

Chapter 2

How Have Governments and the Entrepreneurial Sector Reacted to the First COVID-19 Lockdown?

Alicia Coduras

 <https://orcid.org/0000-0003-3271-3673>

Institut Opinòmetre, Spain & GEM Global, UK

Jose Manuel Saiz-Alvarez

 <https://orcid.org/0000-0001-6435-9600>

Catholic University of Avila, Spain & Catholic University of Santiago de Guayaquil, Ecuador

Muhammad Azam Roomi

Mohammed bin Salman College of Business and Entrepreneurship, Saudi Arabia

ABSTRACT

At the end of 2019, the pandemic caused by COVID-19 and its different mutations is forcing the world to face a significant economic crisis that will change the business world. To cope with this socio-economic problem, a digitation process has been accelerated in the labor market, and a more vital public-private collaboration has been put into action to solve this situation. Despite these efforts, the world is facing a broader North-South gap, and a new business world has been created for the new generations to come. This chapter aims to analyze how the first lockdown caused by COVID-19 has influenced this changing process. The authors conclude that this lockdown has accelerated both the digitation process and the work-life balance. Also, more efforts are needed to fight the psychiatric problems associated with the lockdown.

DOI: 10.4018/978-1-7998-7689-2.ch002

INTRODUCTION

At the end of 2019, the virus that will trigger the different mutations of COVID19, the global pandemic for years, began to spread from China to Europe, North America and Latin America, the rest of the Asian countries, Australia, Oceania, Middle East, and Africa. As a result, the sanitarian situation becomes global. Strict measures were adopted in most countries between February and July 2020, but the pandemic continues growing.

Among them was the unprecedented lockdown, in the form of quarantines, social and business restrictions, coercive governmental policies that affected personal life and professional life, and the economy of all countries to stop the virus. One aspect that has suddenly changed is human mobility, as it influences and modifies patterns of the virus (Chapin & Roy, 2021). Linked to human mobility, both tourism and the leisure industry have been affected by confinement and, where appropriate, less human mobility. As a result, new business models and market niches are emerging due to a substitution effect between foreign and domestic tourism in many countries, which has helped alleviate the decline in the tourism industry.

Although the tourism industry is one of the most affected, the impact of the virus continues to be strong in the rest of the economic sectors, both private and public. The arrival of Industry 4.0 is transforming companies, especially after the adoption of robotics, and hard skills and soft skills to impact sustainable development achieved after optimizing production and distribution networks and strengthening value chains (Walińska, & Dobroszek, 2021). The combination of remote working and the technological advances born from Industry 4.0 can contribute to surmounting this pandemic only if knowledge and techniques are internalized by human capital, and the public-private investment process contributes to increasing the use of socioeconomic wealth robots. In fact, service robots can work collaboratively with service employees (Van Doorn et al., 2017) to interact and co-create value with customers (Čaić, Mahr, & Oderkerken-Schröder, 2019). More importantly, the lower (or inexistent) interpersonal interaction can lower perceived viral transmission (Wan, Chan, & Luo, 2021).

Education has been altered due to COVID19. The global outbreak of COVID19 since January 2020 has forced the closure of schools and universities in over 180 countries to control the pandemic, affecting approximately 90% of students worldwide (Hsiao, 2021). As a result, the digitalization process has been accelerated in many higher education institutions (HEIs), especially in the developed countries.

There have been various types of impacts regarding entrepreneurial activity, mainly social, economic, and political. Ongoing nascent activities have been postponed or rejected for being adapted to the situation. Other companies have resisted with or without aid to others that have closed. Additionally, many entrepreneurs have identified opportunities associated or not with the pandemic and have set out to develop them.

In short, entrepreneurs have faced an unprecedented situation of different magnitude and characteristics depending on what happened in each country. To begin measuring and analyzing the impact of this new situation in the national entrepreneurial frameworks, the GEM observatory has carried out an initial experts' survey, the results of which are offered in this chapter. This chapter aims to present and analyze the results of this consultation, which allow the first approximation to the rapid changes that entrepreneurs face to adapt to the new scenario and help prevent the deterioration of the economy of their countries or its reconstruction in the cases most affected.

19 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/how-have-governments-and-the-entrepreneurial-sector-reacted-to-the-first-covid-19-lockdown/289974

Related Content

BI and Analytics for Effective Disaster Recovery Management Lessons From the Bayou

Gregory Smith and Thilini Ariyachandra (2022). *Achieving Organizational Agility, Intelligence, and Resilience Through Information Systems* (pp. 197-217).

www.irma-international.org/chapter/bi-and-analytics-for-effective-disaster-recovery-management-lessons-from-the-bayou/288087

Taming the HiPPO (Highest Paid Person's Opinion) With Agile Metrics and Value Management

Chabi Gupta (2023). *Measuring the Effectiveness of Organizational Development Strategies During Unprecedented Times* (pp. 268-280).

www.irma-international.org/chapter/taming-the-hippo-highest-paid-persons-opinion-with-agile-metrics-and-value-management/326542

Business Autopoiesis Through Process Referencing

Magorzata B. Pakowska (2021). *Handbook of Research on Autopoiesis and Self-Sustaining Processes for Organizational Success* (pp. 233-253).

www.irma-international.org/chapter/business-autopoiesis-through-process-referencing/269064

Unpacking the Behavioral Dimensions of Promotions and Sales Performance: Do Real-Life Promotions Drive More Sales?

Rafael Barreiros Porto and Mônica Cruz Walter (2022). *Sales Management for Improved Organizational Competitiveness and Performance* (pp. 135-159).

www.irma-international.org/chapter/unpacking-the-behavioral-dimensions-of-promotions-and-sales-performance/308923

Influence of Mobile Apps on Household Saving-Spending Behavior

Rajat Deb, Priti Kumari Mahto and Lina Deka (2021). *Recent Developments in Individual and Organizational Adoption of ICTs* (pp. 169-187).

www.irma-international.org/chapter/influence-of-mobile-apps-on-household-saving-spending-behavior/259439