

Article

From Fragility to Resilience—How Prepared Was the Romanian Business Environment to Face the COVID-19 Crisis?

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Abstract: The issue of business resilience is a topical one, in the context of which a large number of the companies on the market have faced many challenges in the last two years, raising the issue of market survival. But was the Romanian business environment ready to face the COVID-19 crisis? How prepared is it to continue to face the obstacles posed by the pandemic? The purpose of this paper is to identify the main effects that the pandemic has generated on Romanian SMEs, while presenting the results of a study on this topic. We proceeded to determine the level of familiarity of respondents on the evolution of SMEs during the pandemic and the study of their level of interest, on the effects generated by the current epidemiological context, and on the evolution of the business environment, while analysing the level of optimism/pessimism of the respondents, regarding the general evolution of the Romanian business environment. Although some companies are open to implementing change, there is also a significant percentage of firms that, for various reasons, do not consider making major changes in the near future, either because they are not aware of the need for change or out of fear.

Keywords: resilience; SMEs; COVID-19; risk; business environment



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1. Introduction

The Romanian business environment can be characterized from multiple perspectives as unstable, fragile, even insecure; nevertheless, it has a significant development potential. The years before 1989, as well as a difficult, rather rigid mentality inherited from the past, along with general instability and a number of other micro and macroeconomic factors, contributed to the establishment of a general economic fragility.

Moreover, the period between March 2020 and the present moment has not been a re-invigoration of the context, but, on the contrary, the business environment has begun to be increasingly subjected to significant challenges, especially in the category of small and medium-sized enterprises, these being the most affected. The COVID-19 pandemic has expanded its influence and in this sense, some areas of activity, such as HORECA, tourism in general, the real estate sector, which are going through one of the most difficult periods of their existence. The effects were not only felt at the medical level, the business environment, and the SME sector, in particular, were largely influenced, especially as the workforce is the first to be subjected to the consequences of infection with the COVID-19 virus. The number of cases has been increasing, and the strategies applied at the level of certain companies have largely transposed the work of employees in the online environment, frequently using telework as a “survival” solution, while other companies have closed their doors permanently, sending the human resource into unemployment, thus interspersing a business crisis with the already existing medical crisis. However, this crisis is exacerbated as governments are reluctant to implement firm solutions to combat the effects of the pandemic, but also plan to threaten to impose restrictions that could push the business environment into an even bigger abyss by imposing mandatory sanitary conditions on employees.

Although worldwide there have even been controversies in this regard, beyond restrictions and negative effects, there are authors (Antonescu 2020) who also identify, overcoming the apocalyptic veil currently present globally, development opportunities offered to businesses.

Given, therefore, the rather unstable history of the Romanian business environment, as well as the imbalances generated during the last two years, in the context discussed, the question arises whether what has been done so far, by the state and entrepreneurs alike, is enough in order to ensure a sufficiently rapid economic recovery or, on the contrary, the agony will be further prolonged. Is the business environment capable of moving from fragility to resilience?

Therefore, we have proposed this study, with the general aim of analysing the ability of companies to successfully meet the challenges that the COVID-19 pandemic will continue to raise. This analysis is all the more justified in the context in which it will be necessary in the future to pay more attention to the way in which the activity of companies is managed, on the one hand, but it is also considered relevant to study the way in which, at the macroeconomic level, the state understands to support and sustain the creation of a state of resilience.

In support of this research, we propose a series of objectives, on the basis of which we later substantiated the arguments. Thus, we consider that the evolution of the business environment in general is important as information not only for the managers and employees of the respective companies, but also for the general population, in order to increase the awareness of citizens about the economic challenges they face.

The level of financial literacy of citizens is different, as is their interest and level of knowledge. Analysing the official statistics, we conclude that, in Romania, the financial literacy rate of the population is low, the OECD indicating in this sense a level below that of Moldova or Bulgaria (OECD 2020a), which partially reflects at least the general level of interest in the economy. Therefore, as a first objective, we even proposed studying the level of interest of the population in the way in which the companies were influenced by the effects of the pandemic. We focus the analysis on a more accurate category of enterprises, namely SMEs, given that they are the most numerous on the market and are even the “engine of the economy”. In direct connection with this aspect, respectively, to analyse the capacity of the economy to build a state of resilience, it becomes interesting to study the level of optimism or pessimism shown by the population regarding the future course of the economy, in order to also increase the level of awareness regarding the importance of supporting the activity of national or local companies, and to also contribute to a revival of Romanian companies. In support of the proposal of this objective, we can partially relate to the studies conducted by PwC Romania, which in CEO Survey 2021 Report indicates that Romanian managers are 60% optimistic about Romania’s economic recovery in the next 12 months.

The support provided by the state to the companies remains a very important pillar of sustaining the economy during this difficult period, as a result, a proposed objective for this study is to analyse the perception of the general population regarding the effectiveness of the implemented aid programs to the main perceived obstacles. According to Ziarul Financiar, in Romania “there are many opportunities for accessing state aid”, namely 12 approved state aid schemes, investors being encouraged to use them. These opportunities are offered in various fields, from production to services, from SMEs to large companies, but one of the obstacles that prevent Romanians from accessing them is largely represented by the lack of trust in the conditions of funding, i.e., a lack of trust in institutions in general.

Some negative elements, such as the low literacy rate or, on the other hand, the lack of trust in institutions or the inefficiency of the management strategies implemented at company level, are aspects that have existed for a long time in the economy. The COVID-19 pandemic has only amplified certain things and brought to light issues that had been ignored or “postponed until now” (Vasile 2020). Thus, the question arises: how prepared was the Romanian economy to face the COVID crisis, but also what solutions can be found

to reduce the negative effects and increase the positive results? Can fragility become a source of power?

2. Theoretical Background

A term used a lot in this past year is “resilience”. Starting with the ecological, political, social environment, the psychological field, and ending with the economic one (de Carvalho et al. 2016), this notion gradually entered the current language, with various articles drawing in the literature several directions of definition. Starting from the idea of general definition proposed by the Explanatory Dictionary of the Romanian Language (Academia Română 2009), by resilience we mean “a characteristic dimension describing the behaviour of materials subjected to shock”, and by extrapolating this idea to the business environment, we could interpret it through the ability of enterprises to return to their pre-crisis state. Some authors consider that “resilience refers to the ability of an organization to carry out its functions and return to a stable state after major disturbance or stress by considering the before and during” (Cumming et al. 2005; Gunderson 2000; Hearnshaw and Wilson 2013), while Zohuri and Moghaddam (2018) consider resilience as “the ability of a system to maintain certain functions, processes, or reactions after experiencing a disturbance”. The interpretation offered by other sources (Aldianto et al. 2021) defines resilience as “the ability to deal with challenging conditions”. The concept is mentioned in the 2030 Agenda for sustainable development (United Nations 2015), while McKinsey considers it “a vital necessity” (McKinsey&Company 2020). Deloitte proposes, moreover, the idea of “organizational resilience” (Țițirigă n.d.), in direct relation to the success of the company, explaining its meaning through the need to adapt to change and the ability to capitalize on opportunities; in other words, the ability to react positively to an unfavourable situation. On the other hand, according to FPA (2005), business resilience is directly connected to the idea of safeguarding the people and assets in the organization. FortressAS (n.d.) sources even talk about a specific typology regarding the term resilience, identifying operational resilience, team resilience, personal, and organizational resilience, respectively, while Deloitte (2019) differentiates between business and cyber resilience. KPMG (2020), on the other hand, indicates a distinct typology, namely: financial resilience, operational resilience, commercial resilience, and community resilience.

Additionally, in the context in which the negative effects of COVID 19 (Rusu and Nucu 2020) were felt on all levels of life, the term “resilience” has gained increasing popularity, Beninger and Francis (2021) found that the pandemic has only “revealed how unprepared many companies are to be able to handle major crises”.

An analysis in this regard should definitely take into account the fact that the evolution of the Romanian SME sector was positive until 2019, therefore the subsequent impact is felt at a significant level. Uncertainty about the time horizon when the pandemic shall end, combined with media coverage mainly of negative news, contributes greatly to the establishment of a general economic and psychological depression, combined with a growing distrust of the population in the capacity of business recovery. It would be interesting to study the impact of this period on the results obtained by SMEs, also taking into account their location. Thus, according to information published by The European Commission (2020), in 2020, most Romanian SMEs (45%) were in large cities, while 40% in small cities. Only 14% were based in rural areas, 2% in industrial areas, 5% being located near the border with an EU member country, and 2% on the border with a non-EU country.

The fact that SMEs play the role of “engine of the economy” is recognized globally, Eurostat itself acknowledging that they “are essential for national economies” (Eurostat 2021), their support during the pandemic “as part of a set of measures” proposed by the European institutions (according to ec.europa.eu). Actions to help small and medium-sized enterprises have varied from one state to another, and on the one hand, there can be talk of guaranteed agreements for the provision of aid in certain hard-to-reach sectors, facilitating the maintenance of jobs, offering loans on more favourable terms, financing of environmental investments, etc. One sector that benefited from support in the Baltic

countries was the artistic and creative one, while in Romania, the precarious situation of this industry during the pandemic gave rise to many controversies.

In 2020, SMEs faced (Mocanu and State 2020) a major and sudden shock at the same time. Research conducted by the National Council of Small and Medium Private Enterprises in Romania highlighted in the White Paper on SMEs some major difficulties facing small and medium-sized enterprises. These include: “uncertainty about future developments, suspension of activity, bureaucracy, excessive taxation, inflation, rising spending, poor quality of infrastructure, and competition from imported products” (The National Council of Private Small and Medium Enterprises in Romania 2020). However, in order to support the idea of resilience, any organization must focus its attention on the use of available resources (Beninger and Francis 2021), and, on the other hand, efforts must be focused on shaping a plan as coherent as possible, while building a bilateral relationship with the community. A resilient organization is considered to be the one “capable of surviving over time, in the context of current and future challenges” (Quendler 2015). Still, one cannot deny that “COVID-19 has made it more challenging to manage different stakeholders’ interests”, as OECD studies (OECD 2020b) state.

The data provided by Statista (2021) show that as regards the strategic risk plans of companies during the COVID-19 pandemic, only 27% of them included in 2020 the existence of epidemiological risks. INSCOP Research (2020), also carried out in 2020, indicates in proportion of 80.7% that Romania’s status as a member of the European Union can contribute to combating the COVID-19 pandemic, and can even help to overcome the economic difficulties caused by it. As for the capacity of institutions and organizations that can contribute to minimizing the impact of COVID-19 on the Romanian economy, the data presented by INSCOP show that the institution that can have the greatest effect in this regard is considered to be the Government of the country (in proportion of 69.4%); in the same list, the following are also included: National Bank of Romania (65.5%), Parliament (61.7%), commercial banks (55.5%), professional associations (47.2%), Chamber of Commerce and Industry (46.7%) etc.

According to the CBRE Group (2020) on the impact of the most important business strategies in the retail sector in Romania, we notice that most companies mention a reduction in the number of physical entities, but amplifying the online presence and, implicitly, increasing online sales capacity, while ex-business activity is identified by a relatively small percentage of organizations (16%).

Studies published by PwC during 2020, on the other hand, show, in relation with the consequences of the COVID-19 pandemic on the activity of companies, the fact that a large part of them (20%) reduced their activity in 2020, while some even stopped (19%) or partially stopped (18%). A total of 19% of the companies studied by PwC (PwC 2020) and for which Statista published information have not stopped working and can still pay employees’ salaries, while 10% no longer have this capacity, although they still operate. However, the overall impact on the labour market was significant (UBB-FSEGA 2022), as stated also by Radulescu et al. (2021). By comparing the third quarter of 2020 with the second quarter of the same year, the data published by Statista indicate that the most affected fields of activity were tourism and the hospitality industry, as well as culture and arts. At a considerable distance, but also affected, we find heavy industry, real estate, and trade, as well as transport and logistics.

One of the measures used was technical unemployment; however, many companies were reluctant to implement it, either because of the impossibility of making long-term forecasts or because it requires a much higher degree of flexibility than the one with which the undertakings concerned were accustomed. Studies conducted by the Romanian Institute for Evaluation and Strategy on 900 respondents published in June 2020 regarding the negative economic impact of the COVID-19 pandemic on individuals (IRES 2020) show that the majority of respondents (55%) identify a low and very low impact on revenues. The remaining 45% is at the opposite pole, mentioning a strong impact. The same trend can be noted regarding the criterion “savings”, the percentages being close, changes occurring

in terms of holiday plans, where a larger number of respondents identify a significant negative impact.

Assuming that the COVID-19 pandemic will end in the next period, the main development plans of Romanian SMEs aim, according to studies prepared by [The European Commission \(2020\)](#), to be a development within the country’s borders (73% of 500 companies analysed) or abroad (10% in European Union member states, 6% in non-EU countries). At the moment, when asked how their business has been impacted by the current context, entrepreneurs, according to Colliers International, consider that the demand for the products offered has decreased (50%), 23% are suffering the effects of employee absence, 23% are closing stores, and 15% are facing restrictions on the transport of goods. Consequently, the actions taken by entrepreneurs to counteract the negative effects of the COVID-19 crisis have focused on diversified efforts, with a focus on developing the online component of business, developing new products or services, or aggressive marketing campaigns. However, there a small part of them have not yet developed any recovery plan. Additionally, in the matter of the forecasts made by organizations on the expected level of profitability over the next year, most companies (40%), according to PwC Romania ([PwC 2020](#)), predict a stagnation, while only 12% estimate a level of profitability 10% higher than the current one.

On the other hand, the conclusions announced by EY ([Ion and Milcev 2021](#)) in relation with the main areas on which Romania needs to focus its efforts in order to maintain a competitive position indicate the following (Figure 1):

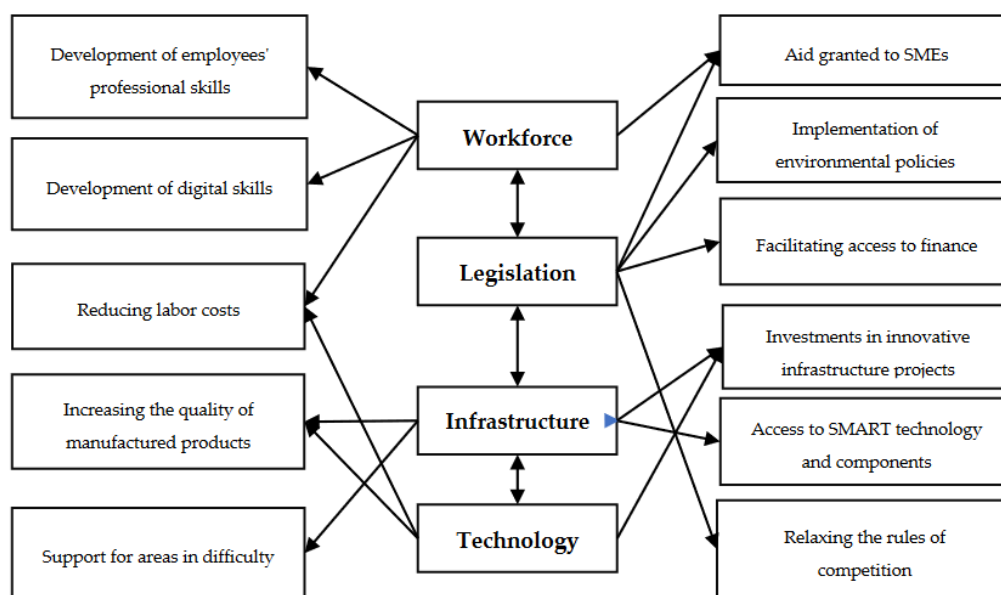


Figure 1. Areas in need of development. Source: interpretation of the author, according to information from EY Romania report.

As a basis for the applied study, several research questions were formulated, namely:

- What is the level of familiarity of the respondents regarding the experience of SMEs in this difficult period?
- To what extent are Romanians optimistic about the evolution of the business environment?
- To what extent do Romanians appreciate the programs implemented as efficient for the recovery of the business environment?

3. Materials and Methods

In the study, we proposed for analysis a series of ideas with which we will try to answer the research questions proposed above. The purpose for which we formulated these research questions is first of all to analyze the potential to achieve macroeconomic resilience, respectively, the capacity of the economic environment to return to its pre-

pandemic status. In this sense, the ability to achieve the best results even in unfavorable conditions becomes essential, as well as the ability to see the good side of things even in times dominated by crises.

We believe that, in order to be able to reach a state of resilience, in the current conditions, from the point of view of individuals, a very important role has several variables, namely:

1. A good knowledge of the phenomena, and the environment, respectively, of the organization itself, which can be achieved first of all through a thorough information and a continuous documentation;
2. Good ability to anticipate negative phenomena, respectively, their impact in the short, medium, or long term, on the organization;
3. The desire to involve individuals;
4. Ability to take risks;
5. Ability to be optimistic about the evolution of the business environment.

On the basis of these variables, in this research approach, we first formulated some objectives necessary to be achieved, in order to be able to answer the questions posed in the previous point. The proposed general objective was to study the evolution of the SME sector on the national level and to analyse the main government programs proposed to support them. This major objective has been complemented by several secondary objectives, as follows:

OS1-Determining the level of familiarity of the respondents with the evolution of SMEs during the pandemic and studying the level of interest of the respondents, regarding the effects generated by the current epidemiological context, on the evolution of the business environment.

OS2-Determining the level of optimism/pessimism of the respondents regarding the general evolution of the business environment.

OS3-Studying the respondents' opinion about the efficiency of the aid programs implemented in Romania during this period.

OS4-Identifying the respondents' perception regarding the evolution of their own job in the next period.

OS5-Studying the respondents' motivation to access/not access state aid programs

OS6-Determining the main barriers in business development/in accessing support programs

In order to comply with these objectives, we developed a questionnaire with 20 questions designed to analyse the proposed topic. Of these, 16 were content questions and four were respondent identification questions. A number of five questions were completed with scale-type answers (Likert, five steps), and 11 were closed-ended questions with simple or multiple choice answers.

The study was conducted between August and September 2021, the questionnaire being applied online, by means of a template created in Microsoft Forms. The questionnaire was sent by email and through social media channels to a number of 300 people residing Caras-Severin County. The sample of 300 respondents was established using the tree structure, which involves multiplying the levels of socio-demographic variables studied, presented in the table below. From the selected sample of respondents, a total of 224 responses were validated, the socio-demographic variables (Table 1) related to the identification of respondents (gender, age, field of activity and level of education) having the following structure:

Moreover, the variables taken into account in the actual research are the following: level of interest of the respondents regarding the evolution of the business sector, level of knowledge about the development of the business environment, prospects for improving the situation of the business environment in 2021, efficiency of the aid programs implemented in Romania, and accessibility of the SME Invest type programs. These variables were evaluated using a Likert scale comprising values from 1 (minimum value) to 5 (maximum value). Other variables, such as the sources of information used by respondents, the

level of information on the types of programs implemented, the effects generated by the pandemic on the workplace had predefined options on the answers.

Table 1. Socio-demographic variables of research.

Criterion	Number of Respondents	Variables	Absolute Values	Relative Values
Gender	224	Male	110	49.20%
		Female	114	50.80%
Age	224	Under 20	23	10.20%
		21–30 years old	84	37.30%
		31–40 years old	30	13.60%
		41–50 years old	38	16.90%
		51–60 years old	42	18.60%
		Over 60	8	3.40%
Field of activity	224	Student	49	22%
		Employee	148	66.10%
		Unemployed	4	1.70%
		Retired	11	5.10%
		Homemaker	11	5.10%
Level of studies	224	Trade	66	29.50%
		Services	112	50%
		Tourism	5	2.30%
		Industry	36	15.90%
		Transports	5	2.30%

In order to answer the research questions and to reach the set objectives mentioned above, we used descriptive statistics, analysing indicators such as frequency, average position indicators/central trend indicators, and variation indicators (OS1, OS2, OS3, OS5), whereas for the secondary objectives OS4 and OS6 we used a cause-effect analysis. The central trend indicators were determined using the following calculation relationships, the usefulness of their application being to determine the level of representativeness and homogeneity of the sample of respondents and the answers provided by them:

$$\bar{x} = \frac{\sum x_i * f_i}{\sum f_i} \tag{1}$$

$$\sigma = \sqrt{\frac{\sum (x_i - \bar{x})^2 * f_i}{\sum f_i}} \tag{2}$$

$$V = \frac{\sigma}{\bar{x}} * 100 \tag{3}$$

4. Results

Research question 1-What is the level of familiarity of the respondents with the experience of SMEs in this difficult period?

The first secondary objective proposed, subordinated to this first research question, was to determine the level of familiarity of respondents with the evolution of SMEs during the pandemic and to study the level of interest of respondents in the effects of the current epidemiological context on the evolution business environment.

It is assumed, at the very least, that at a time when the economy is undergoing major changes whose long-term effects also affect job security and stability, individuals would show a higher level of interest in the evolution of the business sector. The variables analysed

in this context referred on the one hand to the level of interest shown by the respondents, the general level of their knowledge, and on the other hand to the identification of the main sources of information or documentation.

As we see in Table 2, the value of the weighted average regarding the variable “interest in the evolution of the business sector” is 3.70, higher than the standard average, demonstrating an increased general level of respondents’ interest, while the variable “knowledge about business development” registers a lower value of the average, namely 3.05, which also indicates the need for better documentation by individuals. The frequencies for the two variables are shown in the following graph:

Table 2. Descriptive statistics.

Variable	N	Minimum	Maximum	Mean	Std. Deviation	Variation Coef.
Interest in the evolution of the business sector	224	1	5	3.70	0.8988	24.28%
Knowledge of business development	224	1	5	3.05	1.0801	35.37%
Perspectives for improving the situation of the business environment in 2021	224	1	5	2.69	1.0293	38.17%
Efficiency of aid programs implemented in Romania	224	1	5	3.06	0.9589	31.26%
Accessibility of SME-type investment programs	224	1	5	3.47	0.9540	27.43%

Analysing the average (Table 2) respective frequencies (Figure 2), we find that the respondents show at least an average level of interest and knowledge regarding the evolution of the business sector, respectively.

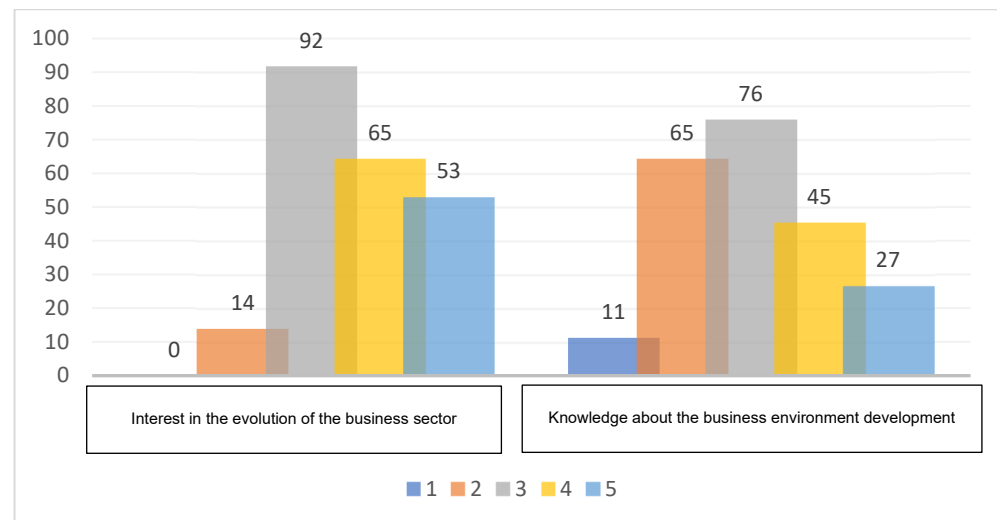


Figure 2. Frequency of variables regarding the level of interest and knowledge related to the development of the business environment. Source: calculations made by the author.

The testing of the homogeneity, respectively of the representativeness of the studied sample indicates to us regarding these first aspects an average level of homogeneity, the coefficient of variation registering a value of $V = 24.28\%$ regarding the level of interest regarding the evolution of the business sector as a whole. Regarding the knowledge regarding this issue, the calculated value of the indicator is $V = 35.37\%$.

As for the main sources of information or documentation used on the evolution of the business environment, respondents mention mainly media (41.70%), official online sources (websites of ministries, government, or specialized institutions) (30.6%), and newspapers in online or physical format (11.10%). A percentage of 13.0% of respondents indicate as main sources of information unofficial re-sources or other sources (2.70%).

The value of the average, calculated on the level of knowledge about the business sector, is lower, which is reflected in the analysis of the frequencies corresponding to this criterion. Most respondents (49.20%) state that they do not have information on the existence of aid programs provided to the SME sector at national level during this period, in order to revive their activity. This reflects a lower concern about seeking information in this regard. At the same time, 28.80% of them declare they have knowledge about the existence of such programs, but this topic is not necessarily of personal interest, while 22% indicate a high level of interest, also being informed about them. Thus, among the respondents who were aware about the programs implemented in Romania in the period 2020–2021, 27% indicate the Start-up Nation program, 25% mention the European funds granted to small and medium enterprises, and 21% the SME Invest program. Less well known are the “Trade 2020” (12%), “Women Entrepreneur” (8%), “Internationalization 2020” (5%) or Microindustrialization 2020 programs (2%).

Research question 2-To what extent are Romanians optimistic about the evolution of the business environment?

The period since March 2020 and up to the present has been one that has largely tested the ability of the individual to resonate positively with what is happening. Pessimism prevailed both in the current activities and in the prospects of recovery of the business sector. Thus, the aim was to determine the level of optimism/pessimism of the respondents, regarding the general evolution of the business environment. When asked to what extent they consider that the situation of Romanian companies will improve in 2021, the respondents mostly show a neutral attitude. The calculated value of the weighted average is 2.69, higher than the standard average, which shows us at the same time a high concentration of answers in the lower quartile.

Research question 3-To what extent do Romanians rate the programs implemented as efficient for recovery of the business environment?

The situation is similar if we refer to the third second objective, but in relation to Research Question 3, studying the perceived efficiency of the aid programs implemented at national level. In this case the calculated average is 3.06, which indicates mainly a reserved attitude and a moderate optimism of the respondents, regarding the ability to recover the business environment.

Frequencies can be plotted as follows.

As for these two aspects, after calculations we find a different level of representativeness. Thus, regarding the prospects of improving the situation of the business sector (Figure 3), the level of homogeneity is relative, the coefficient of variation registering a value $V = 38.17\%$, which can be explained by a discrepancy that appears as regard the opinion expressed by the respondents, taking into account their age, field of activity or status on the labour market. A relative level of homogeneity can also be observed in the case of the second variable, where $V = 31.26\%$, the level of representativeness also being conditioned by the criteria taken into account and by the socio-demographic variables subject to analysis.

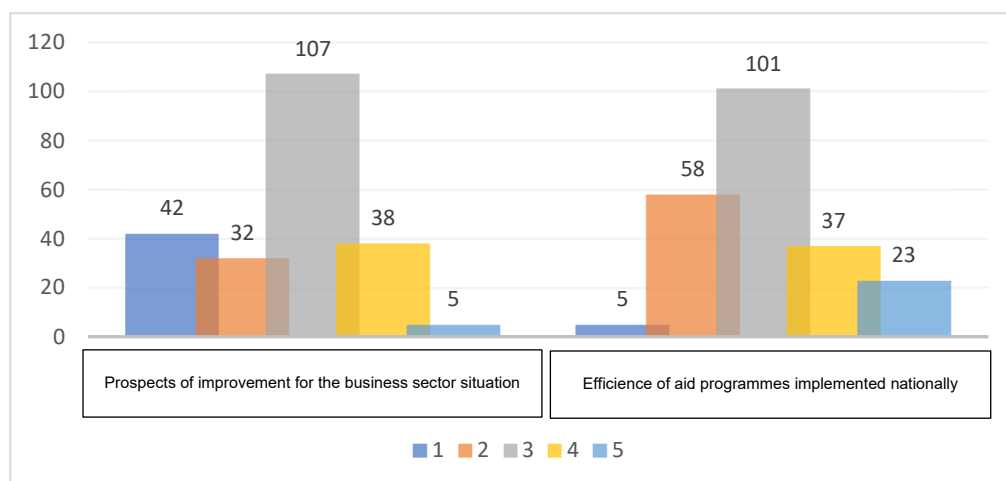


Figure 3. Frequency of variables on the prospects for improving the situation of the business sector and the effectiveness of aid programs implemented at national level. Source: calculations made by the author.

A very high number of SMEs have been affected to a greater or lesser extent by the effects of the pandemic. In this sense, in correlation with Secondary Objects 4, the respondents’ perception regarding the changes and the level of adaptation of the organizations were analysed. This question was answered by the respondents who fall into the categories of socio-demographic variables “Employee” or “Unemployed”, the distribution of answers being as follows:

- Regarding the way in which the pandemic caused changes related to the workplace, the majority of respondents (59.30%) invoke the need to comply with measures to prevent and protect health, while 38.90% of respondents say that they were required to perform work from home, 13.60% indicate as a measure the salary cuts applied by the management, 11.90%-restructurings, while 8.50% mention the shortening of the working time.
- Among these measures, the respondents consider that they also generate effects at present: working from home (45.80%), restructuring (45.80%), decreasing the salary (35.60%), and shortening the working time (13.60%), respectively.
- The time considered necessary to adapt the company’s activity to the new conditions is mentioned as being one month on the average (45.80%), but there are also respondents who indicate a period of three months as the necessary interval (27.10%), six months (10.20%), or even more than six months (16.90%), depending on the type of activity, its complexity, or the number of employees involved.

However, to what extent do the conditions for accessing government support programs encourage entrepreneurs to access them?

To this question, the answers provided were homogeneous, as demonstrated by the calculation of the coefficient of variation $V = 27.43\%$, which indicates an increased level of representativeness, so the answers provided by subjects can be extrapolated to a larger population, which meets the same socio-demographic characteristics. The average of the answers offered is above the standard average, 3.47, indicating a higher concentration of them in the upper quartile. The frequencies shown graphically can be viewed as follows (Figure 4):

The respondents therefore consider the level of accessibility of the answers as a high one, the majority of the scores awarded being four and five respectively for this criterion (Figure 4). At the same time, 42.4% of respondents believe that the management of small and medium enterprises would be open to access such programs. They represent the segment of respondents who currently work in an SME, 52.50% of respondents, including households, students, or retirees selecting the option “do not know / do not answer”. Nor

can we ignore the percentage of 5.10% of respondents who believe that the company’s management would not access such programs, in which case it is necessary to identify the reasons why the management of an economic entity would make such a decision. Being a question with multiple variants of answer, the respondents’ position in this sense in the first place the excessive bureaucracy (55.90%), this still being considered in Romania as a major problem, which hinders a wide range of activities, followed by lack of trust (42.40%), lack of accurate and correct information (40.70%), inability to take risks (28.80%) or even disinterest (18.50%).

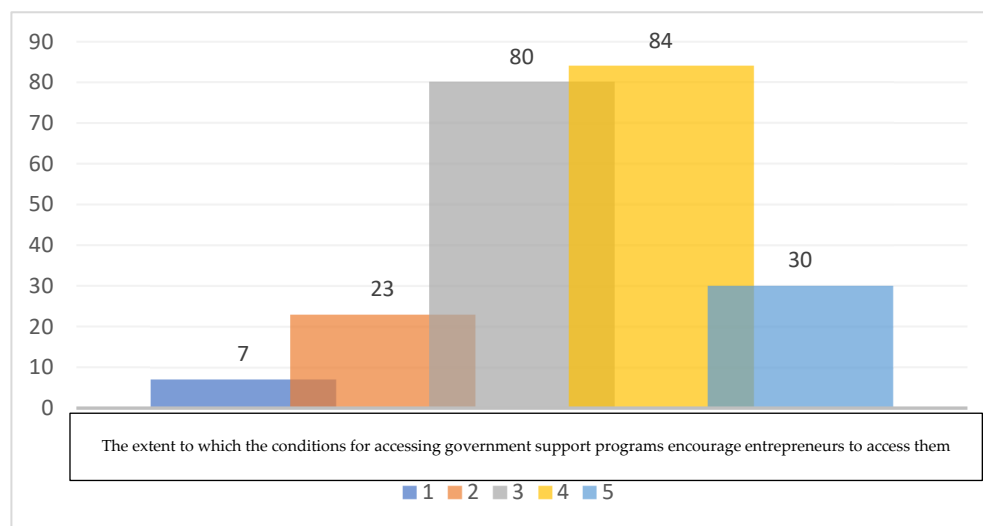


Figure 4. Frequency of variables on the extent to which the conditions for accessing government support programs encourage entrepreneurs to access them. Source: calculations made by the author.

In the spirit of studying the motivation of the respondents to access/not to access state aid programs, we also proposed the identification of the three most important reasons that would prevent the management from resorting to such state aid programs. As a result, respondents mentioned: the possibility of approaching the situation from a new perspective (50.80%), increasing the degree of efficiency and productivity (44.10%), and reducing or even eliminating uncertainty at work (40.70%).

Accessing such programs is not entirely risk-free, and of these, mismanagement of financial resources is identified by 52.5% of respondents as possible. The discrepancy between their own objectives and results, generated by bureaucracy, is mentioned by a percentage of 50.8% of respondents, while 23.7% indicate as a potential risk the violation of certain initial contractual clauses and harm the company’s activity. However, the potential of these aid programs is recognized as important for the recovery of the general situation of small and medium-sized enterprises, in the sense that they can provide new opportunities for the development and even reinvention of an enterprise. which is indicated by 35.6% of respondents, while also contributing to the growth or sustainable development of the economy at the local level (33.9%), or at the national level (20.3%), as well as the increase of the level of competitiveness at the national level (10.20%).

5. Discussion

In the following part, we will aim to discuss the results obtained from the research in relation to the arguments encountered in the literature and the reports published by official institutes, respectively. Thus, in relation to each research question, we will contextualize the ideas proposed to be studied, creating the link with other published results.

The first RQ referred to the level of familiarity of the respondents with respect to the experience of SMEs during this difficult period. At the beginning of the paper, we proposed as a starting point in creating the objective the idea that the literacy rate plays an important role in determining the level of interest of citizens with regard to the evolution of

the economy in general. Unfortunately, in Romania, the value of this indicator is relatively low, [Klapper et al. \(2015\)](#) and [financialintelligence.ro](#) indicating that, in 2018, Romania stands out negatively with only 22% financial literacy, representing the lowest rate in the European Union at the time, according to studies by the S and P Global FinLit Survey. The idea of understanding and being able to correctly interpret economic and financial concepts is important for any individual, in order to be able to make the right decisions in terms of managing their own money, but also in terms of receiving information of this nature. A higher level of financial literacy will also contribute to increasing the level of interest in the economy as a whole, which, by extrapolation, would also lead to an increase in business knowledge. The importance of financial literacy, respectively, of an economic education is also argued by [Trunk et al. \(2018\)](#), which considers that “the education of individuals in the field of financial affairs becomes increasingly important, as innovation and globalization increase the choice and complexity of the financial offered”, an idea shared by [Bruhn and Zia \(2011\)](#) and by the publications of the Aspen Institute, Worldbank or [ILO \(2008\)](#), which identify the many benefits that this knowledge can generate. An important contribution to the study of this issue is also provided by the OECD, through annual reports, which for 2020 indicate high levels of financial literacy in Hong Kong, China, Slovenia, or Austria, while low levels were recorded in Italy, Romania, or Colombia.

Therefore, it confirms the results obtained by us in the present study, which mostly raises an average level of knowledge on business development, but a high level of interest in the future evolution of the business sector, in the current context.

Regarding RQ2, regarding the level of optimism of Romanians regarding the evolution of the business environment, we can say that the period of the last two years was one that was subjected to tests of high seriousness not only the health of the population worldwide, but also the psychological power and the optimism of the population, especially considering that the business environment has undergone significant changes and jobs have faced a permanent threat looming over them. Studies in this regard were conducted by McKinsey, whose specialists urged “calm and optimism” during this crisis ([McKinsey&Company 2020](#)), in parallel with the aim of clarifying the purpose of the existence of each company on the market, as well as the needs of stakeholders.

[Belitski et al. \(2021\)](#), on the other hand, state that there are reasons to remain optimistic, given that the adoption of digital technologies can facilitate the achievement of good results at the level of organizations. The role of optimism is very important, given that it is in a direct connection with the health of an individual, therefore, it becomes necessary, especially in the context of the last two years. Moreover, in economic terms, optimism amplifies its importance if we consider the need to identify and capitalize on market opportunities, while promoting an open mind, which allows easier adaptation to change, reorientation of doing business, and offers greater tolerance to stress.

Romanians declare themselves quite reserved in this respect, given that, if we analyse the country scores based on Geert Hofstede’s 6D model, on the criterion of Uncertainty avoidance, Romania registers a score of 90 ([Hofstede Insights 2021](#)), which indicates a rigid general attitude and prone to reject new ideas more easily, preferring rules, certainty, stability, and security.

Regarding RQ3, to what extent do Romanians appreciate the programs implemented as efficient for the recovery of the business environment, it is in a direct connection with RQ2, showing a neutral, moderate attitude, regarding the prospects of improving the situation it the effectiveness of the aid programs implemented at national level. In this sense, according to the information published by Ziarul Financiar, in Romania there are currently many opportunities that allow access to state aid, although some representatives of the business community are still reluctant to access them. These are addressed to various sectors, from production to education, and in 2020, their value was 9.5 billion euros, given that their degree of implementation in 2020 was 36%.

6. Conclusions

Many businesses fail because they do not have a coherent business model. In the context in which the COVID-19 crisis showed strong effects on the business environment, the management of the companies identified a series of risks possible to be included in a future strategic risk plan. These include the lack of predictability regarding the occurrence of other pandemics or health crises, exchange rate fluctuations, changes in customer behaviour, the dynamics of the technological environment and the changes involved in amplifying the digitization process. We cannot ignore the major problems caused by the spread of the pandemic worldwide, the risks to which the population has been subjected during the last two years, along with the challenges faced by entrepreneurs.

However, the question arises to what extent companies will be able to recover in a relatively short time, in order to be able to rebuild what they have lost and to grow. Although some businesses are open to implementing change, there is also a significant percentage who, for various reasons, do not consider making major changes, either because they are unaware of the need for change or because fear prevails. of this.

The capacity to revitalize the general activity of enterprises seems, at least for the time being, quite limited. In order to be able to talk about resilience in the case of companies, it is necessary to first limit their level of fragility. Deloitte even mentions a study in this regard, prepared by the Association of Risk and Insurance Managers in Industry and Commerce, which proposes the “5R theory”: resources, relations of the organization, rapid response to incidents, risk radar, and review and adapting the organizational environment. We can therefore deduce that resilience in the business environment implies on the one hand the ability of a company to adapt, to cope with shocks, to transform and evolve, and on the other hand the ability to learn from negative experiences.

Thus, from a management perspective, we can talk about the need to manage as efficiently as possible the resources available at the level of the organization, while implementing a healthy organizational culture. An essential aspect, however, remains the need to outline a coherent and future vision, which allows the establishment of realistic but at the same time innovative objectives and efficient planning, as well as the implementation of processes and systems that are able to anticipate shocks and counterbalance their effects in real time, respectively.

From the state’s perspective, we can mention the elaboration of Romania’s National Recovery and Resilience Plan ([Ministry of Investments and European Projects 2021](#)), approved by the Council of the European Union, plan which in Part II, Component 9, introduces the chapter “Support for the private sector and CDI” in support of Pillar III-“Smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, as well as a functioning internal market with small enterprises and strong medium-sized enterprises (SMEs)”. According to the public information in this document, available on the website of the Romanian Government (The Government of Romania 2020), the general objective of this component is “creating a sustainable, predictive and simplified environment” meant to facilitate companies’ access to finance, while encouraging at the same time an active collaboration between business and research.

Using direct reference to the study conducted and the results of which were previously presented in the article, we can analyse the results obtained, in connection with the objectives set at the beginning of the research (Table 3). Thus, we can indicate the following correspondence:

Table 3. Connection with objectives.

Research Question		Corresponding Objective	Variables
Research question 1	What is the level of familiarity of the respondents with the experience of SMEs in this difficult period?	OS1-determining the level of familiarity of the respondents with the evolution of SMEs during the pandemic and studying the level of interest of the respondents, with respect to the effects generated by the current epidemiological context, on the evolution of the business environment.	Interest in the evolution of the business sector
			Knowledge of business development
			The types of programs implemented
Research question 2	To what extent are Romanians optimistic about the evolution of the business environment?	OS2-determining the level of optimism/pessimism of the respondents, regarding the general evolution of the business environment.	The degree of optimism/pessimism of the respondents
			Prospects for improving the business situation
Research question 3	To what extent do Romanians appreciate the programs implemented as effective for retraining the business environment?	OS3-study of the respondents' opinion on the efficiency of the aid programs implemented in Romania during this period.	Efficiency of implemented aid programs
			Perception of changes and the level of adaptation of organizations
		OS4-identifying the respondents' perception regarding the evolution of their own job in the next period.	Implemented measures that generate long-term effects
			The time considered necessary to adapt the activity to the new conditions
		OS5-study of respondents' motivation to access/not access state aid programs	Reasons why companies would access support programs
			Reasons why companies would not access support programs
OS6-determining the main barriers in business development/in accessing support programs	Obstacles/barriers to accessing programs		

In order to recover economically, significant efforts will be needed worldwide, given that the last two years have been a trying period for all mankind. On the basis of the results obtained, we can see that there is a high potential to reach a state of resilience, but it will take sustained efforts to achieve the expected level of development. These efforts need to be made both by each individual and by the enterprises and the state, respectively, as the supreme authority at the national level.

The research findings show that, at the individual level, it would be necessary to update and supplement the knowledge on the evolution of the business environment, which requires better documentation in this regard. However, interest is quite high, which presents prospects for improving the situation. In this sense, the most used source of information remains the mass media. Regarding the future evolution of the business environment, respondents show a largely reserved attitude, driven primarily by the low predictability in the current context, in which the evolution of the pandemic is still uncertain and the ability to recover depends on a multitude of micro and macroeconomic factors, respectively. In this regard, the main concern of the respondents remains related to jobs, where the implementation of additional restrictive measures is being discussed more and more often.

In the medium or long term, the effects of the last two years will be felt in almost all areas of activity, depending on the level of flexibility or adaptability of organizations, speaking here of the managerial implications of this research. As a large part of the respondents are employed, it is necessary to carry out studies among them, which aim to identify, among other things, the level of stress caused by the current context, identify the personal level of resilience and adaptation, and the ability to flex personal work. This may be a future direction of research in this regard, the present study having a number of limitations in this regard, but also offering contributions from an applicative point of view. The ideas presented in this paper can serve as a starting point for other research directions, one of which being the one mentioned above. Such studies are necessary given that the implications, both social and psychological, of the present period are reflected in the medium or long term on the behaviour of human resources in the organization, raising new challenges for managers in order to adequately motivate staff.

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