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RESEARCH ARTICLE

PANDEMIC AND CORPORATE STRATEGY: TOOLS & DIAGNOSIS

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Abstract

The COVID-19 pandemic has taken a heavy toll on business dynamism. Although business entry has rebounded from the drop seen during the initial confinements in early 2020, this recovery varies widely across countries, with potential long-term implications for employment and output growth. Inflows have fallen less in sectors characterized by high information and communication technology (ICT) intensity and a relatively high propensity to telework, while they have fallen more sharply in those that rely more on physical contact with customers. The experience of two consecutive years with the exceptional event of the health crisis has led companies and institutions to face the Covid-19 challenge quickly by implementing new procedures and managerial practices. To fuel the debate on the problem of the crisis and its lasting repercussions on the management of organizations, we ask the question "What could be the lasting repercussions of the crisis on the management? What will be the new strategies of companies?"

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Introduction:-

*After the diagnosis, followed by the shock, we try to identify tools that today offer(s) a good potential to concretize the definition of the strategy.
by Edgar Morin (2020): "[...] islands of certainty in a sea of uncertainty".*

Having the capacity to analyze our society and its problems, in addition to a retrospective view of the ways of doing things is a quality that more often than not goes beyond the average human being; and which is often misunderstood or misinterpreted. Edgar Morin can congratulate himself for being one of the world's greatest thinkers and for having so often offered us the torch of light that we need to navigate this tunnel that is so dark in our eyes: the societal, human, economic and other strategies that weave our society and our ways of doing things.

What makes the current pandemic context so difficult is that for most people this is the first social crisis they are facing, and the threat is not only the pandemic but the attack on the habits of life that we have all taken for granted without realizing that one element could threaten the whole and force us to rethink our habits in the future.

As Edgar Morin said, "...islands of certainty in a sea of uncertainty."

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The etymology of this quotation can be understood by explaining that it is the certainty of uncertainty that allows the strategy to be conducted. Uncertainty must be able to make us think and project with the help of a strategy that is well developed and adapted to the situation and not to a semblance of understanding that would allow us to have a strategy that borders on the subject but does not frame it.

Analysis:-

A good strategy helps to understand the web of interaction between the political, social, religious and other and a simple thought would be to see only one side of the problem without being able to connect them, which often makes people in society myopic to the solution. This social short-sightedness makes it impossible for groups or individuals to solve problems that are caused by a lack of human understanding. Strategy is an integral part of the actions and practices it is supposed to explain or justify, otherwise it is not the right one.¹

The strategy is to be able to ensure the sustainability of a company in the long term, currently we have very little knowledge about this virus. We barely know it, and this temporary handicap limits our ability to make accurate predictions. This has the effect of amplifying the scope of the crisis because we do not know the threats and potential damage, we are facing².

The tools that we will have to develop in the future to overcome such a situation that shows us that our enemy is the pandemic yes as well as ourselves. For we must understand our weaknesses and overcome them; otherwise like a gigantic tree with very long roots that we want to uproot, we will succeed in cutting it down on the surface, but the problematic strain will remain, so the tools are:³

1. Our ability to reduce our dependence on other developing countries the adaptability of our companies to be able to play a multiple role especially in times of crisis but without at the same time cutting our bilateral agreements with our most important partners.
2. The assessment of installed capacities and resilience to be able to periodically move out of an established niche to be able to adapt to a changing situation requiring adaptation or threatening the institution of activities⁴.

The crisis has also demonstrated our social and economic vulnerability to containment; it will be essential to make a good assessment of the business environment in which we operate and to review the system of actors and partners with whom we are dealing. It will be essential to be able to develop better contingency plans that can withstand the unexpected and achieve the ability to maintain our business skills while developing ways to do business virtually without losing the benefits of human contact. To be able to run in a place strewn with boulders and problems blindfolded, there is only the strategy that makes it possible to move forward in uncertainty and randomness without being the victim of a disaster.

According to Edgar Morin, humanologist, "there is something crisp about societies, because they are constantly changing". The word "crisis" comes from the word "krisis" which means decision. It is the moment when a decision is taken to counteract the uncertainty at the origin. However, the word crisis has changed its meaning today. It is indecision in a context of uncertainty.

When does a crisis occur? A crisis occurs when the normal self-regulation of society is not able to return the situation to normal. It happens when the basic assumptions of the current strategy fall apart. It happens when there emerges a generalized lack of trust.

In his 1972 crisisology article, Edgar Morin refers to the union of rigidity and disorder as "the threatening character of the crisis". The disruption and lack of solution in crisis eventually leads to transformation and solution. In other words, the crisis forces a solution.

Crisis does not fall from the sky. There is a reflection process or transition period before every crisis. Deviant ideas always exist in a society. But in a normal situation they are discarded and considered outside the norm. During the transition period, considering the fact that society is a living system, these deviant ideas mature. These ideas could become a new norm during the crisis. In a complex society, these deviant ideas may cause uncertainty that could not be managed with the societal self-regulation process. As a result, a crisis occurs.

¹ <https://www.diploweb.com/Crises-et-societes-Nos-societes-ont-quelque-chose-de-crisique-parce-qu-elles-sont-en-evolution.html>

² https://www.moodle2.uqam.ca/cours3/pluginfile.php/3589857/mod_resource/content/1/BAILLARGEON_STÉPHANE_LE_DEVOIR_28-12-20.pdf

³ https://www.persee.fr/doc/comm_0588-8018_1976_num_25_1_1388

Crisis is an integral part of society and offers it an opportunity for evolution. In the wake of societal changes and transformations, crises are inevitable. Crisis is both integration and disintegration. We live in an age of transitions and perpetual crises. We must seize the opportunities for evolution in each of these crises.

According to Jean Viard, one of the great French sociologists and former doctoral student of Edgar Morin, "We were in the chaos of the end of a system and this chaos is in the process of being put in order". COVID will transform all possible political, economic, and social relationships in societies. The decisions we make today will shape our future, says Yuval Noah Harrari.

On the other side of the coin, politicians are showing their teeth internationally. Instead of making a global plan of action against the virus, by adopting nationalistic strategies, they are making us a real battlefield. The lack of international leadership is a real challenge to finding a global solution.

Economic: Global growth will be negative in 2020, the worst economic consequences since the Great Depression, with a partial recovery likely in 2021, according to the IMF Managing Director. The crisis makes us reflect on the limits of relocation and globalisation strategies taken by companies.

The supply of masks and food are good examples of the tensions these days. In the context of the crisis where my expenses become my neighbour's income, we will focus more on buying local with the 'Blue Basket'. This is the time when governments can make a difference to economic recovery through their multiplier effect to engage public spending.

It is clear that the Covid-19 crisis has shaken societies around the world without exception. This crisis had influenced the practices of our political, economic, and social systems in record time. While the world watched China suffer with multiple infections and deaths, there was no one who predicted and believed that the pandemic would reach its environment in such a short time.

Socially, the pandemic changed people's daily lifestyle. Families have called for a containment mode in their homes and to adopt more sanitary practices according to public health and government guidelines. The aim is to protect themselves and limit the spread of the virus in societies and protect the most vulnerable category of citizens. The recommended distancing measures could influence people's contacts and social relations between families, friends, work colleagues etc.

These measures will influence social life according to COVID-19 and citizens may adopt these practices, such as distancing, limiting human contact and replacing it with technological contact tools such as social networks, telephone calls etc.

Economically, businesses have been hit hard by the pandemic. Many companies have been forced to suspend their activities, lay off their employees (temporarily or permanently), or reduce their activities according to government directives. The pandemic crisis could have a negative impact on the growth of these companies and the country. Loss of revenue is a major issue as most projects are suspended or decisions on implementation are delayed for the time being.

Some companies have had to adjust to these circumstances, such as teleworking, while others have looked at the possibility of redesigning their production line to support the immediate need for health products, and at the same time adjusting to survive economically.

This is an unprecedented context, and the unknown would be the title of the period.

Having the capacity to analyse our society and its problems, as well as to look back on the ways of doing things, is a quality that more often than not exceeds the average human being; and which is often misunderstood or misinterpreted.

Edgar Morin can congratulate himself for being one of the world's greatest thinkers and for having so often offered us the torch of light necessary to navigate through the tunnel so dark to our eyes that is the societal, human, economic and other strategies that weave our society and our ways.

What makes the current pandemic context so difficult is that for most people it is the first social crisis they have faced, and the threat is not just the pandemic but the attack on the habits we have all taken for granted without suspecting that something might threaten the whole and force us to rethink our future habits.

As Edgar Morin says " [...] islands of certainty in a sea of uncertainty".

We can understand in the etymology of this quote, by explaining it that it is the certainty of uncertainty that allows the conduct of strategy. Uncertainty must be able to incite us to reflect and project with the help of a well-developed strategy adapted to the situation and not to a semblance of understanding which would allow a strategy that borders on the subject but does not frame it.

A good strategy is to understand the web of interaction between the political, social, religious and other and simple thinking would be to see only one side of the problem without being able to connect them which often makes people in society myopic to the solution. This social short-sightedness hinders the ability of groups and individuals to solve problems that are caused by a lack of human understanding. Strategy is an integral part of the actions and practices it is supposed to explain or justify, otherwise it is not the right one.

Strategy is about ensuring the long-term sustainability of a business, currently we have very little knowledge of this virus. We hardly know it, and this temporary handicap limits us on the reference on this virus which prevents us from being able to make accurate predictions. This has the effect of amplifying the magnitude of the crisis because we do not know the full extent of the threats and potential damage we are facing.

The tools we will have to develop in the future to overcome such a situation which shows us that our enemy is the pandemic yes as well as ourselves. For we must understand our weaknesses and overcome them; otherwise, like a gigantic tree with very long roots that we want to uproot, we will succeed in cutting it down to the surface, but the problematic stump will remain, so the tools are:

Our capacity to reduce our dependence on other developing countries the adaptability of our companies to play a multiple role, especially in times of crisis, but without at the same time cutting our bilateral agreements with our most important partners. The assessment of installed capacity and resilience to be able to periodically move away from an established niche to adapt to a changing situation that requires adaptation or threatens business continuity.

The crisis has also shown us our social and economic vulnerability to containment; it will be essential to make a good assessment of the business environment in which we operate and to review the system of actors and partners with whom we deal.

It will be essential to be able to develop better contingency plans to cope with the unexpected and to achieve the ability to maintain our business skills while developing ways to do so virtually without losing the benefits of human contact.

In order to be able to run around in a place full of pitfalls and problems blindfolded, there is only strategy that allows us to move forward in the uncertain and random without falling victim to disaster.

The current pandemic is fruitful, in the sense that it will allow us to visualize 360° the related realities (economic, social, societal, environmental, political and others ...). A fatal disorder has reigned for decades! We have been led to believe that everything is under control ... global giants are currently collapsing, very fragile health systems, disastrous incoherence on all axes of the world's major powers.

At present, we are faced with an anonymous virus, with no certainty as to its origin, its different forms, the target populations, its degrees of harmfulness, which creates uncertainty about all the consequences in all areas, social, economic... (no bar, no scale, no comparison, we can't predict

As uncertainty scares us, we always tend to release it! Simply because man always has a margin of freedom, he is not an automaton who always reacts in the same way to the constraints of his environment.

In business mode, a businessman is never sure of succeeding beforehand. And business plans are rarely respected. This is only natural!

That is why strategy is essential, as Edgar Morin said. It is through uncertainty that we get a boost that prompts us to think with the help of a strategy. It allows us to develop scenarios that can be adjusted according to new information or new situations that we face.

After or during the crisis we are going through, it is managing uncertainty that is most important, it is spotting movements and adapting to them permanently. Whether at home, in business, in government, in all instances! But how do we do it? Using which tools?

1. Decentralisation (breaking economic dependence)
2. Adaptability (Our factories, our infrastructures, our way of working, our habits, our behaviour.), coaching, subsidising

It is imperative that a deeper reflection is done on the reorganisation of the major interactions between the human sciences. In the current era, there is very little communication between economics, psychology, sociology ... Since decades, we put more emphasis on the economic aspect, omitting that we are in a very complex ecosystem, and which requires sharing and especially more humanism than economic!

Conclusion:-

For a generation of business leaders, business and life in general have always been business and life in general have always been marked by what were with what were considered uncertainties. For decades, there has been decades, upheavals, disruptions and new global trends disruptions and emerging global trends such as digitization transformation of technologies, geopolitical changes geopolitical shifts, changing business models, and a shifting consensus around globalization and trade, have continued to trade, have continued to challenge the very notion of the very notion of decision making.

The COVID-19 pandemic is changing, if not change, if it has not already done so, our collective understanding of uncertainty. No one remembers an event comparable to the COVID-19 crisis in the last century. Yes, we have had flu epidemics. Yes, we have had Black Monday and the financial crisis of 2008. And yes, we have experienced localized threats and disasters, that have had regional or national consequences: Chernobyl, the attacks of 11 September 2001, Hurricane Tsunami.

But the pandemic is unique: it is a truly global crisis, with crisis, and it has deeper and more complex consequences and ramifications more profound and complex than any other crisis that today's policymakers have seen or experienced.

***« One of the great lessons of the crisis: we cannot escape uncertainty: we are still in the uncertainty of the cure for the virus, in the uncertainty of the developments and consequences of the crisis.
We will remain in the uncertainty of the human adventure».***

Edgar Morin, 22 mars 2022