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## Management Strategy: Business Challenges and Working Ethos in the Era of Covid-19 Pandemic

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### ABSTRACT

The Covid-19 pandemic has shaken the business world which has brought down many retail businesses which indirectly impacted manufacturing companies. The retailers have done changes in serving customers; the phenomenon has shifted consumer behavior from the classic face-to-face way of purchasing to online purchases. Then has created new challenges in the business world and has an impact on business operations at large. The purposes of this research are to generate some fresh ideas to support the working ethos in the era of the Covid-19 Pandemic. The method used in research is a literature review, which describes the findings that new business situations have to be tamed by entrepreneurs and are unavoidable. The solution is an idea to set a custom work ethic; in terms of improving work ethic to proactive action, which includes several particular attitudes such as smart, respectful, honest, and assertive. Expectedly the work ethic will motivate creative strategies to overcome the business challenges of a new phenomenon. In the end, consistent implementation of work ethic is a must to support business survival.

### INTRODUCTION

Daily economic conditions and behavior of social life are related to the current business phenomenon. In general economic conditions represent macroeconomic growth circumstances; while the behavior of social life describes purchasing power and market growth. Those 2 condition presents challenges for the business world, which will be overcome by effective business strategy through forming a working ethos.

The current actual business phenomenon is concerning market conditions related to the Covid-19 pandemic's impact. The widespread of Covid-19 in various countries has created a new market phenomenon, such as changes in the behavior of business people and consumers in conducting transaction activities; from conventional styles of visiting sales locations, but now a day has been switching to digital transactions without visiting sales locations. Changes in transaction style have impacted various supporting sectors of the main business, either directly or indirectly related.

Basically, the Covid-19's impact spectrum disturbs all basic joints of economic and social life activities. The basic business pillars of various industrial sectors also suffer such as declining demand, rising production costs, and declining profits; while the impact on social life, such as unemployment, changing professions, and decreasing consumer purchasing power.

The market phenomenon leads to VUCA (Volatility, Uncertainty, Complexity, and Ambiguity), so it becomes a challenge for business people to maintain a strong working ethos to preserve the existing market position; through the various creative effort to make a turning point by breakthrough market threats, then turn it into opportunities. The creative effort in turning threats into opportunities is an interesting part of strategic management and the business people should keep the eye on any changes in the business phenomenon, so at least they can maintain the existing market position due to Covid-19. In essence, creativity comes from the corporate ethos,

which is reflected in the behavior and attitudes of business people, both individually and as a group.

The corporate ethos is reflected in various behaviors and attitudes that include several attitudes, those are Smart, Respectful, Honesty, and assertive. The working ethos is fundamental for adopting new standards and building awareness of adapting to new market phenomena (Cueni, 2022). The purpose to achieve a strong working ethos requires committed behavior in terms of being willing to accept change and carry out transformation as well.

## **METHODS**

The applied method in the research is reviewing findings of related literature in terms of the article in journals and books; is called the literature review method (Paréet al., 2015). The research is exploring and identifies practice gaps in business challenges and working ethos. Then, analyzing and summarizing both factors to obtain new findings in terms of the idea of working ethos regarding the Covid-19 Pandemic's effect. The reviewed subjects are concerned with the outlook of business challenges and working ethos which is describing a specific concept. So the research aims to provide an account of a new idea at the time of review (Xiao & Watson, 2019).

## **RESULTS AND DISCUSSION**

The result of relevant kinds of literature exploring leads to some issues and has been identified as the core of the research matter which will be carried in the discussion in the following description.

### **Business challenge**

During the Covid-19 pandemic, business entities face challenges like stepping at the crossroad. Challenges arise from market new behavior and unfavorable business performance. The typical business market phenomenon is sluggishness market, while the company's performance just to maintain the existing position in the market and the company's productivity. The sluggish business market phenomenon, which was born by the impact of the Covid-19 pandemic has hit all industrial sectors since there is limited mobility due to health protocols; some bad past experiences create phobia or fear of joint social activities freely. Although, the market

circumstances will recover naturally, but it has created market trauma and changed market behavior. Any way to overcome the market trauma naturally is take time and requires a transition period. Market trauma is interpreted as disrupted market excitement due to purchasing power decrease and the switching of consumer behaviors to a new way of buying products, which has affected the change in market behaviors globally shifting the usual pattern of transactions to a new pattern in conducting transactions; such as face to face conventional transactions between sellers and buyers. Now a day, it has been shifted to online transactions. This circumstance is unavoidable but acceptable. According to ILO research (2020) in the second quarter of 2020, it was found that 78% of business people around the world made adjustments to their business operation patterns, while businessmen in the Asia Pacific region reached 81%.

The downturn in the market is a major challenge for businesses; that condition should be handled quickly and appropriately to avert metamorphosing into a threat to company performance and in the bad case will lead to bankruptcy. Therefore, business people should develop a rigorous working ethos that contains distinctive values to overcome challenges with creativity to flip over the threats and metamorphose into opportunities. Basically, companies are required to build resilience in taming the challenges, while at the same time be able to seek opportunities inside the challenging market phenomena. Companies' resilience can be built with several efforts (PWC, 2021) starting with building a strong management team; identifying challenges and developing breakthrough plans; strengthening strong culture in all lines of work; and the last is carried out the execution in effective & efficient strategy bases.

Fundamentally, the challenges which arise from market phenomena is a burden on businessmen, though in another hand unescapable to do some effort to overcome it; since maintaining the existing market position duty is the least. However, in practice might be hard to invent appropriate and efficient steps in a short time; so no wonder the strategy launched does not overcome the challenges but create a new burden on the company and then threatened the existing business

level. A wise step to break through the challenges is to strengthen corporate working ethos followed by flexible and creative adjustments, which expectedly will create holistic resilience in the sense of all lines in the company from the top level to the bottom are ready to face the market challenges and threats.

### **Working ethos**

Work ethos is categorized of a popular element ranked at the top endeavor as well as others to improve company performance, because the core value of ethos is formed in a series of beliefs, ideas, and interpersonal relationships (Dictionary Cambridge, online); which is manifested in wise behavior, good morals, and sincerity. Working ethos is the armor to help companies rise and fight back in dealing with new phenomena intrusion. In other words, companies will do the upmost effort and commit to holding on rigorous working ethos to generate working enthusiasm and creativity with the purpose to overcome business challenges during the Covid-19 pandemic and beyond. Practically, working ethos must be owned by all companies and applied and developed properly; consistency of implementation and effective application of working ethos in routine activities is essential and it will help company doughtiness to face and overcome challenges greatly.

As per Mc. Kinsey consultants' statement in a paper (Mysore, et al., 2021), clarified that to deal with the new business phenomenon which appears from the Covid-19 pandemic; there are several recommended approaches to be taken regarding business survival, such as: understanding specific consumer needs; build individual-based consumer relationship; adopt new business operations style which is not tied up to physical office; creative thinking; then keep in touch with the environment living through corporate social responsibility program.

So, business people should make flexible pattern adjustments to business operations for the sake of the company's presence and position in the market. Adjusting business operation patterns means conducting changes to the business operating system which is including working systems, working attitudes, changing infrastructure, and structure. Eventually, the working ethos is rejuvenated; the mission is to change leading to sustaining the company's position in the market, by the whole company's workforce who should be

committed to carrying out the working ethos all out to adapt to the latest phenomena of business. Rejuvenate working ethos does not unaffordable work since it has been merged in behavior and attitudes, which are ready to be explored and developed in some proactive actions. Proactive actions are anticipatory actions that motivate initiative to improve the current situation by changing or adjusting attitudes to deal with existing conditions and beyond.

Even though there is no absolute standardized definition of proactive since the understanding is quite diverse in complex multi-dimensional activities related to individual, organizational, and market phenomena. In short, the core of being proactive is actively seeking information and opportunities to improve and overcome problems or the status quo situation, which is not a reactive action to respond to a problem (Deren & Skonieczny, 2021; Crant, 2000; Ashford, et al., 1998). Proactive actions are reflected in several attitudes such as careful, respectful, honesty, and assertiveness; those actions will be discussed in the following section.

### **Smart**

The required action for businessmen is to conduct a keen analysis of current phenomena which is the final phase of building creativity wisely in terms of new ideas found to achieve goals (Sternberg & Stenberg, 2011). The action target is transforming the company's weak elements to be strong elements, such as a distinctive breakthrough action, which is an unusual and new way categorized in related industry practice. The challenging market phenomenon is driving business entities' creativity to preserve their market existence; this is in line with the findings of Gross (2018) from Harvard Business School, who states that competition can motivate creativity. Therefore, business people should do some creative effort to innovate new operating systems that will support existing systems with notes that the pattern is not counter-productive.

### **Respectful**

Theoretically, understanding of respect exists in 2 (two) scopes, the first is humanity based, and the second is social valued attributes, behaviors, and achievements-based (Grover, 2014). Both types of respect are applied in business practice since it relates to the company's interpersonal activities and

external activities of the business partner relationship. Respectful connotation is associated with proactive action linkage that is tied to interactive action in meeting social status needs inspired by mutual communication and mutual understanding to accept the current situation; so expectedly can build smooth communication that has positive implications for individual relationships which is motivating performance improvement (Rogers & Ashforth, 2017; Florea & Manea, 2016). So eventually, the attitude of respect is useful both for the company's internal collaboration and externally for customers beneficial or company stakeholders.

### **Honesty**

A specific effort to deal with market disturbances; moreover, to maintain customer loyalty, an attitude that really touches the heart of the customer when dealing with the company is needed. This effort is honesty, which is expected to be able to overcome difficult conditions in the market disruption that was hit by the Covid-19 pandemic. Honesty will build mutual trust between buyers and sellers, who are dealing with new ways of transacting using online technology for the settlement of both payments and orders. Basically, honesty is a moral obligation and responsibility in doing business (Wilson, 2018); both activities in internal organizations between employees and employers to provide quality products and services provided or when carrying out external activities regarding the responsibility for the disclosure of business information needed by stakeholders (Kasasbeh, et al., 2014; Bialkowska, 2022). The possibility of pure honesty seems to be burdensome, but nevertheless, honesty to reveal the actual conditions is needed, which is at least free from the influence of individual interests and external interests.

### **Assertiveness**

The next proactive attitude is assertiveness, which consists of direct expressions of respect, thought, and honesty (Koparan et al., 2009). Business actors need to build aggressive steps that have positive values aimed at stakeholders, both internal and external to the organization, to have a quick understanding of market phenomena and clear communication to ensure stakeholders and their acceptance of the company's strategy and existence. Assertiveness has a special power needed by

business people in making decisions, especially when they face business challenges in difficult conditions, so the decisions taken must be creative (Maric & Marko, 2010; Baciu, et al, 2020; Cepeda, 2011). Creative decisions characterize the quality of decisions in terms of firmness, usefulness, value, and growth at the time of implementation.

### **Business challenges Vs. Working ethos**

Actually, to behave proactively in a working ethos is a common attitude of businessman; but the problem is, it does not consistently implement. So they do not ready quite when the challenges come, particularly when facing the phenomenon of new market behavior due to the Covid-19 pandemic. The key to success in facing challenges is the consistent implementation of working ethos, though it is subject to change following market phenomena. The expectation of the result can overcome market challenges by effective business policy, ultimately. An effective policy is the company's target, to maintain its market position. The policy is built on creativity by turning the company's weaknesses into strengths, then seeing opportunities through market threats. Creativity requires proactive behavior and an attitude attached to it.

According to Ellis Nichol (www.ellisnichol.com), 7 important elements in the working ethos are expected to support the company's success in facing business challenges, namely: (1) Unite the fighting spirit between work units to achieve goals. (2) Build a working atmosphere of mutual trust. (3) Achieving excellence is the target. (4) Firmly say no to things that are not good. (5) Teamwork helps and serves each other. (6) Be flexible and ready to change. (7) Readiness to Contribute to Improvement.

### **CONCLUSION**

Working ethos is a weapon to answer business challenges, what is important in the working ethos is always proactively thinking beyond and realizing new phenomena, then building creativity to turn the company's weaknesses and threats to the company into profitable for the company's growth, as the Chinese say *Grab Chance in Danger*; by formulating a holistic strategy. However, the advantage of achievement is not only having a distinctive working ethos but being able to implement is a must. Effective working ethos motivates collaboration between working teams to

find the best way and make changes to adapt to the latest phenomenon.

So, the suggestion from the endnote is: (1) Companies need to standardize a clear direction of working ethos and apply holistically above the organization such as doctrine but not sacred and rigid; the point is flexible doctrine. (2) The working ethos needs to be rejuvenated regularly following the latest market phenomenon, with the thought of always moving forward and exceeding challenges for the sake of company excellence.

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