IMPACT OF COVID-19 ON ENTREPRENEURSHIP DEVELOPMENT

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ABSTRACT

The purpose of this study is to focus on how the COVID-19 problem has affected business development. In doing so, it was found the lack of integration between disaster risk management, business, and COVID-19 literature. This research paper focuses on available literature by linking key concepts within the challenges and problems faced by entrepreneurs during the COVID-19 era and have had a profound impact on global economy. A negative impact has been felt on businesses around the world and many newly established businesses and start-ups sent many of their employees on unpaid leaves or laid off which caused job losses and an increasing number in unemployment.

Keywords: Disaster risk management, COVID-19, Entrepreneurship

I. INTRODUCTION

Entrepreneurs are an important source of a country’s economy. An entrepreneur encourages the country’s economy by introducing new ideas, technology, products, services and come up with innovative ideas and new opportunities in jobs. Entrepreneurs work with a positive approach to making a profit by taking own risk a creating new enterprises or startups. COVID-19 health emergency was announced on March 11, 2020, affecting hundreds of thousands of lives worldwide, challenging health care professionals and the health care sector. In addition to the COVID-19 epidemic following a social shift, and the locks on businesses. Even deep-rooted businesses need to rethink how to use their resources and funds in an effective way to face these financial crises. Due to start-ups is having limited funding issues that create a negative impact on start-ups and small businesses. Even big companies went out in the market to promote their products during a market crash. New ideas and strategies implemented by the entrepreneur to drive profit and investment in new start-ups.

II. LITERATURE REVIEW

The whole attributes of any crisis include severe disorder in various activities which takes place in surprising manners [1]. Generally, there is a low probability of occurrence of crisis but after its happening results come terribly. Because of the happening of crisis in a quick manner, there remains very little time for making decisions and that makes planning for the crisis difficult because of the risk of uncertainty about its happening [2].

During a time of crisis, it may be difficult to observe to understand the effects and because of dangerous situations sometimes it may be difficult in acting. There is a need to manage the emotions associated with risk and uncertainty in the most appropriate way [3]. Retrenchment, preserving, innovating, and exit are the four ways by which an organization can respond to a crisis [4]. Crisis conditions come with an emergent need for effective decision-making in a fast manner. This suggests that few strategies have to be developed which can help the innovative solutions to be developed [5].
There is never-ending a legacy of online learning which requires technology for playing an essential role in entrepreneurship education [6]. Due to various efforts, which are designed to design the academic curriculum in innovative ways to embed technology for increasing the effects and voice in the digital world for making interaction possible with the technology [7]. The impact of the crisis is dependent on how an organization manages the disruption, which means organizations that see any crisis as an opportunity will take it in a positive way [8].

Experiential learning remains necessary in entrepreneurship education which is incorporated in active learning for developing strategies to make augmentation a reality for coping with the different social distance distractions. Hence, educators related to entrepreneurship should learn to balance experimental- led education with contemporary social needs [9]. An industry-relevant education is necessary for making entrepreneurship more effective which will likely develop the university-industry collaboration possible. This enhances learner’s capacity and curiosity to enable knowledge exchanges effectively [10]. Many educational institutions have replied in the most effective way to implement entrepreneurial measures. This supports them for safeguarding the reputation for a long time. This COVID-19 pandemic situations require the specific and effective entrepreneurial behavior of budding entrepreneurs [11]. Therefore, it gives meaning to complexities of current business to develop the practical approach for overcoming the COVID-19 pandemic situation using advanced technology.

**Challenges Faced in Entrepreneurship during Pandemic COVID-19:**

**Low Demand and Supply in Economy:**

While the demand for commodities has declined over the years due to the global economic downturn, due to declining business and business activity. Gross domestic product (GDP) has been significantly reduced as a result of the epidemic, especially in those countries that rely on trade or tourism.

**Low Productivity:**

“With buildings closed in the meantime, or permanently, companies were forced to put down off their employees or send out them on unpaid leave, and an insignificant decline in the number of employees led to a decline in efficiency and greater business issues [12]. Due to less number of staff and company, an employee need to work in a multitasking way, result in impact on mental health, stress, and family pressure so it is difficult to compete in a competitive market for entrepreneurs which leads to low productivity. Companies during lockdown terminate their employees and sent them into unpaid leaves and decline the number employees so productivity was slow, and business goes down in this recession. Most businesses are shut down due to this pandemic.

**Loss of Employment:**

Entrepreneurial activities boost the productivity of firms that also boost the economy of the country, but in the recent COVID-19 epidemic, many changes have taken place around the world, suggesting the replacement of established and exotic factories. CMIE previously estimated that 121.5 million jobs were lost due to the closure of COVID-19 in April. On July 11 million people lost their jobs as per a report of CMIE. Small traders, retailers, and day-to-day wage earners are the worst affected by the April closure. This category of work accounted for about 32 percent of all jobs, however, we received 75 percent of attacks in April, "CMIE data showed. This disruption of jobs in terms of reduced employees’ working hours and their income, as well as job losses for paid workers and self-employed workers; and their training, and the difficulty of transitioning from school to work, and the shift between jobs in the recession.

**Problems Faced by Small Medium Enterprises (SMEs):**

For SMEs, the problems are more serious than for other businesses due to the sharp decline in demand for goods and services. SMEs have limited ability to combat the risk involved and cover costs due to reduced business activities, facing severe financial and financial constraints, staff, customers, and technology. As SMEs have been severely injured over the past four months, they are unable to work for their customers, pay their employees, and fulfill their commitment to their suppliers. As a result, many SME businesses are expected to exit business under and after COVID-19 [13]. Overall, on the supply and demand side, there will be a sharp decline in the impact on public spending due to declining tax revenue. As the spread of the COVID-19 epidemic continues to slowly depress the global economy increasing business uncertainty, predicting the future seems unlikely.

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Changing Life and Work Landscape:
The COVID-19 crisis has affected business, culture, lifestyle, and social entrepreneurs. It addresses the current lack of integration between problem management, business, and COVID-19 literature. This commentary systematically integrates current texts by linking key concepts to disaster management and business. This means that new thinking mechanisms, including social change, have been identified with the COVID-19 problem. Given the continuing uncertainty surrounding the future, more research and policy must focus on finding new thought processes. This will promote a more efficient and effective approach to manage the COVID-19 problem including business vision.

Impact of COVID-19 on Different Sectors of Business:
India is one of the country’s most affected by the COVID-19 epidemic. The government has enacted a national ban by the end of March 2020 to fight the proliferation of the disease. After the closure of few months, India had many incidents of COVID after the America. The government gradually reduced its closure restrictions from May 20, but closures harmed country’s economy. Lock restrictions have halted many economic activities and resulted in the loss of jobs for many peoples and inbound streams. The government has directed some strict steps to control the spreading COVID-19 by blocking the movement but the virus has caused extensive damage to the country. Many lives are lost while fighting and other sectors which are mostly affected by COVID 19 are following.

Health Care
Health care is at the heart of this unprecedented global epidemic. Lack of investment in medical care and health care infrastructure is a major challenge to India's successful response to the epidemic (COVID 10), increase in cases of shortage of health care facilities such as lack of health care equipment and bed. As per the survey by local bodies. They created data that shows that only 4 percent of the patients need ICU beds out of 18000 people located in different countries. While 78% were forced to use communication, to strengthen bed protection.

Tourism Industry
In India, the tourism industry is one of the most influential sectors of the corona virus epidemic. Due to the COVID, in this case, travel services were shut down to prevent the spread of the coronavirus and thus the tourism industry suffered a major loss in the epidemic. As per a report of the Confederation of Indian Industry (CII) and the hospitality consulting company Hotelivate. Travel operatives, involving online, offline, inbound, and outbound will lose $ 4.77 billion. The whole series of prices related to Travel & Tourism is likely to lose about 5 lakh crore or the US $ 65.57 billion, the planned sector alone could lose the US $ 25 billion.

Hospitality Industry
The hospitality industry is also hit hard by the epidemic “CII-Hotelivate report states that the closure that was supposed to affect financial streams by October has now shown a difference and only 30 percent of hotel stays until 2021”. Currently, hotels experience 80 to 85 percent erosion. This industry, includes branded hotels and buildings, will lose $ 19.31 billion, according to a CII-Hotelivate study.

Education Sector
In this pandemic, situation epidemic has also disturbed the education section during lockdown according to government orders as people have to stay at home for safety purposes. Schools and colleges have been shut down after the national closure. Many students faced some challenges in online mode classes. Students and teachers were not able to cope up with the new situation in time. After lockdown ends students in grades 9-12 are allowed to appear physical schools voluntarily under the government’s guidelines.

Loss of Jobs
The epidemic has caused extensive damage to workplaces in India. According to the report of the Center for Monitoring Indian Economy (CMIE) an estimated 21 million workers are paid in April and August. There were 86 million paid jobs in India in 2019-20. By August 2020, the number had dropped to 65 million after the completion of 3.3 million jobs in one month, mainly between industrialists and white-collar workers, according to CMIE.
Changes in Perspective of Entrepreneurship after Crises of COVID-19: It is known that the unexpected changes in the economy due to pandemic has been mostly influenced by COVID 19. The entrepreneur required different approaches to run their business. There were some situations or conditions in which there was no movement or activity in business but there are some opportunities we found to deal with this situation. Entrepreneurs are working with new strategies and ideas to drive their business after the pandemic period with potential COVID-19 solution, as well as Investors, are showing interest in new approaches. By these changes in approaches and strategies may either both positive or negative impact a new entrepreneur, it may be discouraging them or may be considered as a new learning opportunity for them.

III. CONCLUSION

As per the above literature and sources, it can be concluded that COVID-19 has caused a major economic and business decline in the world and presented many unprecedented challenges, but the full impact is not yet clear. It will probably take many years back to normal life such as studying in-depth studies. Entrepreneurs are considered flexible, and the COVID-19 pandemic has created a lot of challenges in magnitude and endurance which have also opened many gates of opportunities for the entrepreneurs for adapting in this new business environment. These challenges could be related to developing practices for responding to the uncertainty by adopting flexible ways for developing the innovative entrepreneurial ecosystem. This can be facilitated by the application of artificial intelligence to simulate the real business environment. This would make to develop the capabilities to the community of entrepreneurs for studying and practice new approaches of entrepreneurship.

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