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Restructuring for Resilience: Europe Post COVID-19

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As the peak day approaches on April 19th, Europe begins to look past the immediate health demands to find that the small and medium enterprises (SMEs) that compose their societies are struggling. The continental balance now interacts between the safeguard of the healthcare system and that of the rest of society. Therefore, despite Europe's push for globalization, the menace of COVID-19 returns each nation to reflect on what is best for their country critically. This has become a moment to rethink our embedded ideals of globalization and sustainability, as well as the values of society and the role of the state within the economy and social life. Europe, being a system of social economy, the group of nation-states, finds itself as the embodiment of responsibility. As a result, personal freedom and human rights, which are typically both guaranteed, suddenly feel at odds. As many changes were demanded in such a short period, we see and feel the support of a stable government that has acted with resilience. However, since the focus of the state is on

the immediate physical needs of their nation, there remains an opportunity for change for entrepreneurship and innovation. Therefore, in this time of grief and confusion, we can find excitement and purpose.

Europe, as much of the global community, saw COVID-19 as a Chinese problem. With only the example of the Spanish Flu as a guide for expectations, the continent was shaken when within a couple of weeks, everything changed. Looking at current rates of the coronavirus per national habitats, we notice that China is no longer the hotspot of COVID-19, but rather, Europe is. The exponential development across the continent leads to only one solution: breaking this steep and continuously growing curve. As Europe prepares for its peak dates by creating and distributing more intensive care beds, employing more staff, and reorganizing resources, it seems the race remains against time.

Initially, for individuals and their businesses, their social, public, and economic lives seem quickly halted; however, after weeks of confinement, individuals are finding ways to engage in all these crucial sectors of their lives, but this time around, they are doing so digitally. Despite the intimidation of this virus's threat to national security, we all find ourselves working on the newest and most important project to uphold the spirit of the multi-dimensional and complex human: going digital. Before the coronavirus, many people from younger generations questioned the degree of importance of the non-digital world. Now, we have greater clarity in the value of both the connectedness of the online world and that of the accountability of the off-line. For students, many are realizing their capability to learn and work online; however, concurrently, they recognize the responsibility and discipline necessary to be a successful online student. Likewise, as home offices become the new normal, many strive to find their home/work balance. Questions emerge surrounding the augmentation of productivity following these recent changes to our typical environments as we find ourselves having moved past the shock and fear, and into a moment of new hope. We have found time to stop, rethink, stop again, and, most importantly, breathe.

Micro, Medium and small enterprises (MSMEs) uphold society. They not only meet the demand for consumer values. However, they support the strength of more substantial companies while filling the gaps of government. In surviving this moment in history, MSEs will find and maintain the confidence necessary to retain more entrepreneurial spirit to continue their businesses. However, before anyone sees the end of this moment, there are many changes required to reach this certitude. Even in Europe, a seeming oasis for health, educational, and financial security, nothing remains guaranteed. By tackling the fundamental problem of this insecurity, entrepreneurship holds the key to our desired future. Ambassadors of and for MSEs have the opportunity to widen the reach of their knowledge by spreading information to build their network. Then MSMEs, by fostering innovation and focusing their key competencies, must be able to quickly market themselves and change their income structure to one that will carry them through COVID-19 and, eventually, make them stronger and more resilient to future difficulties.

Together the entrepreneurial community can work to safeguard liquidity, employment, consumer consumption, security, confidence, and motivation. MSE owners are searching for advice. Therefore, broadcasts and videos might aid those enterprises that are suffering from this severe crisis. Including an explanation of the current situation, followed by descriptions of the public measures being taken and the managerial measures that can be addressed to reduce necessary payments, might be the information needed to save a business. There are instant measures that can be taken. Exemplified by Germany, every MSME (Micro, Small, and Medium Enterprise) will receive a suspension of the need to file for bankruptcy, to pay income and other taxes, to contribute to social security systems, to pay insurance, and to aid in allowances to reduce electricity payments. Everyone will be supported at this moment, and the global community can look to Germany's short term payment support plan for ways

in which their nation can provide aid to the lifelines of their communities. This short-term support is used by over 95% of all companies, meaning that Germany is now a country on short-term payment support. The plan has been extended 12 months because the nation expects that the virus and its after effects will threaten national stability for the next year.

For example, the service industry has taken a hard beating this past couple of months. They must re-incorporate their business model to include the digitalization necessary to survive moments like these. By using other logistics to include delivery services or by finding new ways to engage their customer base, this company's future will be founded at the crossroads of tradition, innovation, and digitalization, thus pushing for their own economic, social, and environmental sustainability in our newly evolved society. The main drivers for the change and innovation necessary are founded in humane entrepreneurship. People are the keys to success, independent of if we are on- or off-line. Let us be sure to remember this essential importance



About the Authors



Dr. Ayman El Tarabishy is the deputy chair and teaching professor of the Department of Management at the George Washington University School of Business. He is also the Executive Director of the International Council of Small Business.

Recognized by the United Nations and the Permanent Mission of Argentina to the United Nations, Dr. El Tarabishy worked to create a United Nations International Name Day to be dedicated to Micro-, Small and Medium-sized Enterprises (MSMEs).

These Name Days are designated on specific dates, to mark particular events or topics, in order to consciously and actively promote the objectives of the organization. With his novel idea, Dr. El Tarabishy managed to work closely with the Permanent Mission of Argentina to propose a resolution to dedicate a United Nations International Name Day to MSMEs. Approved by the United Nations General Assembly, the proposal was presented by the Permanent Mission of Argentina and 54 countries; thus, 5.5 billion people acted as co-signers of this resolution.



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About the International Council for Small Business (ICSB)

The ICSB Gazette is a weekly edition of a key topic that ICSB will showcase. The content is varied from research, practice, policy, and education. The editors of the ICSB Gazette is Mr. Kyle Lyon, ICSB Junior Project Manager and Mr. Skye Blanks, ICSB Junior Project Manager He will be soliciting ideas and articles from ICSB members world-wide.



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ICSB Executive Director

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This ICSB Gazette issue is featuring an article written by Dr. Ayman El Tarabishy and Dr. Hartmut Meyer

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