

THE IMPACT OF THE CRISIS CAUSED BY THE COVID-19 INFECTION ON THE BUSINESS ENVIRONMENT

Cosmina-Ioana DRĂGAN-CODREAN¹, Andreea-Florina FORA²

¹ University of Oradea, Doctoral School of Economic Sciences Oradea, Romania

² University of Oradea, Faculty of Economic Sciences, Department of International Business

cosmina.codrean@yahoo.com

andreea.fora@gmail.com

Abstract: *This paper intends to analyze how the crisis produced by the Covid-19 infection has influenced the employees, respectively the employers. Thus, we try to see if they still approach the workplace, working hours, etc. in the same way or if their perception has been decisively influenced by this crisis. Certainly, there is an impact on the business environment around the world, respectively in Romania. Thus, employers and employees, like the whole world, had to adapt and reorganize in the given conditions. Some views support the theory that, for employers and employees respectively, nothing will be the same, and the approach and expectations of both parties will be different. Other views argue that this crisis will not cause major changes in perception on the subject. Be that as it may, through this paper we try to analyze in what way and above all, what changes this crisis has produced on the employees, respectively the employers. For the most part, for the employee, the workplace is the place from where he procures an important part or even all of his financial resources. Besides, the workplace is also the place where he can prove his skills acquired in school, the place where he socialises, the place where he develops professionally and not only that. The employer, in general, wants a competent and efficient employee. Both regarding employees and employers, the crisis caused by the Covid-19 infection has produced important changes that we will study in the analysis below. The business environment around the world has seen changes with the situation caused by this crisis that has faced all of humanity. Also, before analyzing, in broad terms, the impact on the business environment, we must observe how people saw the involvement, from a diplomatic point of view, in Romania's economic development. Economic development must also be supported at the diplomatic level, not only through the other available levers.*

Keywords: *Employees; employers; business environment.*

JEL Classification: F20; F23; I12; L20.

1. Introduction

The business environment is a vast and complex environment. It consists of a group of companies, of different sizes, that operate in various areas of the world, operating in one of the most extensive fields. The world economy is quite different

from what it was just five years ago. Some of the reasons include an over-all slowdown in the triad economies, the introduction of more local and international trade regulation, the impact of technology and the rise of small and medium sized multinationals (Rugman and Collinson, 2006, p.12). Another opinion refers to the changes that impact the business environment, thus the changes in the environment can cause changes in inputs, in the transformation process and in the outputs and these in turn may engender further changes in the organisations environment. The internal and external environments should be seen as interrelated and interdependent, not as separate entities (Worthington, Britton, 2009, p.12). So, through this research we wanted to see if the Covid-19 pandemic impacted employees and employers, as well as if our diplomacy intervened in any way to support the business environment, implicitly employees and employers.

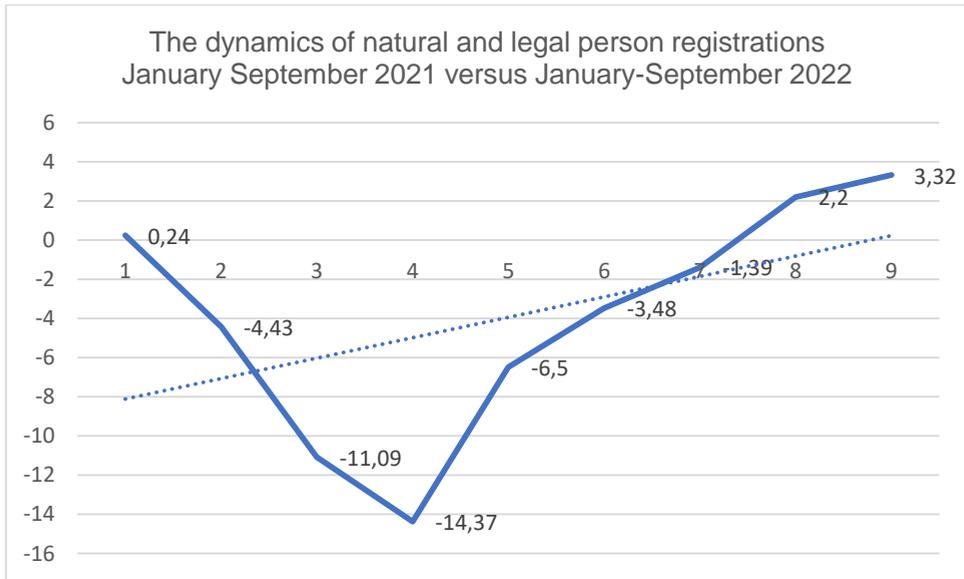
2. Research methodology

In this sense, we applied a questionnaire, between July and August 2022, to which 216 people responded regarding various aspects, such as: economic development, the diplomatic environment, the economic environment, etc. The activity in the diplomatic sphere is in a constantly changing, in accordance with the events taking place in the world. So, it is necessary to inform ourselves properly, that is, from verified sources and, as much as possible, in real time about what is happening in the world. The frequency with which information about these events takes place by the people questioned is as follows: a number of 119 people are informed periodically about what is happening in the world, 37 are informed weekly, 28 are not informed at all in this regard, 23 of the people surveyed inform themselves daily to be up to date with all the news and events, respectively 9 people inquire monthly about what is happening in the diplomatic sphere.

3. Results

If we want to mirror the percentage, this situation presents itself as follows: the highest percentage, 55.1%, belongs to those who regularly inform themselves about what is happening in the diplomatic sphere, followed by 17.1% made up of those people who inform weekly, 13% do not inform themselves at all, and 4.2% inform themselves monthly. It is very important that when information is provided, especially on events of a diplomatic nature that take place in the world, we see the sources used. Therefore, 75.9% of the people surveyed stated that they use the Internet, information presented on TV, etc. as a source of information. The written press, newspapers, magazines, etc. are consulted by 10.2% of those surveyed. From the ministry, competent institutions, etc. 8.3% get their information, respectively 5.6% get information from family, friends, colleagues, acquaintances, etc. Regarding the economic development of Romania, an overwhelming percentage of 96.3% are of the opinion that diplomacy should be involved in matters related to this subject, in contrast to 3.7% who are of the opinion that diplomacy should not why get involved in matters regarding the economic development of our country. Next, we notice that among those questioned regarding the information about the diplomatic environment in Romania, they obtain their information from various sources. So the internet, TV etc. generates the percentage of 75.5% of those who turn to this source of information. A

percentage of 10.6% get their information through the Ministry of Foreign Affairs of Romania, institutions, etc. Print media, newspapers, specialized magazines, etc. are used by 8.8% of those surveyed, and 5.1% get information from family, friends, colleagues, acquaintances, etc. Informing and retrieving information about the diplomatic environment in Romania is carried out periodically by 63.4% of the people surveyed, respectively weekly by 13.4%. 8.3% of those surveyed declared that they do not get informed about this topic at all, 7.9% get informed daily, and 6.9% said they get informed monthly about the environment and diplomatic activity. Regarding the constructive changes that the involvement of diplomacy in Romania's economic environment has produced, there are a series of answers categorized into four categories. Thus, in the first category, i.e. 33.3%, are included the responses of those who believe that the involvement of diplomacy in Romania's economic environment has produced, for the most part, constructive changes. The second category, 28.2%, includes the responses of those who believe that the involvement of diplomacy in Romania's economic environment produced, to a small extent, constructive changes. In the third category, 25.5%, are included the answers of those who believe that the involvement of diplomacy in Romania's economic environment produced only constructive changes. The last category, 13%, includes the responses of those who believe that the involvement of diplomacy in Romania's economic environment has produced only negative changes. The assessment that the involvement of diplomacy in economic development has positively influenced the activity/mode or quality of life and other aspects is reflected in the responses below. Thus, on a scale of 1 to 5, where 1 means not at all and 5 means completely, the answers are among the most varied. Thus, 14.4% of the respondents are of the opinion that the involvement of diplomacy in economic development did not positively influence the activity/mode or quality of life and other aspects at all. To a small extent, 14.4% of those surveyed believe that the involvement of diplomacy in economic development positively influenced their activity/mode or quality of life and other aspects. To a large extent, 37.5% think that the involvement of diplomacy in the part of economic development influenced their lives. For 24.1%, the involvement of diplomacy in economic development influenced their lives to a very large extent, and for 9.7%, the involvement of diplomacy in economic development influenced their lives, positively, completely. The involvement of the state or its representatives, in the realization of several projects or objectives, would influence the economic growth and development of Romania, according to 73.1% of those surveyed. Another part, more precisely 4.6%, believes that this involvement would not influence the economic growth and development of Romania, and 22.2% cannot appreciate, at the time of applying the questionnaire, this aspect. The link between diplomacy and the business environment is directly proportional, because, especially in the context of the COVID19 pandemic, the involvement of diplomacy contributes to development. The business environment always needs the contribution of diplomacy to initiate new directions of development or to support the already existing ones. At the same time, a brief look at the number of registrations of natural and legal persons in Romania, in the period January-September 2022 compared to January-September 2021, shows us the following dynamics:



Source: <https://www.onrc.ro/index.php/ro/statistici> accessed in 14.11.2022.

Registrations in the period 01.01.2022 - 31.01.2022 compared to the same period of the year past: 0.24%, registrations in the period 01.01.2022 - 28.02.2022 compared to the same period last year -4.43%, Registrations carried out in the period 01.01.2022 - 31.03.2022 compared to the same period last year: - 11.09%, registrations made between 01.01.2022 - 30.04.2022 compared to the same period last year: -14.37%, registrations between 01.01.2022 - 31.05.2022 compared to the same period last year: -6.50%, registrations made in the period 01.01.2022 - 30.06.2022 compared to the same period last year: -3.48%, registrations made in the period 01.01.2022 - 31.07.2022 compared to the same period last year: -1.39%, matriculate lars in the period 01.01.2022 - 31.08.2022 compared to the same period last year: 2.20%, registrations made in the period 01.01.2022 - 30.09.2022 compared to the same period last year: 3.32%.

In this context, registrations refer, for example, to: authorized natural person, sole proprietorship, limited liability company, joint-stock company, collective limited company, simple limited company etc. Every business organisation has to interact and transact with its environment. Hence, the business environment has a direct relation with the business organisation. Obviously, then, the effectiveness of interaction of an enterprise with its environment primarily determines the success or failure of a business (Saleem, Cavusgil, Tietenberg, Chandhoke, Hollensen, 2010, 1.2).

4. Conclusion

The Covid-19 pandemic directly impacted the business environment, employees and employers, restructured activities, modified work schedules and introduced working from home as a normality, and not an exception, with the advantages and

disadvantages of rigour, on both sides. Once the pandemic was over, all of humanity reset. The companies adapted on the fly, so that if before the pandemic they had an object of activity, during the pandemic they adapted and produced what was needed at the time, such as: sanitary and protective articles, hygiene products and others. In conclusion, during the pandemic, diplomacy would have had an opportune moment to demonstrate support for the business environment, for employees and employers. For now, the involvement and support of diplomacy is not highlighted in the business environment. An appropriate involvement at the external level would determine at the internal level positive results on the business environment, on employees and employers.

References

1. Rugman, A. M., Collinson, S. (2006) International Business, (Online), available: https://books.google.ro/books?hl=ro&lr=&id=YZ5hmc1GBZkC&oi=fnd&pg=PR15&dq=business&ots=cWoVdFaG7n&sig=9Hrv4Y70cZn_aaBmZq5if3o5jkA&redir_esc=y#v=onepage&q=business&f=false
2. Worthington I., Britton C., (2009) The Business Environment, (Online), available: https://books.google.ro/books?hl=ro&lr=&id=09uqSNHNT9EC&oi=fnd&pg=PR18&dq=business+environment&ots=tju51CcD_6&sig=mfhu4zy8_GgIKQLuIRAT7E9v4-o&redir_esc=y#v=onepage&q=business%20environment&f=false
3. Saleem, S., Cavusgil, S.T., Tietenberg, T., Chandhoke, N., Hollensen, S., (2010) Environment for business, (Online), Available: https://books.google.ro/books?hl=ro&lr=&id=n-PphHdjTBsC&oi=fnd&pg=PR13&dq=international+business+environment&ots=-ZbPjr2hUg&sig=dpJHRU4pQfXzJWA22icUzniEVZk&redir_esc=y#v=onepage&q=international%20business%20environment&f=false
4. <https://www.onrc.ro/index.php/ro/statistici>