

COVID-19 and the administrative concepts neglected: reflections for leaders to enhance organizational development

Organizational
development

Rosley Anholon, Dirceu Silva, Jefferson Souza Pinto,
Izabela Simon Rampasso, Maria L.C. Domingos and Janice H.O. Dias
(Author affiliations can be found at the end of the article)

Received 28 October 2020
Revised 3 December 2020
Accepted 28 December 2020

Abstract

Purpose – The purpose of this paper is to discuss how COVID-19 pandemic forced several companies to reflect on their activities. Many organizational changes have been conducted and others will still be necessary. Some reflections are presented, as some aspects are well consolidated in academic literature while they are neglected by many leaders of companies. The authors believe that this viewpoint can support leaders to enhance organizational development.

Design/methodology/approach – Part of the information presented here is characterized by the authors' points of view, as it is a viewpoint. However, the authors carried out searches on scientific bases and published press reports aiming to support the reflections presented in this text.

Findings – The reflections presented in this viewpoint focus on the following aspects: periodic critical analysis of companies business models, business continuity management systems, risk management, resilience principles in supply chain management, necessary changes in production systems, occupational health and safety systems and new ways of working. For the authors, the correct conduction of these aspects can guarantee companies survival; however, many leaders worldwide still neglect them.

Originality/value – The reflections presented here can be useful for leaders interested in conducting a critical analysis in their business, considering necessary organizational changes to face the COVID-19 pandemic consequences.

Keywords Administration, Organizational development, Critical analysis, COVID-19 pandemic

Paper type Viewpoint

Introduction

The COVID-19 pandemic generated a social and economic crisis (Berman and Ebisu, 2020; Verma and Gustafsson, 2020; Wells *et al.*, 2020). The magnitude of consequences from COVID-19 outbreak is associated to the lack of vaccines for it, its highly contagious and expressive mortality rate (Krishnamurthy, 2020). Roth (2020) debates the efficiency of World Health Organization (WHO) recommendations. Because of this, to reduce transmission speed, countries worldwide implemented lockdown policies that directly affected global economy (Verma and Gustafsson, 2020), forcing companies to stop or reduce their production (World Bank, 2020a). The impact caused by this pandemic is affecting world



This work was supported by the Coordenação de Aperfeiçoamento de Pessoal de Nível Superior - Brasil (CAPES) - Finance Code 001; process 88887.464433/2019-00; Conselho Nacional de Desenvolvimento Científico e Tecnológico (CNPq) 307536/2018-1; and 311530/2018-4.

K

trade strongly (WTO, 2020), and it will generate significant changes to organizations worldwide.

According to [World Bank \(2020b, 2020a\)](#), global gross domestic product (GDP) can decrease 5.2% in 2020, characterizing the worst global recession since Second World War. Despite the high uncertainty related to these projections, the report emphasizes the dependence of these results on pandemic duration.

The impact magnitude of this crisis on global economy is showing failures in business management that are usually not perceived during periods of growth and wealth and to survive, companies need to adapt themselves. Ok, it is necessary to recognize that this might be a crisis that could not be predicted and that it occurred abruptly, quickly and was generated by a virus of high contagion and lethality. But the main point to be debated here is that few organizations are prepared for the “next crisis” or for less favorable scenarios.

[Dertouzos et al. \(2020\)](#) describes five action stages necessary for companies to survive during the pandemic: resolve – in which stakeholders need to be adapted for changes imposed by the pandemic; resilience – in which rapid management adaptations need to be made and strategies to deal with this new reality need to be deployed; return – in which production is restarted and the restart coordination throughout supply chains may be the main challenge; reimagination – in which organizations will need to recreate themselves for the new reality and companies that properly address the opportunities in this recreation can be better and more efficient than before; and reform – in this last stage, sectorial analysis will be required for companies to be better prepared in the future. [Barbosa \(2020\)](#) corroborates with this argue.

In this context, this viewpoint aims to reflect on some management issues that are well-founded by academic literature, but which unfortunately had been neglected by many leaders of several companies until the beginning of the pandemic, such as periodic critical analysis of companies business models, business continuity management systems, risk management, resilience principles in supply chain management, necessary changes to production systems, occupational health and safety systems and new ways of working. It is important to highlight the core role of leaders in crises periods. [Gürlek and Çemberci \(2020\)](#) emphasize the importance of leaders to positively influence the knowledge management capacity and the innovation outcomes and, as consequence, the organizational performance.

Reflections

We begin our reflection on the need to carry out periodic evaluations of business models practiced by companies, regardless of their size or segment. It is necessary to periodically check their suitability for the market. However, before the pandemic, this verification was little practiced by most leaders who debated their business models only when their companies were being created. The COVID-19 pandemic “questioned” business models of many companies and brought up the mentioned need ([Scudere, 2020](#)). [PwC \(2020\)](#) corroborates with this argue, mentioning that the pandemic context forced companies to rethink, reassess and diversify their actions. Organizations that find alternative ways to continue selling their products or that are looking for alternatives different from those practiced are surviving. This pandemic has been generating the need for companies to rethink their strategies, actions and management skills. It is the role of business leaders to conduct their companies in a “reflection process” to verify the adequacy of organization activities regarding the moment experienced; the leader should allow employees of different hierarchical levels to express their opinions and contribute with their experience ([Eisenbach et al., 1999](#); [Feng et al., 2016](#); [Volckmann, 2005](#)).

It should also be noted that the pandemic scenario introduced new variables in business models critical analysis, which did not exist before, and which will probably continue existing in the “new normal.” There will even be, at least until the emergence of an effective vaccine, an “economy of little contact” that includes restrictions resulting from social interaction, new habits of consumers and an exponential growth of adoption of work modalities that were little used before, such as work from home (WFH) modality.

Regarding WFH, several challenges will be experienced by leaders (Mysirlaki and Paraskeva, 2020), and we believe that several items should be debated by these leaders, such as new ways of measuring the productivity of employees working at distance, ways to motivate and lead teams in this new context, issues related to information security, conciliation between professional and personal issues in the same work environment, infrastructure aspects, among others. Davis (2020) and Di Vaio *et al.* (2020) corroborate the previous argument. For Davis (2020), the pandemic will continue influencing the way businesses work; companies will have to reinvent themselves, including market demands, operations execution and the use of new ways of working. For Di Vaio *et al.* (2020), business models need to be rethought and redesigned based on scenarios analysis, including the effects of the COVID-19 pandemic.

The adoption of a new way of working by a company can be considered a great organizational change and requires detailed planning before its implementation (Martínez-Sánchez *et al.*, 2008; Tietze, 2005). In the COVID-19 pandemic, however, organizations were not able to develop the detailed planning mentioned and the WFH modality had to be adopted suddenly. In this sense, mistakes and successes happened and managers need to behave like “true leaders,” to recognize their mistakes, use lessons learned and improve the performance of their team. However, it should be noted that despite the challenges, the decision of leaders to adopt WFH modality was right, as they ensured workers health and safety while they were able to minimize economic losses and the closing of job positions.

Focusing on business critical analysis, there are many ways to conduct this. A first suggestion presented here is the Business Model Canvas proposed by Osterwalder and Pigneur (2010). Leaders can use of its structure and verify whether the value proposal, distribution channels, forms of relationship with customers, activities, partnerships, costs, among other aspects of company remain valid even after the disruption caused by COVID-19. Another possibility that may overlap some elements of the Business Model Canvas, is to analyze the business model in the light of 4 P (product, price, place and promotion) disseminated by McCarthy (1964). Based on these analyzes, leaders can decide to reposition the company’s activities and change the market, to maintain the original activity, but to change the characteristics of place, price and promotion, among other possibilities. Reinvention seems to be the keynote today. This is expected to make business models more agile, accurate and adequate, to increase the chances of business continuity. It is important to highlight that the Business Model Canvas and the 4 P can be used by companies of any sector and size. During the COVID-19 pandemic, many small businesses worldwide innovated in terms of the products offered or communication channels. Organizational change may be necessary in different sizes companies, aiming to adapt them to a certain reality (Kumar *et al.*, 2016; Mendy, 2020). It is important that the organizational change can be executed by leaders, whether they are employees or entrepreneurs. The entrepreneurs should constantly verify if their ventures generate adequate values to the customers (Roth *et al.*, 2018).

Still regarding business continuity, it is important to highlight an ISO standard that few leaders know and is very “adequate” for the present moment: ISO 22301:2020. This standard presents the requirements for a business continuity management system, to avoid activities

K

interruption because of significant disasters (ABNT, 2020). This standard establishes a holistic management process to identify potential threats to an organization and the impacts on the operations it develops. It specifies issues related to planning, implementation, monitoring and maintenance of that system, always aiming at continuous improvement. In summary, it provides a structure to create organizational resilience with the ability to generate effective responses to protect the interests of its main owners, value creation, company's reputation and brand (ABNT, 2020).

Regarding companies lack of preparation to conduct business in environments marked by disturbing incidents, it is worth mentioning Olarte Rojas (2017), Rezaei Soufi *et al.* (2019) and Wong (2019). For Olarte Rojas (2017), uncertain scenarios and poor business continuity management can lead companies to bankruptcy. For Rezaei Soufi *et al.* (2019), the lack of principles associated with management of business continuity can generate irreparable consequences. Finally, for Wong (2019), continuity management is a critical success factor for business strategy.

Business continuity management allows companies to identify existing threats and, therefore, enables better risk management. In fact, risk management is characterized as another aspect well-founded by academic literature, but little practiced by many leaders in organizations routine. The moment we are experiencing as a result of the pandemic presents many threats and managing risks for better decision-making is essential.

According to ISO 31000 (ISO, 2018a, p. 1) risk can be understood as the "effect of uncertainty on objectives." The academic literature presents several tools and models for risk management, covering both qualitative and quantitative analysis tools. Paula *et al.* (2019, p. 135), for example, they list quantitative tools that can be used in project risk management. When observing the reality of most companies; however, there are superficial risk analyzes, carried out without foundation and of a qualitative character. Quantitative tools for this purpose, with rare exceptions, are hardly used.

How will the post-pandemic company management of COVID 19 be characterized? Scudere (2020) states that the stage after the observed disruption, in terms of management, will be marked by resilience. According to Ruiz-Martin *et al.* (2018), the need to be resilient after a disturbing event helps organization to deal with new market demands, thus contributing to its continuity. Resilience is expected to occur not only in company's environment, but throughout the entire supply chain in which the organization is inserted.

For Sawyer and Harrison (2019, p. 83), the concept of resilience in supply chain management involves several factors, such as collaboration, integration, flexibility, redundancy, agility, aggregate decision-making, information security, risk management, human resource management, sustainability management, among others. Many of the factors listed by these authors from a systematic literature review are not carefully considered by business leaders in less turbulent times in economy; when they are considered, they are not considered a priority in companies.

Focusing on activities along the supply chain, which must necessarily be carried out personally by employees, requirements that were previously not considered are necessary and leaders should reflect on them. It becomes necessary to guarantee strict health conditions to all employees to enable them carry out their activities without risk of contamination, until at least the emergence of an effective vaccine against COVID-19. Work environments with hundreds of people close to each other will require special attention from leaders. As examples, it can be mentioned large distribution centers as well as large production lines.

In a context in which leaders must ensure "safe and healthy workplaces" (ISO, 2018b, p. vi) for employees who need to be physically present to perform their activities, occupational health and

safety management systems, such as the one disseminated by ISO 45001, will increasingly gain prominence. Examples of ISO 45001 issues to which leaders should pay more attention are: identification of potential sources of health problems, such as physical proximity among employees working in operations and administrative; more effective communication and development of activities that provide greater awareness; greater participation of workers in defining the needs for the “new normal,” to guarantee meeting their expectations; greater attention to prepare emergency plans and responses; among others (ISO, 2018b). The decision to consider COVID-19 contamination risk an occupational health and safety issue is a wise and necessary decision that leaders need to take.

Final considerations

As previously highlighted, this viewpoint is characterized as a reflection on concepts well-grounded in academic literature, but which unfortunately had been neglected by leaders of many companies until the beginning of the pandemic. The adoption of these concepts will require significant changes in several companies; however, it will increase the business continuity and organizational development; the real consequences of the crisis caused by COVID-19 pandemic will only be known in some years; then, sooner companies leaders conduct a critical analysis on their business and recognize “mistakes” and concepts neglected in terms of management, greater will be the chances of survival. This is in line with Kucharska and Bedford (2020). The authors argue that the “acceptance of errors” allows greater adaptability regarding organizational change. Collaboration, knowledge derived from lessons learned and the culture of learning help organizations to overcome their problems. Emphasis on the reflections presented in this viewpoint should also be given to the training of future leaders at universities.

Finally, we emphasize that this viewpoint aims to expand the debates about how leaders can better use administrative concepts to enhance the organizational development of their companies after the COVID-19 pandemic, considering authors point of view and the literature. It was evidenced in the text that the impact of this pandemic could be minimized if companies were not neglecting these administrative concepts and this experience can be used as an improvement opportunity.

References

- ABNT (2020), *ISO 22301: Segurança e Resiliência – Sistema de Gestão de Continuidade de Negócios - Requisitos (Security and Resilience – Business Continuity Management Systems - Requirements)*, ABNT, Rio de Janeiro.
- Barbosa, J.A. (2020), “The applicability of technology in the new coronavirus pandemic (Covid-19)”, *Revista Da FAESF*, Vol. 4, pp. 48-52.
- Berman, J.D. and Ebisu, K. (2020), “Changes in US air pollution during the COVID-19 pandemic”, *Science of the Total Environment*, Vol. 739, p. 139864.
- Davis, J. (2020), “COVID-19 era offers proving ground for new business models—for better or worse”, available at: <https://news.umich.edu/covid-19-era-offers-proving-ground-for-new-business-models-for-better-or-worse/> (accessed 8 July 2020).
- Dertouzos, J. Freund, H. Mischkot, M. Padhi, A. and Tschiesner, A. (2020), “Coronavirus: five strategies for industrial and automotive companies”, McKinsey and Company, available at: www.mckinsey.com/industries/advanced-electronics/our-insights/coronavirus-five-strategies-for-industrial-and-automotive-companies.
- Di Vaio, A., Boccia, F., Landriani, L. and Palladino, R. (2020), “Artificial intelligence in the Agri-Food system: rethinking sustainable business models in the COVID-19 scenario”, *Sustainability*, Vol. 12 No. 12, p. 4851.

K

- Eisenbach, R., Watson, K. and Pillai, R. (1999), "Transformational leadership in the context of organizational change", *Journal of Organizational Change Management*, Vol. 12 No. 2, pp. 80-88.
- Feng, C., Huang, X. and Zhang, L. (2016), "A multilevel study of transformational leadership, dual organizational change and innovative behavior in groups", *Journal of Organizational Change Management*, Vol. 29 No. 6, pp. 855-877.
- Gürlek, M. and Çemberci, M. (2020), "Understanding the relationships among knowledge-oriented leadership, knowledge management capacity, innovation performance and organizational performance: a serial mediation analysis", *Kybernetes*, Vol. 49 No. 11, pp. 2819-2846.
- ISO (2018a), *ISO 31000 - Gestão de Riscos – Diretrizes (Risks Management – Guidelines)*, ABNT, Rio de Janeiro.
- ISO (2018b), *ISO 45001 – Sistema de Gestão de Saúde e Segurança Ocupacional - Requisitos Com Orientação Para o Uso*, ABNT, Rio de Janeiro.
- Krishnamurthy, S. (2020), "The future of business education: a commentary in the shadow of the Covid-19 pandemic", *Journal of Business Research*, Vol. 117, pp. 1-5.
- Kucharska, W. and Bedford, D.A.D. (2020), "Love your mistakes! – they help you adapt to change. How do knowledge, collaboration and learning cultures foster organizational intelligence?", *Journal of Organizational Change Management*, Vol. 33 No. 7, doi: [10.1108/JOCM-02-2020-0052](https://doi.org/10.1108/JOCM-02-2020-0052).
- Kumar, V., Babu, G. and Muthusamy, S. (2016), "Assessing the awareness of the agile manufacturing for organizational change in Indian small manufacturing firms", *Journal of Organizational Change Management*, Vol. 29 No. 5, pp. 713-731.
- McCarthy, E.J. (1964), *Basic Marketing: A Managerial Approach*, Richard D. Irwin, Inc., Homewood.
- Martínez-Sánchez, A., Pérez-Pérez, M., José Vela-Jiménez, M. and De-Luis-Carnicer, P. (2008), "Telework adoption, change management, and firm performance", *Journal of Organizational Change Management*, Vol. 21 No. 1, pp. 7-31.
- Mendy, J. (2020), "Staff preferences in four SMEs experiencing organizational change", *Journal of Organizational Change Management*, Vol. 33 No. 2, pp. 331-348.
- Mysirlaki, S. and Paraskeva, F. (2020), "Emotional intelligence and transformational leadership in virtual teams: lessons from MMOGs", *Leadership and Organization Development Journal*, Vol. 41 No. 4, pp. 551-566.
- Olarte Rojas, A.D. (2017), "Propuesta metodológica Para la evaluación de la madurez del sistema de gestión de continuidad del negocio en el sector financiero bancario colombiano bajo el enfoque de la norma ISO 22301:2012", *SIGNOS - Investigación En Sistemas de Gestión*, Vol. 8 No. 1, p. 31.
- Osterwalder, A. and Pigneur, Y. (2010), *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, John Wiley and Sons.
- Paula, C.P. D., Cordeiro, G.A., Rampasso, I.S., Ordóñez, R.E.C. and Anholon, R. (2019), "Métodos quantitativos Para gestão de risco em projetos: Uma revisão da literatura", *GEPROS, Revista Gestão da Produção Operações e Sistemas*, Vol. 14 No. 2, pp. 129-148.
- PwC (2020), "COVID-19: UK industry focus - Where next for business-to-business services?", available at: www.strategyand.pwc.com/uk/en/insights/where-next-for-business-services.html (accessed 8 July 2020).
- Rezaei Soufi, H., Torabi, S.A. and Sahebjamnia, N. (2019), "Developing a novel quantitative framework for business continuity planning", *International Journal of Production Research*, Vol. 57 No. 3, pp. 779-800.
- Roth, S. (2020), "Weak evidence for strong pandemic interventions: a 2019 WHO warning for the current COVID-19 crisis", *Kybernetes*, doi: [10.1108/K-04-2020-0248](https://doi.org/10.1108/K-04-2020-0248).
- Roth, S., Valentinov, V., Kaivo-Oja, J. and Dana, L.-P. (2018), "Multifunctional organisation models", *Journal of Organizational Change Management*, Vol. 31 No. 7, pp. 1383-1400.
- Ruiz-Martin, C., Lopez-Paredes, A. and Wainer, G. (2018), "What we know and do not know about organizational resilience", *International Journal of Production Management and Engineering*, Vol. 6 No. 1, p. 11.
- Sawyer, E. and Harrison, C. (2019), "Developing resilient supply chains: lessons from high-reliability organisations", *Supply Chain Management: An International Journal*, Vol. 25 No. 1, pp. 77-100.

-
- Scudere, L. (2020), "O novo normal? Como modelos de negócios devem evoluir em um mundo pós-pandemia", available at: <https://cio.com.br/o-novo-normal-como-modelos-de-negocios-devem-evoluir-em-um-mundo-pos-pandemia/> (accessed 13 July 2020).
- Tietze, S. (2005), "Discourse as strategic coping resource: managing the interface between 'home' and 'work'", *Journal of Organizational Change Management*, Vol. 18 No. 1, pp. 48-62.
- Verma, S. and Gustafsson, A. (2020), "Investigating the emerging COVID-19 research trends in the field of business and management: a bibliometric analysis approach", *Journal of Business Research*, Vol. 118, pp. 253-261.
- Volckmann, R. (2005), "Assessing executive leadership: an integral approach", *Journal of Organizational Change Management*, Vol. 18 No. 3, pp. 289-302.
- Wells, P., Abouarghoub, W., Pettit, S. and Beresford, A. (2020), "A socio-technical transitions perspective for assessing future sustainability following the COVID-19 pandemic", *Sustainability: Science, Practice, and Policy*, Vol. 16 No. 1, pp. 29-36.
- Wong, W.N.Z. (2019), "Transforming corporate performance: a business continuity management approach", *Organizational Dynamics*, Vol. 48 No. 2, pp. 29-36.
- World Bank (2020a), *Global Economic Prospects*, World Bank, Washington, DC, doi: [10.2307/j.ctt183pb3w.5](https://doi.org/10.2307/j.ctt183pb3w.5).
- World Bank (2020b), "The global economic outlook during the COVID-19 pandemic: a changed world", available at: www.worldbank.org/en/news/feature/2020/06/08/the-global-economic-outlook-during-the-covid-19-pandemic-a-changed-world (accessed 9 July 2020).
- WTO. (2020), "COVID-19 and world trade", available at: www.wto.org/english/tratop_e/covid19_e/covid19_e.htm (accessed 9 July 2020).

Corresponding author

Izabela Simon Rampasso can be contacted at: izarampasso@gmail.com

Author affiliations

Rosley Anholon, School of Mechanical Engineering, State University of Campinas, Campinas, Brazil

Dirceu Silva, Faculty of Education, State University of Campinas, Campinas, Brazil

Jefferson Souza Pinto, Federal Institute of Education Science and Technology of São Paulo, Bragança Paulista, Brazil and School of Mechanical Engineering, State University of Campinas, Campinas, Brazil

Izabela Simon Rampasso, PNP/CAPES Program, Doctoral Program in Sustainable Management Systems, Federal Fluminense University, Niterói, Brazil and School of Mechanical Engineering, State University of Campinas, Campinas, Brazil

Maria L.C. Domingos, Doctoral Program in Sustainable Management Systems, Federal Fluminense University, Rio de Janeiro, Brazil

Janice H.O. Dias, Doctoral Program in Sustainable Management Systems, Federal Fluminense University, Rio de Janeiro, Brazil

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgrouppublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com