have been pressured by such adversity to conceive and apply strategic decisions in the short term about their ways of operating, organizing, directing, and communicating with their staff, reducing expenses, prioritizing activities and tasks, defining new ways of attention and service to its customers and suppliers, learn and implement new technological tools, innovate in its operations and business model, among several others (García-Muñoz Aparicio et al., 2020; Katare et al., 2021). In this way, companies have been pressured to respond to the urgent demands in the environment, prioritize, direct their resources and adapt their operations, aiming for more outstanding performance in the short term (Luger et al., 2018; Marín-Idárraga et al., 2016).

The adverse environment caused by COVID-19 has brought companies to test their strategic capacity to act quickly, having to respond to pressing needs and new changing conditions in the environment. Such an adverse scenario represents a valuable opportunity to revisit the strategy and its orientation in organizations in different contexts. Primarily, more than 98% of formal and informal business structures in different countries represent micro and small and medium-sized enterprises (SMEs) (Lemes & Machado, 2007). Therefore, the deterioration of such a business structure will certainly negatively affect economic development and recovery (Obi et al., 2018).

Although studies examining the effects of previous crises on SMEs have been documented (Eggers, 2020), the relevance to address the topic during the present pandemic remains open (Saiz-Álvarez, 2022). Thus, an opportunity arises due to the current context disrupted by COVID-19 to document the perceptions and expectations of the Mexican business community by addressing the following research questions: What were the main health measures and operational actions implemented in the organizations in response to COVID-19? What sources and sorts of support were received to deal with COVID-19? What should be the best support policies for companies to face recovery? And what are the income expectations for the following months? While answering these questions, this chapter contributes to the limited studies with a qualitative organizational approach on COVID-19 in Mexico. Likewise, as a response to the call for recent studies by considering other relevant aspects of strategic management, such as transformation and organizational behavior, as well as a business strategy from a contingency approach in different contexts, which can have an impact on business recovery from this health crisis (Aslam et al., 2020; Gil Robles, 2020; Palma-Ruiz, Castillo-Apráiz, et al., 2020).

The experiences and learnings documented in the various settings across the globe provide valuable insights into the overall situation of the region's productive sector and regain confidence in the face of potential recovery scenarios (OCDE, 2020b). In this way, for this chapter, we will concentrate on the economic impact of COVID-19 in Mexico, analyzed from the private sector companies' perspective, mainly during phases 2 and 3 of this health crisis in Mexico (Santana Juárez et al., 2020); concentrating on the adjustment measures and operational actions implemented by businesses retrieved during April

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