HUMANISM IN BUSINESS SERIES

Humanistic Crisis Management

Lessons Learned from COVID-19

Edited by Wolfgang Amann
Agata Stachowicz-Stanusch
Shiv K Tripathi · Shiban Khan
Ernst von Kimakowitz

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Humanism in Business Series

Since its inception in the year 2011, the Humanism in Business book Series is brought to you by a dedicated editorial board representing the Humanistic Management Network (www.humanisticmanagement.network). The Humanistic Management Network is a global network registered as a Swiss association that lives, works and acts through chapters and collaborations in many countries around the globe. Its purpose is to encourage, promote and support economic activities and business conduct that demonstrate unconditional respect for the dignity of life.

Following the purpose of the Humanistic Management Network this book series serves to enhance and consolidate the body of knowledge on Humanistic Management and surrounding topics such as business ethics, leadership, CSR, corporate citizenship, sustainability, executive education, impact investing or purpose driven organizations to name but a few. The books in this series all view Humanistic Management through their own lens, focusing on different aspects and highlighting different dimensions of humanism in business. What unites the books in this series is that they are all aligned to the three stepped approach which defines how we view Humanistic Management. It is based on the unconditional respect for the dignity of life, the integration of ethical reflection in managerial decision making and the active and ongoing engagement with stakeholders.

Furthermore the volumes in the series are an open invitation to join our efforts to make impact towards a more equitable and a more sustainable planet.

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Acknowledgments

The Humanistic Management Network was founded to pursue human dignity as a new ideal in business and society (http://humanisticmanagement.network/). COVID-19 shocked the world. Almost all aspects of our lives were affected to a certain extent. We aim to compile this book to capture the lessons learned from the COVID-19 crisis. We aspire to better understand how humanistic values were positively or negatively affected to utilize this period full of adversity as a learning opportunity. We greatly acknowledge the efforts of all the contributors to this volume. We cordially thank all authors for sharing their expertise.

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Part I

Foundations and Stakeholders

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Introduction to the Learning Journey

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1.1 COVID-19 as a Moment of Truth and a Learning Opportunity

Humanism in business in its current form dates back to the year 2008 when a group of young scholars met to brainstorm about much-needed change in the business world. Early considerations explicitly included a motivation to rethink and impact management education, specifically management education as it is carried out in business schools and similar institutions where the next generation of leaders and managers would receive their education. Equally, it is also at the business schools and similar institutions where research scholars on the rigorous journal-oriented track as well as scholars who focus more on the applied side create and disseminate new insights to advance the field. In an effort to map the terrain, the above-mentioned group of scholars who brainstormed about much-needed change in the business world published a first volume titled *Humanism in Business: Perspectives on the Development of a Responsible Business Society* (Spitzeck et al. 2009). Further volumes followed quickly, for example, illustrating how to better understand humanism in practice (von Kimakowitz, Pirson, Spitzeck, Dierksmeier, and Amann et al. [2011]) and outlining the concept of HUBS—humanistic business schools (Amann et al. 2011)—as a constructive answer to the widespread criticism against business schools. The expanding group also tried to connect humanism in business to and position it within the larger context of normative thinking within business ethics (Dierksmeier et al. 2011). The Humanistic Management Network founded in the meantime grew further into an internal organization. It now has a number of national chapters, local and global conferences, a book series with Palgrave Macmillan, and a center in Switzerland where the network is headquartered and registered as a non-profit organization in line with its early roots.

At the heart of this growing network, we continue to find the strong commitment it takes to foster humanism in business. The network foresees establishing a new goal system within business. Human dignity should become increasingly established as an end in and of businesses. This logic also takes a clear stance on whether humanism could be a pragmatic means to an end, such as shareholder value or profits as part of economistic thinking. The network believes humanism should not be a pragmatic means to an end. Humanism in business partly overlaps with other movements in terms of calling for and working diligently toward more heartfulness in business. Yet, sustainability as a concept, to name but one related concept, is a major challenge. Holzman and Gardner (1960) add helpful semantics for a better differentiation. These authors distinguish between two core thinking styles and types of thinkers. While a sharpener prioritizes details of an issue, zooming in on sub-layers of a phenomenon, levelers prefer to focus on the big picture, zooming out. Dyllick and Hockerts (2002), for example, split up the triple bottom line thus established in sustainability debates into six sub-constructs. When we mapped sustainability issues in our research, we arrived at a rather firm-specific plethora of sustainability challenges, which can easily distract and overwhelm. Humanism in business with its focus on human dignity serves as a leveler approach toward improving the business world and society.

In spite of this goal of a simplifying guiding idea, COVID-19 represents both a moment of truth and a learning opportunity. COVID-19 is a moment of truth, as it allows studying to what extent the ideal of human dignity has been upheld ever since the pandemic started to haunt the world in early 2020. The initial facts appear to be rather daunting. PricewaterhouseCoopers (PwC), for example, started to work with the acronym ADAPT to illustrate the negative impact of the pandemic on the world.[1] The first letter A stands for asymmetry.

The global consultancy reckons that COVID-19 has drastically increased the wealth disparity and affected the middle class negatively. Poor segments of society would not have the financial resilience. They suffer the most from downsizing and layoffs. Unemployment, however, does not mean that living cost can be lowered as quickly as needed. Toward the end of 2019, however, studies abound on how the rich got richer during the crisis. They had the financial reserves and financing means to gobble up shares and other assets at comfortably low prices.

[1] https://www.pwc.com/m1/en/publications/COVID-19/transitioning-to-new-normal-middle--east-updates-webcast-series.html

The second letter in ADAPT refers to disruption. In 2019, digitalization has accelerated more than it did over the course of ten years in many fields. Big technology firms and platforms were clear winners both in terms of financial and power gains. COVID-19 disrupted efforts in climate change as well. While there was a brief positive impact when it comes to limiting actual emission, the topic lost urgency in light of more pressing social issues, such as schooling, health, and debates about freedoms as well as rights.

The next letter A within ADAPT refers to age and clarifies the repercussions on various age groups. As part of delayed economic growth, even fears of recession, there will be less opportunities for younger workers and fresh graduates. In light of mounting government debts and negative impact on private savings, there will be pressure on pensions and welfare systems. When it comes to human dignity, though, basically all age groups are affected, but possibly in different manners. School children are frequently cut off from the social life they knew. Experts not only doubt that schooling in 2020 was effective but also reason that certain groups might never really recover from closed or mere online schools. Working mothers and fathers have had to handle the double blow of homeschooling and remote work—clearly a source of stress for many. Individuals in retirement homes are without visitors and much-needed social contact for months.

The P in ADAPT addresses polarization and, thus, the breakdown of multilateralism. The world has experienced more nationalism and protectionism—first with the closing of borders and then with fighting for vaccines. This development will also lead to more reshoring and local value chains.

Lastly, the T in ADAPT describes the trend of diminishing trust in institutions, such as governments. If governments raise debt to support businesses, questions arise as to who will ever be able to pay back these enormous amounts of money. Governments seizing established freedoms, closing houses of worship, prohibiting visits to amusement parks, and increasing surveillance did not necessarily increase trust levels.

In sum, COVID-19 massively shocked the world, societies, economies, organizations, and individuals. The creativity and resilience of individuals were equally challenged. Most business plans still in place in early

2020 had to be replaced in a time where there was no clarity about the nature of the crisis. Would it be a V-shaped pattern foreseeing a fast recovery or a U-shaped crisis with a longer period before recovery? Or would it be a K-shaped pattern with clear winners and lasting downhill developments for certain sectors, such as tourism and airplanes? The extreme level of ambiguity was frequently overwhelming. Few institutions could show role-model resilience and not only bounce back but bounce beyond—which is a topic in this book as well.

This brings our discussion to the second feature of COVID-19, which can be a great learning opportunity. If globally integrated value chains are not resilient, what are the better options? If remote work turned out to be feasible—much cheaper for both the employees and the companies; more productive as staff worked 40 min. More on average every day—there are opportunities and risks that emerge. We ought to learn about the upsides and downsides as fast as possible in order to analyze them. This book is our attempt to do precisely that. We aspire to prepare a platform to collect and share learning nuggets. Crisis management is difficult enough as it is. COVID-19 added more adversity, which necessitates an accelerated learning environment. As editors, we are equally convinced that this search for insights must be an international one. In times of a massive crisis paired with tremendous opportunities, the following simple logic applies:

More ideas are better than fewer—more diverse ideas are better than more of the same.

Based on this train of thought, we invited scholars from our larger network to contribute to this book by sharing their analyses, studies, and recommendations. Obviously, we could not include studies from each and every country, region, industry, stakeholder group, and type of crisis or solution, as this would have made the book too difficult to compile, disseminate, or use. Although we were selective, we included a diversity of viewpoints. The following section provides a detailed overview of what the reader can expect. We encourage the readers to read selectively. The reader may find that not all the chapters and their content are equally relevant. Even the most inspiring and relevant chapter must be reflected upon well and subsequently applied to the reader's specific setting.

1.1.1 Overview of the Chapters

This volume has three parts, which complement each other. Part 1 deals with the foundations and selected stakeholders affected by COVID-19. Part 2 takes the learning journey forward by zooming in on selected sectors and regions. Part 3, in turn, discusses levers for positive change before we draw conclusions in the form of seven principles of humanistic crisis management. In the following, we summarize what to expect from the chapters in each of these parts. Thereby, we note that we have categorized chapters based on their primary fit into these parts although certain chapters not in part 2 do show a regional focus or relevance, for example.

In part 1, the first chapter contributed by Jaime Barrera, Rafael Bautista, and Gustavo González, the following question is raised: Is there a need to rethink humanistic management based on the lessons from COVID-19? The authors consider two sources of humanistic management dealing with manners of exercising freedom: horizontal and vertical. The horizontal exercise of freedom refers to the individual considering himself or herself as autonomous within the context of law, norms, customs, and general common sense. The individual's autonomy is only curtailed by such restrictions. The vertical exercise of freedom views the individual not only as law-abiding but as someone who takes into consideration human dignity, where the individual's commitment to principles is a further curbing on freedom. Paradoxically, the vertical exercise of freedom usually ends up expanding and increasing freedom. The horizontal exercise of freedom gives rise to humanistic values where managers face crises usually with exacting decisions that are not always in the best interest of all stakeholders, while the vertical exercise of freedom gives rise to humanistic values, which engulf decisions against the backdrop of human dignity, thus contributing to the growth of all stakeholders involved despite difficult decisions like layoffs and bankruptcy that COVID-19 has brought to light. The authors reckon that COVID-19 appears to have exposed the manifestations of all management styles that could possibly be conceptualized within this threshold.

In the next chapter in part 1, Martin Lecker shares his analysis of the COVID-19 crisis's economic and psychological consequences for working mothers. With the advent of COVID-19, one global demographic, marginalized segment of the world's population most highly affected by the economic and psychological consequences of this pandemic virus is working mothers. In a UK study conducted by the Institute for Fiscal Studies, it was found that working mothers were one and a half times more likely than fathers to lose their jobs or quit; furthermore, the same study found that working mothers were to take on twice as much of their childcare responsibilities and housework responsibilities than their spouses (Charlton 2020). In another study by the University of Southern California, it was reported that as a consequence of COVID-19, college-educated mothers reduced their working hours by 64 percent compared to 52 percent of the working college-educated women without any young children (Miller 2020). In the same study, it was found that there were higher levels of psychological distress among working mothers than among childless women who were working (Miller 2020). The purpose of this chapter is to examine the (1) economic consequences experienced globally by working mothers; (2) the psychological stress that accompanies unemployment and additional childcare, parental care, and domestic responsibilities, as well as the increase in domestic abuse as a result of the lockdown or unemployment; (3) current benchmark practices or proposed future solutions recommended by various organizations or professionals studying these issues; and (4) recommendations for future research.

In the next chapter, Eva Medina, Toni Pacanowski, and Pablo Medina address repercussions of COVID-19 for our next stakeholder group: the elderly. As outlined above, the elder citizens suffered in a particular manner, as their social interactions were severely limited due to the higher probability of the virus affecting them instead of younger children. The authors identify yet another crisis related to COVID-19: They critically review a media crisis and simultaneously link their considerations to an in-depth understanding of the national culture in China. The authors argue that it is essential to not deal with COVID-19 without a proper understanding of the cultural context that enables and impedes solutions, contingent upon whether one has fully acknowledged and truly comprehended the cultural context.

Entrepreneurs are the next stakeholder group. Ngozi Ann Chikere and Samuel Essien Okon thereby chose to focus on the informal sector and on developing economies to give their deliberations sufficient depth. A case study research approach was applied while semi-structured interviews were conducted to elicit responses from entrepreneurs on two major themes. The first field of investigation was how the payment of rent during this pandemic affected their businesses. The second was how market movements might have impeded their businesses. The findings reveal that entrepreneurs still pay their rent despite the pandemic and the resulting hardship. These two factors have affected the majority of the informal entrepreneur negatively. The study recommends that government should endeavor to implement measures that will help bail out entrepreneurs in times of crisis. Simultaneously, business managers must learn from their past mistakes to be able to survive the impact of any future crisis. Furthermore, there is a need for entrepreneurs to better understand lasting digitalization.

Giorgio Mion and Tomas Chiaramonte contributed the last chapter of part 1 in this book. They write about how the crisis could also have a positive impact on non-profit organizations and virtues in business and society. The authors acknowledge that although the pandemic emergency stressed all organizations, non-profit organizations that provide residential services for the elderly were particularly affected. Crisis management based on purpose and virtue ethics allowed organizations to overcome the emergency without severe consequences and to deliver a continuous, safe, and quality service. Based on a case study approach, this chapter highlights which organizational characteristics foster individual and organizational moral behaviors that support an organization in facing crises effectively. The findings underline how virtuous organizations are capable of making individuals flourish and how such organizations are capable of pursuing (managerial and moral) excellence before and even during a crisis.

Part 2 of the book starts with a chapter by Evelyne Tauchnitz. Her chapter focuses on the governance challenges arising from the question on how to manage the COVID-19 crisis, with a specific emphasis on the use of digital technologies. Many governments have used digital technologies in response to the COVID-19 pandemic. This chapter asks how the usage of digital technologies potentially impact civil and political rights and liberties, such as the right to privacy, the right to freedom of association and peaceful assembly, and the right to freedom of movement, which are, among others, also key to entrepreneurial activities. Civil and political rights are a backbone of human rights and humanistic values, including human dignity and personal freedom. Without civil and political rights, it is difficult to imagine a free exchange of opinions, arguments based on science and rational thought, and a free and public debate. Free deliberation in society and politics is at the base of rational reasoning. In order to shape a truly human society, we need to respect the human rights and dignity of all people, which include absolute respect for each individual's personal privacy, freedom, and autonomy. This discussion is timely and relevant, noting that a number of states have used digital technology in their emergency response to the COVID-19 pandemic, giving rise to concerns that these technologies could curtail personal freedoms and rights. Examples of the types of digital technology employed include the utilization of existing digital surveillance technology to track the locations of individuals via their smartphones without the individuals' consent, and also the rapid development and implementation of specific smartphone applications designed to be downloaded by individuals, allowing state authorities to track the individuals' location and to cross-reference or contact trace individuals.

This chapter discusses and weighs the importance of promoting public health against the risks of a technology being used beyond its original purpose as a tool for mass surveillance. While at face value nation states have asserted that the use of existing digital surveillance technology and the rapid development and implementation of specific smartphone applications are about public safety, a point of inquiry in this chapter will be to understand what effect this has in terms of deviating norms of behavior, that is, how a new level of surveillance is being established as purportedly normal and accepted by society. For example, how does the use of digital technologies for contact tracing and surveillance—as a tool that can make the lifting of individual and collective movement restrictions that are currently in place in many states (lockdowns and curfews) relatively less risky—result in a self-styled normalization of deviance as society accepts indefinite intrusions into privacy for the sake of lifting strict controls that affect other rights like freedom of movement, freedom of association and peaceful protest, and economic opportunities? Although Evelyne Tauchnitz focuses in this chapter on the case of Switzerland, she believes that the chapter's main insights are also relevant for other countries, considering that the coronavirus does not halt at borders. The governance challenges arising from the question of how to manage this crisis are thus not limited to the Switzerland case. Ultimately, this chapter extracts what decision makers facing governance challenges must address to avoid power abuses by state authorities and other powerful actors, unintended side effects, and other potentially negative consequences of new technologies that have become increasingly "normal" since the COVID-19 crisis.

Ngozi Okpara continues our analysis by investigating the COVID-19 reportage in Nigeria and detects the same risks during the crisis by zooming in on digital media ethics, viral lies, and lessons to be learned. Coronavirus has been with humankind since the 1930s, and despite its ravaging effect, a cure remains to be elusive. The effects of coronavirus have influenced each human's way of life, ushering in a self-styled new normal. Aside from health workers, media practitioners are one of the stakeholders at the forefront of fighting the virus. In Nigeria, digital media has been one of the main outlets of information about the COVID-19 pandemic, which is caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). Both professionals and non-professionals use social media to circulate information about the virus to Nigerians, giving room to issues that arise as a result of false and unethical information. Surveillance of the environment and correlation of different responses to the media's environment functions mean that the media is very involved in transmitting the right information. With digitization, however, everyone has access to information as well as its production and dissemination, resulting in its speedy spread, often without appropriate verification. This thus creates space for viral lies and misinformation. Using content analyses as methodology as well as media dependency and agenda-setting theories as frameworks, this chapter examined the implications of the viral lies and misinformation from the reportage of the COVID-19 pandemic for certain Nigerians and for the ethics of digital media; these implications also established the lessons for Nigeria's digital media practitioners and consumers regarding the pandemic. Findings from the study revealed that several digital media practitioners in the country leveraged the destabilization caused by the pandemic to promote their agenda. The lack of verification on the truthfulness of news content and the credibility of sources foreshadowed a greater threat to public health and make futile all efforts at stemming the infection rate. To rectify this situation, the study recommend that digital media practitioners should explore available online resources, such as *Africa Check* and *NewsGuard*, among others, in ensuring that published contents are void of misinformation.

Abiodun Hafeez Akindipe and Morolake Bolaji wrote the next chapter in this volume on losers and gainers in Africa as an outcome of the pandemic. COVID-19, which has triggered a global crisis, has caused an enormous toll on humans. The pandemic is gradually leading to the deepest recession since World War II and has spared no region of the world, as both developed and developing countries are affected alike. Although the spread rate of the virus has been very slow in Africa, the magnitude of its impact on the economy has created losers and gainers on the continent. While certain sectors, such as aviation, transportation, education, and tourism are big losers, food and beverages and information communication technology have benefited tremendously from this pandemic. The use of technology has, therefore, been a major factor that has brought about improvements and gains in various sectors. Hence, Africa needs to upgrade its technology space so as to tackle major challenges facing the continent.

Vincent Eke takes this analysis further and attempts to re-imagine the social impact for Sub-Saharan Africa. His chapter presents an understanding of social impact roles in bridging economic inequalities in Sub-Saharan African countries. Focusing on concepts, such as shared value creation, corporate social responsibility, academic social responsibility, and positive organizational scholarship, the chapter highlights the associated benefits of these concepts in building prosperous societies. Drawing insights from the COVID-19 pandemic, the author cites social interventions undertaken on the continent to mitigate the pandemic's impact on the most vulnerable members of society and recommends approaches to ensure the sustainability of these interventions. By reiterating the convening power possessed by business schools and universities alike, the need for collaboration among organizations, and the overall need for social consciousness of businesses, the author makes recommendations on how economies in Sub-Saharan Africa can be geared toward post-pandemic sustainable development.

Shifting geographically, Liguo Xu, Pingping Fu, Xianjing Zheng, and Boxiang Lin review paradoxical Chinese government leadership when handling the COVID-19 crisis. Coping with the COVID-19 pandemic remains a considerable challenge worldwide. Executing definitive procedures and methods in the face of paradoxical decisions will help all countries fight the battle more effectively. It is for this reason that the authors examine how Chinese government leaders managed the paradoxical situations during the national fight against the pandemic crisis. Using a case study approach and analyzing 3604 news items released by the Chinese official media, the authors identified three types of paradoxes China faced: the need for a timely and accurate release of information, the need for central government control and local contextualized implementation, along with the need for effective pandemic prevention and resumption of production. The authors also identified major paradox-coping strategies used by the top government leaders. The objective is not to promote the Chinese government or their response but to provide useful insights for government leaders of other countries in their fight against COVID-19 and future outbreaks.

Part 3 of this book continues with levers for positive change. Ilaria Boncori, Paul Harrison, Bob MacKenzie, Christina Schwabenland, and Ruth Slater from the Humanistic Management Network's chapter in the UK share reflections and learnings gained during the lockdown. The authors explore leadership approaches to crisis management. They link their analysis, first of all, to the instinctual response of organizations in order to survive and then explore how to thrive in times of crises. The authors underline the importance of shared leadership, unity of purpose, and attention to people. While these aspects play a crucial role in humanistic resources management, they also highlight that managing people has to be sensitive to both individual circumstances and collective needs. During a crisis, the personal and the professional can be easily blurred, with both positive and negative consequences; inequality and belonging are powerful and complex dynamics that must be explored and addressed at the singular, organizational, and systemic levels. As such, a diffused, empathic, inspirational, and open style of humanistic leadership that focuses on organizational unity in diversity and on the people, and that maintains greater focus on behavior and relationships rather than authority and position, could be the sine qua non of leading in times of crisis.

In the next chapter still linked to leadership considerations, Pauline McCharles discusses how to design resilient power structures for an organization and celebrating what worked. She reasons that COVID-19 acted like a perfect storm. At the same time, it is not a fatalistic situation. If leaders and managers work toward better organizational cultures and avoid blind busyness, there is room for more resilience. Relying on humanistic management as the lens, she argues that the pandemic sheds much-needed light on areas that were ignored in the past. The likelihood exists that the next crisis may well be just around the corner. This calls for a shift from reactively playing catch-up toward an entirely different level of crisis readiness. While humanistic management represents the overarching storyline, it is with reflection capabilities that much-needed learning can occur effectively.

Opeyemi Idowu Aluko examines the analysis through a different lens by exploring the potential of integrating politics and administrative capabilities. According to the author, COVID-19 wreaked havoc on global peace and stability. Several lives had been lost; domestic, national and international economy had been paralyzed; politics and administrations were shattered; and the hope of man's existence on earth is threatened. This menace did not hit the developed countries as hard as it hit the developing countries due to the latter's poor state of politics, administration, and economy before the outbreak of COVID-19 pandemic in the world. Using the lens of humanistic perspective, this study reveals the lessons learned from the interplay between politics and administration in curtailing the pandemic. The utilitarian theory is employed to buttress the need for the greatest happiness of the greatest number of people in the politics and administration of the state. The chapter concludes that on a governmental level there is still a lot to do to ensure effective management and administration. When it comes to policy making and implementation, humanistic perspectives are inevitable strategies that can help.

In the next chapter, Angela Dettori and Michela Floris add their ideas on how to better handle crises. They emphasize local embeddedness, community, and generativity (LCG) when it comes to building new management models in a post COVID-19 era. The authors propose their LCG model as a possible means forward and an alternative to established management models. Their analysis builds on investigating a special form of organization that has proven to be very resilient in times of crisis. This special form of organization could serve as a role model and enhance the diversity of entities in the business environment.

Adeyinka Maryam Shomoye-Olusi, Ibrahim Oluwapelumi Orekoya, Qaozara Adebanke Adepeju, and Olamide Akintimehin rely on a related logic when imagining the concept and role of social entrepreneurship in community recovery and development in the post-COVID-19 pandemic period. The first confirmed case in Nigeria as the country of the above-mentioned authors' analysis was announced on February 27, 2020. Since then, the number of identified cases has risen rapidly to 52,000. This has affected the economic activities of the country that recently came out of recession. The challenges Nigeria faces are to revive the economy and to reduce persistent unemployment and poverty levels, which impact the country's micro-economic and macro-economic activities negatively. Overcoming these challenges requires a refocus on the role of social entrepreneurship in job creation, the improvement of the standard of living, a reduction in the poverty level as well as an increase in social growth and development, as entrepreneurship has been recognized as a key ingredient for economic growth and development. This refocusing was demonstrated by discussing how social entrepreneurship and humanism can make a positive contribution to the micro and macro growth of the community and of the nation at large. Reviews of recent and relevant literatures on the predictor and criterion variables revealed that social entrepreneurship leads to improved welfare of the society. The improved welfare of society adjusts to the pressing needs of the people by providing various packages of solutions for the problems that the people experience, as the provision of solutions is an important aid to improved economic standardization. Moreover, it is obvious that the solution to this global challenge lies in human support and human actions in this global trying times.

Sandra Waddock contributes the last chapter in part 3 of the book. In this chapter she raises a highly relevant question: Is it possible to bounce beyond today's crises to a flourishing world? For her, the COVID-19 pandemic has exposed a need for and an opportunity to create system transformation that was not evident to many people prior to the pandemic. In the context of the pandemic, numerous new types of entities—here called transformation catalysts—have emerged to try to bring together actors already engaged in trying to develop economics that are oriented toward life (as opposed to just money). An example is known as Bounce Beyond, which arose out of the SDG Transformations Forum. The fundamental idea of Bounce Beyond is that in the wake of the pandemic, economies and societies need to bounce beyond neoliberalism to what is broadly termed life-centered economies instead of trying to bounce back to what was considered normal prior to the COVID-19 pandemic. Many such initiatives attempting to connect, cohere, and amplify currently fragmented and independent efforts to bring about such economies now emerge.

The aforementioned sections provide an outline of the chapters in each of the three parts of the book. After granting our colleagues an opportunity to express their views, we as the editors attempt to draw conclusions in the final chapter.

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2

The Need to Reconceptualize Humanistic Management in Light of Covid-19

Jaime Barrera, Rafael Bautista, and Gustavo González

2.1 Introduction

Following the general objective of the book, our guiding question for writing this chapter has been to address challenges that humanistic management faces during times of crisis. As we developed our inquiry, very elementary questions and issues surfaced. What kind of crisis is Covid-19? What are the basic requirements for fundamental change to arise? What do we mean by humanistic management?

The first question one must ask when it comes to challenges for humanistic management in times of crisis concerns the nature of Covid-19. Will this pandemic have the same impact as preceding crises: wars, economic depression, even pandemics like the Black Death that had a death toll of at least 30 percent of the European population at the time? Can the current crisis be thought of in similar terms? The greatest

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previous crisis in modern times was the Second World War, which had a death toll of around 50 million. It took place on all continents but did not involve all countries. While Covid-19's death toll is not nearly comparable to date, it has threatened all countries, all cities, all corporations, all households, all income groups—poor, middle class, and rich—all health systems, and the world's economy.

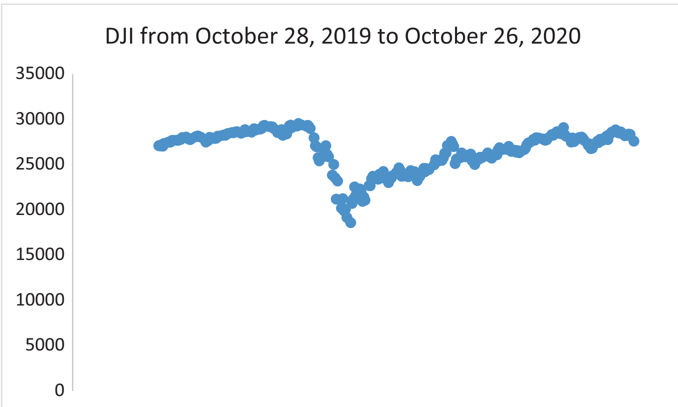
The U.S. economic outlook becomes worse daily, with millions facing unemployment and businesses in a steep decline. This appears to be the case all over the world. Much of our organized system of laws and regulations was designed to reduce the serious consequences of periodic upheavals and their perceived risks. There is nothing like the emergence of a previously unknown form of calamity to threaten the economic life of a nation. When dealing with the multiplicity of problems that arise in challenging times, many experts and officials struggle to find answers, especially when past solutions are no longer effective. The pandemic unleashed by the spread of the coronavirus COV-SARS-2, the agent that causes Covid-19, falls in the former category, that is, an unknown class of uncertainties. Its consequences have not only been swift and greatly disruptive to all economic activity, but Covid has also rendered useless much of the knowledge gained from dealing with other types of crises.

It is to read an early perspective on Covid's impact on the U.S. economy. This early perspective is used here as a proxy for what is happening in much of the world. We quote from an article by economic reporter Nelson Schwartz. This article was originally published in *The New York Times* (Schwartz, 2020). Schwartz points out that "Economists have had to update their models daily as the pandemic increasingly throttles work, commerce and travel." To further substantiate his thesis, Schwartz references an early report from Credit Suisse: "Economic data in the near future will be not just bad but unrecognizable."

A third element of the uncertainty caused by Covid is its eerie resemblance to a war economy where the bombing is non-stop; however, in Covid's case, there is no destruction of physical property. Schwartz characterizes one of the more immediate changes caused by the new state of the world when he quotes Ellen Zentner, chief economist at Morgan Stanley. Zentner points out that "Even during previous recessions … no one's been told you can't go outside, or you can't gather." She adds, "There will be a swath of small businesses that simply won't be able to survive this."

This comment by Zentner illustrates the disastrous feedback loop: As the economy weakens through the failure of small and medium-sized businesses, the consequential marginal unemployment rate leads to further economic deterioration via a contraction in consumption. Extrapolating from many expert opinions, Schwartz surmises that "the pain is so severe because the economy is dominated by services, with consumers powering overall demand, a shift from previous generations, when the production of goods counted for a greater share of output. About three-quarters of economic activity derives from consumer spending, and half of that is at risk."

The very same day this report appeared, Starbucks announced that it was temporarily closing all of its cafes in the U.S. In spite of the downward trend in the real economy, Wall Street appears oblivious to the harsh realities induced by Covid-19. Despite occasional swings, the stock markets, on average, have maintained an unexpected upward trend. The graph below shows data taken from the Yahoo Finance site (DJI, 2020), covering the year from October 28, 2019, through to October 26, 2020.



In the graph above, the trend before the declaration by the World Health Organization (WHO) of a global pandemic (Dr Adhanom Ghebreyesus, 2020), and its aftermath can be seen as a representation of this period of the twenty-first century. The peak that marks the changing trend occurred on February 14, 2020, when the Dow Jones Industrial

Average (DJI) closed at 29,398. This was nearly a full month before the WHO officially declared a state of worldwide pandemic on March 11, 2020. This is an obvious example of markets discounting news of future trouble. On March 23, 2020, the Dow Jones lost an astounding 37 percent from its previous peak, closing at 18,592. At the time, the reports from specialized news sites were dire. Journalists at Bloomberg (Heeron & Hajric, 2020) reported that "the hit to GDP is shaping up to be monumental, with Goldman Sachs now forecasting a 34% contraction in the second quarter before a sharp rebound." Importantly, this was *after* taking into account a massive influx of aid from the U.S. government. According to estimates by the U.S. Bureau of Economic Analysis, that assessment currently turns out to come close to the mark.

And yet, from that low point in the DJI the trend quickly reverted into an optimistic upward swing. The reality is that because of historically low interest rates in the global bond markets, investors soon realized that their money had nowhere else to go. Although certain analysts firmly believe that the buoyancy of capital markets is founded on long-view assumptions of a post-pandemic economic recovery and the unstoppable march of progress, it is just as likely that the capital moves observed through the Dow Jones and other significant indexes signal a temporary detachment from the essential underpinnings of contemporary capitalism. By ignoring the fundamentals, investors appear to have forgotten the lessons of the past. It seems inevitable that markets will face a significant correction sometime in the foreseeable future.

Given the present, unprecedented uncertainty in the world economy, a number of investors have realized that it is in their best interest to think hard about which businesses might be worth the risk of investing in. The resulting capital reallocations can be understood, for instance, in a graph developed by the McKinsey Global Institute (McKinsey, 2020a, b). The graph shows the transfer of trillions of equity capital from the banking and the oil and gas sectors toward, first, the five big tech companies and then, in the following order, to the logistics sector, the trading sector, the retail sector, and the media sector. Measured by the percentage of change, with equity value falling at one point by as much as 29 percent, the biggest loser has been the oil and gas industry, a stalwart pillar of the old economy. The second largest sector losses by percentage are nevertheless the largest in sheer dollar losses: banking and insurance. This is because their exposures to credit default risk and all potential liabilities originating in the health and life insurance industries and also in business failures make them particularly vulnerable. The overall scope of the observed tendencies, if they are reflection of a new reality, point to a nascent form of tech capitalism. Those companies that can monopolize control of the flow of information and sell it to customers in convenient formats, and devices, will control the flow of the world's capital.

This transition was already underway, but the shock of the recent pandemic has brought with it sudden changes that are unlikely to be undone by improvements in treatments for Covid-19 and the emergence of a safe vaccine. The shifts seen in equity in the world's stock markets reflect a shift in consumer habits. Consumers have dramatically increased their consumption of home-delivered goods ordered online, including groceries, home supplies, and entertainment (McKinsey, 2020a, b), while correspondingly reducing other types of consumption. On the other side of the equation, businesses have accelerated digitization, doing tasks in only a few months that formerly took years to develop and complete. Both sides have therefore benefitted from the dramatic changes in technology.

Governments have demonstrated that they can set aside their concerns about deficits to introduce means to supplement family income with emergency relief programs. This development is unlikely to merely vanish as soon as the coronavirus has been brought under control. The complex mix of politics and real needs may reopen the discussion of why a permanent program of universal basic income should not be established once and for all. Ultimately, the pandemic's largest and most durable effect could be educational: government, business, and large swaths of the population may come to think differently about their everyday realities.

Covid-19 has, however, shattered conventional politics too: All governments currently govern by trial and error. Polarization is rampant both in politics and in the culture at large. In certain places this has led to violence. Wars and famines ordinarily affect certain segments of the population more adversely than others: Mainly the elderly and the poor suffer more, while the rich appear to be relatively unaffected. This pattern of disproportionate impact appears to persist in the current situation;

however, Covid-19 has targeted all age groups and this time even the well-to-do have been impacted (United Nations, 2020).

This and other factors persuade us to interpret Covid-19 as a limit situation. Karl Jaspers, the German philosopher, coined the term *Grenzsituation* to describe certain situations that we experience as utterly different from the ordinary, forcing us to respond in radically new manners. The German word *Grenzsituation* has generally been translated as "limit situation" and less often as "frontier situation." Jaspers wrote in 1919, that is, toward the end of the nightmare of the First World War, about a reflection on the wider psychological views of the world (*Weltanschauungen*—"limit situation"). The expression was variously used in the existentialist movement of the French intellectuals, such as Jean Paul Sartre, Albert Camus, and Gabriel Marcel, during the Second World War and the postwar years. However, the notion of a limit situation vanished from the European philosophical reflections dating from the last quarter of the twentieth century. In Brazil, Paulo Freire adopted the concept, using it to refer to the constraints of underdevelopment as a limit situation on humanity and also as a turning point for increasing one's human stature (Freire, 1970). By referring to Covid-19 as a limit situation, we mean a situation that has been experienced as deadly anguish. To this experience of deadly anguish, we propose a response that is similar to an unavoidable act of transcendence. We refer to this act of transcendence as an intellectual and moral conversion that we explain further on.

We all have observed the ethical dilemma of local and national authorities having to choose between public health and the economy, while understanding that a collapsed economy will also eventually raise the death toll. However, in contrast to the past,

> In the battle against Covid-19, countries' fates are in their own hands to a far greater degree than in the pre-industrial past. Governments know much more about how epidemics can be managed. Different experiences with the disease are as much an indicator of underlying state capacity as a cause of future economic divergence.Still, history reveals how pandemics nudge societies listing in one direction or another in a decisive and consequential direction. We cannot know what long-run effects Covid-19 may have, but we can feel reasonably sure there will be some. (The Economist, 2020).

On another level, this dilemma also exists for owners and managers of private enterprises whose positive cash flow allows them to stay in business without filing for bankruptcy. In addition to this scenario, the foundation of our theoretical premise includes the possibility of educating a new generation of young social progressives who aspire to become managers. Companies that have been bankrupted because of the pandemic will have little choice other than to piece together their remaining assets to pay off their creditors. Politicians who have had to close down state factories or farms, will have to move workers and their families to new locations.

2.2 Freedom of Choice for a Dilemma to Exist

We propose to continue our chapter by discussing two sources of humanistic management as means of exercising freedom, since, for a problem to exist, a degree of freedom of choice needs to exist as well. Such degrees of freedom of choice can be thought of as being within a range between two extremes: The one extreme is the horizontal exercise of freedom, where an individual considers himself or herself to be autonomous within the context of the law, social norms, customs, and general common sense. His or her autonomy is bounded only by such restrictions. The usual accompanying archetype is that of a self-referent, autonomous individual. This kind of person is associated with a worldview that has developed over the past two hundred years, which we refer to as the *ideology of progress*. The range of interests, thoughts, and attitudes accompanying such ideology is of knowledge gained through common sense, established sciences, and technology. The future, despite being a non-existent reality, is reified to such an extent that in this person's mind, the present becomes less important and expectations of what is to come take precedence. These expectations are not perceived as probabilities; they are perceived as a certainty, which they are not.

At the other extreme of the spectrum, we consider the vertical exercise of freedom. Here, the individual not only is law abiding but also takes into consideration human dignity. This individual's commitment to his or her principles and values is central. Paradoxically, such commitment usually expands and increases freedom, for it considerably reduces the power of coercion that horizontal others may exert on the vertical individual's judgments. The mind's eye can see other people's wants and fears more clearly, and the diminished noise allows for actual listening and purposeful action for the benefit of the community. As in the tale of *Flatland*, this attribute opens up a third dimension. Hopefully, exercising this kind of freedom will lead to life stories contrary to *Flatland*'s outcome where the protagonist ends up in jail for wanting to evangelize to his fellow citizens on the virtues of the third dimension that would allow them to inhabit *space land* (Abbot, 1884).

The exercise of horizontal freedom fosters the opportunity for humanistic values where managers often face crises with prescribed decisions, which are not always in the best interest of all stakeholders. The exercise of vertical freedom, on the other hand, gives rise to humanistic values leading to decisions that take nurturing human dignity into consideration. We have observed that despite having forced managers to make difficult decisions including layoffs and bankruptcy procedures, for many stakeholders Covid-19 has proved to be a catalyst for personal and professional growth. Most managers will find themselves making decisions somewhere in between these two extremes.

Covid-19 appears to have put management styles into effect that can be conceived of within this dimension of personal and professional growth. We do not imply that these kinds of decision-making processes were not always possible; instead, we simply say that owing to the limit situation, such management styles have become more prevalent and that we may observe new management styles, which address the current situation with creativity and hope.

2.3 Sources of a Person's Dignity

Before advancing our argument, we describe a few examples of human dignity. The first—and best known—is the Universal Declaration of Human Rights, as established by the United Nations (United Nations, 2015a, b). On a cultural level, there are conditions, often tacit, accorded to different social groups. At the national level, there are legislated rights and duties, as they apply to individuals and collectivities. At the organizational level, there are social movements that campaign for new or unrecognized rights. There are also the different world religions. Lastly, there is a particular version of dignity that stems from a scientific and technocratic worldview.

For our present civilization, one of the primary sources of human dignity is the concept of human rights enshrined by the United Nations and upheld by most countries in their written constitutions. There have been a number of obvious violations by dictators and strongmen through oppressive governance. Moreover, in certain cases there have been genocides, which are globally renounced as totally unacceptable. There are other contentious issues related to abortion and euthanasia that involve the sensitive matters of right to life, which are often dependent on debatable definitions of personhood.

A second source of human dignity is cultural, which is integral to the social contract that a society embraces. Social status can be dependent on income, education, and political power. Despite the substance of the Universal Declaration of Human Rights incorporated in most constitutions that establish equality for citizens before the law, the reality is that the wealthy, the highly educated, and the political elite often endow themselves with privileges that tip the scale in their favor. Somehow, they consider themselves worthy of a higher degree of dignity and advantages than the average citizen.

A third source of dignity is the transformations begotten by social, economic, and power groups over time. Serfs and feudal lords in the Middle Ages gradually improved their status and became landowners. During the Industrial Revolution entrepreneurs and laborers came to be defined as blue- and white-collar workers. More recently, civil rights movements, affirmative action groups, and, presently, groups fighting for gender equality and racial parity advocate for recognition and the dignity of their particular cohort.

A fourth source of dignity is the world's religions. The Judeo-Christian tradition teaches that man and woman are created in the image of God—a belief debated in Islam. Hinduism and Buddhism's belief in reincarnation teaches that through the practice of meditation, a person can attain enlightenment, which can lead to the attainment of a god-like dignity.

A fifth source of dignity is the present prevailing scientific and technological worldview, which can be summarized as the belief that man is the highest developed living being whose complexity is unsurpassed by any other living being. This ideology identifies characteristics in humans and human societies that set them apart from other organisms. It assumes that human beings possess a dignity that is not present in other lifeforms. This worldview protects technocratic elites who exercise their power in government, corporations, and the academy. Such elitism is present in all countries independent of their form of governments, whether it is a liberal democracy, socialism, communism, or totalitarianism.

2.4 What Kind of Crisis Is Covid-19?

In this chapter, which is written near the end of 2020 and which will probably be published well into 2021, we speculate on various aspects of Covid-19 that in all likelihood will remain salient.

It is not quite accurate to compare Covid-19 with pandemics of the past. The plague that devastated Constantinople in the fourth century and the European phase of the Black Death in the fourteenth century were pandemics that had regional death tolls of one-fourth of the population in the former and one-third of the population in the latter. Clearly, Covid-19's death toll will not be comparable. Those pandemics happened in a very different world from ours, a world without antibiotics, antivirals, and other medications that will help greatly reduce the mortality rate from the current virus. Certainly, there are a number of common factors that are perennial to the human condition. Pandemics appear to create more antagonism than they do a unifying civic spirit. They can be the source conspiracy theories, of the rich fleeing the cities, and of numerous forms of antisocial behavior, many of which are appropriately described with the benefit of hindsight in Daniel Defoe's *A Journal of the Plague Year* (Defoe, & Cruikshank, n.d.).

Nevertheless, presently other issues are at play. Among these is the reality that the world's economy has been devastated in manners that are not comparable to past depressions—on March 23, 2020, the global financial system was on the brink of collapsing (Tooze, 2020).

More than half of the world's population lives in poverty. One obvious indication of this crisis is the migration of hundreds of thousands of poor city dwellers—known as "dollar a day" workers—who have returned to their rural places of origin because they cannot earn a living in cities during the generalized lockdown. Health systems all over the world have been put to the test because they were not prepared for such a sudden and overwhelming demand for non-conventional care. Educational systems, which were suddenly forced to go online, may now in all probability begin to develop new forms of blended learning that have, until now, only been imagined. The world has come to a halt since air transportation is mostly grounded and most industries limit production. While newly developed vaccines are become available only now, only the privileged will, for the time being, have access.

On the other hand, there are compelling reasons to respond differently this time. Communication and dependency among peoples of different nations, classes, and cultures have never been as symbiotic as they are now. Today with globalization, supply chains serve remote areas that were previously inaccessible. Social media conveys new ideas and current events instantaneously to cellphones and other electronic mediums. English is almost a universal language. Many other examples can be provided to prove that there are more reasons than ever for mutual cooperation instead of antagonism.

These facts moved Bruce Aylward, who led the WHO team during the Covid-19 pandemic in China, to say:

> That the major thing that needs to happen, if we are to be prepared now and, in the future, is there has to be an absolutely fundamental change in our mind-set. We have to think that we have to work together as a human species to be organized to care for one another, to realize that the health of the most vulnerable people among us is a determining factor for the health of all of us, and, if we aren't prepared to do that, we'll never, ever be prepared to confront these devastating challenges to our humanity. (Chotiner, 2020)

This is a concept that has been formulated in many ways in the recent past, but its truth has never been more relevant than it is now. Professor Muhammad Yunus uses a very appropriate metaphor: "It has been like riding a train that was going full speed that suddenly comes to a dead stop. People are getting off the train inquiring what has happened. With climate change, mass unemployment, and unbearable economic and social inequality, in the next station people will not go back to ride the same train, since it might not even start again. A new train is needed with a different destination" (Yunus, 2020).

The ideology of progress refers to the belief and the hope that unlimited economic growth, fueled by science and ever-expanding technology, will improve the welfare of all populations, rich and poor. For the past two centuries this mind-set has inspired capitalism, socialism, and communism. In varying degrees, each model has proven its ineffectiveness in developing an equitable society and an environmentally sustainable production system. Each of these economic and political ideologies has generated a cohort of economically powerful elites that comprise not more than 1 percent of the world's population, but who control more than 50 percent of the world's wealth and resources. Many of the multinational companies owned by these elites manipulate state and government control. Authoritarian regimes that have developed their own versions of capitalism and that have the industrial capacity and services essential to their stability and survival, inevitably have a class of techno-political elites. Like most developed countries, these regimes have built industrial systems and consumer practices that unequivocally damage the planet. During the lockdown, as industrial production slowed and air pollution decreased significantly because fewer vehicles were on the roadways, wild animals started appearing in the streets of certain small towns and cities (Brookshire, 2020).

While acknowledging that other interpretations of humankind's present situation are possible, we nevertheless offer the above as a working hypothesis to aid our discussion. To complete the context of our argument, we speculate about changes that currently take place and that in all probability may not be reversible:

- A widely held attitude of uncertainty reigns at present. Until the advent of Covid-19, the concept of progress operated under Professor Yunus's metaphor of "a train running at full speed." Not one single futurologist that we know of envisioned the "train" coming to a dead stop. This has left *all* passengers, first class and other classes included, disoriented.

- An economic turmoil has left the United Nations' Sustainable Development Goals (SDGs) in jeopardy unless a new train coming from another direction moves in a new direction—away from the manner in which things have been done in the past.
- Virtual and online communications will grow exponentially, changing human interaction in manners never before imagined.
- Employment contracts will be transformed from long term to short term and most work will be project-based and task-based.
- Many professions will transition from traditional office jobs to working online.
- Education for all grades will combine virtual instruction with classroom experiences.
- Universities are among those institutions that will undergo the most drastic changes. Since the founding of the first universities during Europe's Middle Ages, their function has been to provide knowledge and professional accreditation in fixed locations where students could travel from afar to study and live on campus. Not being able to do so because of Covid-19 or for financial reasons or because of the very uncertain academic and professional landscape we now experience, may lead to a new educational paradigm that includes working and learning through continuous education. Competition between universities will not only be about campus life experiences, the quality of instruction, the research resources, or the prestige of the institution. Universities will be expected to offer education and training that provides the prospect of employability. A new educational paradigm will also cultivate creativity and entrepreneurship, while developing graduates capable of generating their own income and who can contribute to the greater good of society.
- Face masks alter intersubjectivity in manners not thought of previously. Contemplate the concept of *trust* in the workplace: Trust is considered the most important factor for successful organizational performance. Now, because of Covid-19, an employee may distrust another coworker who sits close by because of the concern that he or she might be asymptomatic. Or other workers may find themselves in a work environment where they do not work at a safe distance from other coworkers.

We argue that the disruption caused by Codiv-19 should not be about waiting until things settle down and then we go back to normal, that is, go back riding on the same train. We live in a time of profound change in all aspects of human life and in the life of the planet. The current crisis is not a revolution in the sense of the Industrial Revolution that was initiated by man. Nor is it a revolution in the political sense like communism's spread through Russia and China in the twentieth century. Nor is it a political, social, and economic disaster like the two world wars of the last century. Covid-19 came swiftly, putting all human life at risk. Human life was especially at risk in cities. Until now, cities were considered to be the safest and most resourceful places to live in contrast to rural areas where life is sometimes more tenuous. Last but not least, the defense systems of industrial countries have been temporarily marginalized. Trillions of dollars have been wasted on military hardware and personnel. For the moment, the war machine has become less important than the pandemic response. We hope this is a permanent situation.

This is the context we envision and this is why we consider it a limit situation and not a crisis. We are presently challenged by a state of affairs that has no precedent and no analogy; whether it is a crisis, a revolution, or a natural disaster, there has been no comparable situation to support our thinking. Although we can discuss climate change and the coming environmental crisis or the unemployment crisis, and the financial crisis, these are all things that can be analyzed. We believe a more rigorous assessment is required: an assessment addressing that which supports the present worldview mentioned above, that is, the worldview we refer to as the *ideology of progress*.

2.5 Why Reform Is Needed and Not Just Crisis Management

Slightly more than a 100 years ago, G.K. Chesterton, a prolific and very incisive critic of modernity, summarized what thought in evolution and progress meant:

> We need not debate about the mere words evolution or progress: personally, I prefer to call it reform. For reform implies form. It implies that we are trying to shape the world in a particular image; to make it something that we see already in our minds. Evolution is a metaphor from mere automatic unrolling. Progress is a metaphor from merely walking along a road—very likely the wrong road. But reform is a metaphor for reasonable and determined men: it means that we see a certain thing out of shape, and we mean to put it into shape. And we know what shape. (Chesterton, 1917, p. 80)

Interestingly enough, however, Chesterton foresaw how the idea of progress would be abused:

> Progress should mean that we are always changing the world to suit the vision. It should mean that we are slow but sure in bringing justice and mercy among men: it does mean that we are very swift in doubting the desirability of justice and mercy […] Progress should mean that we are always walking towards the New Jerusalem. It means that the New Jerusalem is always walking away from us. We are not altering the real to suit the ideal. We are altering the ideal: it is easier. (Chesterton, 1917, p. 81).

If we insist on evolutionary thought by its definition as an automatic unrolling, not much is left for man to do other than wait until the survival of the fittest decides his fate—whatever the fittest means in the present situation. If we think of the idea of progress as walking along a road, and we do not accept we are on the wrong road (the ideology of progress); not much can be done besides waiting for new conditions to develop. We can think about reform, but we need to sketch the shape of that new ideal.

After the 2008 financial crisis, crisis management engineers and experts became prevalent. We do not envision the use of such expertise with respect to Covid-19. Humanistic management is more than expertise in the field of knowledge; instead, humanistic management deals with the field of being. How does one attain such consciousness? Does one attain it by being aware of the limits both of evolutionary thought and progressive thought?

2.6 The Notion of Horizon

This kind of consciousness is attained by being aware of the limits of one's horizon—horizon being the metaphor for one's range of knowledge and interests. It is just like the horizon in the literal sense that "denotes the bounding circle, the line at which earth and sky appear to meet. This line is the limit of one's field of vision. As one moves about, it recedes in front and closes in behind so that, for different standpoint and horizon, there are different divisions of the totality of visible objects that can now be seen [...] As our field of vision, so too the scope of our knowledge, and the range of our interests are bounded. As fields of vision vary with our standpoint, so too the scope of one's knowledge and the range of one's interests vary with the period in which one lives, one's social background and milieu, one's education and personal development. So, there has arisen a metaphorical or perhaps analogous meaning of the word, horizon. In this sense what lies beyond one's horizon is simply outside the range of one's knowledge and interests: one neither knows nor cares. But what lies within one's horizons is in some measure, great or small, an object of interest and of knowledge." (Lonergan, 1990, pp. 235–236).

The notion of horizon in this sense allows us to better understand how our past achievements or failures influence our thoughts. It is what gives purpose to our goals, ideals, and intentions, while making it easier to communicate them to others. The concept of horizon illustrates how learning is not a matter of acquiring more information, but rather a process of organic growth.

> Within such context must be fitted each new item of knowledge and each new factor in our attitudes. What does not fit, will not be noticed, or if forced on our attention, it will seem irrelevant or unimportant. Horizons then are the sweep of our interests and of our knowledge; they are the fertile source of further knowledge and care; but they are also the boundaries that limit our capacities for assimilating more than we already have attained. (Lonergan, 1990, p. 237)

The notion of horizon allows us to comprehend the distinction between the horizontal and vertical exercises of freedom. The former, as stated, describes making choices and decisions within a set horizon. Horizontal exercise of freedom is defined by those who long for a return to normality. Using the train metaphor, it describes those people waiting impatiently to board the same train again, who want to continue as soon as possible in the same direction that the train was moving in before it came to dead stop. A vertical exercise of freedom, however, refers to a more fluid set of choices and decisions that allow a person to change direction or speed, or to even choose a different mode of transportation to move from one horizon to another.

> Now there may be a sequence of such vertical exercises of freedom, and in each case the horizon, though notably deeper and broader and richer, none the less is consonant with the old and a development of its potentialities. But it is also possible that the movement into a new horizon involves an about-face; it comes out of the old by repudiating characteristic features; it begins a new sequence that can keep revealing ever greater depth and breadth and wealth. Such an about-face is what is meant by a conversion. Conversion may be intellectual or moral or religious. (Lonergan, 1990, p. 238)

An appropriate illustration that distinguishes horizontal from vertical exercises of freedom might be the United Nations' Sustainable Development Goals (United Nations, 2015a). It is a praiseworthy effort to have built consensus around these goals. However, it might be a good thought exercise to interpret the underlying worldview that inspires these goals.

One interpretation is that a horizontal exercise of freedom is obscured by the ideology of progress, that is, the belief that unlimited economic growth fueled by science and ever-expanding technology will bring security for all populations—rich and poor—and that the United Nations' Sustainable Development Goals (SDGs) can be accomplished. To accomplish this, the train's speed would have to be slowed.

Another interpretation considers that decisions are made within a vertical exercise of freedom but that these decisions are inside a sequence of horizons that, despite being deeper, broader, and richer, are permutations of the original horizon. We contend that these are the horizons that the SDGs' most prominent advocates support.

Our interpretation is that the SDGs can only be accomplished within a radically new horizon that demands an intellectual and moral conversion. In the wake of such a conversation, this new horizon will help define the underpinnings for the moral and intellectual foundation needed to address our present limit situation. It will need to be something deeper and broader than merely the humanistic management of organizations: It will have to entail a humanistic management of one's self, of organizations, of communities, of governments, and of social life in general.

2.7 Conversion

Hadot studied how the meaning of the concept of conversion had evolved (Hadot, 2020). In his interpretation, the Latin word *conversio* corresponds to two Greek words of different meaning. *Epistrophe* (επιστρφη) is a change in orientation, meaning a return to the origin or a return to oneself. *Metanoia* (μετανοια) is a change in thought, repentance, and renewal. Since the onset of Christianity, Western consciousness has been deeply influenced by this breakdown of polarity and fidelity. The change of such consciousness signals the ambiguity of human reality and can be approached from several perspectives: sociological, psychological, historical, theological, and philosophical. We will concentrate on the latter.

On the one hand, by returning to the origin, the individual can transform himself or herself by interpreting this origin and the future. On the other hand, this transformation can be caused by external forces like divine grace or a psychosocial norm. "It can be said that the idea of conversion is one of the constitutive concepts of the Western consciousness and that Western history can be thought of as a constant effort to improve the forms of consciousness. Forms destined to transform human reality by approximating it to its nature (return to its origin) or transforming it radically (radical change of mind)" (Hadot, 2020, p. 178). Both, that is, a return to the origin and a change of mind, are one single movement in the direction of development. As Lonergan explains,

> As orientation is, so to speak, the direction of development, so conversion is a change of direction and, indeed a change for the better. One frees oneself from the unauthentic. One grows in authenticity. Harmful, dangerous, misleading satisfactions are dropped. Fears of discomfort, pain, privation have less power to deflect one from one's course. Values are apprehended

> where before they were overlooked. Scales of preference shift. Errors, rationalizations, ideologies fall and shatter to leave one open to things as they are and to man as he should be. (Lonergan, 1990, p. 52)

In Hadot's interpretation, religious conversion—in the sense of radical change—was not prevalent in antiquity. Instead, conversion took place through skilled persuasion in the political realm and in the philosophical realm. Plato's philosophy taught that to change the *polis*, citizens needed to be converted and the most deeply converted citizen was the philosopher. The philosopher was transformed (converted) from focusing his being on shadows in the cave to being able to contemplate the Good. From this perspective, the university's responsibility is to educate students such that they will be able to contemplate the Good.

Judaism and Christianity initiated the concept of religious conversion. This is in line with philosophical conversion that requires a return to the origin and it is also consistent with aspiring to the attainment of a perfect state, which, in the case of both religions, means overcoming sin.

In Hadot's thinking, any religion that requires its followers to have total and unrestricted faith[1] may also have the mandate to impose its doctrines on others. There is certainly evidence of this today, as fundamentalist sects around the world violently impose their beliefs while persecuting Christians, Muslims, and Jews.

In what follows, we mainly discuss the concepts of intellectual conversion and moral conversion as considered by Lonergan (Lonergan, 1990). We do not disregard religious conversion as an essential motivating force of human engagement or as a source of inspiration for humanistic management; however, addressing religious conversion would require a very different set of premises in order to construct our argument.

Our concern here is a state of mind and being that Lonergan describes as.

> Transformation of the subject and his world. Normally it is a prolonged process though its explicit acknowledgment may be concentrated in a few momentous judgments and decisions. Still, it is not a development or even

[1] We might also add political ideologies, like Communism, Nazism, and any Totalitarianism, that eventually turn out being civil religions.

> a series of developments. Rather it is a change of course and direction. It is as if one's eyes are opened and one's former world faded and fell away. There emerges something new that fructifies in inter-locking, cumulative sequences of developments of all levels and in all departments of human living. Conversion is existential, intensely personal, utterly intimate. But it is not so private to be solitary. It can happen to many and they form a community to sustain one another in their self-transformation and to help one another in working implications and fulfilling the promise of their new life. Finally, what can become communal, can become historical. It can pass from generation to generation. It can spread from one cultural milieu to another. It can adapt to changing circumstances, confront new situations, survive into a different age, flourish in another period or epoch. Conversion, as lived, affects all of man's conscious and intentional operations. It directs his gaze, pervades his imaginations, releases the symbols that penetrate to the depths of his psyche. It enriches his understanding, guides his judgments, reinforces his decisions. But as communal and historical, as a movement with its own cultural, institutional, and doctrinal dimensions, conversion calls forth reflection that makes movement thematic, that explicitly explores its origins, development purposes, achievements and failures. (Lonergan, 1990, pp. 130–131).

In this sense, a limit situation of humanity living with Covid-19 can only be addressed with a change of mind-set and seriousness of purpose. Professor Yunus's train metaphor is acceptable, assuming we can all disembark from the train and wait for another train or just start walking in another direction. We suggest a new direction in our concluding remarks. Nevertheless, the reality is that there are many people who do not want to disembark from the train and who insist on maintaining an unsustainable way of living. There are also people who have disembarked from the train involuntarily: those who have lost their lives to Covid-19.

For the first time in known history, we are all on the same train. Regardless of the data governments provide, whether it is manipulated for political expediency or for falsely trying to imply that the population is more immune to Covid than it is, management has never had a more overwhelming challenge. By management in this context, we mean not only the "act or art of conducting or supervising of something" or "the collective body of those who manage or direct an enterprise," but management in its most encompassing meaning of a "judicious use of means to accomplish an end" (Merriam-Webster, 2020).

The above general definition of conversion includes Hadot's "forms destined to transform human reality by approximating it to its nature (conversion-return to its origin) and/or transforming it radically (conversion-radical change)" (Hadot, 2020, p. 178). Today, we may refer not only to the Western forms of consciousness Hadot suggested but to all forms of consciousness in the East and West. We now need to specify this kind of conversion in terms of its intellectual dimension.

Intellectual conversion for Lonergan is a.

> radical clarification, and consequently, the elimination of an exceedingly stubborn and misleading myth concerning reality, objectivity and human knowledge. The myth is that knowing is like looking, that objectivity is seeing what is there to be seen and not seeing what is not there, and that the real is what is out there now to be looked at. Now this myth overlooks the distinction between the world of immediacy, say the world of the infant and, on the other hand, the world mediated by meaning. The world of immediacy is the sum of what is seen, heard, touched, tasted, smelt, felt. It conforms well enough to the myth's view of reality, objectivity, knowledge. But it is but a tiny fragment of the world mediated by meaning. For the world mediated by meaning is a world known not by the sense experience of an individual but by the external and internal experience of a cultural community, and by continuously checked and rechecked judgments of the community. Knowing, accordingly, is not just seeing; it is experiencing, understanding, judging, and believing. The criteria of objectivity are not just the criteria of ocular vision; they are the compounded criteria of experiencing, of understanding, of judging, and of believing. The reality known is not just looked at; it is given in experience, organized and extrapolated by understanding, posited by judgment and belief […] To be liberated from that blunder, to discover the self-transcendence proper to the human process of coming to know, is to break often long ingrained habits of thought and speech. It is to acquire the mastery in one's own house that is to be had only when one knows precisely what one is doing when one is knowing. It is a conversion, a new beginning, a fresh start. It opens the way to further clarification and developments. (Lonergan, 1990, pp. 238–240).

If we accept the commonsense definition of information as data structured to make decisions and the commonsense definition of knowledge as information structured to anticipate consequences, then we might say that with respect to Covid we are in the early stages of understanding what the virus's impact will be and that it will take a while before we fully know how to deal with this pandemic. Put differently, we have precarious information and scarce knowledge despite all the statements of the would-be experts on Covid-19 that pop up in every field and despite all the statements of the progress ideologists that do not accept the lesson in humility that Covid-19 teaches us.

We can add that the profusion of material posted on social media and in the press, as well as what has been written or discussed by expert commentators, addresses the current situation; however, we have not reached the stage of being "organized and extrapolated by understanding, posited by judgment and belief […]" (Lonergan, 1990, p. 239). This is why we propose an intellectual conversion, a complete change of mind-set, a disruption of old habits of mind and speech. This is only possible when one becomes truly aware of what one is thinking.

We mentioned above that Covid-19 demands a response that is more robust than mere crisis management. We said that humanistic management provides more than just expertise in a field of knowledge; instead, humanistic management deals with the field of being. By describing the notions of horizon and of conversion, we have shown how a deeper consciousness can be attained and we have shown that evolutionary and progressive thought, in its philosophical mode, cannot offer such a deeper consciousness.

Having described what intellectual conversion is about, we now describe what moral conversion entails:

> [It] changes the criterion of one's decision and choices from satisfaction to values. As children or minors we are persuaded, cajoled, ordered, compelled to do what is right. As our knowledge of human reality increases, as our responses to human values are strengthened and refined, our mentors more and more leave to ourselves so that our freedom may exercise its ever advancing thrust to authenticity. So, we move to the existential moment when we discover for ourselves that our choosing affects ourselves no less

> than the chosen or rejected objects, and that it is up to each of us to decide for himself what he is to make of himself. Then is the time for the exercise of vertical freedom and then moral conversion consists in opting for the truly good, even for value against satisfaction when value and satisfaction conflict. Such conversion, of course, falls far short of moral perfection. Deciding is one thing, doing is another. One has yet to uncover the root out of one's individual, group and general bias. One has to keep developing one's knowledge of human reality and potentiality as they are in the existing situation. One has to keep distinct its elements of progress and its elements of decline. One has to keep scrutinizing one's intentional responses to values and their implicit scales of preference. One has to listen to criticism and protest. One has to remain ready to learn from others. For moral knowledge is the proper possession only of morally good men and, until one has merited that title, one has still to advance and to learn. (Lonergan, 1990, p. 240).

In order for management to function within this limit situation, which has put such a strain on our culture, it is essential that we convert the self-referent style of management pervading our relativistic culture into a humanistic approach. One of the many questions that Covid-19 has brought to light is not only the questioning of whether progress ideology should be accepted at face value but also the questioning of progress ideology's intellectual underpinnings, that is, that of Social Darwinism, which promises increased prosperity for societies with technological savvy. The most conventional economic and social indicators that support this theory have not provided developed societies with immunity from Covid-19, nor have those indicators served the population of developed societies better.

> Both intellectual and moral conversion are manifestations of a vertical exercise of freedom where an about-face change of horizon takes place. Both conversions set the person on a new existential level of consciousness, who is then established as an originating value. Who embodies a value [that] gives life to that value that others will be attracted to? This is not a detachment from truth. The person still needs truth, for he must apprehend reality and real potentiality before he can deliberately respond to value. The truth he needs is still the truth attained in accord with the exi-

> gencies of rational consciousness. But now his pursuit of it is all the more secure because he has been armed against bias, and it is all the more meaningful and significant because it occurs within, and plays an essential role in, the far richer context of the pursuit of values. (Lonergan, 1990, p. 242).

We now come to our concluding remarks about how this new mindset needs to be accompanied by new deliberations, decisions, and choices (a type of "will-set," which is analogous to the concept of a mind-set)—a "will-set" that concretely chooses values above satisfactions in a humanistic-management educational setting.

2.8 A Hope for Building Humanistic Management

If we accept that man's intelligence distinguishes him from the animal order and that he mainly and spontaneously identifies with his impulse toward the Good and toward the object he desires, then this is not to be confused with animal instinct or egotistical cunning. Man can then be thought of as an artist, for his motivation is a quest not only for food and shelter but for living a moral life. That is why we established a number of views of human dignity at the beginning of our chapter, inviting the reader to understand how those views underpin several views of humanistic management. Man is then moved toward spiritual attainment, and not only for the acquisition of material objects. Together with his personal interests, there is a desire for community. Man was born from his parent's love and received their affection. As an adult, he may fall in love and form his own family. Different from sociological and political contemporary thought, man's community and socialization are not the products of an idea but of spontaneous intersubjectivity.

In Lonergan's words such intersubjectivity refers to.

> primitive community [being] intersubjective. Its schemes of recurrence are simple prolongations of prehuman attainment, too obvious to be discussed or criticized, too closely linked with more elementary processes to be distinguished sharply from them. The bond of mother and child, man and

> wife, father, and son, reaches into a past of ancestors to give meaning and cohesion to the clan or tribe or nation. A sense of belonging together provides the dynamic premise for common enterprise, for mutual aid and succor, for the sympathy that augments joys and divides sorrows. Even after civilization is attained, intersubjective community survives in the family with its circle of relatives and its accretion of friends, in customs and folkways, in basic arts and crafts and skills, in language and song and dance, and concretely of all in the inner psychology and radiating influence of women. (Lonergan, 1992, p. 237).

Which is saying that just "as intersubjective community precedes civilization and underpins it, so also it remains when civilization suffers disintegration and decay. The collapse of the Roman Empire was a resurgence of family, clan, [kingdoms], feudal dynasty and nations" (Lonergan, 1965, p. 238). We do not imply that Covid's limit situation portends a collapse of a civilization; in fact, the Covid-19 limit situation has allowed for basic intersubjectivity to take place. It is very significant that families and friends have reconnected during the lockdown in growing numbers (Ansberry, 2020).

Civil society is a new creation that is above human intersubjectivity despite the latter being the initial basis of the former. However, now human society "has attempted a more grandiose undertaking. The discoveries of practical intelligence, which once were an incidental addition to the spontaneous fabric of human living, now penetrate and overwhelm its every aspect. For just as technology and capital formation interpose their schemes of recurrence between man and the rhythms of nature, so economics and politics are vast structures of interdependence invented by practical intelligence for the mastery not of nature but of man" (Lonergan, 1965, p. 238).

When these vast structures are tested—as Covid's limit situation appears to currently do—Lonergan's notion of the "good of order" offers us a better understanding of the situation and traces a path toward reform, particularly to the reform of management schools, if not of universities as we currently know it.

> In primitive society it is possible to identify the good simply with the object of desire; but in civil community there has to be acknowledged a further component, which we propose to name the good of order. It consists in an intelligible pattern of relationships that condition the fulfilment of each

> man's desires by his contributions to the fulfilment of the desires of others, and similarly protect each from the object of his fears in the measure he contributes to warding off objects feared by others. This good of order is not some entity dwelling apart from human actions and attainments. Nor is it any unrealized ideal that ought to be but is not. (Lonergan, 1965, p. 238).

This is what we have argued thus far, that is, that the good of order is the SDGs as unrealized ideals or Chesterton's New Jerusalem. Lonergan continues:

> But though it is not abstract but concrete, not ideal but real, still it cannot be identified either with desires or with their objects or with their satisfactions. For these are palpable and particular, but the good of order is intelligible and all-embracing. A single order ramifies through the whole community to constitute a link between conditioning actions and conditioned results and close the circuit of interlocked schemes of recurrence. (Lonergan, 1965, p. 238)

Our economic model, which is based on a growing consumption for the privileged but scarce resources for most of the population, is an example of conditioned actions and conditioned results measured by economic indexes that favor only this model.

Lastly, Lonergan's premonitory concept of the good of order offers a clearer understanding not only of our limit situation but also of the building blocks with which to address it:

> Economic breakdown and political decay are not the absence of this or that object of desire or the presence of this or that object of fear; they are the breakdown and decay of the good of order, the failure of the schemes of recurrence to function. Man's practical intelligence devises arrangements for human living; and in the measure that such arrangements are understood and accepted, there necessarily results the intelligible pattern of relationships that we have named the good of order. (Lonergan, 1992, p. 239)

Does Covid's limit situation lead to a catastrophic economic collapse and political decay? We cannot be sure, but we have argued for reasons to at least formulate the question.

Moving forward, our responsibility as academics in higher education is to explore reasons why schemes of recurrence to function *(episthrophe)* fail and to propose approaches whereby the good of order can be transformed *(metanoia)*.

This means defining characteristics for a humanistic management of self, of family, of organizations, and of community such that they can flourish. This requires an intellectual and moral conversion without which Covid-19's limit situation would be almost impossible to deal with.

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3

Economic and Psychological Consequences of the COVID-19 Crisis for Working Mothers

Martin Lecker

3.1 Introduction

As a result of the pandemic, several other research studies have shown that women lose their jobs at a greater rate than men and that a large portion of the working women are working mothers. Although most of the research referred to in this chapter focuses on working mothers, certain parts of the research include the pandemic's effects on working women regardless of whether they have children. The reason for including all women in certain parts of the research is because a large number of women in the workforce are working mothers and understanding the research on all women may better explain why and how working mothers are affected.

The first study to be discussed relates specifically to working mothers and is from the Institute for Fiscal Studies in the United Kingdom. This study found that compared to British fathers, British mothers had a 23%

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chance to either temporarily or permanently become unemployed (Savage, 2020). In another study by the Institute for Fiscal Studies but this time in partnership with the University College London's Institute of Education, they found that *working mothers* were 47% more likely to permanently lose their jobs or quit and 14% more mothers were likely to have been furloughed since the start of the crisis, with many not expecting to be recalled (Topping, 2020). In a survey of 7677 German wage earners conducted by Bettina Kohlrausch and Aline Zucco from the Institute of Economic and Social Research, it was found that 27% of working mothers had their hours reduced by their employers compared to only 16% of working fathers (Corona Virus Burdens Working Moms, 2020).

In July 2020 a research study was published in *Gender, Work and Organization*. The authors of the study are Caitlyn Collins of Washington University in Saint Louis, Liana Christin Landivar of the Maryland Population Research Center, Leah Ruppanner of the University of Melbourne, and William J. Scarborough of the University of North Texas. In the study, the authors used the most recent data from the United States Current Population Survey (February–April 2020) of dual earners and married heterosexual parents. Based on the data, the authors found that working mothers of children aged 13 or younger had a larger reduction in work hours than fathers during the COVID-19 peak, thereby resulting in the mothers' working hours falling over five times as much as those of the fathers between March and April 2020, which was double the work-hour reduction experienced by them during the 2007–2009 US recession (Collins et al., 2020). The sample size used in the authors' statistics was based upon 60,000 households across the United States (Savat, 2020).

In a Canadian study, Professors Sylvia Fuller and Yue Qian of the University of British Columbia found that the parents' education also affected unemployment potential. Not surprisingly, the unemployment gap between fathers and mothers with school-aged children widened more than ten times if they had only earned a high school diploma or less compared to working parents who had a college education (Fuller and Qian). Unrelated to the education factor, they found that for parents of elementary-school-aged children between the ages of six and twelve, mothers were seven times more likely to be unemployed than fathers (Fuller & Qian, 2020). Furthermore, this study found that working mothers experienced a greater conflict than working fathers when deciding whether or not to leave the workforce for the sake of a child.

In a survey conducted by a parenting benefits platform called Cleo, it was found that 20% of the parents said that either they or their partners considered leaving the workforce to care for their children, with a third actually giving up their jobs or reducing their working hours as a result (Domen, 2020). However, in seven out of ten times, it was the working mothers who were forced to stop working and left their jobs (Domen). One possible reason could be that 28% of the male workers in the United States have jobs that may be conducted remotely compared to 22% of female workers (Barone, 2020). The difference may not appear significant enough to be problematic, but given all the other factors that are discussed in this chapter, it just adds to the challenge that women are confronted with to be employed.

Australia was another country where women were hit harder than men as a result of the COVID-19 virus. Based upon recent surveys, 55% of the most recent unemployed Australian population are women, with many having to shift to part-time jobs in order to stay home with their children (Levine, 2020).

In a US study conducted by the University of Arkansas's Professor Gema Zamarro along with two other colleagues from the University of California San Diego, it was found in their survey of 6624 respondents that college-educated men and women experienced job losses at similar rates, which was around 23%; however, when factoring in children, 64% of college-educated mothers reported a reduction in their working hours compared to 52% of college-educated women without young children (Magsam, 2020). Regardless of their education, women with children suffered a greater reduction in their wages than those with less education and no children since as working mothers they were forced to prioritize childcare responsibilities over their workload responsibilities.

Even more disturbing is the demographic subset of working mothers who feel the economic pinch of the pandemic: the single parent. According to a 2019 Pew Research report, nearly 25% of children under 18 in the United States live with one parent and that parent is more than likely to be their mother (Rogers, 2020). Studies in the United Kingdom concur with this number, as one in four families live with their single mother parent (Armstrong, 2020). Furthermore, according to the Institute for Women's Policy Research, one-third of single mothers in the United States currently live below the poverty line and since February 2020 a million of them have lost their jobs (Gupta, Why Some Women Call This Recession 2020). It would not be surprising to find that this correlation between income and single mother status reaches much further than just the United States.

In a research study conducted by the Institute for Social and Economic Research at the University of Essex, it was found that the earnings of single parents fell by more than double the amount experienced by households with children living in a household headed by more than one adult (Doward, 2020). It should be noted that in this particular study there was no differentiation in terms of identifying the gender of the single parent; it should, however, be noted that 90% of the single parents in the United Kingdom are women (Armstrong, 2020). It should also be noted that in the University of Essex's research, which consisted of 17,000 people in the United Kingdom aged between 20 and 65, the researchers compared the surveyed persons' financial circumstances between January and February 2020 to their financial circumstances in the last week of April 2020. The researchers found that the single parents in the lower-income brackets surveyed believed they were three times as likely to experience a worse financial condition than the single parents in the middle and upper class (Doward).

Perhaps a research and policy officer, Joe Richardson, from the UK charity Gingerbread, an organization that provides support for single-parent families, pinpointed the reasons for their reduced finances. He coined the term "triple penalty," which referred to working single parents who experienced (1) losing their jobs, (2) having increased childcare costs because of their children not attending school or nursery facilities, and (3) having their maintenance payments reduced or withdrawn (Doward).

Compounding the challenges of single parenting is the scarcity of single working women who have the ability to be employed in a position that allows a remote workload. According to Marina Adshade, a professor of economics at the University of British Columbia in Vancouver, Canada, "I don't know how many single mothers realistically have jobs they can do at home" (Bowbrow, 2020). One reason that can support Adshade's comment is that many single mothers are employed in the service industry; most jobs in this occupational segment require the work to be conducted in the physical workplace and therefore this requirement creates a greater risk of them losing their jobs if they have to choose between work responsibilities or childcare responsibilities (Lindholm, 2020). Yet, it should be noted that regardless of their marital status, many working mothers are adversely affected economically in terms of job loss as a result of this pandemic because they are employed in service industries, such as restaurants, hotels, and hospitality-related businesses, which have had to furlough a large number of their employees (Miller, 2020).

As previously mentioned, single mothers, who make up a large proportion of low-wage earners, are employed in the service industry. For example, in mid-April 2020, the United States reported that job losses among single mothers were as follows: waitresses (82%), cleaners (72%), cooks (58%), and personal care aide (33%) (Henderson, 2020). This should not come as a surprise at all, as it was reported in a working paper written on behalf of the World Health Organization that 80% of the world's domestic workers are women—another service industry occupation (Mercado et al., 2020). In many countries such as India, women have been forced to drop off from jobs in the formal sector or they have been forced to find less lucrative work since many find themselves lacking the necessary education that leads to better job opportunities. As a result, they are the first to be fired and the last to be re-hired (Mercada, Nacir and Mashra). Moreover, many found themselves in a situation of having to give up their paid positions for unpaid childcare work at home (Mercada, Nacir, and Mashra). This can be supported by a study conducted on behalf of the International Labour Organization which found that in less developed countries 70% of working women were employed in the informal economy that does not provide a lot of employment protections (Schultz & Raj, 2020).

In an analysis that the president of the Institute for Women's Policy, C. Nicole Mason, did for the University of Minnesota, it was found that the number of employed single mothers in the United States was 22% lower than the number representing two working heads of households with children (Levine, 2020). One factor attributed to the loss of jobs is that many single parents have low-income paying jobs and are easily replaceable or furloughed. Furthermore, it has been found that low-income mothers have a greater chance of being laid off, especially if they take a day to stay home with their sick child, since their boss does not consider them reliable enough. The study also found that as a result of them missing work because of a child, their hours are reduced or they are not put on the schedule to begin with (Chang et al., 2020). It is no wonder that in Minnesota, every week, more women than men file for unemployment (Donner, 2020).

Another demographic of working women affected by the pandemic are those who own small businesses. Many of these women are parents. In 2019, American Express reported that small businesses where women are the majority owners represent 42% of all small businesses, but with the COVID-19 pandemic shutdowns, these working women find themselves in high-risk businesses, which can be forced to close without receiving financial loans (COVID-19 Has Been Harder, 2020). With around 22% of all small businesses owned in industries, such as hair salons, nail salons, and pet groomers, and with 16% of their businesses being in the hospitality and food service sectors, their need for these loans is crucial (COVID-19 Has Been Harder). Complicating their situation, according to experts, is that up to 90% of minority and women small business owners are predicted to have been denied loans from the Paycheck Protection Program because financial institutions favor pre-existing customers when distributing funds to a program designed to help *all* struggling business owners (Connley, 2020). Unfortunately, this aforementioned group of small businesses owners has been excluded even though members of this marginalized group were the intended recipients of these Paycheck Protection Programs.

The last economic consequence to be discussed is the widening of the gender gap for working mothers in both employment numbers and wages. New research shows that the decrease in mothers' paid work will increase the wage gender gap and will have long-term effects (Escalante, 2020). In a United Nations report by the International Labour Organization, it is believed that the modest progress gained by women reducing the gender wage gap will have long-term consequences and the goal of closing the gap by 2030 will be set back by many years as a result of this pandemic (Lavietes 2020). Furthermore, since many working mothers will be forced to leave their employers or cut back on their hours as a result of the pandemic, many businesses will find themselves permanently or temporarily losing excellent female talent (Ammerman & Groysberg, 2020).

It should be noted that the term "shecession" to describe the recession experienced by working women, especially women of color in the United States, was named after men losing more jobs than women in the 2008 recession; hence, the term "mancession" was used for the number of unemployed males during that time period (Gupta, Why Some Women Call This Recession 2020). Yet, working mothers do not only experience *economic* consequences due to this pandemic. In the next section, other consequences are discussed.

3.2 Psychological Consequences Experienced Globally by Working Mothers

In addition to the economic consequences facing working mothers, there are psychological costs that they encounter as well. According to a *Working Mother* survey of 549 respondents, 55% said they had trouble engaging effectively at work because they experienced anxiety or stress due to the current uncertainty of their personal life, with 27% claiming their emotional state to be terrible or poor (Navaroli, 2020). Dr. Laura Sherbin, an economist, found in her research that nearly half of working mothers sacrificed rest and sleep without finding support from others (Navaroli).

The above-mentioned psychological stress is created by the responsibilities these working mothers bear in terms of childcare, homeschooling, and in certain cases taking care of their elderly family members. The taking in of their elderly family members is a precautionary measure to prevent them from catching the COVID-19 virus since there are so many deaths in the retirement homes where they were previously residing. In a study with a sample of 800 US women, it was found that mainly women took on the distribution of extra work (Del Boca et al., 2020). Since it was reported that nearly half of all COVID-19 deaths have been at retirement homes, another study, this time in France, found that compared to the United States, the same number of working women in France take their parents or other elderly relatives in (Donadio, 2020).

In a survey of 8000 Americans, the economists Abi Adams Prassl, Marta Golin (Oxford University), and Teodora Boneva (University of Zurich) found that the increase of mental health issues in women due to this pandemic resulted in a widening of the gender gap spread of 66% when compared to men (Werber, 2020). Another study revealed that the anxiety level of working women increased by 52% versus 29% for males from February to March 2020. Moreover, the same study revealed that working women's level of depressed moods increased 83% more compared to their male counterparts (Working Women Bear the Emotional, 2020). According to Cornell economist Francine Blau, women—by cultural default—spend more time taking care of their children, which affects their ability to work at a workplace or remotely and adds to this psychological pressure (Pinsker, 2020).

Sheryl Sandberg, chief operating officer of Facebook and co-founder of LeanIn.org, found that homeschool children and caring for sick or elderly relatives during the pandemic create a double-double shift, pushing working women, a majority of them mothers, to breaking point (Sandberg & Thomas, 2020). In a study by researchers at Northwestern University, the University of Mannheim (Germany), and the University of California (San Diego), women handle the extra childcare needs even when the wives earn a higher income than their husbands (Gupta, 2020a, b). In a Center for American Progress report, it was found that since many working women presently reduce their work hours to manage childcare responsibilities during this pandemic, their household earnings are expected to decline and this will lead to an increase in financial and psychological stress as a result (Boesch & Hamm, 2020).

This constant financial pressure of reduced working hours is a constant stress factor, especially for those who may depend upon a full paycheck and, in certain cases, for those who could face the threat of eviction, which will increase this stress further. Financial pressure that leads to psychological pressure was supported in a *USA Today* interview with Dr.

Karen Martinez, associate professor of psychiatry at the University of Puerto Rico, who stated "when you don't have enough money, when you're taking care of someone, that is a(n) (added psychological) risk factor" (Luthra, 2020). Along with the reality of these pressures, studies on this topic find that working mothers also have another mental issue called shame (Vroom et al., 2020). According to a 2012 study, which was published in the *Journal of Family Studies* and written by Drs. Miriam Liss, Holly H. Schiffrin, and Kathryn M. Rizzo who are professors at the Department of Psychology, the University of Mary Washington in Fredericksburg, Virginia, the shame these working mothers experience is when they feel that they do not measure up to their own personal standards or that of others. Therefore, this self-generated negative response of shame can be exhibited in the behavioral form of being withdrawn, avoidance, self-anger, feelings of powerlessness at work, lower levels of innovation, and/or reduced motivation and is attributed to this high stress of the work-family conflict (Vroom et al., 2020).

Despite a lack of time and money being problematic, seeking help from mental professionals is unlikely as well since many working mothers do not have adequate health insurance to cover this help—assuming they have health insurance at all (Luthra, 2020). Tantamount to seeking help from mental professionals, working mothers who may have the ability to discuss their struggles with their managers, usually are reticent to approach them fearing their managers may perceive them as not focusing enough on work but rather on their home issues or they feel that they may be vulnerable to losing their jobs—and many working mothers have already lost their jobs (Zuckerman, 2020). It is no wonder that many psychologists and labor experts agree that working mothers nowadays take on an additional brunt of mental pressure, which results from their dual role, sometimes called the second shift (Coffey & Abrahamson, 2020).

Another issue working women, many of who are mothers, are confronted with is domestic violence, which can escalate when the abuser is unemployed or the partner and/or children are home more often. In a United Nations report, although acceding that it may still be too early for more comprehensive data, reports of violence against women around the world have surged and in many countries a surge of as much as 25% has been reported, reflecting double the amount of cases in many of the countries (Policy Brief, 2020).

Importantly, it should be noted that most cases of domestic violence are not reported. This was a finding in other research where early reports surfaced of rising domestic violence, as couples and families are forced to "hunker down" together (Alon et al., 2020). For example, in India, 86% of those who experience domestic violence do not seek help and 77% who experience it do not tell others (Raghakrishnam et al., 2020). One reason for this underreporting is that culturally, women are afraid to report domestic violence cases even though the occurrence of domestic violence is not their fault. Sadly, these victims feel guilt or believe they may be judged in a particular manner by others, which all leads to the shame factor discussed earlier in this section. Furthermore, sometimes authorities or the victims themselves believe that domestic abuse is a family matter and should not need to be resolved outside the family by the authorities.

However, reports of domestic violence have spanned the globe. Examples are the Palestinian territories that experience increases in gender-based violence; Latin American countries, such as Mexico and Brazil, where hotline calls are on the increase; and countries such as Chile or Bolivia where women are afraid to report domestic abuse (Bettinger-Lopez & Bro, 2020). In the city of Jingzhou (China), police offices have received three times as many domestic violence calls during February 2020 compared to a year earlier. The same occurs in high- and middle-income countries, such as Australia, France, Germany, South Africa, and the United States, where a significant number of reported domestic violence cases have dramatically increased since the COVID-19 outbreak (Bettinger-Lopez & Bro, 2020).

Phumzile Mlambo Ngcuka, the Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women, reports that approximately 243 million women and girls have been victims of sexual or physical abuse in the last 12 months up to and including April 2020 (UN Supported Trapped, 2020). Moreover, the reported data shows that helplines in Singapore and Cyprus have received more than a 30% increase in calls, Australia 40%, and France 30% (UN Supported

Trapped). Sexual and physical abuse has been rampant as a result of the lockdown orders during this pandemic.

Besides physical violence, which does not occur in all abusive relationships, many women find themselves being emotionally abused. Examples cited by several of these victims globally included isolation from friends, family, and employment; constant surveillance; and restrictions on access to basic necessities such as food, clothing, and sanitary facilities (Taub, 2020). In research conducted by Professors Vora, Malathesh, Das, and Chatterjee, it was shown that the close quarters increase the friction between the abuser and the abused, along with the frustration of the abuser if the abused victim works and the abuser is unemployed (Vora et al., 2020). The main question to be considered, therefore, is what can be done to change the plight of working mothers who deal with both the economic and psychological consequences of the pandemic?

In the next section, two approaches are studied: (1) what the working women's employers currently do and (2) what is being proposed by governmental entities, non-governmental organizations, and advocates who want to improve the situation such that working women are allowed to conduct their domestic responsibilities without the economical and psychological pressure of compromising either their domestic responsibility or their work responsibility. These two approaches appear to conflate the private and public benchmark practices and recommendations.

3.3 Current Benchmark Practices and Proposed Future Recommendations

Thus, given all the aforementioned consequences, what, if anything, is and should be done to alleviate or eradicate these issues? The first example of a company proactively accommodating working mothers is Facebook. Since financial rewards, such as bonuses, are linked to employees' performance ratings, Facebook modified its performance evaluation process during the first half of 2020. The above-mentioned modification involves planning on rewarding its employees as if they had exceeded their given performance evaluation benchmarks for a bonus (Sandberg &

Thomas, 2020). Furthermore, Facebook also created extended childcare benefits and a new caretaker leave option in addition to allowing its managers the option of reshuffling their company priorities on a case-by-case basis in order to accommodate their employees during the pandemic (Sandberg and Thomas). In addition to Facebook, other companies, such as Salesforce, PepsiCo, Uber, and Pinterest, signed a pledge allowing their employees to do the following telecommute; stagger their shifts to accommodate their household responsibilities; reduce their business travel; and open up other potential flexible scheduling or resources for working parents on an as-needed basis to meet their new work-household conflicts resulting from this COVID-19 pandemic (Cohen & Hsu, 2020). As an additional recommendation, other companies should follow suit and emulate these companies or create new practices to meet the new needs of the working mothers whom they employ.

A challenge working mothers face is that even if with a male partner, the brunt of the childcare and household responsibilities falls on them since most businesses may consider the working mothers but rarely the working fathers. There actually is an advantage in accommodating working fathers. A governmental example is Spain. Recognizing this inequitable distribution of childcare and household obligations, Spain's government introduced a leave specifically for fathers, for only two weeks, to take care of a newborn child. Further research found that the men eventually do more of the childcare in the future (Gupta, Why This Economic Crisis, 2020).

As of March 31, 2020, 105 countries had passed fiscal response packages equivalent to US$4.8 trillion, which included social assistance comprising credit, loans, grants, and social insurance (Policy Brief, 2020). For example, in Costa Rica, the government reduced all interest rates for various business projects. As mentioned earlier, working women have difficulty in trying to acquire loans for their small businesses. The issuing of grants or low-interest loans for small business working mothers during the pandemic can prevent many of them from closing their businesses and could serve as an excellent model for other countries to follow.

In response to the growth in domestic violence during the pandemic, a number of countries provide various forms of support, including virtual support. Examples of this support include the following: Canada's government provides C$50 million for women's shelters; Australia financed A$150 million for family violence response initiatives; China created the hashtag #AntiDomesticViolenceDuringEpidemic linking online resources for domestic victims; Antigua and Barbuda provided a free call system for reporting domestic violence to its available helplines; Spain offered instant messaging services for survivors, with a geolocation function providing immediate psychological support; Argentina designed declared safe spaces where abuse victims can report cases in various designated pharmacies; France financed a program where approximately 20,000 hotel room nights have been made available for victims seeking shelter; and Colombia's government provided virtual access to legal advice, psychological advice as well as police and justice services for domestic abuse victims (Policy Brief, 2020). The government can no longer turn a blind eye to domestic violence, and this also includes the police authorities.

In addition to the above-mentioned recommendations, other countries have proposed various types of corporate, organizational practices or governmental laws too. One of these countries is the Philippines, whose recommendations include the following: special protection programs to support single working parents, many who are women; giving priority to women-headed households when setting up cash transfers (payments); having the government work with businesses to develop policies for paid dependency leaves, enabling working mothers to be relieved from having to choose between a job and caring for a family member; and considering women in cash-for-work schemes where the government creates projects, such as improving roads, such that community members, although they are minimally paid, are able to afford to purchase essentials, such as food and clothing for their children (Mercado, L., 2020, March 13). Another example is Germany's Institute of Economic and Social Research, which has recommended that the government should compensate women for salary losses due to the pandemic (Coronavirus Burdens Working Moms, 2020). These fiscal recommendations have been proven to be instrumental in bolstering the economy too. The recipients can increase their consumption and as a result of their newly acquired purchasing power, the potential for other businesses is increased by their additional spending. In economics this is called the multiplier effect: As the recipients spend more, the businesses from where they purchase goods or services earn more and those businesses and suppliers then prosper, with all of this occurring exponentially.

There are also other worksite configurations or practices, which need to be improved. In the United States, there is an absence of mandatory, long-term paid leave for all working mothers. The state of New York, for example, provides only five days. Furthermore, many corporations appear to lack accommodations for working mothers, such as providing lactation rooms for working mothers with newborns; allowing onsite childcare facilities if remote working is not an option; or even encouraging the development of flexible policies to give working women the opportunity to work remotely (Dickson, 2020; MacArthur, 2020). The time has come for this to change. Governments need to encourage businesses to create a workplace that will accommodate the new challenges, which working women deal with as a result of the pandemic.

Even technology companies can become involved. In conjunction with Columbia University, Facebook has created a population density map that can pinpoint worldwide disasters, health hotspots, and available resources (Zulver et al., 2020, April 20). It has been suggested that during this pandemic, data science can support the various ministries of health and national statistical offices to collect and report gender data for maternal health, mental health, economic fallout, or gender-based violence (Zulver et al., 2020). Imagine: The possibilities are endless and the information will only be a click away.

Perhaps other countries should follow France's example: Parents receive tax breaks and the French government gives childcare for children from the age of three months, in addition to pre-kindergarten and kindergarten. Perhaps Italy's example can also be followed: The Italian government paid €600 referred to as a babysitter bonus for the first two months of lockdown (Donadio, 2020). Another successful governmental policy in Italy is a program that allows working parents to apply for parental leave that also pays them 50% of their salary (Donadio, 2020). These examples are merely the tip of the iceberg, as there are many other practices that can be implemented. It is time to recognize the role that working women play globally in the corporate world, in the entrepreneurial world, in the economy, and in society as a whole. Moreover, it is also necessary to respond now through practices and legislation aimed at the pandemic, and later on when the pandemic is no longer a health threat.

3.4 Recommendations for Future Research

In order for our society to meet the needs of working mothers, further research must be conducted to justify and support their importance. The research that is required is research that can validate methods to improve the unmet needs of working women globally during this COVID-19 pandemic.

One such area to begin with is studying the economic consequences that the underground working women encounter financially and psychologically because of their dual role as caretakers and independent, self-employed workers who lack protection from their employer or the government. Such research would require intensive interviews with a population who would be very reticent to discuss their situation. Yet, this research would help identify the economic contributions to society, which would rationalize the importance of governmental intervention in giving working women adequate working conditions as well as working wages.

As mentioned earlier in this chapter, a large number of single women are underpaid in positions that are tentative and studies of their situation should be further delved into. Linked to the plight of single women and most working mothers is the unaffordability of childcare, which forces many working mothers to have to choose between their jobs and home responsibilities. By studying women's contribution to a given country's economy and how by not working the economy suffers (i.e., the multiplier effect for consumption), research in this area can demonstrate how either corporate and/or governmental funding of childcare would be beneficial for all parties. This would reduce the psychological consequences too.

Another group that has not attracted a lot of research is working mothers, who are part of a marginalized group. In the United States, working mothers may be people of color, while in other parts of the world they can be those from an oppressed religious or ethnic group. These marginalized groups have been discriminated against and now, during the pandemic, their working hours are reduced further, they lose even more jobs and/or benefits, or they do not qualify for a small business loan or grant. Added to this list are also low-income mothers who have been hit hardest by this pandemic. In fact, many of those in marginalized groups are in the lower economic strata.

In addition, it is necessary to research how the pandemic affects mothers who own small businesses and how they are discriminated against when seeking funding. Furthermore, studies need to be conducted on how funding these small businesswomen owners through loans or grants may affect the economy positively, that is, the multiplier effect mentioned earlier. Domestic abuse is another issue exacerbated by the pandemic. It must be further researched in terms of methods, practices, and resources that have been successful during the pandemic such that those methods, practices, and resources may be used as a benchmark or in order to test proposals that can serve as a solution for victims, especially those left alone with their abusers due to the pandemic. Further research on the resources that are available to victims, identifying further proposed virtual solutions and validating them, are also potential research areas.

The United Nations has done an excellent job at conducting research in the area of working women and how they have been adversely affected by the pandemic. Moreover, globally there are various women's organizations that, like the United Nations, have conducted this type of research. However, there needs to be more research funding to encourage further research about working women, as this will eventually benefit them through the development of new policies and legislation. Working women should not be forgotten during this pandemic and need to be assisted more than ever. It is time for our society and government to take action.

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4

COVID-19's Media Crisis and the Passing Loss of Care for the Elderly in China

Eva Medina, Toni Pacanowski, and Pablo Medina

4.1 Care for the Elderly in Rural Areas in China: Impact of Extreme Vulnerability

For Paul Ricoeur, professor of philosophy of law at the University of Chicago, "autonomy is that of a fragile, vulnerable being" (Ricoeur, 1990, pp. 137–198). We are all vulnerable, for each of us stands in a relationship with others. Vulnerability and autonomy are reciprocal conditions (Ennuyer, 2017). The recognition of our common vulnerability—our common fund of humanity—contributes to the autonomy of those who appear more vulnerable than we are. For millennia, China has relied on the system of filial piety. Established in the third century, the system of filial piety comprises the most important legal and political foundations of China and are called the Four Philosophies (Pauthier & Confucius, 2018). Finding their sources in the works of Confucius and Mencius, the

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Four Philosophies were adopted in the Chinese Empire as a formal norm of civil and criminal law. Filial piety is the duty to one's elders as the primitive moral form of man. Failure to care for one's parents is punishable. Morally, the individual who does not stay at home or does not take full care of his needy parents knows shame. Society sanctions as much as it stigmatizes the ungrateful child. The weight of filiation weighs heavily on an only child who singlehandedly has to take care of four older children on both his father's and mother's sides. It is a care that encompasses care. It is complex when the eldest child has remained in a rural area (Medina, 2018).

Older people are enveloped in vulnerability when their autonomy is affected. In rural areas, access is limited. The limited access includes transportation, social and cultural activities, as well as easy access to community-based care. Nowadays, small pensions without the application of filial piety gradually make new senior citizens feel insecure. Vulnerability is then described as extreme. This extreme vulnerability—understood as social instability, which is synonymous with precariousness—is the threshold below an acceptable social situation in a society and varies according to cultures. Most of the time, extreme vulnerability was predictable: It began in early childhood and remained in the shadow of the individual throughout his or her working life until retirement. This is the purported original vulnerability, which does not actually exist as a legal concept of vulnerability (Bascougnagno & Burdin, 2011).

Yet, inherent in every human being, who is never certain of his or her health or situation, the original vulnerability, from the infant to the fully dependent elderly person, becomes an inexhaustible source of social suffering when it becomes *extreme*. The concept of *social abnormality* then takes its full place. The risks of social abnormality are significant at various levels: sexual, if the person evolves in a culture that refutes homosexuality; marital, if the person is alone with a child in an environment that refutes single mothers; salary, if the person evolves in a salaried function judged inferior to other functions; and age, if the person evolves in a society where there is a strict age for working and another for retiring. The abnormality exists only in comparison with its counterpart, the social norm. Abnormality is synonymous with vulnerability and is therefore commonly opposed to the norm, which is synonymous with autonomy.

Autonomy can, however, have consequences in terms of vulnerability. While the reduction of social abnormality concerning the norm is supposed to reduce the moral suffering that results from the social abnormality, the dependency generated by fictitious autonomy demonstrates the difficulty of defining the contours of fictitious autonomy. Suppose the law has to intervene in a case where a person who is more capable than another of asserting himself or herself arrogates to himself or herself the right to define the needs of the person who is no longer able to singlehandedly organize himself or herself: What legal threshold has made it possible to define that the capacity for discernment was superior to the other such that one can judge the adoption of autonomy for the good of the less assertive party (Medina, 2018)? For Alain Bentolila (2012) "The linguistic vulnerability of the working classes prevents them from putting up intellectual resistance to propaganda discourse." Social ghettoization generates linguistic insecurity, which determines extreme vulnerability. The paradox is that of the person who arrogates to himself the right to speak about vulnerability on behalf of others in order to denounce vulnerability, thereby causing a further loss of autonomy. This problem of the *voiceless* accentuates the risk of the elderly person's infantilization (Payet et al., 2008). The impact of original vulnerability, when the elderly person has grown up in a rural area and has not learned the necessary means to defend himself or herself (language, legal, and cultural), is an aggravation of the factors of anxiety and loneliness.

The factors aggravating the lack of communication were made evident in the context of COVID-19. A fierce anti-Chinese wave swept across the world. The media crisis developed over thousands of audience hours, completely disproportionate to the number of deaths in real time globally. In July 2020, there were less than 500,000 COVID-19 deaths in the world. The effectiveness of the standard to be criticized was, on the one hand, what would be a lack of hygiene in China and, on the other hand, what would be a lack of the Chinese health system's efficiency and rigor. On May 8, 2020, the United Nations Secretary-General Antonio Guterres stated that "the pandemic continues to unleash a tidal wave of hatred and xenophobia, scapegoating and scaremongering." He called on governments to "act immediately to strengthen the immunity of our societies against the virus of hatred." Millions of Chinese people have been assaulted all over the world. Particularly, Chinese businesses were ransacked around the world, from Berlin in Germany to San Francisco in California. Already in 2016, the artist Zhang Chaolin was murdered in Paris, France, because the murderers thought "that the Chinese in Paris have money," said Rachel Lindon, the lawyer of the LICRA Foundation (Fight against Racism). Twitter recorded a 300% increase in anti-Chinese comments during COVID-19. In 1930, the German press caricatured Jewish people with big crooked noses; in 2020, the international press caricatured the "yellow peril" with tiny, sly eyes—and many laughed. How did the media, in our time, succeed in bringing about such a collective amnesia of the damage caused by a media crisis? While the anti-Chinese media crisis worsens in the West during the pandemic, China is cited as an example at the United Nations for the health education mechanisms set up by the Chinese Ministry of Health.

4.2 Health Promotion as an Effective Health Communication Tool

The care of the elderly in rural China depends primarily on whether children are present and how the child behaves toward the elder (OECD, 2019). Promoting health through human capital communication is the key to ending the intergenerational perpetuation of poverty. This is an effective health communication tool that has served as a model for the world since the impoverishment of more than 700 million vulnerable people in China—a world record—was reversed at the same time as the collapse of economic Europe. It would therefore be necessary to compare the positive aspects of this type of model. When populations suffer from aggravated vulnerability known as extreme vulnerability, the Chinese Communist Party focuses its efforts on policy measures for social protection. Wang Sangui has been director of the Anti-Poverty Research Institute in Beijing's Renmin district for almost 20 years. Between 2010 and 2018, he observed a marked reduction in poverty, which the United Nations has estimated at 700 million people in 2019. The driving force behind such a program was the large-scale promotion of health. Millions of elderly and working-age people were invited to come and learn during socio-educational training on economic aspects, such as improving agricultural productivity, or on social aspects, such as morality and the duty of solidarity. These health communication tools required little financial investment on the part of the Chinese Communist Party and yet proved to be of exceptionally effective. In 80 years, 700 million people have been lifted out of poverty through better education. "The strong leadership of the Party Central Committee shows that the efforts of government bodies at all levels and in all walks of life have won the decisive battle against poverty," Wang Sangui told the press.

The choice of how interpersonal communication is transmitted influences the persuasive power of awareness. The notion of effectiveness makes it possible to retain the effectiveness of the application of the law. Interpersonal communication impacts the application of the law directly. Imagine a proportion of the population living in a ghetto in a European country and imagine that they currently benefit from advanced training in health promotion. The application of economic aspects (legal, social, and practical information sessions on how to write a CV and how to use language effectively) combined with moral aspects (decency, respect for the elderly, sense of duty, and solidarity) would make it possible to eradicate many of the social problems that have persisted since the 1980s and it would reduce impoverishment in Europe. Effectiveness then aims at what prevails in practice and the indisputable existence of what prevails in practice justifies the recognition of the practice in law (Leroy, 2011a, b).

The fundamental importance of a positivist analysis between the rule of law and the norm is the meaning of a legal act that places the authority of application at the heart of the normative system. Effectiveness is, as Professor Antoine Jeammaud (2008) quite correctly writes, "an indispensable object of concern for jurists anxious to convince that they do not lock themselves into the abstract universe of rules and are attentive to their inclusion in social practices." It appears necessary to focus on assessing the concrete effects of the efficiency of legal instruments in order to change or improve the socio-economic data of the rules of law (Leroy, 2011a, b). On the other hand, limiting the norms of application to abstract case law and systematizing the rules of law without considering their *effective application* described by Professor Jean Carbonnier (Carbonnier, 1998a, b), the forerunner of the general theory of law and the notion of the effectiveness of law, risks diluting the imperative conception of the rule of law and de facto risks failing to manifest the will of the subjects of law. However, does a rule of law necessarily need to be peremptory in order to be respected (Medina, 2018)?

4.3 Public Communication Mechanism Generating Effectiveness of China's Rural Elderly Norm in China

Legal reasoning does not stop at the imperative or supplementary character of a rule. To say that a rule is effective only when it is complied with is meaningless for supplementary norms since precisely the application of the latter can, in all legality, be disregarded by the subjects of law. As Professor Jean Carbonnier has pointed out, most laws are merely proposals that offer an infinite number of possibilities to individuals without ever obliging them to do so. If laws are aimed at the behavior of individuals, the laws do not impose any obligation to behave in a particular manner: "the effectiveness of the law that enshrines a freedom to act lies not in action, but in the freedom itself, that is to say, in the power to choose inaction as well as action." This type of norm therefore requires action on the part of the subjects of the law, that is, individuals who have experienced the media crisis of COVID-19 and the media-crisis-related rise of racist statements that have been disseminated by all communication approaches, whether on television, in publications, on the social media, or in the street. This setting in motion is the expression of the subjects of the law's will according to their interests, needs, and knowledge. The persuasive force of awareness-raising actions for the protection of people who find themselves in a situation of vulnerability will, through a search for the effectiveness of the norm, supplant the media's strictly populist frame-work, which lacks images and words that excite the crowds. A willingness to be tolerant makes it possible to impose a suppletive conception of the enforcement authority. However, does the suppletive conception reduce any risk associated with a new legal norm being made effective?

The upheaval caused by the COVID-19 media crisis shows that racism is a social construction of society. Racism is made up of cynicism, sarcasm, and over-mediatization in a pejorative sense aimed at a category of individuals. Racism is made effective by its repetition and by the false lucidity it claims to give the world: the irrational fear for the other, the history to be erased, and the most appropriate scapegoat at a given time. The effectiveness of the media crisis has, however, been dazzling in less than four months of excessive media coverage of the pandemic. One cannot help but ask whether it would have taken only a few more months for the effectiveness of the media crisis to have been perfected and whether that would have brought about a new legal norm, starting perhaps with the closure of Chinese businesses for "health" reasons.

When it comes to racism, words are important. When faced with someone saying something racist, the person on the receiving end have to say: "What you said is racist" (Ly G., February 4, 2020). There is no excuse for racism. The term "slippage" should be excluded. Racism is not ignorance, stupidity, or an *accident.* It is already an excuse to avoid naming it (Ly G., February 4, 2020). Courage is when an issue of value is put above an issue of opportunity. Sometimes, the individual will suppress his or her inner anger when confronted with racist words because the person who utters the racist words may allow him or her to accede to a position or cause him or her to lose hard-won credibility in his or her career. The populist scarecrow takes on shape when humans submit out of fear or submission to another they consider powerful. One of the greatest lessons of COVID-19 is to not give in to populism. The media crisis of COVID-19 was first and foremost a populist crisis in which few people were able to stop the racist anti-Chinese outburst that swept the world, especially the West.

COVID-19 demonstrates the importance of learning in early childhood how populism and its counterpart, racism, affect territorial and mental expansionist policies. Racist prejudices have been historically constructed. Massive educational tools, which incorporate population education policies, have been successfully developed—and it is precisely in China that these large-scale education policies have worked and can serve as a model for the West. The care of the elderly in rural areas in China has shifted toward a system of specialized medical institutions. "Shocking, unacceptable, dehumanized," is how the Chinese press strongly criticizes this new health care system, while the government considers the new health care system as an opportunity for a formidable privatized solution and therefore without additional costs for the Chinese Communist Party (Medina, 2018).

4.4 Legal and Social Solutions for China

Since 2012, children are also required to visit their parents regularly, under penalty of a fine. A 35-year-old French teacher returned from France where she was teaching to Weihai, in the region of Shandong, at the pressing request of her parents: "We have been waiting for a long time for your marriage, for a descendant, and for you to be able to take care of us." The teacher addresses the moral question: "For me, it was a relief to come back. Taking care of my parents is a legal obligation in my country. Living in Paris became a psychological suffering, heavy with guilt. I wanted to go back and accomplish this new life" (testimony collected at Shandong University, 2015). The city of Weihai 威海 has a population of 2.8 million and is considered a small country town in China. Taking care of one's parents ("*xiao*") means giving them respect, presence, and financial support when they are older (Hou et al., 2019). In contrast to the individualistic conception that prevails in the West, the communitarian conception of life and family in Asia—and in China in this case—requires children not to forget those who were present when they themselves were dependent. Moral, sociological, and philosophical, the system of filial piety is nonetheless indispensable for sustaining a national health system with a large population of vulnerable elderly people living in rural areas. However, the system of filial piety crumbles when confronted with its opposite, the ungrateful or non-existent child. At this point it is a question of noting how difficult it is for the Chinese health system to absorb the amplitude of the phenomenon of population aging.

From the 1980s onward, the generalization of the single-child standard weakened family support. In 2014, a study showed that in the cohort of single children pampered by both parents and four grandparents, these children developed more moral and mental disorders (egocentrism, megalomania, attachment disorders, and narcissism) than in the cohort including children with siblings or children who were *less pampered* (Gustafson & Baofeng, 2014). Filial piety was the fundamental pillar of Chinese society under the Old Kingdom. In the 1950s, filial piety was taken up again under Mao. In contrast to Switzerland or Germany, which only survived demographically owing to massive immigration policies in response to the birth rate being historically and dramatically low, under Mao, China experienced such a high demographic rate that millions of families were decimated during periods of aggravated famine. In 2020, 70 years after the one-child standard, the descendants of the new regime want to enjoy the pleasures offered by their incredible new lifestyle. Diplomas and executive contracts have enabled them to live in the city in comfortable conditions. Massive urbanization since the 1990s has been accompanied by a rural exodus, leading many rural families to live entirely off the money that their children send them from the city. However, the urban boom has also brought about its negative counterpart, the impoverishment of a large proportion of workers who have not graduated, that is, those who have not benefited from universities (Griffiths & Schiavone, 2016). The dichotomy between those who have acquired a respected diploma and those who have not is strongly stigmatized in China's largest cities. The sentiment appears to be one of "If he did not succeed, it is because he missed opportunities to do so." There is little room for genuine philosophical reflection on compassion and generosity in a new society increasingly marked by the alarm bells of an individualistic life. This is the bitter observation of a professor of Chinese sociology, Anita Ching Ying of the University of Hong Kong (Ching Ying et al., 2002). This observation has led the Chinese health system to rethink its policy—particularly the traditional practice of co-residency. From a moral point of view, it is honorable to respect filial piety by cohabiting with one's parents. However, in rural areas, the proportion of co-residency declined by 30 percentage points between 1991 and 2006. In 2015, the researcher Peng Du observed that 30% of Chinese seniors in rural areas have no children in that these seniors either have ungrateful children, that is, *wang enfuyi,* or they are childless, while 50% of Chinese seniors live in a traditional co-residency with their children and 20% of Chinese seniors are cared for without living with their children (Peng & Xie, 2015). This was unthinkable ten years ago.

In the Nanjing district in the Shanghai region, the real estate group Orpea built one of the largest specialized medical facilities, which has a capacity of 12,000 beds, for the elderly. In China, the term "retirement home" will never be used as it has been replaced by that of "specialized medical infrastructure." The term "old people's home" has also been abandoned. Yet, more and more expatriate children want to prove that they are not ungrateful by offering the best to their elderly and vulnerable parents to make up for their absence. Orpea offers programs worthy of the best hotel chains: huge, gastronomic reception rooms in the Versailles rococo style and over-equipped single rooms. To curb the aging crisis in China, the Ministry of Civil Affairs has introduced tax policies that are advantageous for investors. These tax policies offer specialized services for senior citizens (Ministerial Report, Ministry of Civil Affairs of the People's Republic of China, 2014). When it comes to specialized medical infrastructure, the Chinese government has planned to systematically provide 45 specialized beds for every 1000 inhabitants older than 60 years of age over the next 50 years. The program is expected to be completed by 2020 (Ministerial Report, Ministry of Civil Affairs of the People's Republic of China, 2014). The biggest problem that the government faced was the per capita income. Most of the population could not benefit from the infrastructure if their children lacked filial piety. As a result, the Chinese Communist Party made it obligatory for banks and insurance companies to provide vulnerable families with access to exceptional funds and loans of up to CNY 2 million (EUR 254,000) in order to accommodate these vulnerable populations in luxurious infrastructures: a reversal of fortune for these senior citizens who have lived their entire lives in rural areas with the only hope of protection in retirement being the application of filial piety by their only child. This unprecedented dynamic has attracted foreign investors from all over the world, triggering a wave of external overcapitalization as only China has done to date. Long-term planning of ambitious and profoundly pragmatic plans is likely to solve the problem before the end of the year.

4.5 Conclusion

However, the problem of the desire to reside in these places remains unresolved. For most of the senior population surveyed, specialized medical facilities are a failure of filial piety instead of a solution (Jing-Ann Chou, 2011). According to the survey conducted among 20,000 seniors, only 11% expressed the desire to live in a retirement home, even a luxury one, and even benefiting from a loan or an advantageous fund does not sway them. For Chinese seniors, the expectation of gratitude from their offspring takes precedence over comfort. To make up for this shortcoming, the Chinese Communist Party has set up a vast national program in every district of China's regions: "The Ten Most Virtuous Sons and Daughters." This program aims at rewarding the most virtuous sons and daughters for the national competition, which is covered each year by the national television and the national press. During this national event, an institutional communication is set up, which has been the case for about ten years, allowing to raise public awareness of the specialized medical infrastructures—*zhuanyé yiliao jichu sheshi*—whose ultimate objective is the creation of a standard that will eventually be implemented effectively. The "retirement village" in the Yanyuan district thus appears on the screens as a place with many advantages. Senior citizens can socialize with their peers, escape loneliness, and maintain a form of autonomy owing to the small shops made available on a site designed to architecturally reconstruct a traditional Chinese village, while simultaneously offering a high-performance luxury service. For Ge Ming, the chief information officer of the institutional communication and marketing operations at the Yanyuan site, "with urbanization, the family structure has changed" (Beijing, AFP, Eva Xiao, Jan. 22, 2019). What would have been unthinkable for previous generations becomes feasible for the younger generations of single children. Hopefully these new generations will face the same problem when they reach what Confucius refers to as the "age of wisdom" in order to realize the moral, philosophical, and patrimonial value that filial piety has had for millennia. One of the lessons of COVID-19 is that we should care for our elders as much as we would like our children to care for us in our old age.

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5

Effect of the COVID-19 Pandemic on Entrepreneurs in the Informal Sector in Developing Economies

Ngozi Ann Chikere and Samuel Essien Okon

5.1 Introduction

The emergence of the COVID-19 pandemic has had a significant impact on all sectors of the economy (Isgandar & Ilesanmi, 2020; Kniffin et al., 2020). The new norm of social and physical distancing adopted by various countries to curb the spread of this virus has affected the usual manner of doing businesses (Sharma et al., 2020). Both the developed and developing economies have been hit by this pandemic, with the formal and informal sectors struggling to keep their businesses alive (Sheth, 2020). The informal sector constitutes a large percentage of businesses in the developing economies and is predominantly made up of entrepreneurs. Importantly, the informal sector contributes to the reduction of the unemployment rate in developing nations (Asalaye et al., 2018). The

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informal sector is usually referred to as the gray economy, and its importance cannot be overemphasized.

With the unexpected emergence of the COVID-19 pandemic, a lot of these entrepreneurs' businesses have been put on hold. Given that the COVID-19 pandemic brought about a big change in the business world, many countries struggle to curb the threat this virus poses to their citizens and their economy (Sharma et al., 2020). In Lagos, Nigeria, entrepreneurs in the informal sector tend to earn their living on a daily basis and therefore certain entrepreneurs may have perceived the government's lockdown instructions as punishment.

On March 30, 2020, Nigeria, just like other parts of the world, locked down three major cities (Lagos, Ogun, and the Federal Capital Territory in Abuja) to curb the spread of the virus. This marked the beginning of the challenges for most entrepreneurs whose source of living comes from daily work. With the lockdown and the gradual easing of the lockdown, a number of the entrepreneurs were seen spending time at their office premises, waiting for any customer that will come by to make a sale, while several businesses turned to street trading, which could help provide a source of livelihood and employment to the unemployed (Otekhile & Matthew, 2017). These behaviors made the government change the daily business operations to scheduled days in order to actualize social distancing and also protect the lives of the citizens.

Entrepreneurs who deal in food items appear to leave their homes in the middle of the night to visit a larger market such that they could buy goods they would sell on their scheduled days in their different locations. The entrepreneurs took these risks to make sales, beat the curfew time stated by the government, pay office rent, and take care of their families. On the one hand, landlords who depend on the payment of rent for their survival expected their rents as and when due regardless of the COVID-19 pandemic. On the other hand, certain indigenes in the state provide market spaces for entrepreneurs but collect a certain amount of money from them on a daily basis. However, the entrepreneurs, on their part, expected the property owners to care more for the relationships with their tenants than for the rents they sought to collect (Ojekalu et al., 2018). The property rights and agreements, however, do not give the entrepreneurs the power to challenge their landlords in such situations, as the agreements depend on the external environmental factors in the country (Agboola et al., 2017). Moreover, these property rights are meant to improve the businesses of entrepreneurs and also of the property owners, but due to the poor implementation of property rights, it has not yielded the desired results (Agboola et al., 2017; Grossman, 2019).

Certain developed countries appear to encourage their entrepreneurs during the COVID-19 pandemic by offsetting their rent and providing palliatives to them, but this was not experienced in developing economies. The commercial streets were quiet, businesses were put on hold, offices were locked up, and it is an open guess where the rent will come from. These challenges might be reduced if the federal government provides loans to the micro-businesses (Otekhile & Matthew, 2017). Nevertheless, a lot of entrepreneurs moved to online marketing and sales on social media and different platforms to be in business. Not all entrepreneurs were able to cope with such a transition. The study therefore seeks to explore the experiences that the entrepreneurs in the informal sector had and how these experiences affected their businesses. Specifically, the study poses these questions:

1. How does the payment of rent during the pandemic influence entrepreneurs in the informal sector?
2. To what extent does market operations affect entrepreneurs in the informal sector?

This study contributes to the literature by examining how the payment of rent by entrepreneurs during the pandemic affects their businesses and, moreover, how the makeshift markets by the government in the wake of curbing the spread of the virus affect entrepreneurs. To date, little academic research has been conducted on how COVID-19 affects entrepreneurs within the context of a developing nation. This chapter is a response to a call for research on the effects of COVID-19 on entrepreneurs. As noted by Ratten (2020), the impact of the COVID-19 pandemic on entrepreneurs remains unexplored.

5.2 Literature Review

Otekhile and Matthew (2017) pointed out that the informal sector plays a vital role in job creation although it has its advantages and disadvantages, mostly in the case of street trading. However, Otekhile and Matthew advised federal government to provide loans to entrepreneurs in the micro-business. Hence, Grossman (2019) observed the threats and interference of the politicians in the market operations and advised entrepreneurs to balance their powers by not competing among themselves but working with the market associations while the latter, in turn, should stop exhorting the entrepreneurs to maintain the credibility of the association.

In his study, Sheth (2020) opined that society and business need each other to survive and that stakeholders and businesses must learn from their past mistakes to be able to survive the impact of the pandemic. Furthermore, Neumeyer et al. (2020) opined that entrepreneurs are fundamental in any society, even in times of crisis. Challenges to resources and even the management of waste are key areas in which entrepreneurs play fundamental roles because they are change agents.

In his study, Ratten (2020) was of the view that there is a lack of integration between crisis management and entrepreneurship. He found that the COVID-19 pandemic has affected the cultural aspect, the social aspect, and the lifestyle of entrepreneurship. In a study about financing entrepreneurship in the United Kingdom, Brown et al. (2020) found that equity transactions had declined in the United Kingdom due to the COVID-19 pandemic. The study suggested that strategic policy intervention is needed to help organizations affected by the pandemic. Kniffin et al. (2020), in their broad review, were of the view that the pandemic has serious implications for organizations. Their study provided an integrative approach due to the changes in work settings. The study proposed how future research should be approached owing to the effect of the pandemic.

Ojekalu et al. (2018) argued in favor of the need for quality services that will retain tenants; according to the authors, such services will be more about paying attention to the needs of the property occupants and serving them well and less about the physical property itself. This means that there is a need to focus more on customer relationships than the return on investments of the property—above all during this pandemic. Farinmade et al. (2018), however, suggested that the effective management and allocation of land use in the municipality will positively affect the sustainable economy, the urban informal economic activities, and environmental development. Furthermore, Makata and Oladejo (2019) identified the factors that affect commercial property values: a quantity of business patronage, good communication services, efficient transportation facilities, and others.

5.3 Methodology

A qualitative survey that employed a narrative approach through a structured interview was used. In line with the COVID-19 guidelines, data was collected via a face-to-face interview, with a distance of 1.5 feet separating the researcher and the interviewee. Both parties wore their face masks and shields during the interview. The participants were informed of anonymity, confidentiality, and that their responses would be used strictly for academic purposes only. The study was analyzed thematically and more information was gathered.

The data collected during the interview sessions were transcribed manually and the two themes identified were rent and market operations. The themes were used to reveal the detail of the topic. An acronym of three alphabet letters taken from the type of business the entrepreneur conducts was used to represent the names of the respondents. This means that HDS stands for Hairdresser, AKS for ankara seller, and MGT for management consultant.

Rent may be understood as the money that an entrepreneur pays for the office space where he or she transacts his or her business. A female hairdresser in her 20s thinks of rent as the money she pays on an annual basis to be able to retain her shop. The landlord increases her rent as he pleases; these were her exact words:

> I am still paying rent; the woman has increased it even during this pandemic. She increased it to two hundred.

Another female ankara seller in her 40s lamented on how businesses closed down due to the effect of COVID-19 and how entrepreneurs are confronted with unfriendly rents. She replied angrily with the following words:

> Businesses are closing down. Yesterday my husband told me that two of his friends' wives are closing down their businesses and they were begging him to come and pick something from their shops and pay later. What is more, is that they were doing a clearance sale: They are selling at cost price; they just want to close down. Somebody increases the rent when you do not even know where the next meal will come from. We pay rent, of course, and the rent is not friendly.

A management consultant thinks of rent as fixed money to be paid by the entrepreneur. Rent cannot be renegotiated and whether or not the entrepreneur sells his or her products does not impact the rent. He explained rent in these exact words:

> Rents need to be paid and no landlord will refund you the money paid. The entrepreneurs who pay monthly rent can afford to stop paying, close their shops, and go. Those in the warehouses, for instance, can pack their goods, vacate the warehouse at any time, and give the landlord his key. It depends on the agreement the entrepreneur reached with the landlord. Rent is a fixed payment that does not know the pandemic and it does not know whether you are selling or not selling. Rent does not understand that you cannot reduce the payment or renegotiate with your landlord. In any case, being an entrepreneur is not like earning a salary that enables you to renegotiate your next month's salary. This one—the rent—you pay every month for 12 months; the agreement is therefore already set. The landlord reserves the right to increase anything; the prices of all these things have increased even during this pandemic. If rent increases, it is still part of the economy because if you go out to buy goods and you were told that the rent has increased, you come back home; if rent is your source of income, you increase it so that you will be able to afford what you used to afford. It is a vicious cycle: You then increase the rent, the shops will increase the price of

their goods to pay your rent, and you go and buy that thing again at an expensive price at the market. Therefore, the money that you make, you spend.

Transcription

Gender: *Female*
Marital status: *Married*
Age range: *21–30 years*
Type of business: *Hairdresser*

How do you describe the payment of rent by entrepreneurs during this pandemic?

I am still paying rent; the woman has increased it even during this pandemic. She increased it to two hundred.

How has the movement of markets influenced your business during this pandemic?

Yes, everybody acts like there is no money now. There is no money now, but by His grace we lock our shop now until the day they open shop. We did not come every day. They say if you open today, you will not open tomorrow until everything has been settled. We then started coming every day.

Gender: *Female*
Marital status: *Married*
Age range: *41–50 years*
Type of business: *Ankara seller*

How do you describe the payment of rent by entrepreneurs during this pandemic?

(She angrily replied) When businesses are closing down, yesterday my husband was telling me that two of his friends, their wives are closing down and they were begging him to come and pick something's from their shops and pay later. On top of it, they were doing clearance sale, so they are selling at the cost price, they just want to close down and then somebody is increasing rent when you don't even know where your next meal is coming from. Of course, we pay rent and the rent is not friendly.

How has the movement of markets influenced your business during this pandemic?

The truth of the matter is that … I mean, since I was born, I grew up learning that in Nigeria you are on your own. Nobody is coming to assist you. Help will never come. Do not even bother; help will never come. You either learn to live with the situation or you commit suicide. (She laughs) And suicide is not even an option. I mean, how long do you even live? Whether you shorten your life or not, you will still die. Therefore, just 'kuku jejely'; just try and learn to live with it and wait for your own time, which will not be many years from now. We closed; we opened again but not for long. We started … Gloria, how were we doing? (She asked her business partner). I think it was every day but we were closing earlier. We drag customers from all walks of life because we rely on people. Where we are now, is almost like a dead end. People buy from VI and from Lekki. By the time they get here, they finally shop at Addo. Then they come this way and then they go back to their homes. You know, so you have a shop here. You have to work almost three times as hard as the normal people who have shops in Addo and other places. If you do not, then you just close up.

Gender: *Male*
Marital status: *Married*
Age range: *50 and above*
Type of business: *Management Consultant*

How do you describe the payment of rent by entrepreneurs during this pandemic?

Rents need to be paid and no landlord will refund you the money paid. The entrepreneurs that pay monthly rent can afford to stop paying, close their shops and go, for instance, those in the warehouses, can pack their goods out at any time and give the landlord his key. It depends on the agreement the entrepreneur reached with the landlord. Rent is a fixed payment that doesn't know pandemic, doesn't know whether you are selling or not selling. Rent doesn't recognize that you cannot reduce, renegotiate with your landlord any-how, is not like a salary that you can renegotiate your next month salary. This one you pay twelve months, so it's already locked. Landlord reserves the right to increase anything, prices of all these things have increased even during this pandemic. if rent increase, it is still part of the economy because if you go out to buy goods and you were told that it has increased, you come back home, if rent is your source of income, you increase it so that you will be able to afford what you use to afford. it is a vicious cycle, then you increase the rent and shops will increase the price of their goods to pay your rent, you go and buy that thing again expensive in the market. So, you are making money from the right and spending from the left.

How has the movement of markets influenced your business during this pandemic?

A lot of people have lost their jobs and more are still going to lose their jobs due to the effect of the COVID-19 pandemic. My firm deals more with training and development. Since March till now, we have not received as many training jobs as we used to because most firms are readjusting to the effects of the pandemic. Salaries were slashed by 30% and we stopped the operation of the company vehicles, which means there are no drivers in the firm. In fact, a team has been set up to organize the auction sales of these company vehicles.

Male
31–40 years
Single
Pharmacist
Rent

We are still paying rent but due to the COVID-19 pandemic, we pay in installments. Initially, we paid per annum.

Market Operation

My business is medicines. You know, during this lockdown everyone that maybe feels catarrh, even the catarrh they normally treated in the past, rush to the pharmacy to buy something as if they are scared. I can therefore actually say that from my sector it increases, the patronage increases.

5.4 Discussion

The study explores how the COVID-19 pandemic affects entrepreneurs of the informal sector in developing economies. Specifically, the study explores how the payment of rent during the pandemic impacts the entrepreneurs in the informal sector. Moreover, the study also explores how market operations affect entrepreneurs in the informal sector. The findings of the interviews revealed that entrepreneurs continued paying their rents during the pandemic, while a number of entrepreneurs even had their rent increased, which brought about untold hardship on their businesses.

In addition, the findings further revealed that the mode of market operation put in place by the government in order to curb the spread of the virus caused untold hardship on businesses. A few businesses in the health sector and the food industry were, however, able to operate, but strictly in line with the stipulated guidelines. Other businesses not within this category were negatively affected. This finding of this study aligns with the view of Brown et al. (2020), namely that entrepreneurs require strategic policy interventions in times of crisis such as the COVID-19 pandemic. Furthermore, a crisis management system integrating entrepreneurs is needed now to help curb future occurrences (Ratten, 2020). According to Sheth (2020), just as society needs business, so business also needs society.

5.5 Conclusion

The informal sector is an integral part of the success of any economy, especially within the context of developing nations. The government should therefore endeavor to enact policies that will bail out entrepreneurs in times of crisis, it is a given that a crisis will never announce itself—just like the COVID-19 pandemic, which did not announce itself. Today, we are confronted with what is called the new normal. The extent to which entrepreneurs are able to adjust to this new normal remains a question that needs to be answered for the informal sector. The government needs to revisit property rights to ensure that strict measures are put in place, while also considering the emergence of an unforeseen crisis such as the COVID-19 pandemic. It is imperative to note that the informal sector plays a vital role in alleviating the suffering of developing nations' citizens. Consequently, it becomes pertinent that stakeholders and business managers must learn from their past mistakes to be able to survive the impact of any future crisis. Moreover, entrepreneurs need to understand that online business transactions have come to stay. Interestingly, certain businesses have skyrocketed during this pandemic because of the innovative means of handling their businesses during this pandemic, which has led to more entrepreneurship.

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Part II

Selected Sectors and Regions

6

COVID-19 Pandemic, Nonprofit Organizations, and Virtue: Flourishing during the Crisis

Giorgio Mion and Tomas Chiaramonte

6.1 Introduction

Nonprofit organizations (NPOs)—above all, those that deliver health and social care services—suffered severe organizational stress during the pandemic diffusion of COVID-19. Particularly, the coronavirus emergency has negatively affected public and private organizations that deliver services to elderly and disabled people. Data confirmed a high mortality rate for the COVID-19 disease in institutions for the elderly (Comas-Herrera & Zalakain, 2020; Kimball et al., 2020), who became the most fragile segment of the population together with health workers (e.g., physicians and nurses). The severe health emergency resulting from the COVID-19 pandemic, its more substantial effects on the elderly, and its high transmission rate tested the organizations that deliver residential services for the elderly. Even though long-term care (LTC) organizations are accustomed to taking charge of fragile people suffering from multiple

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pathologies, COVID-19 produced a genuine crisis because of certain extraordinary factors, such as the unknown behavior of the virus, the risks for workers, the absence of a clear regulatory framework (at least, during the first months), and the scarcity of information about previous similar situations.

The need to reorganize and rethink all organizational aspects emerged during the first weeks of the emergency (Lai et al., 2020). However, organizations faced the crisis by adopting different managerial styles and achieved different results in terms of the safety of their residents and workers. As demonstrated by the results of a survey performed by the Italian National Institute of Health, the severe effects of COVID-19 in LTC facilities were experienced differently by the various organizations that deliver residential services for the elderly. Consequently, the factors that affected managerial choices were likewise different (Ancidoni et al., 2020).

In Italy, LTC facilities are currently managed by public, for-profit, and nonprofit institutions. The managerial styles adopted by these different forms of organization can be profoundly different; moreover, risk management systems are diverse. This is because risk management systems operate under different legal frameworks and are inspired by different objectives. Particularly, NPOs often adopt simple managerial tools and do not have a well-developed risk management system. However, several institutions have a deep-rooted purpose, values that are largely shared within the organization, and flexible organizational models founded on intrinsic motivations. Basing their management on these characteristics, certain NPOs demonstrate resilience when under organizational and managerial stress by enhancing their characteristics as virtuous organizations.

From a managerial perspective, it is at present interesting to analyze how different organizational and ethical aspects of NPOs' management allowed LTC organizations to face the pandemic crisis successfully and to deliver safe and quality services. This chapter adopts the theoretical framework of virtue ethics and focuses on three case studies of NPOs that, during the pandemic emergency, demonstrated a humanistic management style centered on the value of the person in the organization (Dierksmeier, 2016; Loza Adaui & Habisch, 2013; von Kimakowitz et al., 2011) and dealt with the crisis without suffering negative effects.

Therefore, the research is motivated by two overarching research questions: (1) How did NPOs face the pandemic emergency without suffering severe consequences? (2) How did organizational aspects affect individual behaviors to allow positive crisis management?

The remainder of the chapter is organized as follows: The second section presents the theoretical background of the research, the third section illustrates the adopted methods, the fourth section presents the findings, and the last section offers various implications of the research—that is, the lessons that can be learned through the case studies—and several conclusions, including the research limitations.

6.2 Theoretical Background

Utilitarianism and deontology are not unique methods for confronting management problems and they are somewhat reductionist from a humanistic perspective. In contrast, management is a fertile field for developing virtue, and virtue ethics applied to management allows a rethinking of organizational life in a more successful and humanistic manner. Business and organizational ethics have received increasing attention during recent years, as demonstrated by different research contributions that focused on virtue ethics (e.g., Beadle et al., 2015; Crossan et al., 2013; Fontrodona et al., 2013; Sison et al., 2012) and practical wisdom in management (e.g., Bachmann et al., 2018; Daniels, 2014; Habisch & Loza Adaui, 2011; Kinsella & Pitman, 2012; Puleen & Kupers, 2013; Schwartz, 2011).

Although different approaches to virtue ethics inevitably coexist, understanding and directing this ethical theory has become critical in relation to individual behavior in organizational ethical practice and overcoming reductionist approaches.

MacIntyre (2007) defined virtue as "an acquired human quality the possession and exercise of which tends to enable us to achieve those goods which are internal to practices and the lack of which effectively prevents us from achieving any such goods" (p. 191). From this perspective, the practice of virtue and the acknowledgment of a common purpose render possible individual moral behaviors, while individual utility or external duty limits individual behaviors to instrumental actions and compliance to external norms.

The crucial role of the notion of virtue—and above all, the dianoetic virtue of *phronesis* (practical wisdom)—in the ethical debate arises from Aristotelian thought. Aristotle defined practical wisdom as the capability to decide well. The wise decisions are not the detached optimum decisions, but rather the better ones concerning what is right for the decision maker and the community. Put differently, virtues do not operate on a theoretical level but in specific and practical situations in which objectives, environment, and personal characteristics are essential. In this sense, Sison et al. (2018) affirmed that "all acts of virtue require practical wisdom or prudence, a rational choice accompanied by the right reasons to act in a certain way, given a set of circumstances" (p. 8).

Even though virtue is referred to in relation to individuals, there is a nexus between individual moral characters (and virtues) and the organizations in which the individuals live and work. Organizations can foster the development of virtues and can be the environment in which virtues flourish because they allow the cultivation of social and spiritual capital and experimentation with good practices.

The virtuous nature of an organization depends on both its purpose and its orientation toward excellence rather than toward success (Fernando & Moore, 2015). According to Moore (2015) and in line with MacIntyre's (2007) thought, a virtuous organization is characterized by a "good purpose and appropriate ordering of success and excellence, both enabled by the intellectual virtue of Practical Wisdom" (Moore, 2015, p. S108). Organizational purpose calls for a comprehensive understanding of an organization's role in society and profoundly affects individual, managerial, and organizational behaviors (Hollensbe et al., 2014).

According to Vriens et al. (2018), virtuous organizations provide a three-level context: teleological (regarding the purpose of the organization and how the members understand the purpose), deliberative (regarding how members of organizations are enabled to act, to evaluate the consequences of their actions, and to learn from them), and social (regarding the contribution to society). In other words, organizations are not neutral concerning individual moral behaviors but influence them through organizational characteristics.

Melé recognized that the central idea of virtue ethics overlapped with personalism and underlined the link between virtuous behaviors and the common good as the organizational purpose (Melé, 2009). An organization not only contributes to the social community but is itself a community inside which "managers and employees try to do whatever is necessary to contribute to situational needs and goals of an organization" (Melé, 2009, p. 238). Simply put, by adopting the common good as the purpose of the organization, it is possible to enhance the moral character of individuals and foster the development of shared social capital.

Adopting MacIntyre's perspective on virtue ethics, a virtuous organization is a community of practices that enables the cultivation of moral competencies, that is, virtues practiced in the workplace (Morales-Sánchez & Cabello-Medina, 2015, p. S170). By practicing the good, managers and employees grow their virtues and improve their capacity to do good.

NPOs are organizations whose purpose and aims are aligned with civic, social, or cultural goals. Furthermore, the purpose of NPOs is often explicitly linked to the common good, which is a crucial pre-requisite to being a virtuous organization. The declared purpose does not ensure the moral excellence of organizational life. On the contrary, different levels of virtuousness can be developed by organizations (O'Mara-Shimek et al., 2015), including NPOs, based on several characteristics through which organizations foster the moral behaviors of their workers.

As demonstrated in the previous literature (Roszkowska & Melé, 2020), organizational characteristics that enhance moral behaviors can be classified into seven levels: (1) leaders' values and character, (2) vision and exercise of power, (3) corporate control systems, (4) internal network of influence, (5) organizational culture, (6) internal and competitive pressures, and (7) external influences.

From the virtue ethics perspective, crisis management is not based on a specific protocol but on the capabilities of managers and employees to face emergencies by applying practical wisdom, that is, by acting virtuously. There is a clear relationship between the organizational (and moral) behaviors apparent during an emergency and the behaviors that existed before it: To face a crisis, virtuous organizations promote their virtuous characteristics and enable individuals to decide well (for the common good) and to act consistently.

6.3 Research Design

The research presented in this chapter aims to understand how a virtuous nonprofit organization can face a crisis by valuing the main characteristics and moral capacities of its workers. The study extends the understanding of how a humanistic management approach can contribute to organizational excellence, even during a pandemic crisis. The study aims to answer the following two research questions in detail: (1) How did NPOs face a pandemic emergency without suffering severe consequences? (2) How did organizational aspects affect individual behaviors that allowed positive crisis management?

To answer these questions, the research adopted a qualitative design in the form of a multiple case study (Stake, 2006; Yin, 1994) to highlight which determinants and managerial choices contribute to managing crises through virtues. The case study method was considered suitable for this research because it contributes to theory building by observing unexplored experiences (Eisenhardt, 1989). The case study approach is an appropriate and worthwhile method to investigate managerial and organizational behaviors during an extraordinary emergency that has not been studied by previous studies; moreover, the case study approach is more suitable than other methods (Perren & Ram, 2004).

The research analyzes, in detail, three organizations—Italian foundations that deliver residential services to the elderly—that can be considered good examples of virtuous organizations because they developed a path-to-virtues policy before and during the COVID-19 emergency and overcame the crisis by fostering virtues in their managers and employees.

The three foundations (Fondazione Mons. Alessandro Marangoni, Fondazione Casa di Riposo San Giuseppe ONLUS, and Fondazione Gobetti) operate in Venice in Northern Italy, one of the areas most affected by the COVID-19 pandemic during the first months of the emergency. All three of the analyzed foundations provide residential services for the elderly and explicitly embrace ethical values. The three foundations originally derived from institutions of the Catholic Church, but they now operate as private foundations and independently from the church.

The key informant technique was applied to collect the data by interviewing key informants (Marshall, 1996). In July 2020, ten semi-structured interviews were conducted thoroughly with managers and board of directors members of the three foundations (three members of Fondazione Mons. Marangoni, four members of Fondazione Casa di Riposo San Giuseppe ONLUS, and three members of Fondazione Gobetti). During the interviews, the respondents were able to discuss their experience before and during the emergency, with specific regard to the moral dimension of organizational life. Data were analyzed by applying thematic analysis (Nowell et al., 2017). Central themes that emerged from the case study analysis are presented in the following section, adopting the Roszkowska and Melé (2020) model.

6.4 Findings

Although the three foundations that were analyzed were entirely independent of each other, they shared a number of common characteristics that allowed considering them as a multiple case study and presenting the findings in a unitary manner.

First, they provided similar residential services to the elderly and the internal organization of their LTC facilities was similar. Second, they declared a common ethical framework derived from their religious origins. Fondazione Casa di Riposo San Giuseppe states on its website that its action is linked "to the Christian vision of person and society, to the Social Doctrine of the Church as emerging from the Gospel, the documents of the Church, and the directions of the Bishops." Similar statements also emerged in the institutional documents of the other two foundations, confirming that they are ethically inspired.

Moreover, all three foundations were nonprofit and they did not distribute dividends, not even indirectly. Lastly, the three foundations belonged to the same informal network and, accordingly, they shared common practices. Specifically, several safety measures that were

Table 6.1 Key dimensional data of cases

	Employees	Elderly residents	Total earnings
Fondazione Mons. Alessandro Marangoni	55	60	€ 2,462,000
Fondazione casa di Riposo san Giuseppe ONLUS	67	75	€ 3,026,000
Fondazione Gobetti	62	92	€ 3,256,000

undertaken during the pandemic emergency were similar among the three foundations. Table 6.1 provides key data about the dimensions of the three cases.

It is essential to note that the LTC facilities operated in an area extremely vulnerable to the COVID-19 pandemic during the first months of the emergency in Italy and in Europe (February–May 2020). Therefore, all three were called upon to enact extraordinary measures to guarantee safe and high-quality services. They voluntarily adopted strict safety protocols before such protocols became mandatory: All external people (including the families of the elderly) were forbidden entrance to the facilities, the foundations provided workers with personal protective equipment, implemented extraordinary corporate welfare policies to support employees, and required coronavirus swabs and other appropriate health controls for residents and workers.

The interviews revealed that these managerial actions were necessary and that they were accompanied by generalized good (virtuous) behaviors that were fostered by a virtuous organizational environment. A flourishing environment emerged: The pandemic stressed the organizations, but they responded to the crisis by enhancing their characteristics and intensifying virtuousness.

All three LTC facilities were COVID-free and no resident or worker became sick. The care and educational activities continued during the emergency and the wellness of the elderly—and also of all workers—was preserved. The case study analysis allowed the identification of certain organizational characteristics that made these positive effects possible by enhancing moral (and not only professional) excellence in managers and workers. While these characteristics had been enhanced before the pandemic to build a cooperative and relational work environment, they supported the attitude to face and prevent the crisis in a highly effective manner. As described in the following sub-sections, these organizational characteristics are humanistic in nature and form the basis to foster individual, organizational, and virtuous social behaviors.

6.4.1 Leader's Values and Character

The first dimension concerns leadership style, that is, the leaders' cooperative and relational attitude, which is considered the crucial competence for managing institutions. Specific attention to human resources selection emerged in the three cases: All workers, above all managers and middle managers, were selected based not only on professional skills but also on emotional and relational skills seasoned by life experience, such as volunteering or active participation in managing other NPOs (e.g., parishes and sports associations).

To nurture a cooperative approach to leadership and strengthen the moral character of the managers, the managers were encouraged to participate in ethical networks or purpose-driven institutions by offering their professional help gratuitously to other small NPOs that were not equipped with sufficient professional skills. Furthermore, the managers participated in educational programs aimed at strengthening the ethical dimension of leadership (e.g., programs about organizational/business ethics or about ethical principles related to health care issues). Lastly, a cooperative leadership style also emerged regarding the decision-making processes, which were supported by voluntary thematic work teams in which managers, middle managers, and workers participated. These teams aimed to discuss different organizational problems and to value individual contributions irrespective of the worker's position in the organogram.

6.4.2 Vision and Exercise of Power

Concerning organizational vision, the interviews revealed that the human person, represented by both the resident elderly and the workers, was at the very center of the vision of all three foundations that were analyzed. Put differently, the vision derived from the LTC institutions' ethical purpose—to take care of fragile people—and from their ethical values of solidarity, charity, and gratuitousness.

This vision affected how power was exercised: Hierarchy was not crucial in these organizations because the decision-making process was centered on autonomous work teams that combined different competencies and skills. Managers—and also boards of directors—were not viewed as an authority that exercises power over employees but as leaders and bearers of values and experiences that facilitate individual work. Moreover, during the pandemic emergency, the constant presence of middle managers in the LTC facilities took on a testimonial value in the eyes of employees. The low absence rate during the pandemic and the high commitment shown by employees are proof of the cooperative relationship between different hierarchical levels.

Operative protocols were continuously discussed by work teams to revise the protocols in terms of flexibility, ability to intercept new resident needs, and innovation. By working through interdisciplinary teams, top managers involved all employees without imposing rigid protocols. Furthermore, standards—such as those proposed by ISO standards—were applied only as operative tools and not as coercive control instruments. One of the respondents elaborated on how the method of coordination grows through reciprocal adaptation as well as the development of individual talent and creativity in a shared framework when it comes to the organization's mission and values.

6.4.3 Corporate Control Systems

The corporate governance and control systems of the three foundations were typical of NPOs and did not present specific boards devoted to controlling the ethical dimension of management (e.g., an ethics committee). This particular election demonstrates how the ethical dimension of management is intrinsic and does not need to be made explicit by a specific authority.

The control systems considered the foundations' ethical vocation by structuring cooperative planning and controlling processes and by including purpose-oriented concerns in strategic and operative goals. Strategic planning, which endures for the board of directors' term of office, was conceived as a concretization of charisma. Moreover, all goals—including the quality of services and financial objectives—were related to organizational values.

Long-term strategic plans and annual operative plans were shared with middle managers and, in turn, the latter were responsible for sharing organizational goals with all employees and for gathering suggestions or ideas to improve service quality. Even individual and periodic team evaluations were discussed by work teams and were understood as enhancement tools. Occasionally, an organizational climate assessment was conducted to improve workers' well-being.

6.4.4 Internal Network of Influence

As stated, all decision-making processes centered on cooperation, which was realized by fostering mutual discussions, interdisciplinary teamwork, and the horizontality of relationships. Nonetheless, the interviews made it clear that formal meetings were not the only means to enhance the internal network because informal relationships and mutual trust were at the very center of these organizations' approach. Relational capital's vital role emerged as a consequence of the position that leaders assigned to the person at work and as a natural effect of organizational values, such as solidarity and subsidiarity. This is precisely why foundations foster the development of employees and appoint committees whose focus is to organize informal opportunities for networking (e.g., yoga courses, trekking, and sports activities).

6.4.5 Organizational Culture

The organizations that were analyzed based their culture on distinct values that affect the organizational culture concerning the employees and the elderly residents. Service quality, safety, and well-being mirrored the primary value attributed to human persons in the organizations, regardless of their specific role, competences, or individual circumstances. Even during the pandemic emergency, the adoption of severe safety measures—before they became mandatory and enforced through national or regional legislation—was a clear result of this organizational culture that is focused on the human person. The cooperative managerial (and leadership) style encourages a constant analysis of issues linked to workers' well-being, for example, training needs, burnout prevention, or behaviors coherent with organizational values.

The Christian charisma from which the foundations originated also influenced the organizational culture and human resources managers took appropriate account of the spiritual care of all workers, above all the newly hired ones. This care was achieved by respecting individual religious beliefs and aimed at a correct understanding of the practical implications of organizational culture and charisma. Simply put, workers were supported to understand that their job formed a crucial aspect of organizational commitment and that their contribution was essential, regardless of their specific role in the organization.

Lastly, the foundations paid special attention to spreading the organizational culture among other stakeholders (families, public authorities, and community members). Organizational values and principles were considered not only as internal assets that allow the delivery of quality and safe services but also as shared assets of the community. All three foundations—above all, Fondazione Mons. Marangoni—aimed to contribute positively to the life of local communities and to promote the culture of caring for fragile people. Moreover, by building good relationships with local communities, the foundations further promoted the social capital of the organizations and empowered their employees to experiment with good communitarian practices.

6.4.6 Internal and Competitive Pressures

The three foundations provide residential services for the elderly; consequently, they do not suffer from specific competitive pressure. Nonetheless, the continuous quest for quality encouraged managers to foster an attitude that is attentive to the residents' well-being, to service quality and safety, and to excellence in pursuing institutional goals, including respect for ethical values. Competitive pressure produced a coherent human resources management architecture that had a type of moral character.

Even though economic incentives were not totally excluded, the three organizations counted on the workers' and managers' intrinsic motivations and their commitment to the common good. Intrinsic motivations were carefully assessed during recruitment. For example, Fondazione Casa di Riposo San Giuseppe gave a questionnaire to all candidates; human resources management and the area manager then used the questionnaire to discuss with the candidates the value the latter attributed to certain critical aspects of work life, such as taking care for the elderly, economic gratification, and the importance of trust in relationships. Moreover, the LTC organizations stated that they fostered the growth of intrinsic motivation by means of specific training programs and performance evaluation systems centered on transparency and on cooperation between employer and employee.

Lastly, particular attention was given to corporate welfare policies that hinge on the needs of employees before and, above all, during the pandemic. The boards of the foundations had decided to provide fringe benefits as from 2018 by taking advantage of a new Italian legal framework; however, they altered their corporate welfare plans during the pandemic according to the workers' new, specific needs: From the end of February 2020, weekly supplies of essential goods were delivered to the sites of the three foundations such that employees could avoid frequenting shopping centers or supermarkets and reduce the risk of COVID-19 contamination. Moreover, Fondazione Marangoni provided a babysitting service for children who could not be cared for by informal networks (e.g., grandparents). These fringe benefits were not only an economic incentive for the employees but also a concrete form of taking care of them and meeting their specific needs. The effects of these corporate welfare policies led to the reduction of risks, the promotion of employees'—and, indirectly, residents'—safety, and the enhancement of employees' sense of belonging. In other words, corporate welfare policies contributed to cultivating intrinsic motivation.

6.4.7 External Influences

The development of a sense of belonging to the communities was markedly apparent in the three foundations, even though the concrete modes of these relationships were different.

The three LTC organizations operated in varying local contexts; however, all three were characterized by communities that were limited in size, that had strong social relations, and with religious institutions playing an essential role (e.g., parishes and informal groups). The relationships between religious communities and the LTC organizations combined with the same religious origins of the organizations resulted in a common moral commitment that influenced the internal work environment. The LTC facilities were perceived not only as service providers but also as shared works of charity that took care of fragile older adults. The testimonial role played by LTC facilities in local communities strengthened organizational values and encouraged people to become volunteers who cooperated in social and recreational activities for the elderly. Obviously, during the pandemic, volunteers were not permitted to enter the facilities for safety reasons. Nonetheless, during the emergency, employees were duty-bound to perform acts of extraordinary care, for example, by implementing digital solutions to maintain relationships between the elderly residents, their families, and the local communities. Moreover, Fondazione Gobetti decided to deliver services to disabled young people because of a need demonstrated by the local community and public authorities.

6.5 Implications and Conclusions

The case study analysis underlined that a humanistic crisis management system derives from the virtuous architecture of organizations. In other words, the ability to face a severe crisis such as COVID-19 arises from the existing ability to design a work environment based on ethical values and capable of good practices. The pandemic crisis was overcome by enhancing individual moral behaviors that accompanied and sustained the professional skills of workers; however, these behaviors were achievable owing to the organizations' existing virtuous characteristics.

As underlined by Vriens et al. (2018), the virtuous nature of the organizations studied derived first and foremost from their clear purpose, which—in these cases—was the common good concretized as caring for fragile human persons and delivering safe and quality services. The present study confirmed that this objective was at the very center of the leadership style, the training programs, and the organizational culture, and it allowed individuals to focus not only on their role in the organizations and on the importance of their contribution to pursuing organizational goals. A strong and shared commitment to the goals and the values facilitated the ability to overcome the crisis and strengthened the professional and moral competencies of managers, workers, and the organizations as a whole. The characteristics of the organization fostered experimentation not only with good—virtuous—practices but also with individual moral traits. If organizations act as communities of practice, the managers and workers can cultivate their virtues and be prepared to face any crisis by acting well.

From a theoretical point of view, the analysis introduced in the previous pages therefore contributes to the discussion about organizational virtue ethics as an approach capable of overcoming a crisis by investing in relational capital, value-centered leadership, a cooperative approach to decision-making processes, and shared ethical values. Further research is recommended on this topic, for example, focusing on additional empirical evidence in other industries and cultural or ethical contexts.

From a practical perspective, the case study analysis that was performed has several implications. First, it suggests the importance of focusing on goals and values during normal organizational activities (recruiting, training, and internal and external communication) to create a common culture. Implementing operative protocols is not sufficient to ensure an effective crisis management system because protocols require control over employees' work, while virtuous structures enhance individual responsibility and foster individual moral behaviors.

Second, a cooperative approach to the decision-making process is needed: Organizations must develop skills such as the ability to listen and to facilitate individual contributions to problem solving. The cooperative approach demonstrates its effects in terms of the capacity to understand and respond to workers' and residents' needs, but it requires an organizational architecture that systematizes opportunities for discussion among managers and workers and for presenting ideas.

Third, relational capital should be developed by promoting ongoing internal and external dialogue and informing relationships between all stakeholders. During the pandemic emergency, the importance of trust emerged; however, the capacity to trust one another only grows by experimenting with relational practices over the years. This finding suggests to managers that they can take advantage of a trustworthy environment only if they cultivate the "soft" dimension of work.

The COVID-19 pandemic was unexpected and severe. No crisis management system was prepared to face this dramatic emergency. Nonetheless, it provides us with a number of crucial lessons, particularly from a managerial perspective. Management systems based on self-interest or normative compliance are not capable of facing severe crises and overcoming predictions. Instead, management systems require an ethical commitment to the common good. Building virtuous organizations permits the fostering of moral behaviors: If there is a crisis, moral behaviors will contribute to overcoming it; if there is no crisis, research into moral excellence will continue.

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7

Promotion of Public Health or Digital Dictatorship? The Use of Digital Technologies for Crisis Management during COVID-19 and their Impact on Civil and Political Rights

Evelyne Tauchnitz

7.1 Introduction

This chapter will focus on the governance challenges arising from the question on how to manage the COVID-19 crisis with a specific focus on the use of digital technologies. Many governments have used digital technologies in response to the COVID-19 pandemic. This chapter will ask what potential impacts this has on civil and political rights and liberties such as the right to privacy, freedom of association and peaceful assembly, and freedom of movement, which are, among other things, also key to entrepreneurial activities. Civil and political rights are a backbone of human rights and humanistic values, including human dignity and personal freedom. Without civil and political rights, it is difficult to imagine a free exchange of opinions, arguments based on science and rational

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thought, and a free and public debate. Free deliberation in society and politics is at the base of rational reasoning. In order to shape a truly human society, we need to respect the human rights and dignity of all people, which includes absolute respect for their personal privacy, freedom and autonomy. This discussion is timely and relevant noting that a number of states have used digital technology in their emergency response to the COVID-19 pandemic, giving rise to concerns that these technologies could curtail personal freedoms and rights. Examples of the types of digital technology employed include the use of existing digital surveillance technology being employed to track the locations of individuals via their smartphones without consent, and also the rapid development and implementation of specific smartphone applications designed to be downloaded by individuals, allowing state authorities to track their location and cross-reference or contact-trace individuals.

This chapter will discuss and weigh the importance of promoting public health against the risks of a technology being used as a tool for mass surveillance, beyond its original purpose. Whilst at face value nation states have asserted that the use of existing digital surveillance technology and the rapid development and implementation of specific smartphone applications are about public safety, a point of inquiry in this chapter will be to understand what effect this has in terms of deviating norms of behaviour, that is how a new level of surveillance is being established as 'normal' and accepted by society. For example, how does the use of digital technologies for contact tracing and surveillance, as a tool that can make the lifting of individual and collective movement restrictions currently in place in many states (lockdowns and curfews) relatively less risky, result in a 'normalisation of deviance' as society accepts indefinite intrusions into privacy for the sake of lifting strict controls that are affecting other rights, like freedom of movement, freedom of association and peaceful protest, and economic opportunities?

I will focus in this chapter on the case of Switzerland, but I believe that its main insights are also relevant for other countries, taking into account that the coronavirus does not halt at borders. The governance challenges arising out of the question of how to manage this crisis are thus not limited to the Swiss case. Ultimately, this chapter will draw out what governance challenges decision-makers must address to avoid power abuses by state authorities and other powerful actors, unintended side effects, and other potentially negative consequences of new technologies that are becoming increasingly 'normal' since the COVID-19 crisis.

7.2 Civil and Political Rights in the Digital Age

Digital transformation has a profound effect on almost every aspect of human existence. It has the power to change society and has already transformed everyday life in rapid fashion since the beginning of the millennium. Digital change thus poses a complex challenge to society, the public sector, and entrepreneurship; this has already been the case before the COVID-19 crisis and has quickly accelerated since its outbreak. The following question arises: How can we as a society interact with new technologies and what governance challenges do policymakers need to address when aiming to use these technologies to manage current and future crises effectively while respecting fundamental rights and freedoms of citizens? Especially the latter part of the question deserves profound consideration. Both the United Nations General Assembly and the United Nations Human Rights Council have confirmed that civil and political rights, which form the backbone of international human rights law, are universal and apply to the digital sphere as well.[1]

Without civil and political rights, it is difficult to imagine a society where free exchanges of opinions and political debates based on rational thinking and reasoning are possible. Civil and political rights, besides being at the core of human rights law, are also at the base of humanistic values, such as human dignity and trust in rational thinking and science. If we want to shape a truly human society in the years (UN Human Rights Council 2019) and decades to come, we will need to uphold civil and political rights for all people in both their offline and online activities. "At its best, the digital revolution will empower, connect, inform and

[1] UN Human Rights Council (2019). In this proposal, we will employ the terms "civil and political rights" and "human rights," as the former is an integral part of international human rights law. See, for example, United Nations International Covenant on Civil and Political Rights (1966).

save lives. At its worst, it will disempower, disconnect, misinform and cost lives."[2] With these words, the United Nations High Commissioner for Human Rights, Michelle Bachelet, addresses the disruptive force of digital change and thus points at a core problem when dealing with digitalization in the context of civil and political rights: digital technologies' potential for both good and bad. It is not yet clear to what ends recent technological advances in the fields of artificial intelligence, big data, and blockchain can and should be used and whether and how they should be regulated.[3] Currently, various stakeholders already use a wide range of applications of these technologies for a variety of purposes, such as data collection and analysis by states and businesses, global networking and communication, the development of autonomous weapon systems, or the management of global health crises such as COVID-19.

The application of civil and political rights as guaranteed by the United Nations International Covenant on Civil and Political Rights (1966)—to which Switzerland is a state party—and also by the Swiss Constitution (see Articles 7ff.)[4] to the digitalized world challenges states and individuals alike. Humanistic values like human dignity, individual freedom, self-determination, and the right to privacy are especially relevant in this area where rapid technological progress constantly enables new opportunities and creates new risks. How these values and rights can be guaranteed and protected in this ever-changing environment is not easily solved and still open to debate. In December 2013, the United Nations General Assembly adopted its first resolution concerning the right to privacy in the digital age and has since then discussed this topic several times.[5] The consequences of digital technologies for civil and political rights have also been addressed by the Swiss government whose declared objective is the protection of individuals and their rights.[6] Switzerland has, furthermore, initiated a wide range of projects, institutes, and conferences concerning

[2] See Bachelet (2019).

[3] Asaro (2019); Scharre (2019); Sharkey (2018); Wallach (2017).

[4] UN Human Rights (1966); Schweizerische Eidgenossenschaft (1999).

[5] For example, the Report of the Office of the United Nations High Commissioner for Human Rights (2013) or Human Rights Council Resolution (2017).

[6] Bundesamt für Kommunikation (2018).

digitalization.[7] It has to be said, though, that the adaptation of civil and political rights for the digital sphere has up to until now not been a priority among Swiss policymakers. Several organizations criticize, for example, either the lack of a coherent policy concerning the consequences of digital technologies or the insufficiently regulated use of potentially threatening technologies like mass surveillance or excessive contact tracing by the state or private corporations.[8]

Tech criticism focusing on surveillance and power abuses by political and economic elites ranges from misgivings about censorship and ever more sophisticated manipulation techniques ushering a world replete with attempts at hijacking the mind.[9] This leads to the loss of individual sovereignty as we witness an increasing concentration of power, be it corporate or political, created by technological advantages and the absence of adequate regulation.[10] Taken together, new technologies allow for an unprecedented coup from above, an assault on democracy by subverting the very idea of what it means to be an individual.[11] The democratic state as the prime protector of individual and political rights is obliged to counter such power abuses while ensuring not to abuse the digital technologies itself. This can lead to inconsistent policies when the state's obligation to protect its citizens from harm clashes with the state's obligation to respect the rights of its citizens—as in the case of the current COVID-19 health crisis when individual rights of free movement and assembly are restricted to avoid the spread of the virus. States need to be aware of their potentially ambiguous role that may occur. This may occur in either an active manner when the state deems it necessary to curtail civil and political rights for a higher purpose such as public health or a passive manner when the state does not do enough to protect basic rights when they are challenged through other actors such as private corporations. Even democratic states like Switzerland have sometimes failed in the task to protect their citizens' fundamental human rights and abstain from any actions

[7] Digitale Schweiz (2019).

[8] Operation Libero (2020); Amnesty International et al. (2020).

[9] Tristan Harris cited by Lewis (2017).

[10] Madrigal (2019).

[11] Zuboff (2019); Morozov (2013); Tufekci (2019).

that pose a threat to these rights as has been confirmed, for example, by the mass surveillance through Swiss authorities during the second half of the last century (also known as *Fichenaffäre*).[12] To prevent either active power abuse or passivity by the state, a number of civil society organizations have launched initiatives to discuss this problem on a national and international level.[13]

7.3 Governance Challenges

As this short overview has shown, the governance challenges resulting from the use of digital technologies for crisis management are complex and manifold. In the following, a number of the main challenges are presented and discussed in detail. This list is not meant to be exclusive, but only deals with the main issues that are currently discussed or that are latent in Swiss politics.

7.3.1 Limited Trust in State Authorities

A substantial part of the population in Switzerland is fearing that their data is being collected and analyzed without their explicit consent, despite reassuring declarations by state authorities that this is not the case. At the end of March 2020, the lockdown was imposed on Swiss society and social gatherings of more than five people were prohibited. During the same time, the press revealed that the Federal Council had asked the biggest mobile phone provider in Switzerland, Swisscom, to use cell phone data to check whether Swiss citizens really observed the ban on meetings and stayed at home. Although the transferred data and analysis was anonymized, it still allowed to assess how smartphone users moved around Switzerland and where bigger illegal gatherings did take place in spite of the lockdown.[14] That this data was collected and analyzed without explicit

[12] Schweizerische Parlamentarische Untersuchungskommission (1989).

[13] For Swiss Initiatives, see, for example, Swiss Internet Governance Forum (2018) or Swiss Center of Expertise in Human Rights (2019). On an international level, see, for example, Internet Governance Forum (2014) or WeGovNow (2020).

[14] Knecht (2020).

consent of mobile phone users, compromised public trust in state authorities and telecommunication companies.

Digital contact tracing systems that are to be downloaded on users' mobile phones aim to prevent the spread of the new coronavirus infections while guaranteeing privacy and control over personal data for users. The Swiss COVID app has been highly praised by data security experts and is a showcase in the world of tracing apps. Anyone who spends a certain amount of time in close proximity to a person who subsequently tests positive for the new coronavirus will be notified via the app that they may have been infected and are advised to call a hotline. The public administration assures users that the person's privacy remains protected at all times. Using the app is voluntary and free of charge.[15] Despite these official assurances and the app being an in-house development by a number of the best brains in Swiss research institutions, its popularity remains relatively low until today (August 2020). Although the app has been available for download since the end of June 2020, only 1,200,000 users, approximately, out of a population of over 8,500,000 people activated it.[16]

A main reason is the limited trust in the government's assurances that the collected data will not be used for any purposes other than the promotion of public health. Whether this fear is justified or not is difficult to assess as a non-technical expert. It is noteworthy that the Swiss COVID app does not centrally store any data related to the encounters with other people, that is, the collected data is stored decentrally on the users' devices and all data is anonymized.[17]

This data remains on the users' smartphone and does not leave the device. The random IDs that are exchanged by the applications are not connected with any specific user's personal data. The Federal Data Protection and Information Commissioner (FDPIC), the National Cybersecurity Centre, and the National Ethics Committee have all agreed that this decentralized approach provides the best possible protection to the users' privacy.[18] Nonetheless, people are suspicious of what their data will be used for and have limited confidence in their government's

[15] Federal Department of Home Affairs and Federal Office of Public Health (2020).

[16] Eichenberger (2020).

[17] Marti (2020).

[18] Federal Department of Home Affairs and Federal Office of Public Health (2020).

declaration of respecting users' privacy. Whether justified or not, what the Swiss case shows is that even under optimal conditions, such as decentral and anonymous data storage and an overall rather trustworthy democratic system, many people are wary of why and how their personal data will be used.

7.3.2 Ambiguous or Unknown Consequences

The second challenge is based on the consequences of technological applications being extremely difficult to foresee due to the novelty of these applications. The possibility that technological developments in the future may have *ambiguous or unknown effects* cannot be ruled out completely (information problem).[19] This problem is, to a certain degree, always present, also in the non-digital world because the future can never be fully determined by present actions. "The future cannot be determined. It can only be experienced as it is occurring. Life doesn't know what it will be until it notices what it has become."[20] Even if we try our best to eliminate all uncertainties, a residuum of uncertainty will always remain.

Future applications of technological developments are often not clear or well defined.[21] The same technologies that are developed for contact tracing in the COVID-19 crisis might, once they work effectively and have reached a high level of acceptance in society, also be used for managing other health crises or be employed for other purposes altogether (= dual use problematic). What this may include is difficult to predict—but tracing the movements and contacts of persons (and goods) can serve a variety of purposes. In the best-case scenario, future applications would orient themselves on the common good, such as public health (continued), environmental protection (identifying risks in supply and delivery chains), or public security (crime prosecution, prevention of terrorism). In the worst-case scenario, technological innovations may be re-programmed to control and possibly restrict individual and group

[19] Scholz et al. (2018).

[20] Wheatley and Kellner-Rogers (1999).

[21] Sevini et al. (2018); European Commission (2018); Miller (2018).

movements. Contact tracing can be used not only for limiting the spread of contagious diseases such as COVID-19 but also for controlling the spread of political ideas that threaten the status quo and established economic and political power structures by tracing who is meeting who and controlling who is participating in public protests.

Technology may be appropriated, hacked, re-programmed for deliberately nefarious purposes, that is, violent, criminal, or otherwise harmful purposes by state or private actors, which also includes state repression and terrorism.[22] Data security was given high priority when developing the Swiss COVID-19 app and preference was given to decentral data storage, which makes the app relatively difficult to hack. Apart from private actors, however, there have also been concerns that the state itself may become a threat for personal privacy and freedom. Although this danger appears relatively small for Switzerland, there is growing resistance against the use of technology for tracing movements and contacts of citizens. In order to avoid a digital dictatorship capturing Swiss society, the biggest political party of the country, the right-wing Swiss People's Party (SVP), has announced in July 2020 that it will hold a referendum against the amendment of the Communicable Diseases Legislation—Epidemics Act that was adopted by the Swiss parliament on June 19, 2020, and that serves as the legal base of the Swiss COVID app. The main argument of the referendum committee is that in the name of promoting public health and with the assistance of digital technologies, a digital dictatorship similar to the one in China is being created.

The referendum committee claims that during parliamentary discussions there was no real debate about the risks associated with tracing technology. According to the committee, given that the data collected by the app must go through the operating systems of Google and Apple, there is a risk that the Internet giants could skim off data. The committee also contends that despite its voluntary character, social pressure could eventually be exerted to use the app.[23] Its leaders fear that it would, for instance, suddenly be permitted to take the train only if one has installed the tracing app.[24] What is certain, is that in several cantons of Switzerland it is

[22] Shaw (2019).

[23] Swissinfo (2020).

[24] Aargauer Zeitung (2020).

currently (August 2020) only permissible to visit a restaurant or bar if at least one person in the group registers his or her personal data, including the time and date of the visit, name, address, and phone number. As restaurants do not have the time and the staff to enter the data manually, it becomes increasingly common that customers are asked to enter their data digitally via their smartphones. Passive resistance against this measurement grows and it is not uncommon that people would either forget the mandatory registration altogether or instead enter fictitious names and contact details. Restaurant staff hardly ever insist on the mandatory registration process out of fear of losing their customers. The government is in a dilemma—should it show flexibility and simply accept that de facto the registration of personal data will remain voluntary? Or should the government tighten its controls and measurements albeit risking an increase of public resistance against the establishment of a digital dictatorship and causing further economic losses for the gastronomy sector?

The referendum committee had time until October 8, 2020, to collect the required 50,000 signatures. If the required number of signatures is collected in time, there will be a public vote for the Swiss population before June 19, 2021, to decide whether the voters agree with the legal basis of the Swiss COVID app or whether they chose to reject it. Again, the question is to what extent people trust the actors who are involved, namely not only their government but also research institutions and private enterprises who helped develop the technological application. Firstly, should the people trust the actors' intentions, that is, that the actors will not use the collected data nor employ or re-program the app for other purposes than for promoting public health? Secondly, should the people trust the actors' abilities to avoid the data collected by the app being appropriated by other state and non-state actors for other dubious purposes?

7.3.3 An Ineffective Compromise

The COVID-19 app in Switzerland aimed at disrupting infection chains has increasingly come under criticism for not being effective. On the one hand, due to its limited popularity, not enough persons downloaded and activated the app on their mobile phones thus far to reach a critical mass of users. On the other hand, the cantonal authorities have been blamed for not acting upon contact warnings produced by the Swiss COVID app. People receiving a Swiss-COVID-app warning are thus not put under quarantine. The hotline established for people who receive an electronic warning does not count with the necessary competences to put people under quarantine but can only advise them to contact a doctor and stay at home. Cantonal authorities who would have the authority to put people under quarantine, do, however, not contact the concerned persons out of fear of not being able to handle the volume of cases. As a result, the isolation of persons who were warned via the Swiss COVID app of a possible infection apparently does not work effectively.[25] Whether the people who receive a notification from the Swiss COVID app contact a doctor and self-isolate is thus within the self-responsibility of each and every one.

What this discussion on the effectiveness of the Swiss COVID app reflects, is the cautiousness with which the Swiss government has designed and launched the app. Personal privacy is sacrosanct in Switzerland, and any interferences with this value are strongly frowned upon from the left to the right along the political spectrum. For a truly effective solution, the app would have needed to be designed such that it allows state authorities to identify and put people who had a risky contact immediately under quarantine in order to avoid the spreading of the virus. For the promotion of public health, this would undoubtedly be the best solution. Given the high value of personal privacy and freedom in Swiss society, however, it is very unlikely that enough people would have downloaded and activated such an app voluntarily. Without a crucial number of people covered, contact tracing does not make sense, as the registration of risky contacts may escape the digital net. This is already a problem under the light version of contact tracing based on the current Swiss COVID app. An obvious solution would be to eliminate the voluntary element—that is, making the use of contact tracing apps compulsory for everybody and providing state authorities with the necessary powers to identify and put people directly under quarantine. In this scenario, however, we would undoubtedly move toward a digital dictatorship, which raises the fundamental question: In what kind of society do we want to live?

[25] Probst (2020).

The design of the Swiss COVID App was deliberate and meant to find a political compromise between the promotion of public health and the protection of personal privacy and freedom. This is linked to a further sub-challenge: how to find a viable consensus between interests of different stakeholder groups? Not all groups are able to organize their interests effectively and translate them into policy outcomes.[26] Older people, for instance, and handicapped people who belong to the high-risk groups of COVID-19 may find it relatively hard to organize their interests, even more so during times of lockdown and restrictions on assembly. The younger generation has a comparative advantage here, as they are less at risk of serious illness and more tech and social media savvy, which allows them to quickly exchange information and mobilize. The older generation, due to their higher risk of illness, would theoretically have a higher interest in a tracing app that works effectively; practically, however, it is questionable whether the older generation would understand and trust a mobile phone application enough to actually download and activate a tracing app.

What is certain is that values and norm conflicts between different objectives and intentions, for example, public health versus personal privacy and freedom, are difficult to solve in a satisfactory manner. How to overcome this governance challenge and balance risks and opportunities of digital technologies remain an open question. At present, the situation in Switzerland appears to be that the app remains unpopular, as people are not ready to compromise on personal privacy issues and are suspicious of the ambivalent consequences digital technologies might produce. Indeed, if the objective should ever be to make the app truly effective, this would need certain authoritative structures that are difficult to combine with personal freedom and rights.

7.3.4 Irreversible Tech Dependence

In the long term, the Swiss COVID app may only be one piece in a bigger puzzle, adding up to a bigger picture that is characterized by society's increasing tech dependency and the irreversibility of this dependency.

[26] Kergueno (2018).

The tipping point model captures this challenge. After a tipping point is reached, changes become difficult to reverse. The phrase originates from physics where it is used, for instance, to refer to the adding of small increments of weight to a balanced object until the additional weight causes the object to suddenly and completely topple—or tip.

Applying this model to the COVID-19 crisis and the use of digital technologies, the tipping point can be characterized as the point where certain technological applications have become so widespread that they will not be abandoned anymore even if the original purpose should cease to exist. At a certain point in the future, society will become so dependent on the use of digital technologies that policymakers and users alike would think that public health can no longer be guaranteed without the help of technology. Even if the COVID-19 crisis should pass in a couple of months or years, sooner or later another health crisis or other security crisis of a different nature will emerge that will again purportedly require the use of similar digital tools. After a couple of crises that have been managed with the help of digital technologies, people and policymakers alike will start to doubt their capacity to overcome and survive crises without the help of technology. This is similar to us becoming so accustomed to mobile phones that we can hardly even imagine how to communicate effectively with each other without them.

Indeed, it is quite likely that after a couple of positive experiences, it will become increasingly commonplace to manage future health and other crises with similar tech applications. At a certain point, we will believe that we are no longer able to handle crises without the aid of technology. Without the constant assurance by our technical devices that we were not unknowingly in a risky situation, we will not feel safe anymore. Addiction to technology happens quickly. In the same manner that we nowadays constantly check our mobile phones to see if anybody tried to contact us, so we will in the future constantly check our mobile devices to see if we did not meet anybody who posed a risk to our health or safety. Even without a digital dictatorship imposed from above, our operational and emotional dependency on tech will make it difficult to reverse the means at our disposal to handle crises and manage risks with the help of technology in the future.

The faster the pace of technological progress, the sooner we are likely to "tip" from merely using new technologies, such as tracing apps as a supportive tool in crisis management, to being completely dependent on these technologies in our crisis responses. Eventually, we will not be able to feel safe anymore without the constant reassurance of our tech applications that we have not been in contact with any contagious person, that we have minded the minimum safety distance, that we have not traveled on any bus or train where a recent infection was identified, and that we have not visited any public place like a shop or a restaurant where a recent COVID-19 case occurred. Instead of going to places according to our interests and moods, we will plan our activities in accordance to what our technical applications advise us to do—namely to avoid the wrong places at the wrong times or to avoid meeting the wrong people with the wrong set of contacts. Whether it is COVID-19 or a radical political ideology—not only viruses are potentially contagious but also ideas and conspiracy theories that would sooner or later inspire social upheavals and protests against real and imagined digital dictatorships.

7.3.5 The Acceptance of a New Normal

Once a tipping point is reached and the majority of the population has adopted the use of certain digital applications, the level of social and political acceptance and legitimacy of such technologies can be expected to increase. At this point, persons who prefer not to use digital technologies for tracking their movements and contacts may be at risk of being stigmatized and excluded from certain social events or traveling. Even if the use of digital technologies such as the Swiss COVID app is voluntary in principle, after the tipping point is reached, certain regulations that before would not have been able to find the support of a democratic majority could become socially accepted after a while. The collection of personal data of persons going to a restaurant in several Swiss cantons is one example of an exceptional circumstance in the process of becoming normal (at least if everything should go according to the cantonal government's plans); the non-possibility to pay with cash in certain shops and commercial establishments is another example. Each one adding up to another, a new normal is created and accepted by society.

This process can be well explained through a process which has been termed by Diane Vaughan as "normalization of deviance".[27] Several small incremental changes that each by themselves are not of overarching significance, in their sum can still lead to significant, or in the worst case, even catastrophic consequences. What these may look like in the case of digital technologies and health crises is not clear, but there is a risk that crises will become more normal in future, not only because of the prolonged duration of COVID-19 but also concerning new, emerging health risks; other types of crises such as terrorism; our changing perception of reality and risks through the spread of social media (somewhere there is always a crisis); and last but not least, higher security needs among wide parts of the population as a result of an increasing risk aversity. Changes that would not have been accepted by society from the outset, are sliced into small pieces of incremental changes that over time become normal.

Large parts of the population may be unaware of the long-term consequences of using digital technologies for crisis management. It is hard to predict whether a change—known as a deviance—to the manner in which a digital technology is used or to the manner in which it impacts civil and political rights and liberties will be accepted by a society as the new norm or not. Once a tipping point, that is, a quasi-irreversible level of tech dependency, is reached, will the new digital technologies be accepted and normalized within a society? Specifically, can and does the accepted frame point for what is considered normal shift incrementally or radically over time by technological developments, even if there is an impact on personal rights and freedoms?

When digital technology becomes increasingly ingrained in everyday life, any deviance to pre-existing norms and rights as a result of technology can become so difficult to reverse that people become apathetic or feel disempowered to reject the technology and, consequently, lose trust in their government and its capacity to govern. Technology has the capacity to incrementally shift over time that which a society considers to be appropriate and compliant with their own norm expectations and ethical principles. An example is the use of mobile phones and the social expectations to always be reachable; another example is new means of

[27] Vaughan(1996).

information sharing on social media, which have fueled political protests around the world.

The nature of technological change whereby technology is constantly being developed, evolved, and updated, brings about incremental changes in a society; in isolation, the incremental changes do not necessarily trigger a threat to civil and political rights, but cumulatively they can represent a significant threat to rights. Under certain circumstances like the spread of a new virus, a crisis, which the majority of people perceive to present an existential threat big enough to justify the taking of extraordinary means, can unfold. In this case, the majority are willing to accept a new normal brought about by digital technologies, without necessarily realizing that they might sacrifice rights for safety. Using digital technologies for crisis management will not cause a sudden change; it will more likely cause an incremental deviance from pre-existing norms and rights.

7.4 Conclusions

Digital technologies have enabled new means of contact tracing, which has created new possibilities of of disease prevention and crisis management. At the same time, these technologies have opened the door to unprecedented opportunities for public surveillance and social control. There is a political need for governance strategies that enable societies and states to unlock the positive potential of digital technologies to improve public health and safety to the benefit of society, while simultaneously meeting the state's obligation to protect individuals against the risks and negative impacts associated with the exploitation of these technologies. Recent discussions concerning the risks that digital technologies pose to individuals and society have concentrated on either cyber criminals or private businesses. The state—and especially the democratic state—as a risk factor has thus far been neglected. In particular, democratic states, however, need to engage in active self-reflection if they aim to live up to the expectation that they are committed to guarantee the respect for and protection of the rights of their citizens.

We need more research on the role of digital technologies and their impact on the respect for and protection of civil and political rights. The research can serve as a scientific base for policymakers to draft future policies and regulations. Furthermore, we need to engage in a wider social and political debate not only about the risks and opportunities of digital technologies but also about how these technologies might impact our very understanding of what is acceptable in terms of political control and personal freedom—and under what circumstances it can be ethically justified to curtail political and civil rights for the common good, including the promoting of public health. Although there is widespread agreement concerning the use of digital technologies and that human rights are also valid online, there is less agreement on what this means in practice and how norm conflicts, that is, personal privacy versus public health, can be addressed in a pragmatic manner that is in accordance with the type of society we aspire to build for future generations.

The main governance challenges that were discussed in this chapter included limited trust in state authorities, ambiguous or unknown consequences of digital technologies, values and norms conflicts resulting in an ineffective compromise, an ever-increasing and potentially irreversible tech dependency, and, finally, the acceptance of a new normal by society and politics. The biggest risk for the future probably lies in the last challenge—namely that the use of digital technologies for crisis management becomes normal even after the original crisis has ceased to exist. Technology advances develop at a rate that outpaces societies' full understanding of its impact, causing deviance from pre-existing norms and rights to be normalized because society places a higher value on safety and convenience than it does on civil and political rights. The existence of an existential threat like COVID-19 makes the taking of extraordinary measures, including those related to digital technologies, appear necessary. Later, however, it is difficult to reverse the new normal. Policymakers and civil society members alike need to invite an open and transparent debate on the question of in which direction we would like our society to develop: toward more freedom and self-responsibility or toward more control and repression—reinforcing the position of Switzerland (domestically and internationally) as an open, transparent, and democratic state. Even if Switzerland has been cautious thus far in its approach to use digital technologies for managing the COVID-19 crisis, public resistance has nonetheless formed. Providing dissenting voices with a peaceful channel to express their concerns, for example, a referendum and public voting, is important not only to avoid digital technologies' long-term negative consequences for civil and political rights but also to avoid new (political) crises emerging on top of the current COVID-19 health crisis. The main danger to our political and civil rights might, however, not come from above in the form of a digital dictatorship but come from within in our increasing risk aversity and need for ever more security.

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8

COVID-19 Reportage in Nigeria: Digital Media Ethics, Viral Lies, and Lessons Learned

Ngozi Okpara

8.1 Introduction

The first human cases of COVID-19, a disease caused by the novel coronavirus, were discovered in Wuhan, China, in December 2019. There is a general belief among different stakeholders that the disease is highly communicable and caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). COVID-19's origin and nature have been subjected to different interpretations depending on belief, culture, political affiliation, social status, ideology, media literacy and knowledge, scientific understanding and knowledge, and socio-economic interest, among others. In spite of the panorama of uncoordinated interests, arguments, explanations, and amplifications, the World Health Organization (WHO) declared COVID-19 a pandemic, thereby emphasizing the disease's serious consequences and implications for the human person. The world, irrespective of color, military strength, or economic, cultural, scientific,

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health, and social developments, came to a crashing halt because of the new pandemic. With the subsequent collapse of many activities around the world, mankind faced a monstrous enemy that defied boundaries, thereby causing desperation and fear in societies across the world. One thing is desperately needed—a solution. Until a solution surfaces, it is important to fully identify the actual causes of the pandemic. What are the real, perceived, and imagined consequences of the COVID-19 pandemic? The answers to these questions are key to mitigating the COVID-19 pandemic; however, it is important to note that no single segment of society, a profession, or an ideology can provide the solution to the coronavirus pandemic. This is because pandemic's effects and consequences are multifaceted, thereby necessitating multi-dimensional approaches.

Health professionals, scientists, political office holders, governments, economists, sociologists, philosophers, schools, the clergy, as well as media and communication professionals, all have a role to play in solving this problem. As these stakeholders play their part in their areas, it is certain that the world and the human persons in it will never be the same again. Moreover, it is noteworthy that this pandemic problem came at a time when the world underwent diverse changes, especially in communication technology. These diverse changes brought about different issues around the knowledge economy—unprecedented production, the access and consumption of information, as well as knowledge production and dissemination. All these are buttressed by the points made by Marshall McLuhan that changes in media (media determinism theory) determine changes in the society and by implication changes in human development and culture (Roncallo-Dow & Scolari, 2016).

Media functions in the Nigerian society and the world at large cannot be overemphasized. Media surveils the human person's environment in order to draw attention to opportunities and threats, correlating different responses and transmitting cultural heritage and values, amongst other functions. The need for these functions has skyrocketed due to media digitization, which provides many platforms for practitioners and other persons to express themselves. The consequent democratization of the media has given rise to so many issues, which digital media practitioners face. In the reportage of the COVID-19 pandemic in Nigeria, the viral lies and miscommunication are major causes for concern. How have digital media practitioners fared? What roles did they play in disseminating information during the COVID-19 pandemic, especially at its peak, in Nigeria? How have different digital platforms contributed to the escalation of the miscommunication that almost marred the reportage of the COVID-19 pandemic in Nigeria? To answer these questions, Nigerian digital media practitioners will be the reference points in this discourse.

This chapter will also examine the ethics of digital media with the objective of establishing the viral lies and miscommunication that marred the reportage of the COVID-19 pandemic in Nigeria as well as the lessons that accrued from such reportage and their impact on ending the COVID-19 scourge in Nigeria.

8.2 Conceptual Framework

8.2.1 Digital Media

The digital space is widely known as the new media, which is usually referred to as either the internet or the World Wide Web. The digital media is generally believed to include online newspapers, websites, podcasts, blogs, and others. However, digital media in its real sense is broad and includes a wide host of technology, such as wireless and mobile media, digital television, digital cameras, digital music players, and other emerging technologies used for mediated public communication. Digital media was described as the encompassing systems of public communication, content production, distribution, and the computer-network-based technologies that support and shape them. Nonetheless, the concept is still generally accepted to include all the traditional media of mass communication, such as newspapers, magazines, radio, television, and cinemas, all of which currently undergo a digital sea change. This therefore implies that digital media includes all emerging media that can be accessed online or through other digital delivery systems in order to serve specialized audiences and communities as opposed to just the mass audience that was only addressed in the traditional media.

Digital media thus indicates the use of computer technology to combine the various forms of existing media**.** Although digital media has occasionally been referred to as multimedia, it specifically refers to electronic media that works using digital codes instead of analogue signals. Therefore, digital media is electronic media that works using digital codes to create audio, video, and other digital content. This is in contrast to the analogue or traditional media that uses an older technology facilitated by a continuous signal.

The greater usage of digital media in recent times currently changes people's lifestyle from regular to innovative. The rate of connecting to a network of persons by individuals and social collaboration is quite impressive and on the increase day after day. A research by the World Economic Forum in about five countries revealed that the use of digital media has empowered individuals to no longer be content with just standing by or receiving transformations of digital revolution; at present, individuals become active in the shaping of digital media and of its essence for the good of society.

The relevance of digital media to individuals and the entire society is evident in the concept of social interaction and empowerment of individuals. Like-minded persons who are separated over great distances or economic, cultural, ideological, or religious boundaries have overcome these barriers owing to the use of digital media. Due to digital media usage, civic participation has become accessible to everyone, aiding the creation of communities with common interests. In the workspace, employers are now able to include flexibility in their employees' activity regulation, which has resulted in higher productivity and a better integration of the work-life sphere. Education and lifelong learning have also been improved using digital media. There is an unprecedented increase in opportunities for creating, consuming, and sharing media content through diverse devices and platforms irrespective of space and time.

8.2.2 Ethics

A generally accepted definition of ethics does not exist. However, reviewing its different definitions, ethics may generally be conceptualized as the branch of philosophy that focuses on the conduct of human persons; what is right or wrong; duties, obligations, rights, and virtues; as well as the benefits or consequences of actions. However, Kidder (2003) perceives ethics as a moral duty of human persons, which leads them to have knowledge of the ideal character. In this regard, ethics helps human persons figure out how to act in difficult and complex situations, which may not be strictly located within the purview of culture, religion, law, or social conventions. Ethics focuses on professions that deal with human persons' standards of behavior. The field of media and communication relies heavily on ethics in order to pave the way for acceptable norms and values. Several ethics principles define the appropriate and acceptable conduct of media and communication professionals. Nonetheless, an aspect of the media and communication discipline that desperately needs a proper application of ethics is digital media.

Communicating ethically via digital media is needed in this era where the scope of communication includes robotics and artificial. Communication that requires creating, encoding, viewing, and distributing information through modifiable and machine-readable formats can be referred to as digital communication, which can be preserved and consumed through electronic devices. Digitization has paved ways for the Internet of Things, social media, artificial intelligence, and robotics, thereby creating a medium of communication that utilizes audio-visual contents that are transmitted over the internet. Information from professional and non-professional persons, which pass through different platforms, can be classified as digital media. The implication of this perspective of digital media is that any human person can use any medium on the internet to pass information on any subject. The consequences of this can be scary when the information being passed is volatile and capable of threatening human social interactions, productivity, and safety.

When digital media practitioners use the internet—which defies time, space, culture, and other boundaries and operates in what is known as digital spatiality—to push out information about crises such as the COVID-19 pandemic, then rumors, anonymity, misinformation, disinformation, fabrication, calumny, detraction, and viral lies, among others, surface. In this chapter, the implications of viral lies and miscommunication are reviewed as major ethical issues in digital media concerning the global reportage of the COVID-19 pandemic and Nigeria in particular.

Lies are fabrications of information that are false and unfounded, which may be spread knowingly or unknowingly. With digital media, its speed, and the boundless means whereby information travels, most lies become viral. Digital media practitioners are caught in the crossfire of baseless information that may be inadvertently published on digital media platforms. Most digital media practitioners are trained professionals who bear ethical principles in mind when they produce content. However, the volume of information and the lightning speed of their spread made possible by digital spatiality leave digital media practitioners at the mercy of individuals, organizations, and institutions, with all of them having different agendas.

The effect of viral lies is misinformation, which is almost the same as lies; the major difference lies in intention. Accordingly, digital media practitioners have a duty to surveil the environment, correlate different responses of the environment, and then transmit information to human persons who will, in turn, make use of the information in their daily dealings. It is therefore obvious that misinformation by digital media practitioners may be intentional or unintentional. This calls to mind the ethics of digital media.

Ethical principles, such as prudence, justice, respect and responsibility, should help digital media practitioners. Prudence determines how a media person should use information; justice means each person or society has to be given their due respect while at the same time acting with the social responsibility of the media in mind. Ethics points to the major lessons, which digital media practitioners should embrace.

8.2.3 Ethics of Digital Media

Ethics in media was generally described by Pavlik as a set of practices, a code of things that media professionals, including journalists, should either do or not do. Although it is a normative concept the codes are really helpful and expedient. However, they are not sufficient. Ethics of media is a sub-division of applied ethics that is primarily concerned with the specific ethical principles and standards of the whole media—traditional and digital.

The digital media revolution is responsible for a transformation in the nature of journalism and ultimately in the ethics of digital media. Through digital media, the citizens have the power to publish information, especially with the internet encouraging instant and interactive forms of media engagement. This, therefore, means that the media landscape furiously evolves, as we now have professional media personnel sharing the sphere with bloggers, tweeters, citizen journalists, and other new media users. The emergence of these new possibilities in media also comes with a threat to the practice and the sanctity of older methods.

The migration of audiences into the digital space and the shrinkage of the newsroom, among others, are dominant fears as far as future media ecology is concerned. This paradigm shift from traditional media to mixed news media thus indicates the need for a new mixed media ethics that would include guidelines to regulate amateurs and professionals in content creation and dissemination.

The following are the ethical principles that should guide digital media practitioners and the digital media space.

- *Verification and fact-checking:* Content should be confirmed as not being based on a lie or lies, as content has a great effect on the populace. If unverified news keeps flooding the digital media space, the populace will remain misinformed and confused, thereby making it impossible for them to make good decisions (Natividad, 2020). There is a need for verification and fact-checking of information before it is disseminated.
- *Prudence:* Prudence is a virtue that allows one to judge right from wrong in any given situation. Digital media practitioners should act intelligently and with practical wisdom to avoid putting out unethical and obnoxious contents on digital media platforms. A prudent digital media professional considers the public before publishing or posting online. Prudence will help digital media practitioners pre-empt the impact of their contents on the public and as such avoid disseminating fake and misinforming contents on digital platforms (Erram, 2020).
- *Truthfulness:* As with traditional media, the element of truth must be present in all communications of digital media and its practitioners must disseminate information based on fact. All disseminated infor-

mation should be compiled with sincerity and must be accurate. Most digital media practitioners promote disinformation/misinformation and wait for readers to react to it, believing that the interactivity of the web will provide correction by itself. A good example was the rumored death of Abba Kyari, former chief of staff to the Nigerian president, whose death was announced on online media platforms three weeks before his death was eventually publicly announced. It was reported that Kemi Olunloyo, an online personality, announced his death earlier, on April 2, 2020.

A member of the Presidency's media team later debunked the rumor as false (Ige, 2020).

- *Fairness:* By virtue of human dignity, everyone deserves to be treated with respect and equity. Information reported by digital media practitioners must be fair on all sides and not partial. Fairness in the digital media space supposes that digital media practitioners disseminate true, credible, and balanced content to the public. Realities of the pandemic have shown that practitioners in the digital media space are biased in their reportage and have been accused of not maintaining a balance in their reportage of the COVID-19 pandemic. A research conducted by Obi (2020) revealed that while a total of 26.1 million news articles on COVID-19 were published online globally between January and March 2020, less than 1% focused on the possibility of a cure. This shows that digital media practitioners take advantage of the negative events during the pandemic to gain popularity.

- *Respect for privacy and confidentiality*: Digital media professionals must ensure that privacy and confidentiality are respected in the dissemination of their contents. As the world fights against the discrimination of coronavirus patients, the identity of infected persons must be protected and their personal information should not be disclosed. In reality, the opposite has been the case, as digital media platforms have been used to erode the personal liberties of people by declaring them positive without their permission. A brilliant example was the pressure from public analysts and commentators in Nigeria for the Presidency to make the former chief of staff's health report to the Nigerian president public following confirmation that the former chief of staff, Abba Kyari, had contracted coronavirus (Owoseye, 2020).

8.2.4 Ethical Issues in Digital Media Reportage of COVID-19

Due to its personalized nature, the digital media has become difficult to govern. Individual levels of reasoning and diversities of intentions have made the governance of digital media a crucial matter among policymakers and decision makers. In spite of this, institutional and legislative frameworks have been ratified at both national and sub-national levels to regulate digital media space. Several countries, such as China, the United Kingdom, Egypt, Germany, and Australia, have ratified state regulations to curb the excesses associated with the use of digital media (British Broadcasting Corporation [BBC], 2020). The degree to which these legislative frameworks have been able to regulate the digital media space remains a growing concern, especially with the spread of unverified information during the COVID-19 pandemic.

Natividad (2020) revealed that with the proliferation of mobile devices, coupled with the increase in mobile internet penetration, digital media platforms have spread more unverified, unreliable, and inaccurate reports on the pandemic than the traditional media platforms. Providing data to support this claim, the United Nations Education, Scientific and Cultural

Organization (UNESCO) (2020) reported a study conducted by the Bruno Kessler Foundation. The study revealed that out of a total of 112 million social media posts about the COVID-19 pandemic, approximately 40% were linked to unreliable sources. Furthermore, the research identified more than 100,000 pieces of misinformation that could lead to public harm on Facebook. Similarly, *NewsGuard* identified 170 websites in Europe and North America that spread false information on coronavirus. From these, it could be deduced that the continuous rise of unreliable digital media sources portends a greater danger to humanity than the pandemic itself.

As a result of the increase in unreliable digital media sources, humanity, according to the World Health Organization (WHO), faces an infodemic—an overabundance of accurate or inaccurate information. Natividad (2020) argued that many of this misinformation have massive consequences for the consumers. Misinformation on COVID-19 is being disseminated at a fast pace and has been identified as a major cause of human casualties. *NewsGuard* associated the death of U.S. citizens to unabated exposure to false content about the origin, potential cures, and nature of the disease. Facebook reported that between March and April 2020, there were approximately 90 million contents associated with misinformation on false cures, anti-vaccination propaganda, and conspiracy theories (BBC, 2020). According to the BBC (2020), the human cost of misinformation will be huge on public health if uncontrolled. For instance, Waldrop et al. (2020) reported that a resident of the United States died following exposure to online content suggesting that chloroquine cures coronavirus. The victim was diagnosed to have died from an overdose of the medication. The continuous spread of misinformation on digital platforms poses an ethical challenge to the fight against the pandemic, as it threatens public health and responsible action (Russonello, 2020).

Given the extent to which information goes viral within the shortest time, the digital media is peculiar. This is as a result of actions, such as likes, shares, reposts, and retweets. According to Lee (2018), it takes 60 minutes for a tweet to go viral. This means that in every one hour there is a possibility that billions of information consumers on digital platforms are exposed to lies and false information on the pandemic.

Adebimpe, Adeyemi, Faremi, Ojo, and Efuntoye revealed that it is commonplace for digital media platforms to spread false information or lies in a bid to gain followership or a fan base. This was linked to the role digital media platforms played in the dissemination of lies about the prevention and cure of the Ebola virus in Nigeria in 2015. Adebimpe et al. (2015) identified digital platforms, such as WhatsApp and Facebook, as major culprits in disseminating "unverified medical information such as bathing with salt water, 1 bitter cola and antibiotics in a bid to prevent contracting Ebola virus" (Adebimpe et al., 2015, p. 3). It was further revealed that the lies contained in the prevention messages that were spread via both platforms led to the unfortunate deaths of persons who believed the information (Adebimpe et al., 2015).

Obi-Ani, Anikwenze, and Isiani reported similar lies on both WhatsApp and Facebook platforms regarding the coronavirus infection and copied an excerpt from a WhatsApp broadcast message—concerning prevention tips for COVID-19—in Nigeria on March 25, 2020.

> How do you know if you have Corona Virus?
>
> 1. Itching in the throat
> 2. Dry throat
> 3. Dry Cough
>
> So, if you notice any of these three things, quickly take hot water and drink plus garlic. Note that it takes like two weeks for this virus to penetrate your whole body, with this initial remedy of garlic and hot water kills it. Do not keep this information to yourself pass on to all your family and friends. God bless you. (WhatsApp Communication, 2020).

A similar post was identified on Facebook where an account user described the mode of transmission and cure for coronavirus. Obi-Ani et al. quoted the post:

> Coronavirus before it reaches the lungs remains in the throat for four days and at this time, the person begins to cough and have throat pains. If he drinks water a lot and gargles with warm water and salt or vinegar, he eliminates the virus. (Somuah, 2020)

Another thread on the protection of people against coronavirus reads as follows:

> BCG vaccination from ages ago 'may possibly' reduce susceptibility to COVD-19. If you have that big vaccination scar on your upper left arm, then it's likely you have had BCG vaccination as most Nigerian children used to have.
>
> If the conclusion drawn from this paper is correct, it may explain why Nigeria is currently not being ravaged by COVID-19. This is how good science is reported—the facts and the findings plus the doubts are laid out. Those who love praying, this is the time to pray that these researchers got it right. (WhatsApp Communication, 2020).

Another viral lie circulated online, suggesting that the former President of Nigeria, Olusegun Obasanjo, said that there is no coronavirus in Nigeria and that the Minister of Health lied.

Image credit: Africa Check (2020).

The news, which was published by an online blog *9JAVARIETY* on March 4, 2020, was denied by the former president's spokesperson, Kehinde Akinyemi: "any statement that is attributed to Baba but did not include when and where he made it should be disregarded. Baba didn't say it and couldn't have said it." In addition to the comment by Mr. Akinyemi, Google reverse image verification shows that the picture used was traced to an occasion the former president attended much earlier (Africa Fact Check, 2020).

The evidence above shows the reason for the public's negligence and nonchalant attitude toward the flattening of the infection curve. This further resonates in the assertion of Ladan et al. (2020) that the use of media in the dissemination of lies, falsehood, and misinformation on COVID-19 is responsible for poor public response to the pandemic in Nigeria. Furthermore, the efforts of the Nigerian government and the National Centre for Disease Control (NCDC) in slowing the rate of infections are impeded with the unchecked spread of falsified information on the digital media platforms. It is noteworthy that platforms, such as Facebook and Twitter, developed algorithms that are used to detect malicious information on COVID-19 in an effort to combat the spread of misinformation and fake news on the pandemic. There is still a need to develop measures that would mitigate the spread of misinformation and fake news on other platforms such as WhatsApp.

8.3 Theoretical Perspectives

8.3.1 Agenda-Setting Theory

Maxwell McCombs and Donald L. Shaw proposed the agenda-setting theory, which holds that the media is responsible for setting the agenda for public action. The theory assumes that public actions and inactions are based on what the media feeds them. In the words of Wimmer and Dominic, the public agenda or people's perception and thinking are powerfully shaped and directed by what the media chooses to publicize. Wimmer and Dominic maintain that the media is in charge of determining the public course of action. Relating the theory to the discourse at hand, it behooves digital media practitioners to recognize their roles as action setters and conduct themselves as such, as they determine how the public would respond to any situation, in this instance a pandemic as deadly as COVID-19.

8.3.2 Media Dependency Theory

The media dependency theory emphasizes how citizens in unstable societies rely on media for information and explains the after-effect of such reliance on the human person (Loveless, 2007). The theory, which was propounded by Sandra Ball-Rokeach and Melvin DeFleur in 1976, is an extraction from the uses and gratification theory, which established that there is an internal link between the media, the audience, and the social system. It assumes that people's learning from the real world is limited and therefore they turn to the media to satisfy their knowledge or information needs (Loveless, 2007). This reliance on the media for information has created a dependent relationship between the media and its audience. On the other hand, the theory postulates that the media is able to create a dependent relationship with audiences using its power to achieve the larger societal goal.

The current realities have shown that there is a global overreliance on the media for information, as this is the core of its responsibilities. More so, there is a global attention shift from the traditional to digital media platforms in terms of audience search and consumption of information. This shift is driven by the availability of cheap mobile phones and the increase in mobile internet penetration. According to *NewsGuard*, there are more than four billion active internet users globally and the majority of these users connect to the internet via mobile devices. In Nigeria, there is a growing internet penetration rate with over 141 million active internet users and 99.82% of this population accessing the internet through their mobile phones (Okafor, 2020).

The dependence on digital media platforms among Nigerians has been aggravated by the constant rise in the number of social networking sites that are basically used for networking and entertainment purposes. The trend switched following the realization that the digital media platforms can be more impactful in mobilizing people for social actions such as electioneering (Olukotun, 2014; Curran, 2005). As such, it has become increasingly utilized in the dissemination of news content and other valuable information to the public. In other words, it has become an alternative news outlet to the public.

Considering the social shift caused by the COVID-19 pandemic coupled with the peculiar electricity situation in a country like Nigeria, the public is condemned to rely on digital media platforms such as WhatsApp for information on how to protect themselves from contracting the virus. In the course of this reliance, the public has been exposed to quite a lot of unverified information, which contradicts the ultimate goal of reducing the spread of the virus by both national and supranational organizations. As such, it could be deduced that digital media has not contributed to the ultimate goal of curbing the spread of COVID-19. This negates the assumption of proponents of the media dependency theory that media uses its power to achieve the larger societal goal.

8.4 Methodology

The methodology of the study is based on a qualitative design, which entails a content analysis of reportage about the COVID-19 pandemic on selected digital media platforms. The platforms were purposively selected based on the researcher's discretion and will not excuse the possibility of bias in the analysis.

8.5 Empirical Results

8.5.1 Reportage of Coronavirus Pandemic on Digital Media Platforms in Nigeria

The Nigerian digital media space, being a subset of the global digital media space, has shared in the peddling of fake news on the prevention, cure, and treatment of the coronavirus. For instance, a blog was reported to have published false information on Mrs. Folorunso Alakija donating millions of personal protective equipment to curb the public spread of coronavirus.

Home > FEATURED

BREAKING : Female Nigeria Richest Billionaire, Alakija Orders 1Million Test kits, 1Million Face Mask,10million Hand Sanitizers For Nigerians

by admin — March 25, 2020 in FEATURED, Health 1 min read

ADVERTISEMENT

Source: The Cable Nigeria.

Checking through the conversation thread, it was revealed that the story originated from a sarcastic tweet from Twitter user known as Daddy D.O.

Daddy D.O @DOlusegun · Mar 24

Thanks for the declarations and more importantly, thanks for ordering one million test kits from South Korea, 1million face masks and 10million bottles of hand sanitizers for as your contribution to fighting this pandemic. I know you wanted to be anon but thanks still

Folorunso Alakija @alakijaofficial · Mar 22

PROPHETIC DECLARATION AND PRAYERS AGAINST COVID-19 youtu.be/JhJhdrghOQc via @YouTube

66 365 669

Source: The Cable Nigeria.

The Twitter handle only made a passing comment to an initial tweet made by Mrs. Alakija. When it was noted that there had been public misinformation through the tweets, the tweeter issued another post to clear the air.

Daddy D.O
@DOlusegun

For any avoidance of doubt. I was being sarcastic and Mrs Alakija has donated none of these things. Hopefully she will now that people are thanking her for donating them.

11:44 AM · Mar 24, 2020 · Twitter for iPhone

76 Retweets 149 Likes

Source: The Cable Nigeria.

Moreover, conspiracy theories about the possibility of the Chinese using the virus to decimate the population of Nigerians were circulated on digital media platforms. A broadcast was shared among Nigerians on WhatsApp concerning this supposed intention of the Chinese government. The message reads thus:

> In Spain: over 640,000 #COVID19 testing kits from China didn't work …
> Czech: 150,000 kits from China tested positive.
> Ukraine: 250,000 kits from China tested positive.
> Turkey: 500,000 kits tested positive.
> Netherlands: 600,000 masks from China were returned.
> China proudly killing the world ….
> Please my fellow Nigerians ….
> Stay away from all the coronavirus kits sent from China government through their agent called Jack Ma … It already arrived Murtala Muhammed International Airport since Monday through Ethiopian airline and I heard it was moved to Abuja for distribution … Who knows the fact?
> But please don't get close to them in the name of God you serve. I beg all of you …
> Their mission is to reduce the population of Nigerians and still make money from it.
> Those kits from China are the real Coronavirus.
> Thanks. China supplies 2 million masks for Africa. (WhatsApp communication, 2020).

In a similar fashion, a Twitter user by the name of Bizzle Osikoya posted a tweet on February 3, 2020. In the tweet he says that "Cocaine kills coronavirus." The tweet reportedly remained on his page for over a month, was retweeted over 2700 times, and was liked by more than 5500 people (Durojaiye, 2020).

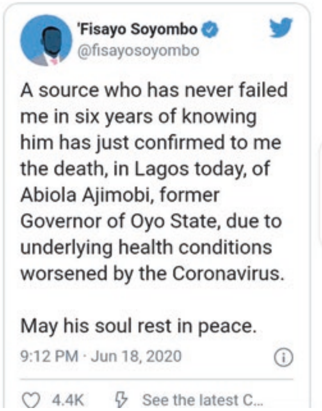
Bizzle Osikoya shares tweet purporting
cocaine can cure coronavirus
Photo: Twitter

Source: Durojaiye (2020).

This information is not only misleading but foreshadows great danger to the lives of an ignorant audience. Aside from the information being false, it could encourage a culture of drug abuse and addiction among young Nigerians who are unable to decipher the content and distinguish between fake and credible news stories. Moreover, another viral post on Facebook shared by over 30,000 users tried to provide the public with information on how they could carry out the self-assessment test by holding their breath for 10 seconds and if successfully done without coughing it means that there is no COVID symptom in their lungs. The post reads:

> If you can hold your breath for 10 seconds without coughing, without difficulty this shows that there is no fibrosis in the lungs, indicating the absence of infection. It is recommended to do this control every morning to help detect infection.
>
> Source: https://allafrica.com/stories/202003250047.html

After proper fact-checking, it was revealed that the information is false, as fibrosis is not a feature of coronavirus. On June 18, 2020, another false report broke out on Twitter from the Twitter account of a popular online personality, Fisayo Soyombo, claiming that the former governor of Oyo state, Senator Abiola Ajimobi, died from coronavirus complications.



The reports generated a lot of reactions from the public and the family members debunked the rumor. Although the former governor was later announced to have died of COVID-19 complications, it was unethical of Soyombo to have made such public declaration without the concurrence of the appropriate party involved, including the media authorities.

8.6 Discussion

Once again, the unreliability of digital media platforms as a credible news or information source has been brought to the fore with the few, out of many, falsified reports that were disseminated about coronavirus. The undiscerning public's susceptibilities were aggravated by the paralysis of other sources; this made the average Nigerian depend on platforms, such as WhatsApp, Facebook, and Twitter. This dependency—as earlier postulated in the media dependency theory—should be driven toward achieving a common societal goal (Loveless, 2007). However, the end goal of these malicious platforms remains unfounded, as most of these suspicious digital media platforms engage in these acts merely to increase their followership.

It was revealed from the gathered data that owners of digital media platforms do not engage in thorough diligence process before publishing their news stories. Not knowing the origin of the conversation between Mrs. Folorunso Alakija and Daddy D.O., the publisher of the news story latched on to it because of the popularity of the figure in question. Aside from not investing in due diligence processes for their activities, the publisher of the story could have been sued for publishing a libelous statement against Mrs. Alakija. The publisher's intention was to exploit the pandemic in gaining popularity among online users. This act is in tandem with the assertion of Galtung (2002) that media leverages destabilizing situations to promote its interest.

Furthermore, it was revealed that the inability of the digital media platform owners to abide by media ethics, such as fact-checking and verification, is responsible for the increase in the rate of misinformation disseminated about COVID-19. Corroborating the position of Natividad (2020) on the consequences of misinformation for public health, it could be averred that the lack of verification on the truthfulness of news content, the credibility of news sources, and the intention of the source could foretell a greater threat to public health and make futile all efforts at stemming the rate of the infection.

8.7 Lessons for Digital Media Practitioners in Nigeria

From the above-mentioned, it can be deduced that digital media practitioners in Nigeria have not upheld ethical standards in the dissemination of news stories. Furthermore, the COVID-19 pandemic brought to the fore the need to enforce ethical codes that ensure sanity in the digital media space. It is very pleasing to know that digital media platforms, such as Facebook and Twitter, have algorithms that detect and block malicious contents that could mislead and harm the generality of the public. Apart from these measures, other digital media platforms, such as WhatsApp and Telegram, need effective frameworks that ensure users comply with ethical standards in information dissemination. Digital media practitioners and users must therefore ensure the following:

1. All information and news content must be verified before sharing. There are websites online, which media users and practitioners can visit, to fact-check the authenticity of news content or other information regarding COVID-19 or any other issue affecting humanity. For instance, *BBC News Africa* launched an online library for fact-checking and debunking myths and misinformation surrounding the coronavirus in Africa. Moreover, *NewsGuard*, a technology company in the United States, has dedicated its resources to unraveling malicious websites that disseminate fake news globally. In Africa, *Africa Check* is renowned for curbing the spread of fake news, misinformation, and lies on social media. Digital media practitioners could explore these resources in ensuring that their contents are void of malicious contents and thereby help promote public health.
2. Digital media practitioners should ensure the confidentiality of information about persons that have been infected with the virus. Furthermore, any action taken by anyone should remain within the purview of the donor and not become a subject of public discourse. In the tweet credited to Daddy D.O.: If Mrs. Alakija had donated one million face masks in good faith to help curb the spread of coronavirus, it is not for deliberation in the public space. Privacy and confidentiality are, therefore, major ethical principles that should be adhered to by digital media practitioners.
3. Another critical virtue digital media practitioners should hold in high esteem is the principle of social responsibility. Digital media practitioners should come to terms with their actions having great impact on their audience's lifestyle and decisions. There is a public perception that media determine how humans act in society. This is accomplished by how media set the agenda and influence the action needed to achieve a social goal. With digital media holding the power to steer public action, practitioners must be socially responsible to ensure that their contents do not pose any harm to the goodwill and health of the people.
4. Furthermore, digital media practitioners—like traditional media—must guard their practice with truth. They must ensure that only true, credible, and factual information is disseminated. Moreover, digital media platforms owe it as a responsibility to the public to ensure that

only accurate contents are posted and shared on their platforms. Furthermore, a public enlightenment campaign can be executed to sensitize users of digital media platforms on the need to be cautious in information dissemination. A key lesson that could be learned is from Telegram, which has a system for sending information on approved preventive measures for COVID-19 to all its users.

5. It was noted that digital media professionals are skewed or biased in their reportage of the coronavirus pandemic. Most of the reportage focused more on spreading the casualty rate, while less of the reportage focused on educating the public about the systematic transmission of the diseases and the possibility of a cure. To this end, the principle of fairness assumes that digital media practitioners will be balanced and fair in their reportage of the pandemic, covering all sides. Furthermore, digital media practitioners are encouraged to invest their resources in forging a collaboration with health experts in finding a lasting end to the pandemic.
6. Finally, digital media practitioners ought to have an understanding of the power they hold in steering public action. Media power in this age is critical and according to hypodermic theorists, it influences public actions and belief systems. The more contradictory a report on the pandemic accessed on digital media platforms is, the more lackadaisical the members of the public became in their disposition toward the pandemic. Efforts must therefore be geared to ensure that information is disseminated prudently to avoid public panic and augment the efforts of government at all levels to stem the tide not only of the pandemic but also of any other global health emergency that might arise in future.

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9

The COVID-19 Pandemic in Africa: Losers and Gainers

Abiodun Hafeez Akindipe and Morolake Bolaji

9.1 Introduction

Coronavirus, otherwise known as COVID-19, has triggered a global crisis. In addition to its enormous toll on humans, it gradually leads to the deepest global recession since World War II. When the virus first occurred in a wet market located in Wuhan, China, it was regarded as a regional health challenge posing little or no global potential risk. In fact, the World Health Organization (WHO) initially declared that COVID-19 had no potential threat. However, it was soon declared a pandemic on March 11, 2020. As of August 8, 2020, about 19.9 million people had been said to be infected, while 716,075 lives had been claimed by the virus globally (WHO, 2020).

The situation is no different in Africa, although the rate of spread of the novel coronavirus is slow in Africa. About 54 countries in Africa have recorded cases of COVID-19 infection as of May 13, 2020. There are currently a lot of ongoing debates in other countries to determine the

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reasons for the low rate of spread of COVID-19 experienced in Africa. This is paradoxical, given the poor level of public health care infrastructure, governance structure, porous borders, weak institutions, to mention but a few issues in Africa (Farayibi & Asongu, 2020). One possible argument for the low confirmed cases in Africa is the issue of the low testing capacity of most countries in Africa.

The channels through which the shocks from the pandemic have affected most African economies vary from country to country. Something notable about this pandemic emanates from certain sectors being badly affected, while other sectors have thrived—thus having an unequal effect on both workers and households. What comes to mind, however, is: Who are the gainers and losers on the African continent, and what factors account for this discrepancy? These questions inform the topic of this chapter. The structure of this chapter is organized as follows: Following the introduction, Sect. 9.2 focuses on the stylized facts about COVID-19 in Africa. Section 9.3 discusses the economic impacts of COVID-19 in Africa and its toll on households, while Sect. 9.4 analyzes the losers and the gainers during the lockdown. Section 9.5 focuses on the conclusion and relevant policy implications.

9.2 Stylized Facts on COVID-19 in Africa

At global, national, and regional levels, the novel coronavirus has posed great challenges in the areas of human health and behavioral patterns. With its rate of spread across 212 countries, the number of COVID-19 cases and fatalities still appears comparatively low in Africa. There is, however, still a looming fear of the grave consequences of this pandemic in Africa. Africa is known as the world's second-largest and second-most populous continent, after Asia (UN, 2019). With a population of about 1.3 billion, the African continent accounts for 16 percent of the world's population (UN, 2019). Due to the European colonization in Africa, the continent is the least wealthy per capita, even though the continent is richly endowed with many natural resources. Africa has been burdened with high levels of corruption and poverty, coupled with poor health care systems and wide-ranging climate conditions.

The recent outbreak of the pandemic has to a large extent affected the cultural behavior of various ethnic groups in Africa. Africa as a continent is said to have a rich cultural heritage with lots of colorful celebrations and great gatherings of people. However, with the advent of the lockdown experienced in communities, states, regions, and nations, such activities were brought to a halt. Africa recorded its first COVID-19 case in Egypt on February 14, 2020. Since then, the virus has spread across the African continent, as all 54 countries in the continent had recorded cases by May 13, 2020. In an effort to curb the spread of the virus, the African Union endorsed a joint continental strategy in February 2020. Member states and regional economic communities added to these efforts by providing a public health platform to help ease the spread of the virus. In order to address the economic fallout of COVID-19, four special envoys were instituted to help mobilize international support for Africa's efforts in curbing the spread of the virus.

In spite of the swift response by African countries to contain the spread of the virus, the magnitude of the challenge and the continent's vulnerabilities cannot be underplayed. The corresponding figures for Africa on August 8, 2020, were 872,501 cases and 16,021 deaths (see Fig. 9.1). Ten out of the 54 countries in Africa currently top the charts, with South Africa accounting for roughly 60 percent of the confirmed cases in Africa (see Table 9.1). A mere four countries (Algeria, Egypt, South Africa, and Nigeria) accounted for more than half of the death tolls on the continent. It should be noted, however, that Africa still accounts for a small fraction of cases worldwide even though estimates by the World Health Organization (WHO) indicate that the pandemic could kill between 83,000 and 190,000 people in 47 African countries in the first year. Nevertheless, based on responses by individual governments, such predictions are yet to come true in Africa.

One of the consequences of the lockdown measures introduced by African governments as a result of the pandemic is the threat these measures have posed to the culture of African societies. South Africa, for instance, had implemented a 21-day period of full lockdown. Moreover, the Nigerian government imposed a total lockdown period of about a month for three major states (Lagos, Ogun, and Abuja), which were identified as the epicenters of the pandemic. Other countries, such as

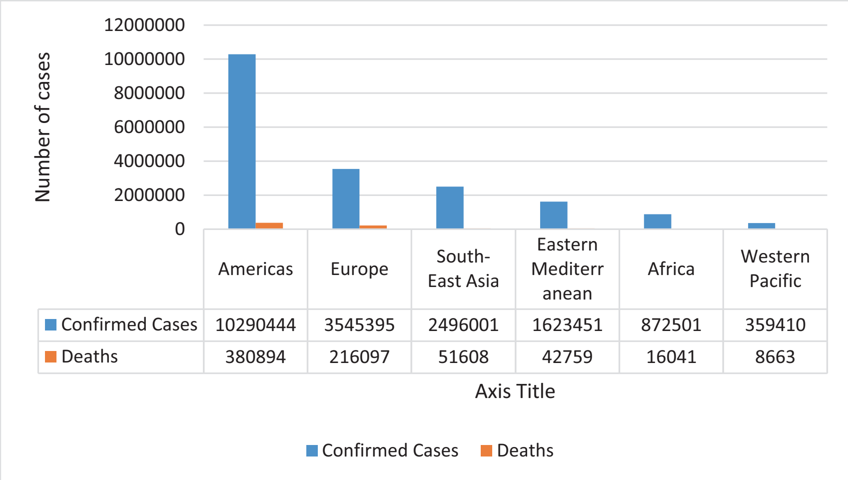

Fig. 9.1 COVID-19 cases and death tolls across continents. Source: World Health Organization (WHO) COVID-19 Dashboard

Table 9.1 Top 10 countries with highest cases of COVID-19 in Africa

Country	Confirmed cases	Deaths
South Africa	545,476	9909
Egypt	95,147	4971
Nigeria	45,687	936
Ghana	40,533	206
Algeria	34,155	1282
Morocco	30,662	461
Kenya	25,138	413
Ethiopia	21,452	380
Cameroon	17,718	391
Ivory Coast	16,524	104

Source: New York Times database

Senegal and Côte d'Ivoire, instituted curfews and partial lockdowns (African Union, 2020). From literature, sociocultural norms and values are at the center of African societies. These norms and values are currently challenged with the risk of being erased (UNESCO, 2020). For example, the community, state, and regional bans imposed on public gatherings (weddings, burials, naming ceremonies, and religious gatherings) in response to the pandemic have had a negative impact on family and community lives. This could lead to fracturing relationships, with long-term implications for cohesion and social harmony (UNESCO, 2020).

Furthermore, the pandemic has led to economic and health challenges. Since the majority of the African countries are ill prepared for this pandemic, their economies have taken a downturn, with nearly all the oil-dependent nations like Nigeria, Angola, and Algeria experiencing economic recessions, the worst since the 2008 global financial crisis. After about two decades of steady economic progress in Africa, the pandemic could move the continent into its first recession in 25 years (Kartik et al., 2020). Before the pandemic, the health sector of these countries was mediocre, as the sector has experienced poor funding over the years. However, due to the lockdown measures imposed, the governments have been forced to equip a number of major hospitals, while making use of make-shift isolation centers for COVID-19 cases.

9.3 Economic Impact of COVID-19 in Africa

The projected medium- to long-term effects of COVID-19 show that Africa will be hard hit by this pandemic. This is illustrated in Table 9.2. The resultant drop in gross domestic product (GDP) could lead to stagnant economies and historical structural inequalities would be worsened in most African economies since the majority of people earn their livelihood through the informal economy with little or no insurance. Thus, an unexpected disruption could make small businesses run out of reserves to sustain themselves. Over time, this could result in recession and a full-blown financial crisis. Economic recovery measures that usually follow such crises will not work with the COVID-19 pandemic since job losses, wealth depletion, and unemployment already happen even though the pandemic's impact is yet to fully materialize.

The last decade has witnessed significant improvement in growth. However, the reversal in price of raw materials that started in 2014 quickly put a stop to the episode of unprecedented high growth; COVID-19 would further erode the enormous growth (see Fig. 9.2). An important reason behind this is the persistent dependence of Africa's largest economies on global commodities prices. Economic growth thus fell

Table 9.2 Consequences of COVID-19 in Africa

	First-order effects	Second-order effects	Third-order effects
Economic	GDP drops; trade balance worsens; job and livelihood losses; wealth depletion; and increase health and related spending	Domestic supply chains collapse; economic activity stalls and non-formal activity increases	Recession, debt crisis, and financial distress
Social	Loss of lives; social spending reduced; disproportionate impacts on vulnerable groups; and social services disrupted	Widespread deprivation, social disaffection, and breakdown in social services	Increased inequalities; human development losses; societal unrest and vulnerable groups victimized
Political	Politicized responses	Erosion of trust; politicization of law enforcement	Political unrest and political violence

Source: United Nations (2020)

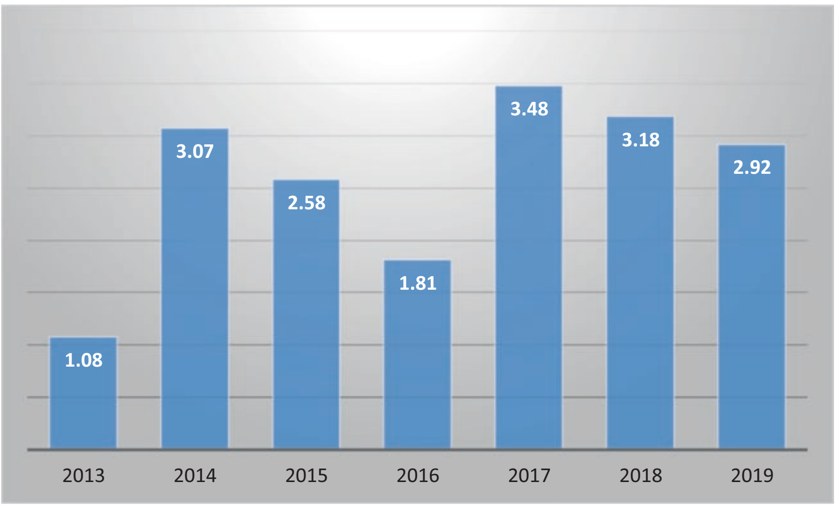

Fig. 9.2 African economic growth between 2013 and 2019 (in percentage). Source: UNCTAD (2020)

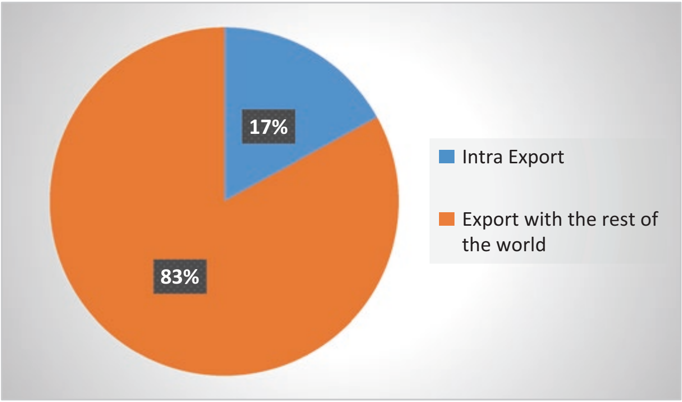

Fig. 9.3 African exports in 2019 (in percentage). Source: UNCTAD (2020)

from 3.07 percent in 2014 to 1.81 percent in 2016. The outbreak of Ebola in certain African countries contributed to the drastic fall. In 2017, economic growth rose and the growth rate stood at 2.92 percent in 2019. A growth rate of 3.4 percent in 2020 The African Development Bank (AfDB) initially forecasted a growth rate of 3.4 percent in 2020. However, with COVID-19's negative impact on key sectors of the economy, such as tourism, travel, and exports, and with the resultant fall in commodities prices, it will be very difficult to achieve this optimistic forecast of the growth rate in 2020.

In terms of African exports, the total African trade average value was US$760 billion. This represents 29 percent of Africa's GDP (UNCTAD, 2020). While the share of Africa's export with the rest of the world in 2019 was 83 percent, intra-African trade accounted for only 17 percent of African countries' total trade (see Fig. 9.3). At 16.6 percent of the total regional exports, intra-Africa export is one of the lowest when compared to other regions of the world. Low levels of industrial transformation, infrastructural development, and tariff and non-tariff barriers account for this situation. This could make Africa sensitive and vulnerable to shocks emanating from the COVID-19 pandemic (Fig. 9.4).

Lastly, African economies are characterized by current account imbalances, which are mainly driven by trade deficits. These deficits are financed by foreign sources of financing, such as foreign direct investment (FDI),

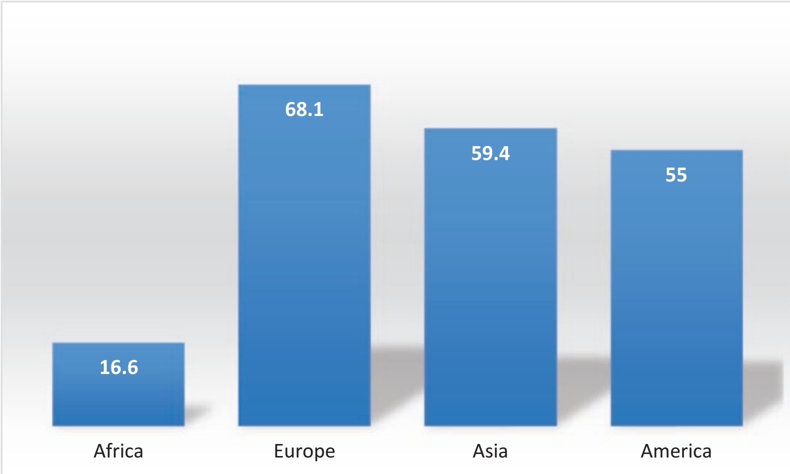

Fig. 9.4 Intra regional exports in 2019 (in percentage). Source: UNCTAD (2020)

portfolio investment, remittances, official development assistance, and external debt. The losses in tax revenues and external financing due to disruption of economic activities will limit the capacities of African countries to finance their development and lead to a fall in the external value of domestic currency and depreciation.

9.3.1 The Toll of COVID-19 on Households in Africa

In Africa, most households are greatly affected by the pandemic. Many households cannot afford to cater for their families, as most household heads are—or were—either manual laborers, farmers, small- or medium-scale business owners or contract staff. This is because the size of informal forms of employment represents about 55 percent of sub-Saharan Africa's cumulative GDP, excluding the agricultural sector (African Union, 2020). In South Africa, for instance, a survey on the income of households was conducted. The researchers observed that 89 percent of the surveyed consumers who have had their household income impacted by COVID-19 were concerned about paying their bills. It was noticed that the destruction of value chains, closing of restaurants, and the general lockdown of the population have led to disruption in many informal activities. Moreover, about ten associations of informal players in South Africa called for government to provide replacement revenue for people who could not work during the lockdown period. Countries like Morocco have, however, already set up mechanisms to support households.

The pandemic has taken a toll on households, with households facing food insecurity challenges, hunger, and malnutrition, as more food has been consumed with children being at home throughout the day. In addressing this issue, governments across various countries provided palliatives such as food stuffs to help cushion the effects of the pandemic. Furthermore, households experienced reduced spending and savings as well as reduction in the area of remittances. In Egypt, for instance, remittance is one of the foreign sources of financing. In 2018, over $25.5 billion was remitted compared to $24.7 billion in 2017. In 2018, Nigeria recorded a remittance of US$25.08 billion, which ultimately contributed to 5.74 percent of the GDP. It is interesting to note that Egypt and Nigeria account for more than 60 percent of Africa's remittances inflows (African Union, 2020).

In addressing this challenge, the government in Nigeria, for example, made available 20,000 naira for each poor household. Another COVID-19 consequence for households is that several households lost loved ones because the families could not access proper quality health care services as a result of the overcrowded hospitals. Other effects of COVID-19 on households include increased insurgencies, rape, and robbery. For instance, Boko Haram killed at least 92 Nigerian soldiers while several communities in Lagos state, Nigeria, experienced armed robbery attacks. These attacks have affected families adversely, as various households have lost their breadwinners and promising children with bright futures. From the aforementioned, it can be noted that the novel coronavirus has indeed taken a toll on households in Africa.

9.4 Emerging Pattern: The Losers and Gainers of COVID-19 in Africa

The impacts of external shocks on markets create both losers and winners. Shocks refer to changes in economic conditions brought about by a random, unpredictable event. They can have widespread and lasting effect on the economy and are the major causes of recessions and economic cycles. The emergence of COVID-19 has altered lifestyles not only in Africa but globally. This has made the business environment more challenging, as no one knows how long the pandemic will last. However, certain industries currently enjoy tremendous cash flow despite the hard time brought about by the pandemic. Imagine what the current situation would have been without access to information communication technology. This section therefore explores business sectors in Africa in terms of the major gainer and the big loser during this pandemic.

The list of businesses that suffered tremendous losses in Africa during the pandemic lockdown period includes but is not limited to aviation, small and medium enterprises (SMEs), religious organizations, transportation, tourism, education, and oil and gas. A new research from International Air Transport Association (IATA) showed that the impact of the lockdown on the African aviation industry and their economies led to the shutdown of air traffic. For instance, South Africa recorded the largest loss in revenue of about \$3.2 billion, while Ethiopia had the largest fall in employment, as over 530,400 people lost their jobs in the aviation sector (IATA's press release). This led to a call from the International Civil Aviation Organization (ICAO) African Regional Office to various governments across Africa to rapidly implement ICAO's global guidelines for restoring air connectivity to ensure the safe restart of the aviation sector in the region.

The pandemic has made SMEs, which have been the backbone of African economies, struggle to adjust, as closure of business premises and markets reduced patronage and sales. Previously, this sector created employment opportunities for many households in Africa. Waweru Waithaka, the CEO of FunKidz, lamented SMEs face an estimated \$1.5 trillion credit gap as a result of COVID-19. Furthermore, analysts have predicted that about 60 percent of the SMEs may collapse before the crisis is over. This is worrisome and it is important that the governments and the financial institutions come to the rescue of this sector, which is the key driver of growth and prosperity in Africa.

Moreover, the implementation of social distancing and the imposition of lockdown measures have had huge implications for the mobility and connectivity of people and goods. This negative demand shock affected the transportation sector across Africa. For instance, passenger volumes are down substantially, both for traditional bus and for urban rail services. Maritime transport has also been affected, as a significant percentage of container ships and trucking capacity lie idle and freight prices plummet. Certain reports indicate that restrictions on travel in affected cities and the implementation of stay-home policies for workers in non-essential sectors have decreased demand for public transport services by 25–50 percent in many cities across Africa. In response to this challenge, many transport services either shut down or scale back, as routes are no longer viable.

The tourism sector has also not been spared from the devastating effects of the COVID-19 pandemic. As at the end of the first quarter of 2020, the COVID-19 pandemic had brought international travel to an abrupt halt and significantly impacted the tourism industry in Africa (United Nations Conference on Trade Development [UNCTAD], 2020). The tourism sector is a major source of employment, government revenue, and foreign exchange earnings. Without this vital lifeline, certain countries in Africa may experience a dramatic contraction in GDP and a rise in unemployment. During the second quarter of 2020, the United Nations World Tourism Organization reported for the first time ever that 100 percent of global destinations introduced travel restrictions. International tourism has therefore almost been suspended and domestic tourism curtailed by lockdown conditions imposed in many countries. Although several destinations have opened up, many travelers are yet to book for international travels or cannot afford it due to the current economic crisis.

Another sector that was seriously hit as a result of the lockdown was religious organizations because most religious organizations source their income from donations and contributions made by their members. These contributions come in the form of offerings, tithes, and *zakat*, depending on the beliefs and principles of the religion. Many leaders of religious organizations in Africa have become richer than organizations in the real business world. In a bid to salvage the situation orchestrated by the pandemic, many religious bodies embraced and adopted digital mediums in order to reach their members. As their members are affected financially, these religious organizations in Africa are severely affected.

The education sector was also seriously affected, as many schools in sub-Saharan Africa remained closed because of the spike in coronavirus cases. This further crippled the already fragile educational system. For instance, the proprietors of most schools in Nigeria cut the salaries of their teachers by half, and where salaries were not reduced, the teachers were placed on furlough. This further worsened the living standard of most teachers, especially those working in private schools whose salaries were initially not enough even before the pandemic began. The teachers are not the only people affected by the close-down of schools; the booksellers are also affected. As both primary and secondary schools in Africa were about to resume for the new academic session before the lockdown, most booksellers have invested in the printing of new books. The school closure kills the investing spirit, as most of the books published are held in booksellers' warehouses.

With a total output share of over 12 percent and a consumption threshold of about 10 percent, it is a known fact that Africa is an important player when it comes to oil production globally. An improved trade performance among oil exporting countries in Africa has been a critical factor in enhancing economic growth, as oil exports are major sources of foreign exchange and government revenue in certain African countries. For African crude oil exporting countries, the resultant falls in demand caused by the pandemic meant that export will be down by at least 10 percent on average when compared to recent years (African Union, 2020). As a result of this pandemic, most of Africa's largest oil producers lost about US$20 billion in revenue (African Union, 2020). Moreover, the shares of major oil companies like Shell Petroleum Development Company (SPDC) and TOTAL, as well as other smaller oil servicing firms, have fallen while several have stopped functioning.

On the other hand, certain sectors have benefitted tremendously as a result of the pandemic in Africa. The list of sectors that thrived includes food and beverages, information and communications technology (ICT), logistics and distribution, and e-commerce. In Africa, the food and beverages industries were not hit hard by the pandemic because they were considered an essential sector. It is interesting to note that most mini marts and supermarkets remained open in Africa and demand in consumption soared as survival became a priority for people.

Moreover, the development in ICT has permeated all sectors of the economy. This made the ICT sector thrive well during the lockdown period. Digital services are in big demand these days and anyone offering such services would likely become richer. A change in culture and attitude in certain areas, such as work pattern, education, commerce, and access to information, with more preference for online channels, has increased the demand for data. This has made the value of shares of the tech giants rise, as most people now work remotely using software and social apps, such as Zoom, Microsoft Team, and rooms, among others, for virtual meetings and couching. There has also been an increase in online transactions, as people now prefer to transfer or use a point of sale (POS) app to pay for their expenses.

Logistics and delivery businesses also profited in Africa, especially during the lockdown, as people who could not leave their homes paid for deliveries to be made at their houses. In response to the increased demand for home delivery of goods and services, certain logistics firms like Bollore and Kobo360 made huge profits during the lockdown. For example, Bollore's logistics revenue was up by 5 percent compared with the revenue of the first quarter of 2019. These companies devised a means to move across the continent in a manner that protected their drivers and employees while minimizing the risk of an abrupt disruption of their business.

Lastly, as a result of the coronavirus pandemic, African e-commerce has received the much-needed boost to thrive because many businesses in Africa have discovered new manners of bringing goods and services to their clients. Furthermore, both big and small entrepreneurs have benefitted from online trades. For instance, Alastair Tempest from the Ecommerce Forum of Africa mentioned a number of reasons behind the success of their online business during the pandemic, as e-commerce was considered a better alternative to raw cash spending. Conversely, the advent of the novel coronavirus has fast-tracked development in the field of digitalization. Digital consumption increased rapidly in South Africa and Nigeria during this pandemic (Roihunter, 2020). Many offline retailers and wholesalers, such as Pick n Pay, Checkers, and Woolworths, stepped up their online customer service delivery, thus creating new channels for consumers to purchase and receive goods and groceries.

9.5 Conclusion

The impact of external shocks on economic and health sectors as a result of the novel coronavirus pandemic has led to the emergence of both losers and gainers in various economies globally. With the advent of COVID-19, the lifestyle of not only Africans but also people on other continents of the world has been altered. This has made the business environment more challenging in most African countries. Furthermore, many households in Africa experienced a lot of difficulties including loss of income, and loss of loved ones as a result of poor service at health care systems. However, with the negative impact of COVID-19 on households, firms, and industries, certain industries enjoyed tremendous cash flows.

In view of these, there was an ardent need to determine which sectors gained and which lost due to the lockdown measures imposed by various governments across Africa. Among the sectors that lost due to the pandemic are aviation, small and medium enterprises (SMEs), religious organizations, transportation, tourism, education, and oil and gas. Sectors that gained include food and beverages, information and communications technology (ICT), logistics and distribution, and e-commerce, among others. From the aforementioned, it can be deduced that the novel coronavirus had indeed both positive and negative impacts on the economy. However, a major factor that made certain sectors gain was the use of technology. Africa therefore needs to further upgrade its technological space so as to tackle major challenges facing the continent. To conclude, policy recommendations include the following: The government of countries across Africa should ensure that relevant policies are implemented in order to cushion the effect of the pandemic across various sectors of their economies. More funding should be allocated to research and development (R&D) activities in Africa so as to attain more technological advancement in Africa. Sectors that were negatively impacted should be assisted by government to thrive again. Lessons from developed economies during the pandemic should be learned and adopted by African countries, especially in the area of technological innovation.

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10

Re-imagining Social Impact for Economics in Sub-Saharan Africa: Lessons from COVID-19

Vincent Eke

10.1 Introduction

The ravaging impact of the coronavirus has been felt across the globe and has negatively impacted the $90 trillion global economy in manners not experienced in almost a century.[1] Global industrial facilities have been shut down in affected countries and supply chains have been massively disrupted. Across economies in sub-Saharan Africa (SSA), there is a projected output loss ranging between $37 billion and $79 billion due to a combination of effects. Formal business sectors, such as hospitality, aviation, and oil, have already been negatively impacted by the pandemic. Informal business sectors, which constitute a reasonable portion of economies in sub-Saharan Africa, have also been affected and wage-based informal workers in formal sectors have also not been spared. For many

[1] https://fas.org/sgp/crs/row/R46270.pdf

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countries in SSA, it may therefore be a gloomy case of the pandemic leading to exacerbated poverty levels if the necessary interventions do not happen.

In Nigeria, the Bank of Industry has described the informal sector as "comprising any economic activities, partly regulated by the government and its agencies which are neither fully registered nor maintain complete sets of accounts and whose workers may play roles without any social or legal protection as well as employment benefits".[2] It is also noteworthy that although the informal sector in Nigeria is characterized as being unstructured, it provides employment opportunities for a significant number of Nigerians. In 2017, this sector accounted for 65 percent of Nigeria's gross domestic product (GDP) (IMF, 2018). A corollary to the pandemic for Nigerian informal businesses will thus be multiplier effects on the vulnerability of people who have already been described to lack social benefits and legal benefits and with little or no employment benefits. Furthermore, we can easily infer that for a number of these households, the disruption of economic activities as a result of the pandemic will mean reduced income, no access to education as well as limited or no access to healthcare, among other consequences.

However, the challenges posed by the pandemic provide opportunities for corporations, governments, and other stakeholders in sub-Saharan Africa to explore the opportunities presented by the Sustainable Development Goals (SDGs) (Hajer et al., 2015). Exploring these opportunities implies a level of social consciousness on the part of members of the society and in this chapter we assess the roles of social impact or social consciousness in building sustainable economies in sub-Saharan Africa. We explore a post-pandemic SSA by leveraging on the lessons of corporate social responsibility (CSR) (corporate philanthropy), academic social responsibility (ASR), positive organizational scholarship (POS), and the underlying concept of shared value creation, all of which we have observed in the course of the pandemic.

The first section of this chapter provides relevant literature on the concept of social impact as well as its challenges, and its prospects. Following

[2] https://www.boi.ng/wp-content/uploads/2018/05/BOI-Working-Paper-Series-No2_Economic--Development-through-the-Nigerian-Informal-Sector-A-BOI-perspective.pdf

through with these challenges, the second section examines the concepts of CSR, ASR, and POS as tools through which social impact can be demonstrated, and how they can drive development in countries. The third section highlights lessons learned from these concepts as they came to the fore in the fight against COVID-19 and, furthermore, makes recommendations for stakeholders in sub-Saharan Africa based on the lessons. The fourth section concludes the chapter.

10.2 Social Impact in Sub-Saharan Africa—History, Challenges, and Prospects

Together with environmental impact assessment, the term social impact assessment (SIA) became a recurring concept in academic literature in the 1970s (Esteves et al., 2012; Vanclay 2002). Like environmental impact assessment, SIA was predominantly thought of as a regulatory tool, although its application was required in hardly any jurisdictions; this posed a barrier to its general acceptance (Parsons et al., 2019). By design, the objectives of environmental impact assessment and social impact assessment are different, although both operated similarly at the initial stages. However, with an increasing awareness that social challenges in any given environment will always have a different make-up from biophysical issues, it was necessary for these social challenges/issues to be treated distinctively. Consequently, SIA became an area of research focusing solely on the management of social issues (Vanclay, 2003, 2006).

Over the years, SIA as a field of research has continued to enjoy widespread popularity. Its popularity is further strengthened by an increased emphasis on human rights in recent times. This emphasis on human rights has further been significantly boosted by the common adoption of the United Nations Guiding Principles on Business and Human Rights (UNGP). The UNGP (2011) established that, in taking up projects, all entities—business organizations, non-governmental organizations (NGOs), government, and government agencies—have an obligation of respecting human rights, that is, through their direct or indirect activities they must avoid harm to other stakeholders and must not be a party to the abuse of human rights by others. Businesses thus have a responsibility of considering human rights throughout their entire value chain.

Bringing this analogy to sub-Saharan African countries, we learn that social issues, which usually threaten human rights, exist because of the absence of a stable political and institutional environment. The instability and unpredictability in such systems lead to a jungle-like atmosphere where failures across sectors abound. In such countries, corporations may experience market failure if they cannot supply products that are demanded by citizens or if the citizens cannot afford products. Consequently, these citizens may suffer. There is also the instance of governance failure, where governments can neither create the law nor provide the regulations required to ensure the safety and prosperity of their societies. Governance failure arguably ranks as the most devastating because failure in other sectors is inextricably linked to it. Usually, with unstable governments, it becomes almost impossible to successfully plan and execute social impact programs that can alleviate burdens on a society's poorest people. As a result, such societies experience problems of inclusivity, as inequality gaps would exist. For countries in SSA, a change in government often implies a change in ideologies and an accompanying change in policies. Within such contexts, the resulting social development policies of new governments are ad-hoc based and do not completely address the root cause of such inequalities and divides. Sadly, these ad-hoc solutions are sometimes further threatened by cycles of violence and, in more recent developments, by the COVID-19 pandemic. Consequently, inequality gaps have continued to widen.

In attempting to explain the reasons for social underdevelopment in SSA, Ake (1996) posits that following the political independence of many countries in the region, external capital and diplomacy denied African leaders the timeframe needed to consolidate power and to properly structure their territories. As a result, it was quite difficult for African leaders to create a strong national identity and to develop workable economic systems as well as effective civil societies. It is this absence of workable economic systems that further widens inequality gaps among citizens; poverty thus remains inherent, resulting in reduced standards of living—and so the cycle continues. With poverty arguably being the foundation of social underdevelopment, in their study titled "Institutional Foundations for Shared Growth in Sub-Saharan Africa," assert that while there is a likelihood of the poor benefiting from economic growth, the most important step in reducing poverty will be dependent on how this growth affects income distribution patterns. In their publication for the *Harvard Business Review*, Mark Kramer and Marc Pfitzer (2016) underscored the importance of a collective impact approach among members of a society in reducing poverty levels. In their analysis, everyone has a role to play in building prosperous societies. In the next section, we discuss concepts that can be leveraged in narrowing social divides and inequalities in SSA.

10.3 Building Successful Societies: The Tools for Social Development

In reviewing previous research undertaken for the advancement of the UNGP, it has been observed that businesses have no deliberate intention of harming communities; consequently, such instances are rare. Harm to other stakeholders thus occurs as a result of negligence or ignorance on the part of these organizations that consider the social implications of their activities (Van der Ploeg & Vanclay, 2018). Corporate organizations must begin to perceive social issues as business risks because they are. It is therefore expected that these organizations properly identify and manage these issues; otherwise they could create severe problems that include delays, additional costs, and, in more severe cases, premature shutdowns (Hanna et al., 2016); hence, there exists a valid business case for managing social issues effectively (Vanclay & Hanna; 2019).

Certain organizations respond to these issues by co-creating business solutions with members of the environment who may be directly affected by their activities. Michael Porter describes this process of businesses co-creating solutions with stakeholders as shared value creation (Porter & Kramer, 2019). Other organizations respond to a number of these issues through corporate philanthropy strategies. Academic institutions, such as business schools and universities, respond to these social issues by grooming students to become responsible managers with a concern for issues facing society. This has been described as academic social responsibility. There is also the case of positive organizational scholarship with a focus on improving the lives of internal stakeholders of business organizations. It is noteworthy that efforts of business organizations in advancing societal objectives do not relieve governments of their responsibilities. Ideally, the efforts of these organizations would help governments fulfill their responsibilities more effectively. In this section, we succinctly explore the above-listed concepts and how they can drive social development in countries.

10.3.1 For-Profit Purpose Businesses: A Case of Shared Value

> Shared value creation focuses on identifying and expanding the connections between societal and economic progress. (Michael E. Porter and Mark Kramer)

Recent research in the subject matter of shared value creation has shown that profit and purpose are inextricably linked. To this end, businesses seek to incorporate a well-defined benefit to society in their business model. Also recurring in the shared value model is the increase in collaborations among various entities to further drive societal benefits. For current business executives in SSA yet to grasp the concept of shared value, Porter and Kramer, in their publication for the *Harvard Business Review*, highlight three stages through which organizations can create shared value in their environment:

I. "Reconceiving products needs and markets": As part of their business model, corporations introduce products to serve those at the bottom of the pyramid. An example would be the introduction of financial inclusion products that take into consideration those who live in rural areas. For effectiveness, corporate organizations seeking to do this can collaborate with third-party organizations such as NGOs to help identify and service these new markets.

II. "Redefining productivity in the value chain": In Porter's description, much emphasis is laid on business empathy. For example, if the activities of a corporation in an area will result in members of a community not having access to clean water, alternatives to such activities must be sought. Redefining productivity in the value chain can also take the form of investing in developing and supporting frontline workers such that they can have financial power to cater to their basic needs. An example would be the case of Lipton empowering tea farmers with sustainable farming practices.

III. "Enabling local cluster development": When firms build clusters of suppliers and other parties, which can affect their productivity, it becomes possible to address loopholes in the conditions surrounding these clusters. For example, when organizations have clusters of local farmers, it becomes possible to improve the yields of these farmers through direct or indirect engagements. Moreover, in such instances, gender divides that could be a contributing factor to income inequality between males and females in rural communities can be identified and addressed effectively.

Shared value creation is the core of a firm's business strategy—the foundation on which economic gains are built by solving society's toughest challenges. Co-creating solutions with stakeholders is the right step toward building prosperous societies.

10.3.2 Corporate Social Responsibility

Business organizations can help address social issues through corporate philanthropy in manners that improve their profitability. Through their activities, corporations can design signature initiatives for impact in the society. For example, out of organizational profit, corporations can make commitments toward addressing issues of health, unequal access to education, and so on in specific locations. Corporations may also decide as part of CSR to support employees' volunteer projects geared toward improving society, for example, the Nigerian Guaranty Trust Bank supported 78 staff projects across various states in Nigeria in 2018. Adeyanju (2012) postulates that CSR entails a corporate organization's ethical and social attitude to its stakeholders. In communities where organizations operate, how beneficial are these organizations to indigenes? In Lagos, southwestern Nigeria, the management of Trinity Secondary School decided to construct boreholes to provide community members with clean water. Over the years, these sources of clean water have proven useful to community members, as the water is free and can be accessed by thousands. Consequently, community members can save funds that would otherwise have been expended on purchasing drinking water as was once the case. Families can also save funds that would have otherwise been expended on treating ailments resulting from drinking unsafe water.

A few other scholars view CSR from the perspective of accountability; that is to say, how are corporate organizations held responsible for their activities that impact stakeholders (Lawrence & Weber, 2013)? A case in point would be to levy higher taxes on organizations whose activities clearly pose negative externalities to the environment. In return, the government could use part of the tax proceeds to improve the lives of those living and working in affected areas.

Through CSR, organizations may decide to engage in mere philanthropy, making funds available to support social projects, or they may be strategic such that economic gains are not compromised but rather improved. Nevertheless, there must be a sense of responsibility and care to stakeholders—precisely to those in immediate communities. Guided by this notion, organizations can, regardless of their size, drive positive societal change. A broad range of issues exist across communities and those issues affect the lives of members: period poverty, drug addiction, gender inequality, financial exclusion, bullying, and unequal access to education, among others. In most cases, organizations have what it takes to cushion the effects of these problems or to contribute to their complete eradication.

10.3.3 Academic Social Responsibility

Before the global financial crisis of 2007–2008, business schools had been in existence for approximately two centuries (1819–2007). Indeed, it was the aftermath of the financial crisis that led to a global revision of the curriculum of business schools to incorporate ethics and social responsibility; the absence of both had, over time, produced business managers who were solely driven by economic gains at the expense of society. By developing foresight capabilities, business schools and universities alike will be able to anticipate societal needs while preparing students to address these needs accordingly (Jimenez de la Jara, 2007).

From the foregoing, it becomes very clear that higher education has a role in fostering social change. As is often the case, many university graduates in SSA end up as employees in either private or public organizations. How then can the curriculum be shaped to ensure that beyond stimulating students to anticipate relatively good paychecks as employees, these potential employees will also demonstrate a sense of responsibility toward issues facing society? Earlier on, employee volunteering was mentioned as a means whereby social change can be driven in society. By introducing compulsory courses on corporate social responsibility for university students, the likelihood of these students interfacing with societal problems is increased, and as a result such students could make for responsible employees or managers depending on the situation.

Where organizations show concern for the problems of society, change is gradually accelerated. William Mzimba, chief executive officer of Accenture South Africa, and Joanne Yawitch, chief executive officer of the National Business Initiative South Africa, emphasize the need for innovation to accelerate progress in Africa, but in a manner that will not compromise society—not in the interim and also not for future generations (Thum, 2017). With this knowledge, curriculum development for business schools could be shaped to reflect the concerns of both the above-mentioned CEOs.

Still on the topic of academic social responsibility, the Principles for Responsible Management Education (PRME), an initiative by the United Nations, is a "progressive endeavour to inspire and drive responsible management education and research globally." Thus, as a business school, membership of PRME implies a public commitment to educate students to be advocates of sustainable value for businesses and also for the larger society, fostering a global economy based on inclusivity. It is therefore expected of the PRME signatories that the values of social responsibility will be evident in their curriculum. In Africa, the Association of African Business Schools (AABS) is tasked with steering business schools on the continent toward becoming signatories to the PRME. In their research, Oosthuizen et al. (2018) sought to understand the commitment of AABS-affiliated business schools to responsible management education as espoused in the PRME's six principles. Their research revealed that out of 46 AABS affiliates, only 14 are signatories to the PRME initiative. Surprisingly, there are approximately 100 management and business institutions across Africa, implying that close to 75 percent of the schools on the continent are yet to demonstrate commitment to responsible management education (Oosthuizen et al., 2018, p. 19)—a worrisome statistic by all standards, albeit it foretells the opportunities for social impact that academic social responsibility can provide if properly executed in SSA.

10.3.4 Positive Organizational Scholarship

In 2003, Kim Cameron coined the term positive organizational scholarship (POS), with the underlying idea being to understand the enablers of positive behavior in the workplace and, furthermore, to understand how these behaviors can propel organizations to new levels of excellence. POS hinges on the foundation that the spirit of positivity in any organization will thrust employees in the direction of excellence. The focus areas of POS include:

- building positive emotions,
- creating meaning and purpose, and
- developing positive relationships.

POS is more internally focused, characterized by gratitude, collaboration, vitality virtuousness, and human well-being. While organizations will enjoy associated benefits of positive organizational scholarship as employee output may improve, employees could also leverage on this knowledge in their relationship with the outside world. In many cases, purposeful employees seek more opportunities to contribute to the greater good of society and to fuel positive emotions in others while staying effective at their jobs.

10.4 Lessons from COVID-19

Having understood the concepts of corporate social responsibility, academic social responsibility, positive organizational scholarship, and shared value creation, we focus on how they have been adopted in the fight against the pandemic and how they can be further adopted to alleviate societal problems post-pandemic.

During the pandemic, we have noticed companies leverage core business assets in ameliorating a number of the challenges faced by citizens. For example, in Kenya, Safaricom, through M-Pesa, a mobile money transfer service, has waived charges on transfers less than 1000 shilling (approximately \$10), thereby demonstrating that financial businesses in sub-Saharan Africa can capitalize on the pandemic as an opportunity to innovate and create opportunities to meet the needs of the vulnerable population.[3] Furthermore, we have observed companies repurpose business operations to cater to the needs of the vulnerable, a predictable example being the Nigerian Bottling Company distributing food items to the most vulnerable as well as the Seven-Up Bottling Company manufacturing hand sanitizers. Both these bottling companies are in Nigeria. As part of shared value creation, we have observed private sector organizations in Nigeria collaborate under the Coalition Against COVID-19 (CACOVID) to pool funds worth 21 billion naira (approximately US\$56

[3] https://www.lbs.edu.ng/lbsinsight/how-COVID-19-is-changing-philanthropy-and-responsible-business-practices-in-africa/

million) for the Nigerian government to cater to those affected by the pandemic.

We have also observed NGOs provide relief materials directly to the vulnerable population. Positive organizational scholarship has been on full display in companies that have been employee-focused in this period. Amidst the difficulties, a number of these organizations have neither furloughed nor dismissed staff; instead, they have supported staff with reskilling and upskilling initiatives. In turn, a few of these employees have the resources to volunteer and support the unfortunate many. As part of academic social responsibility, universities and business schools have recently leveraged on their convening power, pooling industry practitioners and government officials alike in discussing the post-pandemic future of countries in SSA. Universities and business schools push the narrative of the pandemic as an opportunity for Africa to catch up with the rest of the world. Moreover, as part of academic social responsibility, Coursera, a leading online knowledge platform, made a selection of courses free for anyone, regardless of gender, race, or nationality.

Undoubtedly, the pandemic has exposed the deplorable living standards of Africans. With these interventions from government and private sector, it remains clear that post-pandemic, a wider spectrum of the elderly living with children and a significant portion of the population will continually need these social interventions. To this end, these interventions must be sustainable. Already formed creative partnerships should continue. In countries where isolation centers have been set up and will be set up, it is expected that beyond the pandemic, these buildings could be put to other uses, for example, as buildings for the homeless or for those with disabilities. Additional buildings or facilities to be set up should be environmentally friendly: green buildings, censored lights, convertible furniture and room spaces, use of non-toxic sustainable materials, good indoor air quality, and the observance of international ethical standards by health and medical practitioners. By doing this, we will solve the problems caused by the pandemic without creating further problems for posterity.

Organizations that have used the pandemic as an opportunity to reconceive products and markets in manners that meet the needs of the vulnerable population in this pandemic are enjoined to continue with such initiatives. The challenges for which business models have been repurposed to address, present opportunities for social innovation. As people continue to work remotely, an unstable power supply may continue to threaten productivity. With the major source of power being fossil fuel in this part of the world, the lockdown could cause households and businesses to invest in low carbon and renewable energy solutions to cushion the effects of an unstable power supply. If this happens, those businesses could emerge from the pandemic in a more competitive position than that of the relatively carbon-heavy counterparts and this will subsequently secure the health and financial resilience of households in SSA. The collaborations of both public and private sector actors in these times have the potential to improve the understanding of the challenges at hand, bring forth viable ideas and proposals, and subsequently build joint ownership to offer unique solutions. These collaborations would also ensure that the needs of the many stakeholders in society are fully considered (Bason, 2010).

10.5 Conclusion

This chapter examined the means through which countries in sub-Saharan Africa can improve the global outlook by leveraging the pandemic to catch up with the rest of the world. To achieve this, previous studies on social impact were reviewed and these were linked to the case of sub-Saharan Africa. We examined the challenges to social impact in the region, the prospects of social impact or development in the region, and the contributing factors to achieve this impact. Having successfully established that the presence of income and a standard of living divides in the region, we proceeded to fill those gaps. In filling these gaps, we explored various concepts of corporate social responsibility, academic social responsibility, positive organizational scholarship, and shared value creation and how they can create inclusivity in society.

With this knowledge, we were able to put forward, within context of the pandemic, instances where these concepts were utilized and, furthermore, we were able to present the associated benefits. The lessons from the pandemic have thus encouraged responsible business practices across the region of sub-Saharan Africa. The lessons have revealed the possibilities of strategic collaborations among stakeholders and the need for inclusive business models for the common good of society. The lessons also touch on reengineering failing systems of business and government operations and present a new vista of post-pandemic opportunities for social innovation in business.

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11

Paradoxical Chinese Government Leadership in Handling the COVID-19 Crisis

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11.1 Introduction

The pandemic caused by COVID-19 has infected close to 20 million people worldwide and the number of infections continues to soar. Many countries have entered a state of emergency as governments attempt to fight against the pandemic. The interactions among various stakeholders have been extremely perplexing as they struggle with the paradoxes of this pandemic. Common challenges for all countries have been: how to resolve conflict effectively and prevent and control the pandemic by promptly disseminating information on the coronavirus; ensuring accurate information; and imposing strict lockdown measures to enforce compulsory isolation measures to minimize the spread and to mitigate

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the negative impacts on production while maintaining people's normal lives. Given that China was the first country to be hit with COVID-19, it is useful to analyze how they addressed these paradoxes and took action to mitigate the crisis.

To understand the paradoxes of this crisis, it is informative to understand the progression of China's actions. The country took actions as soon as Chinese epidemiologist and the government's senior medical adviser, Zhong Nanshan, confirmed people-to-people transmission of COVID-19 on January 20, 2020. Three days later when the total reported infected cases reached 585, Wuhan, the capital city of Hubei with over 10 million people, was locked down. On January 24, 2020, the Chinese New Year when people traditionally visit relatives and friends, the government halted all activities. People stayed home. The number of infected cases stopped growing within one month and most lockdown restrictions were removed 76 days later. The worst time in China lasted a little over one month after the central government implemented control measures and gained the cooperation of the whole nation. Their actions not only reflect China's speed and intensity in epidemic prevention and control but also reflect the ability of Chinese government leaders to cope with complex paradoxes in the process.

Paradox refers to the persistent contradiction between two interdependent elements (Schad et al., 2016). It emphasizes both the existence of two contradictory parties and the continuous relationship between the two, as well as the dynamic process of such conflicts (becoming) (Chia & Nayak, 2017). Researchers have recently agreed on the ubiquitous existence of paradoxes and the criticality of effective management of paradoxes. As a result, paradoxical leadership—how leaders deal with situations "seemingly competing, yet interrelated, to meet competing workplace demands simultaneously and over time" (Zhang et al., 2015, p. 539)—has become an emerging line of research. However, studies examining paradoxical leadership of senior government leaders have been limited.

We aim to identify how Chinese government leaders coped with the paradoxes of COVID-19 by examining how they addressed different types of paradoxical challenges between January 20 and February 20, 2020, that is, the most critical period in the fight against the pandemic.

Using data released by Chinese official media during that period, we identified paradoxes and behaviors based on the coding results. We hope the results of our study will provide useful insights and references for government leaders of other countries in their fight against the pandemic and advance our understanding of paradoxical leadership in public management.

11.2 Literature Review

11.2.1 Paradox

The basic characteristic of a paradox is "the simultaneous presence of contradictory, even mutually exclusive elements" (Cameron & Quinn, 1988, p. 2). Since the 1980s, most of the definitions of paradoxes have highlighted the nature of two opposing elements. For example, Cameron (1986, p. 545) defined paradoxes as "contradictory, mutually exclusive elements that are present and operate equally at the same time." Lewis (2000, p. 760) defined paradoxes as "contradictory yet interrelated elements—elements that seem logical in isolation but absurd and irrational when appearing simultaneously." Smith and Lewis (2011, p. 382) defined paradoxes as "contradictory and interrelated, continuous and long-term coexisting elements."

However, recent years have witnessed a shift from treating paradoxes as having discrete elements to treating paradoxes as demonstrating a changing relationship, indicating that paradoxes are in the process of *becoming* rather than remaining in a stable state of *being* (Chia & Nayak, 2017). Schad et al. (2016, p. 6) defined paradoxes as a "persistent contradiction between interdependent elements," thus further embodying the characteristics as "embedded in elements" and the essence of "a special relationship." As a special relationship, certain scholars believe paradoxes are inherent (Cameron & Quinn, 1988), while others believe it is socially constructed (Putnam et al., 2016), and still others believe there are elements of both (Smith & Lewis, 2011). Although there is no consensus on the definition of paradox, we define paradoxes as a changing relationship that emphasizes not only the inherent nature that highlights the universal existence of paradoxes but also the social construction that highlights the initiative of the agents. We believe that certain paradoxes are inherent, and others are socially constructed.

Paradoxes exist in all organizations (Clegg et al., 2002). To be effective, an organization must possess attributes that are simultaneously contradictory, even mutually exclusive (Cameron, 1986). The central tenet of paradox theory is that paradoxical tensions can be rendered salient by situational factors, such as resource scarcity, plurality, and change, and that salient tensions can be a double-edged sword (Shao et al., 2019; Smith & Lewis, 2011). For example, various paradoxes have made the prevention and control of the pandemic crisis more complicated for government leaders at different levels. Unfortunately, studies of paradoxical leadership in public management have been limited.

11.2.2 Paradoxical Leader Behaviors

Paradoxical leader behaviors are "seemingly competing, yet interrelated, to meet competing workplace demands simultaneously and over time" (Zhang et al., 2015, p. 539). Denison et al. (1995) equated a first-rate leader with the ability to exhibit contrary or opposing behaviors as appropriate or necessary while still retaining a certain measure of integrity, credibility, and direction. Paradoxical leaders need to "simultaneously find ways to maintain control while letting go of it as old as that might sound" (Waldman & Bowen, 2016, p. 320). The increasingly complicated and dynamic environment has led to a surge in studies on paradoxical leadership. Using paradoxical leadership as the key words, a search on Google Scholar resulted in almost 13,000 papers published in 2019 alone (e.g., Shao et al., 2019; Zhang and Han, 2019).

However, existing research has not examined paradoxical leadership in relation to specific paradoxical challenges or related to a specific context. Although the effects of paradoxical leadership have been discussed under generic or sporadic situations (Zhang et al., 2015), this study aims to identify key paradoxes for a single event. China's fight against COVID-19 and the corresponding paradoxical behaviors of top Chinese government leaders provide an ideal case study of paradoxical leadership in the context of a national and global crisis.

11.3 Research Method

We take a case study approach (Eisenhardt, 1989), which allows us to conduct a contextual analysis of a limited number of events and conditions and their relationships (Dooley, 2002; Yin, 1981). In particular, we identify important paradoxes in China's fight against the pandemic and in the corresponding behaviors of top Chinese government leaders trying to cope with this event over the course of four months.

11.3.1 Data

The data for this study were collected from five leading official media outlets in China: the government's network, *Xinhua Network*, *People's Daily*, *CCTV News*, and *CCTV News 1 + 1*. Although China has control to a certain extent over the media and resulting information dissemination, the high-level authority of these outlets and the special role they play in China speaks to the reliability of the data. We selected January 20, 2020, as the start date because that was when General Secretary Xi Jinping gave the first public speech requiring governments at all levels to resolutely curb the spread of the coronavirus and urging the nation to join hands in the fight against the epidemic, marking the beginning of the national endeavor. We selected February 20, 2020, as the ending date because it was one month after the start date of the most critical period for pandemic prevention and control. It was also the end of two 14-day[1] quarantine periods after Wuhan was locked down. Data collection ended at midnight on February 20, 2020, totaling 3604 news items related to the pandemic, including speeches, articles, documents, and comments released during the period.

[1] The 14-day quarantine was imposed after scientists found coronavirus to be transmitted from person to person.

11.3.2 Data Analyses

We adopted an inductive approach using codes (Strauss & Corbin, 1990) to code the main themes related to paradoxes and Chinese government leaders' paradoxical behaviors. We transcribed all the videos into text, adding them to the other printed items. We arranged them according to the time and content, and imported them into NVivo, qualitative data analysis software. We used NVivo to count the conflicting dilemmas in the data, then extracted the contradictory elements and relationships, and identified each type of paradox based on the frequency of the dilemmas that appeared in the data. For the analysis of paradoxical leadership behaviors, we included all the leadership actions but singled out those by the president and the premier for further analyses.

11.4 Findings

11.4.1 Effects of Chinese Government Paradoxical Leadership

In public crisis management, the purpose of paradoxical leadership is to solve paradoxical dilemmas in the best possible manner in terms of speed, strength, and resilience. Speed is critical in dealing with a crisis. Whether the government should release information, issue policies, make decisions, and execute them in a timely, transparent, and reliable manner are critical decisions to control the crisis. Strength here refers to the extent of the power of the leaders' orders or policies, which is then reflected in the level of effectiveness when implemented. Resilience refers to the degree of flexibility or the space top leaders allow lower-level leaders to have when they implement decisions from the top government as the following figure visualizes (Fig. 11.1).

On speed: We found that the Chinese government responded quickly in the fight against the pandemic. Information disclosure was also fast. Xi Jinping emphasized the need to release authentic information in a timely manner and responded openly and transparently to the concerns of the

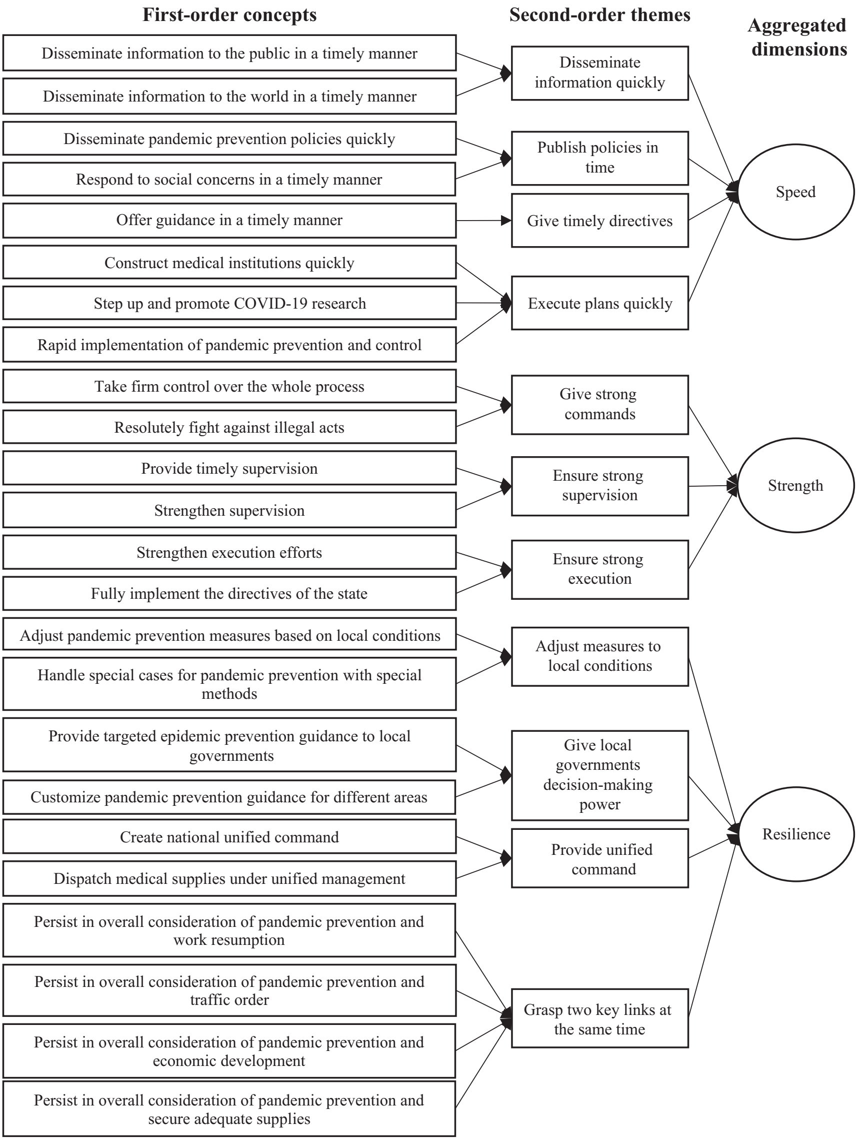

Fig. 11.1 Coding of the effects of Chinese government paradoxical leadership

people to enhance the pertinence and effectiveness of the government's guidance. The policies and decisions on epidemic prevention were made and announced quickly and orders regarding the necessary procedures to deal with the coronavirus were made quickly following Xi's first public speech. Xi, the commander-in-chief, and other top government leaders met on Chinese New Year and almost daily during that period. Over 43,000 medical workers, including thousands from the military, were dispatched from all over the country to Wuhan in the first two weeks. Thunder Mountain and Vulcan Mountain Hospitals, with 2600 beds each, were also built and opened within one month.

On strength: Strength refers to the extent to which the Chinese government leaders exercised their power to make the necessary decisions in the battle against the pandemic. The policies emphasized that the central government would take firm control, would have zero tolerance for any slack in the execution process, and would act against illegal acts. The wide Internet coverage and the clearly structured administrative levels made it possible for the central government to be heard, even at the lowest-level office in remote areas. Decisions were delivered and executed very quickly and errors were also corrected immediately when discovered. Lastly, strong supervision played an important role. The Chinese government implemented very strict regulations to ensure effective execution of the government's decisions. Those who failed to do so were called to account and a number of officials were dismissed from their posts.

On resilience: As a large country with such a huge population, the situation is very complex. While giving firm orders, the Chinese government also allowed local governments a certain level of freedom to execute orders according to the local conditions. For example, on January 23, 2020, Wuhan was locked down such that no one could enter or leave the city, which effectively stopped the virus from continuing the spread to other regions, although flights and trucks carrying anti-virus materials and supporting medical staff were still allowed. Local governments were allowed to make decisions on when and how to resume work, while continuing prevention and control. From the beginning, the central Chinese government considered the necessary tasks—that is, ensuring transportation, providing adequate supplies of materials, and guaranteeing people's daily needs—while cautiously resuming essential work.

11.4.2 The Main Paradoxes in Pandemic Prevention and Control

This crisis has highlighted three types of dilemmas that occurred most frequently, corresponding to three paradoxes: timely and accurate release of information, central government control and local contextualized implementation, and preventing the pandemic and then resuming production (Table 11.1).

On timely and accurate release of information: The timely and accurate release of information is the key paradox that has affected every moment of the battle against the pandemic in China. During the peak of the epidemic, people were confined to their homes and relied heavily on information from the government for decisions or assurances. However, there is an inherent conflict between the timeliness and accuracy of information. To achieve timeliness, certain necessary components and arguments will inevitably be neglected, thus hurting the accuracy of the information. The two issues are, however, also interdependent. The timeliness of information must be based on accuracy or it will not be credible; and accurate information also needs to be released in a timely manner or the information may become useless. On February 21, 2020, CCTV host, Bai Yansong, mentioned in the most popular program on *News 1+1*: "In the absence of special drugs, open information is the best vaccine. When the final victory does not arrive, the real information is the most powerful driving force." For the general public, accurate information is more important than timeliness. If, however, information is released too slowly, the public's imagination will run wild, and they will question the accuracy of the information. The release of timely and

Table 11.1 Frequency of the corresponding dilemma of three paradoxes

Paradox	Dilemma frequency
Timely and accurate release of information	1646
Central government control and local contextualized implementation	2031
Effective pandemic prevention and resumption of production	1116

accurate information is therefore the key paradox that affects every moment of pandemic prevention and control.

There is a need to further clarify the topics of central government control and local contextualized implementation. The central government's strong and centralized directives represent China's full commitment and strong determination to combat COVID-19. When Xi first publicly pledged to fight the pandemic, the central government worked day and night. The centralized directives emphasized the unified implementation and execution across the country, but local governments implemented the orders according to the situation in their own regions. The two approaches created an interdependent and conflicting paradox. Analysis of the data shows that the central government needed to play a national chess game, with unified leadership and unified command, but with flexibility, acknowledging it was not one size fits all and offering space for active action to specially handle special cases.

On preventing the spread and resuming production: There is great tension between pandemic prevention and control and resumption of production. Effective prevention requires inhibiting public gatherings and people's movement. Resumption of production must be based on strengthening pandemic prevention to avoid a recurrence of the infection. The two are mutually conflicting and interdependent. The safe and orderly resumption of production includes producing more medical materials for the battle against the pandemic and reducing the migrant workers' increasing economic pressure for people's well-being, all while supporting pandemic prevention efforts. Effective pandemic prevention can also guarantee resumption of production. For example, on February 8, 2020, the General Office of the State Council issued a notice asking local governments to keep road traffic flowing to facilitate the restoration of the local economy. Wang Bin, a central government officer, said: "a 'one size fits all' approach is no longer possible. Where the pandemic is serious, priority must be given to the supply of necessities for people. In areas where the pandemic is less serious, it is necessary to properly expand the business scope."

11.4.3 Chinese Government Leaders' Paradoxical Behaviors

Our analysis of the data on the Chinese government leaders' behaviors during the period revealed that the leaders used three strategies to cope effectively with the paradoxes we identified earlier: transcending, integrating, and constructing (cf. Fig. 11.2).

On transcendence: A transcendence strategy refers to going beyond the two poles of a paradox. The Chinese government's principle of focusing on humanity enabled them to maintain a higher perspective to deal with the paradox. The Chinese government's decisions mirror the principle of focusing on humanity. At the beginning of the pandemic, Xi repeatedly and openly emphasized that the people's health and safety was the first priority. Premier Li Keqiang also emphasized this message and urged people to work together to do a good job at battling the pandemic. On February 12, 2020, 14,840 new infected cases were confirmed in Hubei Province, including 13,436 cases from Wuhan, as a result of using computed tomography (CT) scanning for diagnosis. This was the only day that the number of newly confirmed cases in Hubei and Wuhan exceeded 10,000 since the pandemic began. This adjustment of the diagnostic criteria reflects the government's concern for the people. Focusing on humanity-guided decisions on information processing makes it relatively easier to resolve the tension between timeliness and accuracy of information. The transcendence strategy revealed in this study is different from the type of transcendence referred to in the existing literature. This third exogenous element related to paradoxes is a new discovery. The existing understanding of transcendence is categorized under paradoxical integration (e.g., Chen, 2002, 2008; Lewis, 2000). For example, the spear and shield are paradoxically integrated into contradictions (Chen, 2008). Put differently, normally none of the third elements of formation can deviate from the meaning of the paradox poles, but in our context the meaning is an endogenous transcendence based on the paradox poles. Compared with the paradox of timeliness and accuracy of information, focusing on humanity offers a new perspective at a higher level to guide

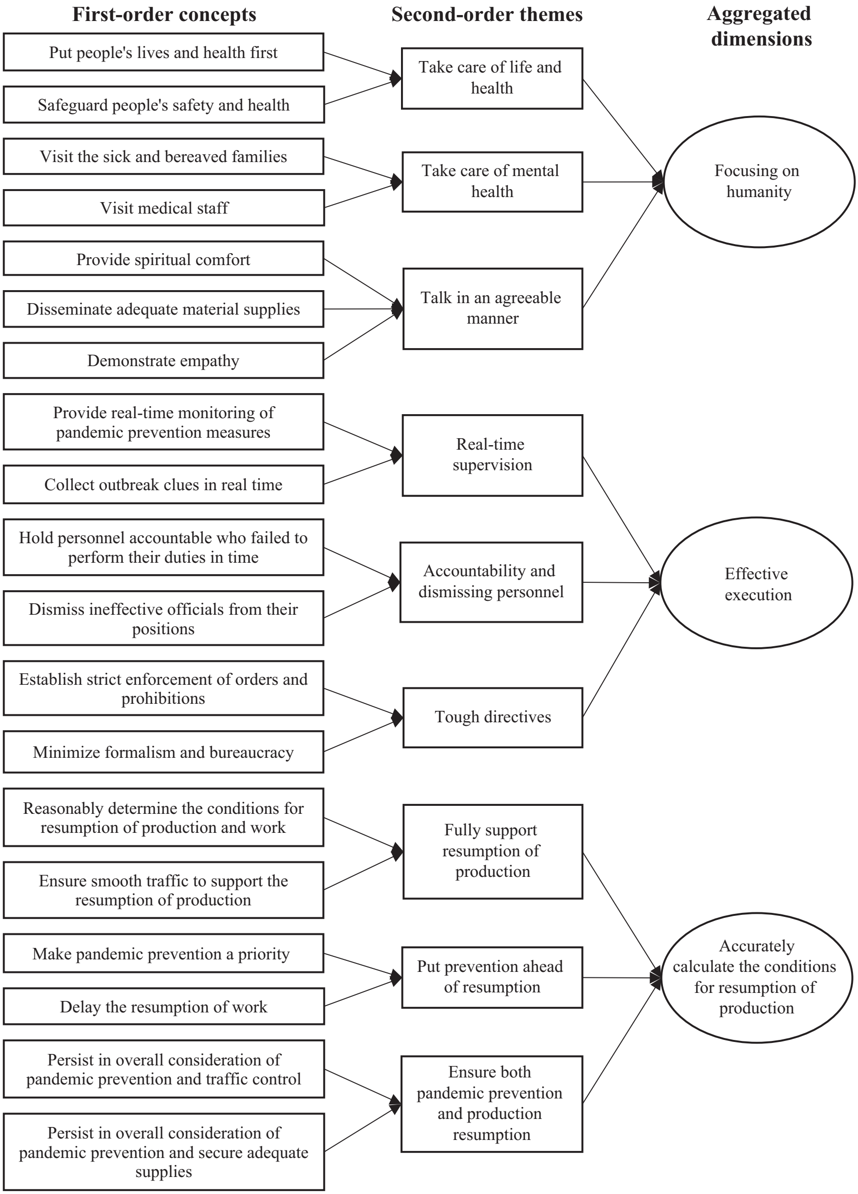

Fig. 11.2 The coding of the Chinese government's paradoxical leader behaviors

the tension between the two poles, creating a higher horizon that resolves the tension between the timeliness and accuracy of information effectively.

On integration: An integration strategy was used to deal with the paradox of central directives and local flexible implementation. Based on the results of these analyses, we divided integration into polarization integration and endogenous transcending integration. To deal with the weak execution that resulted from local governments' flexible implementation, the central government adopted a polarization integration strategy to reverse the direction of the weak execution. The central government therefore focused on the key tasks, including controlling the end, offering real-time supervision, doing emergency interviews, checking accountability, and dismissing irresponsible officers. Thus, in this paradox, the optimal paranoia state was realized in real time. The direction of one side of the tension was reversed and effective integration of the paradox was realized. In the literature, polarization denies the existence of paradoxes and emphasizes unilateral choice (Lewis, 2000; Peng & Nisbett, 1999), which is a product of Western formal logic. The polarization phenomenon we identified differs from the existing interpretation of polarization. Eastern thinking views polarization as being based on the strength of one party's power over the bipolar interaction in the paradox. By reversing the direction of the other's tension, effective integration can be achieved. According to Eastern thinking, polarization is a temporal state in the interaction between the two paradoxical poles. The starting point of thinking should be the interaction between the two poles rather than the pure choice of either/or, which is prevalent in Western thinking. What needs to be explained here is that Eastern thinking is based on the middle way (Chen, 2008), which is the paranoid state based on both poles. The paradox's optimal paranoid state caused by the polarization found in this study is the use of an external force to reverse the direction of the other party's tension, thereby achieving integration. This state is different from the endogenous transcendence discussed earlier and we define it as polarization integration.

We find that the Chinese government adopted an endogenous integration strategy to cope with local flexibility. For example, millions of people had traveled for New Year's celebrations, but then returned to their hometowns when the pandemic emerged. The central government gave the decision-making power to local governments to decide how to manage the large flow of people leaving or returning to their hometowns and workplaces. Zhejiang Province took the lead in creating and using health codes to manage the returnees. Based on the Zhejiang initiative, the central government proposed the implementation of health codes in accordance with local rules across the country and integrated the paradoxes by implementing health codes. The central government controlled the tension of the paradox in real time, seizing the critical opportunity and integrating the paradox. This integration is based on the endogenous integration of paradoxical tension.

On constructing paradoxes: We found that the Chinese government dealt with the paradox between pandemic prevention and control and resumption of production by constructing a paradox between the resumption of enterprises and the strict investigation of resumption. The urgency of resuming production and strict epidemic prevention created great tension, which became worse with the passage of time. Although resuming production is the only means to restore the economy, it is easier said than done. If there is a pandemic-prevention loophole that leads to group infection, the staged results achieved by the strict prevention and control would be thwarted and would further counteract the resumption of production. The time to resume production would be postponed indefinitely. To respond and to alleviate this tension effectively, the government constructed a paradox between the resumption of enterprises and the strict investigation of resumption, that is, the government used the newly constructed tension to resist the existing tension. Specific measures included not allowing employees to travel to areas experiencing a severe outbreak of the epidemic, suspending all recruitment activities in areas suffering from severe outbreaks, making arrangements for returning to work, and filling out health declaration forms. These measures that not only helped enterprises resume production quickly but also added layers that made it difficult to resume work, appeared to be contradictory. Nevertheless, these measures were effective. The procedure was to sacrifice work efficiency to ensure that enterprises and employees met the resumption standards by actively promoting resumption of work and promulgating financial support and other promotional policies while gradually improving. These coercive and safeguard measures go hand in hand. The method of responding to conflicts with conflicts was the paradox of resuming work and strict investigation of the resumption of production, which effectively helped achieve the management objective of the orderly resumption of production based on pandemic control.

This constructing paradox was another new strategy to deal with the paradoxes found in this study. Although literature has discussed, but only to a certain extent, the dispute between objective existence and social construction (Hahn & Knight, 2021), few scholars have proposed constructing paradox strategies to deal with paradoxes.

11.5 Discussion

Taking advantage of the authoritative media data, this study identified three types of paradoxes and categorized the new coping strategies used by Chinese government leaders. This analysis fills in gaps in the paradox and paradoxical leadership literature by incorporating public emergency management, government leaders, and strategies to cope with specific paradoxes.

11.5.1 Theoretical Contributions

We contribute as follows to the literature:

- We promote research on paradoxes in the field of complex public management. In the literature, most paradox studies are based on internal paradoxes. Few involve the field of public management. By focusing on paradoxes for multi-layered and complex organizational groups in a country during an anti-pandemic process, this study identifies the main paradoxes in the process. The study also systematically analyzes, in the field of public management, the corresponding coping strategies adopted by the government leaders.
- We define the coping strategies that were collectively adopted by senior government leaders. Previous studies on paradoxical leadership have only addressed individual-level paradoxes and leadership, and

paradoxes that emerged mostly under routine and normal situations in business organizations. Our study enriches the literature by addressing not only the collective behaviors that are linked to paradoxical leadership but also paradoxes that come about in the public emergency management of a pandemic.

- We enrich the paradox literature by identifying new coping strategies. Existing studies have examined leader behaviors in dealing with paradoxes in daily situations; however, we identified three types of strategies—transcending, integrating, and constructing—used in coping with paradoxes in an anti-pandemic public emergency response.

11.6 Implications for Other Countries

Our study is based on an analysis of actual anti-pandemic practices and thus has strong practical value for ongoing anti-pandemic efforts in many countries. This study urges government leaders to recognize paradoxes and learn to think paradoxically and strike a balance when making decisions. Having common values is therefore very important. We believe embracing the Chinese traditional values based on Confucian principles played an important part in the anti-pandemic fight in China. Having clear values enabled the government to set the tone President Xi pledged in the first public speech. He emphasized that the government would save people's lives and health at all costs. This tone made it possible for the government at different levels to have a clear direction when making decisions. These values also made the nation feel safe and encouraged them to work together to fight against the coronavirus.

11.7 Conclusion

As at the time of writing this study, the pandemic crisis is still rampant. Dealing with post-pandemic strategies is a significant challenge. Chinese leaders have been successful, showing that it is possible to control the crisis. The pandemic has taught the world it is one world and one fight because the virus affects all nations. Governments of different countries should work together to deal with the crisis. We hope our analyses of the paradoxes and the Chinese government leaders' coping strategies offer insights for leaders of other countries to deal with the pandemic in the contexts of their own nations.

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Part III

Levers

12

Reflecting and Learning in Lockdown: Leadership Approaches to Crisis Management

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12.1 Introduction

A crisis can be defined as "a time of great confusion, disagreement or suffering," and "an extremely difficult or dangerous point in a situation" (Cambridge Dictionary Online, 2020). In conducting our inquiry for

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this publication, we focused our attention primarily on the crisis caused by the COVID-19 pandemic, which has impacted globally, nationally, locally, and personally at exponentially bewildering rates. However, while this has tended to overshadow all others, we are mindful of the coexistence of other significant, overlapping crises. Nested within other concurrent existential crises facing the United Kingdom (UK), such as Brexit, and more global issues, such as the climate crises as well as the #metoo and Black Lives Matter movements, initial corporate responses to the COVID-19 pandemic were characterized by the speed with which organizations had to respond to the need to re-organize and restructure their work and to rethink their relationship with their staff and customers/clients/membership. This was the case both in the immediate aftermath of the lockdown and as restrictions were eased as the first wave of the virus began to wane. To a certain extent—traumatic though it was—locking down proved less problematic than subsequent attempts to restart business.

Over the first few months, it became apparent that the burgeoning use of the internet proved to have a significant impact on human relationships and communications. The crisis created inequalities while simultaneously normalizing practices, such as working from home and flexibility in working patterns, that before had been marked by marginalization and otherness. Many manifestations of inequality increased for various groups of people and the sense of a shared purpose was fragile. The crisis has shed light on opportunities for certain parties, as well as constraints for others. It has overturned our perceptions of valued work and workers; moreover, the crisis created systems dependent on trust and generosity. It has also exerted a substantial strain on global, national, and personal economies, healthcare systems, and the general sense of wellbeing. Frequently, long-standing latent vulnerabilities have been starkly exposed. Nationalism and internationalism circle each other in an increasingly wary dance. In such a context few, if any, organizations have been unaffected, with many being transformed almost beyond recognition.

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Within this context, we as the Steering Group of the Humanistic Management Network UK Chapter became increasingly interested in understanding how organizations and different types of leadership have reacted to a common unprecedented type of crisis. In this chapter, we sought to investigate—through the use of three illustrative cases of organizations operating in the UK context—how the COVID-19 crisis was approached, led, and managed within the first six months of its existence.

Given our shared focus on the importance of humanistic management (e.g., von Kimakowitz, 2017) in everyday business practices and strategy, our approach prioritizes sensemaking and conversations that pivot around people. As such, although financial, operational, and other aspects of organizing are crucial to businesses, in this chapter and our data collection we decided to explore different aspects revolving around the human side of organizations. The four most significant aspects that emerged for us were communication, sensemaking, emotions, and management. As co-investigators and co-authors who have recently published on personal experiences and observations of leading and managing in lockdown (MacKenzie & McAra, 2020), our interest in this chapter is twofold. We are curious about how organizations responded, particularly in the early days of lockdown, when employees were sent home or deployed in frontline services and when buildings were either closed or re-purposed. We are also particularly interested in the heuristics that underpinned leaders' decision making. What were their immediate reactions and priorities? How—during this crisis—do leaders balance the values that are important to them, with people's interests, on the one hand, and what may be conflicting business benefits, on the other hand? What do leaders think about the prospects of any humanistic gains being sustained once lockdown is lifted?

12.1.1 Brief Chronology of the Crisis in the UK

The organizations considered here have their headquarters in England, although their operations and reach are both national and international. In the UK, British Prime Minister Boris Johnson declared a national lockdown at a time that many considered too late.[1] The pandemic had already been identified in China in 2019. On January 23, 2020, the possible repercussions for the UK were finally declared when the Foreign and Commonwealth Office advised against all but essential travel to the city of Wuhan, the original epicenter of the outbreak in China. Many organizations and private citizens observed the potential risk from afar, uncertain as to whether this would remain a local issue similar to the SARS outbreak of almost two decades ago or something that would affect people at a more global level (see Financial Times, 2020, for more data and information on the chronology of events).

On January 31, 2020, the first two cases of coronavirus (2019-nCoV) were confirmed in the UK. On March 3, 2020, the government published an action plan for dealing with coronavirus; the action plan included various scenarios ranging from a mild pandemic outbreak to a severe prolonged pandemic as experienced in 1918, referencing the purported Spanish Flu. This further highlighted the potential impact on businesses in positing that a fifth of the national workforce could be absent from work during the infection's peak (BBC, 2020a; The Guardian, 2020). On March 16, 2020, the writing was on the wall, as Boris Johnson advised every person in the UK against non-essential travel and contact with others, to work from home if possible, and to avoid visiting social venues, such as pubs, clubs, or theaters. People identified as vulnerable—pregnant women in the first and third trimester, people over the age of 70, and those with existing health conditions—were urged to consider this advice particularly important. Within days, vulnerable persons were told to self-isolate (BBC, 2020b). The magnitude of this pandemic then started to significantly impact businesses and the economy: On March 18, 2020, the exchange rate of the Pound sterling fell below $1.18, its lowest level since 1985. Finally, on March 23, 2020, previous recommendations on social distancing became legally mandatory as Johnson announced the lockdown on national television.

[1] It should be noted that there were significant differences in response time, legislation, and reporting of COVID-19 between the countries of the UK: England, Scotland, Northern Ireland, and Wales.

12.1.2 Our Approach to Our Enquiry and This Chapter

We devoted a considerable amount of time to discussing our approach to this investigation and writing up our findings. We decided to provide a snapshot of leadership behavior in the early days of the UK pandemic outbreak by entering into conversation with three quite different organizations. We agreed to prioritize the empirical side of our study rather than to dedicate a significant section of this contribution to the review of the current literature on crisis management and the emergent, voluminous organizational research on COVID-19. This was driven by our overall purpose, which is to share reflections and learning from the trenches by giving voice to professional experiences.

Our study reports on three semi-structured conversations with senior leaders, that is, one conversation each in three sectors: a large corporate/private sector services consultancy, a public university, and a non-profit professional network. We have selected these organizations, first of all, because in our authorial team we are representative of each of these sectors and, secondly, because our anecdotal evidence suggested that, at least to a certain extent, these organizations are informed by humanistic concerns and can, therefore, offer important exemplars and insights. These conversations concentrate primarily on immediate responses to the crisis, on the factors that influenced prioritizing, on participants' early reflections on those responses, and on the extent to which it appeared to us that the early reflections were underpinned by humanistic values. Our main contribution is in our surfacing and expressing of early stage thinking and responses within organizations in transition (e.g., Bridges & Bridges, 2017; Sharpe, 2020) before they became too overlain by subsequent events and retrospective sensemaking. While these conversations did not take place within the moment, they are still sufficiently close to the beginning of lockdown and the actors' understandings are still fluid and emergent—closer, we imagine, to Argyris and Schön's reflection *in* action rather than reflection *on* action (Argyris & Schön, 1974).

In this chapter, we address and illustrate, in turn, the concerns and experiences of the three groups of respondents and make a few general observations based on our perspectives. The result is a narrative in which we identify several common themes and issues related to managing in times of crisis, illustrating these themes and issues by extensive direct quotations from participants (the leaders to whom we spoke) and by our observations. In keeping with the immediacy of the pandemic situation, we decided to begin by collecting and interpreting data directly from our respondents' stories of their experiences. We have organized this contribution as follows: The next section provides an overview of our methods and approach, together with a brief account of each organizational setting. We then identify and explore the key themes stemming from our data collection before providing a number of concluding thoughts.

12.2 Methods

From the beginning of our project, a great degree of unity in diversity has been manifested in our personal and professional authorial interactions and profiles (different gender, work roles, life stages, cultural and educational backgrounds, orientations, etc.) and the choice of organizations in our sample. While we did not assume that respondents necessarily explicitly supported the practice of humanistic management (see Humanistic Management Network, 2020), we naturally sought to extract themes, ideas, and practices that resonated with notions of humanistic management as we understand them. Furthermore, our individual and collective approach as investigators and co-authors has been consciously one of reflexive, dialogic, and retrospective sensemaking and of an attempt to combine our understanding and practice of humanistic management through the lens of theory-in-use and espoused theory (Argyris & Schön, 1974).

As a result of an interpretive paradigm and a phenomenological approach, we decided to employ qualitative methods to collect data that would provide a rich and nuanced snapshot of the lived professional experience of people in senior leadership positions. Instead of aiming for a quantitative assessment of practices and a generalization of results, this study focuses on the subjective sensemaking processes of leadership in three organizations. This level of the organizational hierarchy was chosen as a locus of decision making, as various rapid responses had to be provided and important decisions had to be taken in the very first few weeks of the COVID-19 pandemic outbreak.

We decided to mirror the organizations' difference in size, industry, and style of leadership in our data collection strategy and therefore we conducted one 1-to-1 semi-structured interview and two small virtual focus groups (one with three participants, and one with five). These are two common tools in qualitative studies to discover rich descriptions and interpretations from participants about their experiences. All the participants were asked more or less the same questions that were developed by the authorial team as an interview template. The initial questions were followed by a number of more contextual follow-up questions to understand the specific organizational settings. Each focus group was regarded as an "instrumental case" (Stake, 1988, p. 86), which is not representative of everyone—the participant group generates an "understanding (…) [of] what is important about that case in its world … developing its issues, contexts and interpretations." The objective was to provide insight. Each case was a singular one, as we did not seek causality or generalization but rather wanted to recognize interpretations of the meaning of leadership in the pandemic crisis. The goal was also to access emic meanings held by the participants, which constituted "worthy knowledge" (Stake, 1988, p. 98). Two interviewers took notes during the sessions and later other members of the authorial team also took notes when first listening to the recordings. These notes were then compared with the transcripts and analyzed separately to extract emerging themes, several of which were also unique to the different groups, while a number of commonalities were obvious.

Three different members of the authorial team conducted the three data collection events. A great deal of reflection was involved—and later discussed—about the online medium we adopted, which was rather new to all of us (Gluck et al., 2018; Sielaff, 2020). Recognizing similarities with and differences from in-person focus groups and interviews and given the impact of technology (Stancanelli, 2010, p. 762), we are mindful of the "unique ethical considerations of conducting fieldwork in cyberspace" (Sweet, 2001; Stewart & Williams, 2005, p. 395) and of the uses, benefits, and limitations of online interviews and focus groups. Ethical consent for this study was obtained from the University of Bedfordshire and all the participants gave consent to being recorded. We sent the interview template in advance to the participants and we offered them a copy of their transcript. One of the organizations also asked to be sent the audio recording of their session together with a copy of this chapter to foster internal organizational reflection and learning. All data collection took place between July and August 2020, roughly four months from the start of the lockdown in England. Each event was recorded via the online platform Zoom (Zoom, 2012) and lasted between 60 and 80 minutes. Together with the organizational leaders in our sample, we undertook that the data would be non-attributable and that the views they expressed would be anonymous, offered as a personal and not as the formal, official organizational line. Based on our observations in the moment and our subsequent analyses and reflections, we extract examples of these issues in the following text.

12.2.1 The Three Organizational Contexts

As we discussed possible manners of outlining our contribution to this edited collection, we realized that, through our networks, we were aware of several organizations whose immediate responses to the pandemic, and more particularly to the need for the lockdown, had been creative and compassionate. We wanted to capture a number of these responses and we also wanted to capture the learning we could draw from them before too much time has passed and memories become superimposed with succeeding events. We chose three organizations, each of which has developed quite different approaches to leadership and, perhaps coincidentally, belongs to three different sectors: corporate/private, public, and voluntary. Christina agreed to lead the first conversation, a fairly traditional, semi-structured interview with the vice-chair of a very large international private consultancy. Bob led the conversation with the educational provider, while Ruth conducted the focus group with the non-profit organization.

The first organization is in the private sector and is a large and profitable financial services organization. Although the senior management and majority of staff members are highly qualified and enjoy a significant degree of autonomy, the organization is nevertheless structured and hierarchical in its operations, with clear staff grades, delineated responsibilities, and authority levels. While the organization's products and services can be highly complex requiring significant academic and technical skills, there is also a heavy focus on customer service. This combination underpins a culture that requires teamwork, an expectation of high-quality work, and a demand for responsiveness to customer needs.

The second organization in this study is a medium-sized university of good standing. In the UK, many public universities like this one are formally considered charities, although financial sustainability is a key concern. This organization is also a mix of the other two in terms of their approach to leadership: In academia, many academic leadership roles are performed voluntarily and/or on a rotation basis and various professional services teams are also instrumental to the survival and flourishing of the business. Although generally more bureaucratic than private businesses, organizational structures in the education field tend to be more horizontal and permeable, with a small senior leadership group that is the ultimate decision-making core of the institution.

In the non-profit organization, the participants were more concerned about *learning* with and from each other. This meant that they started from an explicit shared commitment, shared belief, and shared *modus operandi*. The members of this focus group were part of a networked group of individuals who come together within a self-organizing system for a particular purpose; certain members of the group hold formal leadership positions (e.g., a legal leader and a trustee) and others have roles in the effective functioning of the organization (e.g., production of the organization's journal or running a special interest group). The organization has a fluid dynamic with relatively flat structures and levels of bureaucracy. Contrary to the other two organizational settings, at the time of the focus group the uncomfortable truth was that this small size organization felt that it had lost its purpose and that it needed to find a new purpose and renewal for the twenty-first century. Interestingly, they called themselves a hosting team, considering themselves not as *leaders* but as *leading*. The organization and the team that were responsible for operations and governance found themselves thrust into an existential crisis which, irrespective of the pandemic of 2020, threatened the existence of the organization. This existential crisis created a previously loosely connected group of volunteers with a more defined edge.

12.2.2 Data Analysis

The analysis of our data was conducted iteratively according to a thematic analysis approach. For this study, the analysis was carried out manually—rather than through software—using the original transcripts of the online interview and focus groups. Boyatzis (1998, p. 29) identifies three manners to develop a thematic code along a continuum from theory-driven approaches to prior data-driven/research-driven approaches to data-driven approaches. In this empirically focused publication, we decided to employ the third data-driven approach, as our contribution was not intended to be theoretically driven or analyzed. Arising from the three interview transcripts, the authorial team identified four broad core themes, or strands of insight, which emerged from the three interview transcripts and which we have used to organize our observations. At times, this classification is somewhat arbitrary, as certain of the issues could be categorized under more than one heading. However, for ease of exposition, we have worked with the following four themes: (1) prioritizing what is important: values, people, and organizational health; (2) building trust; (3) shared or distributed leadership; and (4) blurring the personal and professional boundaries.

This account is, therefore, an interpretation, distillation, and conflation instead of a strictly comprehensive sequence of responses and an analysis of all emerging themes. Wherever possible, we include the participants' verbatim comments, as a key objective of this contribution is to give voice to personal stories of leading in a crisis. As such, we have dedicated nearly all the space to our participants' narratives to allow the surfacing and identification of useful insights within the emergent praxis of leading and organizing in the context of a pandemic crisis *in itinere*. In all three cases, the conversations were characterized by free and open dialogue. Indeed, several participants said that the experience of being interviewed had been a rare and helpful opportunity to pause, reflect, and make sense, to a certain extent, of the crisis in which they were immersed.

12.2.3 The Researchers' Thoughts About Their Data Collection Experience

The first data collection point involved interviewing the most senior private sector leader. Somewhat to her surprise, Christina found she was a bit apprehensive and rather intimidated by this prospect; this was unexpected because she had carried out many interviews during her research career, many with people in very senior positions. In subsequent reflections, she wondered whether the need to do the interview via Zoom rather than face-to-face created an unusual kind of intimacy where the interviewer and the interviewee see each other's faces very closely. As such, any attempt to meet or look away from each other is intensified, making the encounter appear more exposing. Although various writers have suggested that Zoom and other virtual videoconferencing platforms have made communication *disembodied,* of course this is not exactly correct. To be more precise, *embodiment* is experienced differently with different parts of our bodies available or unavailable to ourselves and others. Our faces are seen close up and magnified, albeit two dimensional. Our legs, often in jeans and tracksuits, are invisible and irrelevant. Despite her apprehensions, the interview/conversation went well. The draft questions had been sent to the interviewee beforehand, and although both became very engrossed in a conversation, rather than strictly following the interview protocol they covered all the discussion points and completed the interview exactly on time.

The second event—a virtual focus group of three participants and one facilitator—took place on August 11, 2020, to harvest the experiences of three leaders in one of the leading UK higher education institutions embroiled in the crisis. As is increasingly required in lockdown and will doubtlessly become even more common afterward, Bob, a seasoned researcher and interpersonal facilitator, adapted his approach to that of engaging in the emerging practice of conducting remote interviews electronically—a practice that is increasingly required in lockdown and that will doubtlessly become even more common afterward. With the prior help of a senior internal academic and an extremely efficient member of the university's administrative team, the grounds for this focus group were carefully laid beforehand via telephone and e-mail, with a lead-in period of several weeks. Although the prompt questions that were shared in advance were not subsequently followed strictly to the letter, it provided a framework to set the context and stimulate the discussion. The conversation flowed almost seamlessly when it took place; and as time passed, it became increasingly free-flowing and spontaneous. In the authorial team's debrief afterward, Bob confessed that he was probably more nervous than the three participants. First of all, he was keen not to disappoint the internal academic who had been instrumental in arranging the conversation and who had taken the risk of letting a hitherto unknown quantity loose on her three senior colleagues (thankfully, her trust was repaid). Second, Bob was partially incapacitated, which prevented him from making manuscript notes and therefore he was totally reliant upon the Zoom technology to make an accurate recording for the transcript and then for the recorded data to be transferred safely and securely for transcription. Despite a few false alarms, the next days of continuing anxiety ultimately proved unfounded although they were uncomfortable while they lasted.

On August 13, 2020, the last piece of fieldwork took place in the form of the second virtual focus group. Ruth was a new member of the network of people who were to be interviewed, she knew the names of several of the participants and had previously been in the same online events as a few of them. She was pleased when people responded to the call for participants—several said how much they looked forward to the event—although the presence of people she knew (unlike Christina and Bob, who had never before met their respondents in person) played a part in the emotional labor of the interview. Although this was Ruth's first time conducting a virtual focus group, she is an experienced face-to-face interviewer and by this stage of the lockdown well versed in the etiquette and technical aspects of handling online interventions. The interview went well and Ruth engaged in detailed reflections regarding the data collection, both individually and with her co-authors.

12.3 Storytelling in Times of Crisis

As we indicate in the introduction, our participants' stories tell of four recurring themes. These concern prioritizing what is important, building trust, communicating and consulting, and shared and distributed leadership. We identify two further storylines inherent in the recurring themes—the one storyline concerns a significant blurring of personal and professional boundaries and the other storyline concerns opportunities for learning in and through a crisis.

12.3.1 Prioritizing What Is Important: Values, People, and Organizational Health

In late February 2020, it became obvious to many organizations that the spread of COVID-19 was becoming inevitable and that businesses—large and small—would somehow be affected. While certain businesses took a step-back-and-wait approach, others—like the three we consulted—were proactive in thinking of a suitable and prompt response. In the educational sector, the more proactive COVID-19 contingency planning started in mid-February 2020. Moreover, the situation was deemed so concerning that the educational sector went into institutional lockdown two days before Prime Minister Johnson imposed the national lockdown. The participants spoke of the importance and merits of clearing the decks (de-prioritizing all other non-essential work) and of the very early decisive action taken by senior leaders to create a climate and culture that balanced decisiveness and permission. The need to balance empowering others and making a critical decision at great speed—as was required during the crisis—was identified as a possible source of tension:

> On the one hand, you try to bring everybody with you because you want [them]—especially your leadership team—to feel that they collectively own the decisions that are being made. […] But at the same time, there are moments where decisions just have to be made and sometimes it is you who just has to make them.

The leadership team felt trusted—as much as was possible in the circumstances—to discover and work with hitherto latent flexibilities in the system**.** The sudden need to close offices and move to an entirely internet-mediated organization forced managers to focus on what was most important. Our participant in the private sector noted:

> Even if I did not know precisely where we were going, people needed to feel that I thought I knew where I was going—that is not to say, though, that you need to sound like the person who thinks he has to have all of the answers and therefor everybody else sits back and does not become part of the co-creation or whatever else. But it is structure and purpose, […] working with purpose [it is important].

Reflecting on how different organizations responded and on the different values that guided decision making at the beginning of the crisis, it was observed that

> in this particular crisis, the EQ quotient that was needed from leadership has had to be particularly high because it is not just that we have been dealing with—the health of our people. Those people have been dealing with the health of their own families. I think the people who got it wrong [in other organizations] did not put people at the center and this was a people and a human crisis.

This pandemic crisis shook our personal and professional communities and instilled in many people a sense of fear regarding their health. It also caused considerable anxiety, given the unprecedented circumstances and unclear duration of this event. These circumstances were not only lived by organizational actors as a professional crisis but in its very nature the COVID-19 outbreak undermined our private safety and personal relationships.

> As a group, our collective responsibility had to be to people's health and safety and wellbeing. And part of that is helping to manage their anxieties around the virus, and that is very difficult in a situation where nobody, including the scientists, really knew what was happening.

Organizations felt the added pressure of a double duty of care on both the strategic and operational level: toward staff as individuals and toward the survival of their workplace.

> (My) biggest priority was: Could I make sure that everybody was paid at the end of the first month? Because if we had not been able to pay our people, I think we would have found ourselves in real problems. Therefore, part of my time was spent talking to the senior team and with various people about the strategy—we do not know how long before this will end? What do we have to have in place strategically? But also, there was a number of really operational things to discuss—will the systems work? Will my staff be able to cope with being at home?

As an authorial team, we were interested in what guided leaders' decision making in those early days and in the heuristics they used for decision-making purposes. A few went back to their organizational vision and missions to reveal the shared values more explicitly:

> The more important thing for me was giving people a kind of sense of 'these are the things that are important to us at this moment.' And the things that were important were: protect our people, protect our firm, and that the principle would be that the higher earners […] would […] take more of the pain.

12.3.2 Innovating and Experimenting

Such fast-paced change put pressure not only on systems but also on people. Therefore, the management of staff, together with partners, suppliers, and other stakeholders, became for many leaders a first point of concern. Several considered the crisis as a potential opportunity to innovate and implement radical changes:

> People generally tend to resist change, (which) comes by virtue of necessity really, and while not all of that change sticks, a lot of it does.

To counterbalance this tendency, organizations need to implement mechanisms of learning and support:

> You have to balance that [positive change] with those people who find this really challenging. And think about why they find it challenging and what can we do to help them find it less challenging; the answer to this is not necessarily to just go back to the way things were. I think that is quite a big issue for us to deal with.

Change that would have normally taken years to agree on and prepare for became almost instant practice—for example, working from home *en masse* and learning to work with new technology and processes. Both acceptance and resistance were to be expected, exemplified, for instance, by variations in people's behavior toward wearing face masks. The participants agreed that leaders themselves also need personal resilience and support for dealing with their own and other people's resistances. The participants were open about their difficult personal feelings in a leadership role:

> One other reflection, I think, […] is on ourselves as humans and the anxiety we feel about what is going on, and certainly in the early days of the pandemic I was terrified. I was really concerned about my 96-year-old Mum and also about my two close friends who are hospital doctors working in COVID wards. I think many of us were in that situation. I have always tried following the approach of bringing your whole person to work, and I think that is important in the relatively small team that I am involved with […]—just to be open about this really being quite a frightening thing in the early stages.

12.3.3 Building Trust

Senior leaders in the organizations we approached for this study highlighted how, in times of unprecedented crisis and uncertainty, building a two-way trust dynamic between the organization and its employees had been fundamental. Intertwined strands in this theme were ideas around communicating and consulting effectively, crafting clear messages carefully and collaboratively, instilling calm through one's behavior as a role model (even if one did not feel so calm), being transparent about the scale of the challenge, acknowledging one's feelings (to oneself and, where appropriate, to others) about playing a leadership role in the heat of a crisis, and generally bringing and displaying one's whole person at home and at work—especially when the boundary between these two environments is increasingly blurred. While the term "humanistic management" was not used explicitly (except by the interviewers), there certainly appeared to be—to a certain extent—strong, if implicit, resonances with that concept. There was a common view that focusing on values and people had created a sense of pride and renewed purpose for many in their organizations: "The pride in our organization has increased because we have had a much clearer line of sight to the purpose of our organization."

The centrality of trust was a common theme in all our conversations. We were told that "we need to have very, very high levels of trust in our organization to deal with what we will ask them to do: work remotely. You now have to adapt to the reality that their kids are in the house." Furthermore, trust was not only one way. It was also very clear that "leaders had to make sure that they had the trust of their colleagues." Moreover, while "colleagues welcomed and valued being trusted instinctively," one of our senior leaders—as she made sense of her leadership role—distinguished between

> two slightly different trust equations […]. Me trusting you might have built more trust in me, but mine [as the leader] is much more of an active, conscious need—it is not 'trust me, I am a priest' or 'trust me, I am a whatever,' [but] it is the little actions that all add up to[…] making sure our people felt like they were trusted.

The theme of *trust* was echoed in the non-profit organization, where one participant spoke about the role of trust in this form of leading in a crisis:

> You need to be in a position where you are with people you trust when the crisis hits […] I guess you need to be with people you trust in order to be comfortable with uncertainty—not comfortable, but willing to acknowledge it.

At the end of that discussion, another participant took up the notion of trust and added that *goodwill* and *good intention* go a long way: "Let us get through this together rather than fight or polarize."

12.3.4 Communicating and Consulting

Communication and consultations on a range of proposals with stakeholders—especially with staff and trade unions—were considered vital if not always easy, especially in the initial stages of implementing remote working practices. Before long, the participants understood the benefits of taking time collectively to craft important messages, even if that initially appeared counter-intuitive when speed was deemed to be essential, given all the other potential demands on their time.

> I think that in a really large organization […], the content, the style, the tone have all been absolutely crucial. I think we have really changed the way in which we approach that, certainly for some key messaging. There is much more of a collaborative approach in crafting the email or the blog post when we can all contribute for a few hours before it is sent out—and I think that has been important.

Sometimes it was hard to consciously don the mantle of being a role model, adopting the mantra of keep calm and carry on. Trying to appear confident but not superhuman and infallible in an attempt to reassure others, can take its toll. While much of the organizational literature praises heroic leaders (Allison et al., 2017), others caution against the potentially damaging effect of those qualities, both within the wider organization and concerning the strain they can place on individual leaders who aspire to practice heroic behavior (Hulks, 2020; Mintzberg, 2013; Mintzberg, 2015).

> I think we had to demonstrate that we were focused, that we were in control, and that we were not panicking, really. […] We kept in mind at all times that people were incredibly anxious. We have a lot of people with underlying health conditions, people with families, and people in locations that are challenging—and we had to be aware of all that, even though our

> personal experiences would not necessarily inform us about how people would react in those circumstances.

Transparency and openness about the scale of the challenge also emerged as an important theme.

> It would have been quite possible—and several other organizations did adopt a strategy of not being as candid as we were from the beginning about the scale of challenge. Thus, while as individuals, lots of colleagues were obviously aware of the very direct impact of the pandemic on their and their family's lives, the impact on the institution was not something, I think, was in the forefront of people's minds. Our [role holder] sent out a few really hard-hitting emails at the beginning, talking about this being a fight for the survival of the organization as we know it, and I know that at the time it caused a bit of consternation amongst a number of colleagues, But I think, as it has panned out, that it has been useful as a point of reference to be able to look back at that as an example of leadership where there was really a high degree of transparency about the scale of the problem that the organization faced and still faces.

Sensitive yet firm communications when negotiating and consulting with stakeholders were a delicate matter. Since much of this had to take place remotely, mediated by technology, which has its challenges as well as its benefits, this required perhaps even more careful preparation and facilitating than when face-to-face.

> When the prime minister declared lockdown, it was at 12 hours' notice. Consequently, there was no opportunity to do the level of consultation that we are subsequently doing now with the trade unions about returning to work and it was quite difficult to get some of them to understand that that was not about exclusion—that was about necessity.

12.3.5 Shared or Distributed Leadership

Although the organizations we approached for this study are very different in their type of leadership and hierarchical structures, during the first four months of this global pandemic outbreak it became clear to all of them that these circumstances would need to be addressed through delegation of authority and a more shared sense of leadership. One participant observed that their most senior colleague, resonating with what Mintzberg (2013) would call engaging as opposed to heroic leadership, soon realized that the situation was not conducive to taking everything directly upon their own shoulders, instead increasingly delegating to and trusting his strategic support team to take many of their initiatives.

> In those early days, I think [role holder] felt a personal responsibility to do—never mind the thinking—most of the writing, the communicating, those sorts of things, rather than delegate those to others or seek support from others. He felt that real sense of need to do that as the organization's leader. I think the issue around controlling the communications became very onerous on him personally and I think he realized halfway through that he could not keep that up and therefore we have changed the way in which we communicate.

However, yet another person remarked that "it was very good having permission from the top to set aside certain things, but I think we actually do not always need to rely on the top for doing that; I think we need to take a leadership role in deciding what is a priority and what is not."

This sense of diffused leadership and ownership permeating across teams and levels in the institution was mentioned in the other organizations as well. The hosting team in the non-profit organization had instinctively understood their collective roles as leading with shared responsibility and a participant offered a summary of leadership as "being everyone seeing to it that things go well and that no one is a victim."

Even in the private sector, in the conversation that took place within the organization with the most traditional leadership structure of the three, the importance of working together and co-creating was emphasized.

> Leadership is not one person at the top; it is on every level. Furthermore, making all of our leaders feel like they were empowered to talk to their people with confidence about what we were doing was a very, very important component for me of what we needed to achieve. If you ask our team, they would say it felt co-created and I would say it feels like it was co-created but with a very heavy splash of influence from me.

Another strand that emerged was one of being and feeling supported in not knowing within and through leadership. In this context, working together to find solutions proves to be instrumental in achieving positive outcomes. One of the senior leaders in the educational sector provided an interesting metaphor:

> I have a colleague who uses the phrase 'we have been building the plane while it is taking off.' My take is that it is even worse than that, because if you are building a plane, you tend to have a complex blueprint, a technical instruction manual about which bits go where—but we did not have that because we did not know what was around the corner and no-one had built something quite like this before.

Learning to tolerate, if not to be comfortable with, ambiguity in this crisis was a recurrent theme in our data collection. With support from a range of sources within the organization, it became possible, however, to manage one's own and other people's anxieties, health concerns, and safety concerns.

> Ambiguity is not something that people are always comfortable with, (but) you can still manage an organization and get things done even when the situation is very uncertain.

12.3.6 Blurring Personal and Professional Boundaries

Working from home, flexible working patterns, and the blurring of people's work-life boundaries shed light on people's individual needs within a shared context of embraced diversity. However, this also magnified differences, privileges, and marginalization, for instance, in access to space and technology, in caring responsibilities, and in the management of disability. In a salutary manner, the participants were constantly reminded of the diverse contexts that other people inhabit beyond their own individual bubbles.

> The very different circumstances people find themselves in … certain colleagues, even quite senior colleagues, work from the kitchen table, the bedroom, and colleagues have children at home—and I think we have all

> somehow become far more human. And, curiously, even though we hardly see each other in the flesh these days, we have had insights into each other's lives, and I think an understanding of each of us as whole people in a manner that we did not before.

Remote working impacted greatly on all aspects of people's roles—personal/domestic as well as, more formally, professional.

> It has been a real eye-opener for me to see how my colleagues, both senior and support staff, have had to factor in their other responsibilities. For example, for people who are parents of young children, how they have been expected to contribute and deliver on their roles and all aspects of their roles remotely. I think most people have coped really, really well with moving to [working] remotely and to working from home, but it must be incredibly difficult for certain people to balance those expectations with their other commitments as parents or as carers. Very, very difficult, almost unimaginable. My daughter is 18 and she did not need anything in particular from me, but I find that really commendable—really—how people have managed to do that; how they have found means to do it, and as an employer how we have been flexible and helped people find means to balance those commitments.

One of our participants noted how this crisis, perhaps more suddenly and unexpectedly than others, magnified issues of marginalization, privilege, and inequality. Racial disadvantage became more exposed, together with issues of health vulnerabilities and access to support. Mental health emergencies also increased. This came with people being in isolation and due to health-related anxieties. With less support available, given the overwhelming demands and limited funding imposed on our public healthcare system, this is a difficult issue. People who live alone have felt very alienated, as did those with families far away in need of care and attention. Many social media channels have seen a flurry of discussions around the challenges of balancing out parenting with work commitments when schools were closed due to lockdown. This was noted by most of our participants:

> The thing that has really been brought home, and I speak as someone who does not have children, is the caring responsibilities for the children, the practical calls on time, energy, and emotion that being a parent involves—therefore, intellectually I knew about that, of course, but seeing colleagues with babies in arms at meetings, with toddlers doing wonderful stuff, with sulky teenagers marching through the background of Zoom rooms, have really just brought that home to me in a manner that, I am ashamed to say, I was not quite so emotionally aware of before.

For certain people, working from home has been an unnecessary invasion of their private lives, while for others it provided a welcome opportunity to understand a different side of colleagues and to become better acquainted with each other:

> This [the crisis] has democratized everything; I can therefore see into your home, you can see into my home; if one of my small children happens to come up to me and I put her on my lap so that I can continue to have a conversation with you, that has humanized all of us.

One of the most striking experiences of working from home during the pandemic has been how using Zoom or other videoconferencing platforms has opened doors into people's homes, with bedrooms, living rooms, pets, and children all visible in the background. For certain staff, this has opened up new possibilities for more holistic relationships in which they do not need to separate themselves into these contrasting *personae*.

> I always wanted mothers and fathers to say 'I have to go to the nativity play' or 'I will be offline because I have to pick up the kids today.' I think that there is a requirement on all of us to continue to have those conversations. I mean, it is very funny because I have always asked people about, you know, who they are, do they have kids? Have they, you know, caring responsibilities? I think that is what being an inclusive organization means.

However, the senior leader in the private sector—although this is the case in most organizational environments—acknowledges that for many of us such boundaries provide a certain protection against the relentless intensification of work. She noted:

> I was talking to a group of ten of our directors […] and there were two women who worked flexibly already; they were saying how difficult it has become—there is no boundary. And then, even for those of us who work full time, as you say, all of the lines have become very blurred.

She stressed her belief that leaders must take responsibility for helping people find means of either recreating boundaries or managing differently within them, but acknowledged that

> it takes a very, very high degree of self-discipline and self-control to be able to create the boundaries that you need to operate effectively and efficiently. I therefore think this is the biggest social experiment that will ever, ever be conducted across the world—this and the scale and speed of adoption of digitalization. Furthermore, I actually think organizations as large as mine have a responsibility to work out protocols, not just for how we keep people safe in the office and one-way systems and lift systems. How do you help people create boundaries, how do you preserve, you know, how do you preserve people? And I think an awful lot of work needs to be done to make that transition [….] with people who are such high achievers that they do not find the boundaries for themselves in many cases.

12.3.7 Other Insights and Reflections: Learning in and Through a Crisis

Before the data collection meetings, we considered these questions: Will this organization ever be the same again once the crisis is mitigated? Will this be a radical shake-up? Will this organization hold on to eternal values and processes while introducing a number of radical innovations as well? Will these organizations change in certain respects? After the first few weeks of shock and adaptation in which senior leaders amended or created protocols, policies, and procedures to deal with the immediate crisis, they then realized they needed to consider more medium- and longer-term plans to account for future shocks and unforeseen circumstances. One participant ventured:

> The pandemic will be the first of a number of shockwaves that will hit all universities and I think we have learnt a number of valuable lessons in handling the pandemic; but let us not forget that we have Brexit happening next year; […] and then, the big topic that we have slightly forgotten in recent weeks is the climate emergency and the idea that we will return to normal and fly with planes again and travel the world for two-day conferences in Kuala Lumpur or wherever […]. I think it is more complex than just the pandemic, but I think we learn a lot about ourselves and we re-imagine what our university looks like.

There is a tussle between the old and the new. A delicate balance will be required between returning to how things were and bouncing back within a new normal, leaping into radical change. Having now worked within updated parameters and also with different work patterns and processes, many organizations rethink their priorities, not only in terms of strategy and financial resources but also in the use and sustainability of their spaces:

> Why would we spend £30 million or whatever on new buildings and the upkeep of them and the carbon footprint it leaves when we can do this, i.e. work remotely?

Leaders, that is, those responsible for finding a resolution to a situation, may find that their situation is bounded by a series of other crises or happenings, which can be of a greater or lesser significance. This was the experience of the non-profit organization as they encountered the pandemic and of the educational sector where Brexit, potential changes to fees, and governmental decisions regarding degrees could have catastrophic consequences for certain institutions. For certain parties, the nested crises can also prompt personal reflexivity: Am I the problem as a leader? What characterized this group of senior leaders was their reflexivity—this was manifested during the pandemic via active reflection on their positionality, their shared responsibilities, and the manner in which they wanted to work together, focusing on what is important. Such reflexive engagement during a crisis can help individuals and their organizations step back from the emergency and (re)gain focus on the mission and key concerns of their business.

12.4 Concluding Remarks

Humanistic management is often described as a balancing of values, purpose, legitimacy, passion, and integrity (von Kimakowitz, 2017). Our conversations explored the manners in which these leaders balanced these priorities in the context of leading through a crisis. The key finding was that, despite their differences, there are several commonalities of issues and approaches within the three participating sets of leaders, along with a shared conviction that challenges brought about by the pandemic might also be considered as constituting a learning laboratory or testing ground for developing the capacity to learn how to handle other concurrent or impending crises. As suggested by one of our participants in the first phase of the crisis, "one of the key challenges for us as a senior team and more broadly is really—we have been in fire-fighting mode, […]but I think we have to find the time at a certain point to really reflect on how we maximized the learning, how we maximized the benefits of what we have been forced to do." Now, seven months into a global pandemic outbreak and with no clear end in sight, we thought it would be useful to share a number of the emerging practices and lessons identified across these three different sectors of professional praxis.

The themes we identified as most prominent all point to the view that, in times of crisis, the instinctual response of organizations that continue to survive—and perhaps even thrive—is one focused on shared leadership, unity of purpose, and attention to people. While this points to the crucial role of humanistic resources management, it also highlights several other points: leading in times of crisis means understanding how people work and how their professional activities can be supported by the organization; managing people has to be sensitive to both individual circumstances and collective needs; during a crisis, the personal and the professional can be easily blurred, with both positive and negative consequences; inequality and belonging are powerful and complex dynamics that must be explored and addressed at the singular, organizational, and systemic levels.

The non-profit organization's experience might suggest a manner of thinking and behaving for all those who lead, as others have also come to appreciate it during this time of crisis: that leadership can happen in all roles and at all hierarchical levels, for those who are in designated positions of leadership and for those whose roles involve completing tasks with and through others. As such, a diffused, empathic, inspirational, and open style of *humanistic* leadership that focuses on organizational unity in diversity[2] and the organization's people, and that maintains a greater focus on behavior and relationships rather than authority and position, could be the sine qua non of leading in times of crisis.

12.5 Post Scriptum

As indicated at the beginning of this chapter, our research bases on a snapshot taken in the first few months of the onset of the COVID-19 pandemic, with a view to understanding the heuristics of people in leadership positions as they formed their decisions and actions to address the pandemic's impact. At the time of finalizing this chapter, the UK and many other countries around the world have had to implement further restrictions and lockdown measures due to a second wave of the COVID-19 pandemic infection. As such, we are not able to draw conclusions on post-pandemic organizational behavior and praxis; moreover, we have become aware that this liminal status quo could continue for a while. A key reflection, which we would like to provide at this stage, is on the benefits that a more humanistic style of management appeared to bring to organizational actors, procedures, and development: It appears that different types of businesses managed to survive or thrive under pandemic circumstances by focusing on people, values, diffused leadership, and flexibility. In relation to this, we would also like to offer a cautionary note: While certain organizations are able to find unity and common direction in times of adversity, it can perhaps be more challenging to embed those lessons learned and the new approaches to living and working into business as usual after a crisis. We therefore recommend that

[2] This book chapter formed the basis of a presentation delivered by the Humanistic Management Network UK Chapter at the 8th 2020 Humanistic Management Network Conference on the theme of "Unity in Diversity" (November 6, 2020).

organizational leaders of every description consciously take the time to reflect and learn from the challenges and opportunities met during the pandemic outbreak (and other crises) to avoid the pitfalls of reverting to behaving in manners that are no longer fit for a changing landscape.

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13

Designing a Resilient Power Structure for Your Organization and Celebrating What Worked: An Eye-Opening Reflection on COVID-19

Pauline Mc Charles

13.1 Introduction

In this chapter, the author will share observations experienced during the re-shaping of work culture and investigate the fundamental structures, how they split in their approach to the pandemic, and the lessons that have been learned. Moreover, I, the author will also investigate how the design of corporate cultures has been exposed, the opportunities that have arisen, and various solutions. The lessons learned from this pandemic have changed corporate cultures' entire structure. The corporate cultures grasp for what was, reach for new horizons and a sense of belonging while in isolation. The individual is part of a team—a tribe—and has a responsibility to a company and to society; yet, the individual also wonders about his or her own survival, risks, and fears. I took a moment and asked around, watched corporate culture

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crumble in a moment's notice, and re-emerged stronger and better. This process involved years of focus on a smooth transition and a culture shift that has been long overdue—and within two weeks it had been achieved: a paradigm shift focusing on human communication, understanding, and needs. This is indeed a dream set forth by the Humanistic Management Network that has now become necessary and a first priority for the survival of many company cultures. Quick to realize that all was lost, most people were cast into two camps: those in fear and stumbling and those who finally had the freedom to prioritize human development.

Work relationships were broken, and others were forged. Those who used fear, protocol, and expectation to motivate others into productivity were left dumbfounded, while those who found meaning and sense in their work took on the responsibility of adapting to new priorities and creating a sense of belonging for everyone to come together and make sense. Flaws in rigid perspectives became obstacles and then impossible to navigate. Flow became the new norm if one could call it a norm.

The unknowingness of the next day, the inability to know what resources would be available, what one would be able to do, and what timeline everything would be on, made flow the most important priority of the company—and flow needs structure as much as a power structure. New structures became necessary. Developing inspiration has been about building up self-confidence at the workplace, recognizing one's own identity within the organization, and participating with one's own values and judgments while respecting the needs and mission of the company through habit changes, perspective changes, and reframing one's approach to what is being accomplished. This pandemic has forced these attributes to the forefront, which is a turbo boost for those awake, that is, for those who have been striving to be the best. The meaning of the phrase "the best" has changed as we move through 2020.

13.2 A Wake-Up Call

As the first weeks of the pandemic hit and confusion was everywhere, I noticed those in leadership and in management who were part of a flawed system trying to reach for control, trying to calm the employees, and simultaneously recognizing the flaws in resilience. Still needing to complete tasks, there was a new humbleness and then an openness to new methods and new approaches. The power structure of command and control had lost its power. The managers and leaders now looked to the teams for solutions, for answers, and for guidance, with their own jobs in jeopardy if they did not find the solutions. This has opened up and created a wake-up call concerning what needs to be in a company.

13.3 Company Culture

The company structure might have appeared resilient, but it also depends a lot on the individual employee's approach to the team and the company. This approach is led by the leaders; the culture originates from what the leadership allows for in the design of the company culture. The first wake-up was realizing which teams and which company cultures were being respectful of human dignity and wellbeing. Those who took pride in their work found the obstacles to be fruitful. They noticed new approaches that needed working out and they also noticed that communication with the team, trust by the leadership, and integrity were being counted on. Those who were riding the norm had nothing to hold on to: Their daily work was being noticed, their teammates could not cover them, and trusting themselves to make decisions became a challenge, as it had not been part of the job description and therefore the backbone was not there. Leaders who held the power realized they had not designed the company culture—they had controlled it and now became victims of it. The company culture is bigger than a leader; it is led by the whole. Every shareholder and stakeholder creates the company culture: It is refined, delicate, organic, ever-changing, a natural force of co-operation, and communication, and interdependent of every element. Creating a company culture is comparable to building a long-lasting fire when the fire is the only heat you have, with the fire being your lifeline; you must add just the right amount of each element at just the right distance to have the perfect amount of heat—a balance. Easy control tactics became fruitless, that is, leaders were unable to use fear. The fear of life and existence as we know it was scarier than any threat from the workplace. The fear even of job loss appeared small, as most people had lost their jobs for a moment and realized that time is more valuable. The leader's power over the employees was thrown off balance.

Thus, what does it mean to hold company culture together while it transitions—and why hold it together at all? The flow—company cultures are created through flow—has always been there. Flow is the movement, the undercurrent that buzzes and sways, unconsciously making decisions when everyone is busy. There are specialists who study workflow to better manage company culture. I believe the most resilient manner for the workflow to work is when, like clockwork, the pieces work independently and with flexibility. This only works if the individuals feel inspired and motivated by who they are at work.

Workflow: It is no longer about what deadlines and annual reviews are coming up; it is about doing one's work in a timely manner such that the next person can simply continue with the work where one has left off. Workflow is about human interaction, about one human not wanting to disappoint another human being. The deadline becomes a priority because of the relationship to the person; holding up the person from his or her work or pushing a person beyond his or her ability becomes nasty. Self-respect and integrity become essential to a healthy flow at work.

For employees, freedom is to be brought around from being a cog in the wheel to being essential to the company and to the community at large—feeling needed and wanted and feeling visible.

13.3.1 Building a Resilient Company Culture

Over the years, I shared many techniques on how to develop inspiration at the workplace. These techniques boiled down to recognizing one's own time, one's own values, and the importance of every job, more so than the deadlines and the pressures of production. Developing one's own integrity, learning to value this integrity, and recognizing it in teammates, motivates. This, in turn, makes for a resilient company culture without the weight of understanding the complexities of each individual influence. As the stream flows into the river, employees do not e-mail or send out a notice stating which part of the river they will arrive at. They follow their path, they follow the contours, they meet, and they trust. There is a level of motivation and creative energy that is released by being connected to one's work. These habits take time to develop; Coronavirus split the office apart and now creates a new kind of company culture. Company culture is indeed important; it is the mountain from where the stream and the river flow. For many, although it is no longer an office, the company culture flow still needs attention. It is no longer about office culture; it is about self. Everyone is visible; the whole is no longer in one place. The design of the company culture is created by the needs of each employee in this new structure. The structure of the company culture has shifted—to employee empowerment. How to support leadership and management while they become comfortable with this power shift is an important focus that needs to be addressed.

13.3.2 The Development of New Frontiers

The development of new frontiers, that is, building a resilient company culture, happens by understanding the importance of every voice's personal ethos and its validity. This entails listening to each other without assumptions and this takes trust. As we become familiar with working remotely, from different time zones and locations, in different regions, and from different states of mind, our company culture takes on a new organic state of mind and moves differently than what we are familiar with. The pandemic threw us into a whirlwind—into a company culture survival mode that brings out the best and the worst in us. In fear, the energy was "give me" and "I need" in order to do my job. Then there were those who considered the pandemic as a situation to overcome and to solve. One of the most important tools needed for both energies to be supportive of each other has been communication.

Company culture is familiar with office life, employees walking into the office in the morning and being able to have a face-to-face meeting. This was a strength for communication; this was also a driving force in the company culture. This face-to-face communication in the office could be observed in real time. Removing the office from the equation has forced a new form of communication into play. What was a secondary communication method is now the primary form of communication. Virtual e-mails can be observed, Zoom calls can be recorded, and pre-written e-mails can be designed. Newsletters and daily bulletins can be created to keep everyone on the same page, but how this supports and how this designs a company culture is still being thought through.

As this is being thought through, developing and supporting employee empowerment has moved from being a good thing to do and having people working on it to being a necessity and a prerequisite for teams to be able to work together and for the virtual company culture to flow. Supporting leadership ethos and workplace ethics has become essential to the daily flow. Regardless of where the employee sits with his or her computer and regardless of how small or large a responsibility he or she holds, the employee's work ethic will impact everyone and there is no one to catch it but themselves. The pandemic has made it impossible to hide from the self. We might have been able to hide behind our screens at work, but now our screen has become the center stage and our personal mirror. This is the beauty of this new era. The new era allows a shift in decision making by the employees toward a more equitable and therefore a more sustainable one. Self-respect and indignity become important to maintain part of the daily routine; remembering to empty the rubbish bin is as important as checking how one feels about what one does when one turns on the computer. The parts of the whole become the whole; the whole creates an outcome that always moves on. Listening to oneself starts the process. Listening while connecting to how one feels refines the ability to connect and to communicate in a state of flow with the duties one has with the existing company culture. The reality of a virtual company culture is an important first step to letting go of assumptions about what happens and allows the teams to feel each other's approaches with open hearts.

13.4 Holding Back on an Action Plan

A new era of collaboration and confrontation, void of competition or attachment to the outcome and with a desire to protect the leader, has become essential. Reassuring the leadership that the teams can be trusted gives a level of freedom to the teams that allows them to peer through the company lens as a team, giving the ability to hold back on an action plan in a virtual world. Holding back on an action plan is important when working with diverse voices and independently secure employees. In an office environment and at face-to face-meetings one can feel the answers and the solutions come out; finding a means and a space for the unexpected, better, overall action plan in the virtual world needs another level of communication that comes with personal integrity. The leadership's permission is required for this to work. When this can be achieved, it allows the unique diverse voices the opportunity to share individual perspectives that are detached from outcomes and gives the whole team an opportunity to connect and hear each other out. Communicating in real time and listening brings a strength, it motivates, and it develops inspiration. All of a sudden, it becomes more than a job; it becomes a sport and a way of life. Humans have been known to love and have an insatiable desire to belong. These desires tend to lead us into trouble. This same drive when quenched drives us to bigger and better places. Our energy levels can go into overdrive with excitement and we do not even become tired by it. We are capable of so much more when we are heard and seen; furthermore, a virtual company culture with a strong infrastructure can thieve beyond any leadership's imagination when the doors are left open for interpretation.

13.5 The Leader's New Role

Leadership has also been forced into a new role—the need to gently build up a new kind of employee and team without poking egos. Hiring everyone all over again due to the new structure and the new manner of working would take as long, if not longer, than re-training and re-establishing a virtual company culture. Creating a virtual workflow has been part of most companies for a while now and training those experts and skilled employees whose computer knowledge is limited due to either their skill set, not needing a computer, or because their job used only one program has been part of that challenge. Re-training computer skills is a constant.

As a leader, it is crucial and even detrimental now to know that the teams can find efficiency and follow through from their own homes and in their own states of mind and that they can move in a constant forward motion. The leadership has also always worked with the employee's ego, whether through a friendly smile or a personal story in the hallway. Good leadership is mostly aware of the emotional state of most employees. Reading between the lines while completing a task has a new face. The pandemic helped the leadership recognize who they could count on and who needed support, like training wheels on a bicycle. The storytelling leadership uses to comfort and support the teams and the gentle scolding as things go off track cannot be heard as it was before at the workplace. I believe one of the easy solutions would be to advance and encourage self-development, for leadership to support self-reflection and self-care, and a work-life balance that is personally designed and re-framed. Supporting hobbies and volunteer work has a different place and purpose post-pandemic and is not what the leader needs of the teams anymore.

The leadership needs to be able to count on everyone's own judgment calls and on everyone's own workflow design. What works for one may not work for another when working from home; the most important thing for a leader to know is that the employees have their personal and professional priorities right and that the decisions made will create enough momentum for the next teammate to continue moving the ball forward in the desired direction. It is also important for the employees' self-esteem to be strong enough such that when things do not work, they can ask for help and training to be able to do their job right.

The leadership's role as a watch and listen experience has changed. A leader's desire to lead has now taken on the role of coaching humans with lives and feelings, with computers that turn off for no apparent reason, who are affected by storms that wipe out the electricity, who have grandchildren who spill milk on the computer, and who meet new loves—and all of this in different time zones. It is a wonderful new world. As a leader, there is a newfound trust that is required. To coach, there needs to be a foundation of trust such that not only the employee becomes empowered by recognizing his or her ability and importance in the decision-making process but also the leader feels trusted and heard as he or she coaches and shares his or her experiences, raising the human connections bar. Raising the human connections bar on this individual level with a deeper level of trust than before also creates a stronger, more connected human company culture that can respond to situations more efficiently, on an individual basis and in a state of flow.

13.6 Picking up the Pieces and Helping Them Shine Again

Employees discovering their significance within the larger structure and leaders realizing they can rely on their teams build trust and create a higher level of communication. The excitement of a new structure starts to show; it is time to take this momentum and run with it. One of many techniques for building a resilient structure is about knowing when to let it fall, that is, when to start over and to rejoice in the mess—like a child who looks at broken glass through the sunlight. Finding the love and the humor in the mistakes and finding the satisfaction in small successes is the first step to using one's own inspiration to gain the courage to face larger, more structurally challenging changes that are upon us.

Taking down a top-to-bottom power structure and creating a free-falling survival tactic turned everyone upside down. The beauty of this is that we are human beings—we adapt and we land on our feet. A power structure is necessary, the new power structure being centered in the self. With trusting the self, with personal motivations, inspirations, ambitions, and desires as well as recognizing our own importance as part of the whole company and the understanding as to why we do the job at all, we can accept our own voices, hear our own voices, and have the courage to bring our own voices to the forefront. Allowing every voice to take responsibility for themselves gives the leaders the power to coach, to share, and to guide. Even as we sit in our homes across the world in completely different states of mind, holding on to different ideas, exposed to different languages, and being of different cultures, we all have a part to play and we all have ideas; these brought together can create a momentum and a flow that will generate a productive successful company culture.

13.7 Conclusion

Time has taken on a new meaning; it is no longer counted in hours but in duties and responsibilities, creating flow instead of a stop-and-go energy—just like roundabouts being used instead of traffic lights. Finding the company culture flow while in a virtual workplace is a great approach for creating a humanistic management paradigm shift. The humanistic management paradigm shift is focused on a healthy self-respect and a respect for the dignity and the wellbeing of those we work with. This paradigm shift also recognizes the needs of our planet and the needs of each culture, sharing struggles and sharing resources that allow all of us to succeed both on a professional level and also on a personal level. The paradigm shift also entails knowing that the employee can make the call and can listen to every situation from a position of power—the power coming from the self and backed by the leadership. The power is backed because the leadership knows that there is integrity and a work ethic that has proven itself. This culture would have been good to have had at the office, as this work ethic is what every company strives for. The pandemic has simply shed light on what worked and what did not work and thus has made it more than a goal to strive for, but a necessity for the company to survive.

14

Integrating Politics with Administrative Capabilities in Curbing the COVID-19 Pandemic in Nigeria: The Humanistic Perspective and Lessons

Aluko Opeyemi Idowu

14.1 Introduction

In early 2020, COVID-19 was declared a global pandemic when it transcended the shores of China where it originated. The virus is diagnosed to be air borne and transmittable from one person to another. The crisis had become a household terror in many parts of the world (World Health Organization, 2020). The developed countries of Europe, Asia, and America had witnessed the first wave of the pandemic claiming more than 500,000 lives within four months (Nuwagira & Muzoora, 2020; World Bank, 2020). The second wave gradually emerges with less mortality rate. Despite the investment in technology in the health sector, there is no tested or certified vaccine to suppress the effects of coronavirus either in the U.S. or in Europe.

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In Africa and other developing countries, the share of the pandemic is systemic, and it has exceeded political calculations. Many people had been infected although the rate of infection in Africa is low. However, the infection rate's negative effects on politics and the economy are far more devastating than that of the developed countries. This is because, in the developed countries, politics and the government structures provide room for more collective humanistic sympathy. Moreover, several palliative measures are doled out to cushion the pandemic's effects on the citizen (Khanthavit, 2020). In Africa, the government structure has less collective humanistic tendencies but more personality or individualistic political tendencies. Politics, governance, and policies have therefore not cushioned the COVID-19 pandemic's effects on the citizenry effectively.

Despite there being no vaccine for the virus at the moment, several efforts had, however, been put in place to develop or provide a lasting solution to the effects of the pandemic (World Bank, 2020; World Health Organization, 2020). Pending the time that there will be a lasting solution to the pandemic, there are various important lessons that had been learned from the COVID-19 pandemic globally and especially from the African (Nigeria) perspectives. This ranges from policy framework implications, social framework implications, economic framework implications, politics framework implications, administrative framework implications, and humanistic framework implications, among others. This study utilizes the utilitarian theory of analysis to discuss the prospects and lessons learned from the COVID-19 pandemic in Nigeria in particular and the world in general. Data from the World Bank and other international sources will be utilized.

14.2 Integrating Politics with Administrative Capabilities in Curbing COVID-19

Globally, 213 countries and territories have reported a total of about 24,943,319 confirmed cases of coronavirus (COVID-19) and a death toll of 842,027 as of August 29, 2020. Since the spike in February 12, 2020, the death rate had been reduced while the rate of recovery is on the increase at a cumulative range. The figure below shows the daily and total case trend (World Bank, 2020; Worldometer, 2020), that is, that there is an increase in the daily figure of infections across the world and the extent of infections increases. The rate of recovery is, however, a succor to the global health despite the unavailability of a certified vaccine. From a global perspective, the World Health Organization's priority is the promotion of global trust in handling the COVID-19 pandemic and the greatest happiness derived from the world health condition. This should be the driving force for all countries in the world including Nigeria too (Fig. 14.1).

The utilitarian theory is derived from the research of John Stuart Mill and Jeremy Bentham. They posited that in normative ethics, an action or phenomenon is right and acceptable if it tends to promote happiness and an action or phenomenon is not acceptable if it tends to produce the reverse of happiness for the performer of the action and if everyone's happiness is also affected by it. This implies that an action performed by the

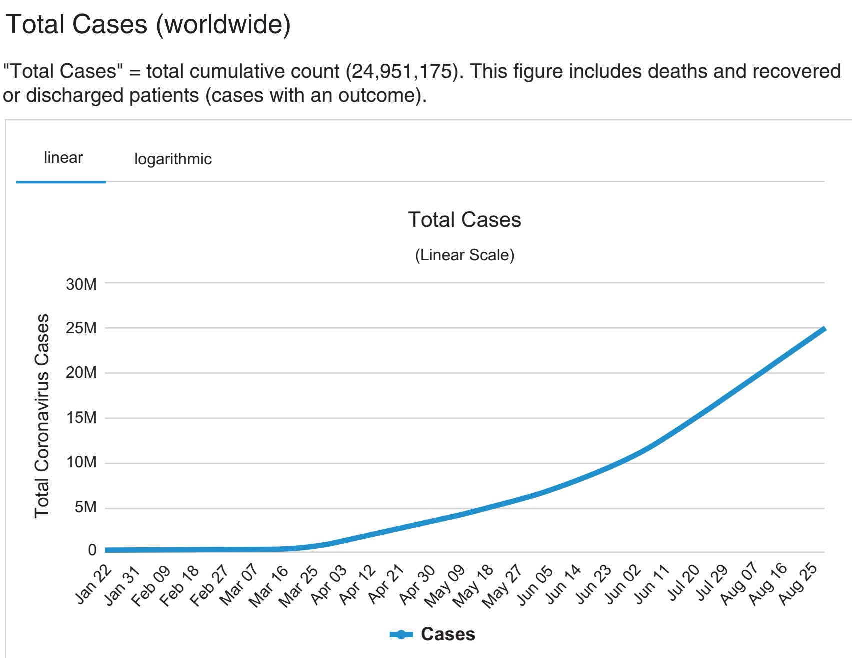

Fig. 14.1 Worldwide total cases of COVID-19

government or any one in authority over an issue is expected to provide happiness to both parties so as to be adjourned as good and acceptable. This is expressed in the utilitarian maxim that every action is expected to produce the greatest happiness to the greatest number of the people.

In the notion of consequences, this theory believed that the government policies are part of public utility, which should provide happiness to the entire populace and not the opposite. However, actions of the government might not produce happiness at all times, especially when the greatest numbers of the population are not carried along in the policy formulation, implementation, and evaluation. In most cases, this will lead to draconian policies, bad governance, maladministration, and inhumane considerations (Aluko, 2020a). Policies can be classified as morally right or wrong in relation to human actions only if the consequences are of such significance that the policy actor would wish to see the citizens compelled, not merely persuaded and exhorted, to act in the preferred manner.

On the one hand, utilitarian philosophers sought an objective criterion for a science of government and administration. This implies that they sought for means to ensure that the citizens participate effectively in the governance of their state. If policies were to be decided based on attaining the greatest good for the greatest number, they would need to find a utility index that could measure how beneficial different policies are to different people. This is attained by the collective involvement of the people in the government's day-to-day decision-making process. The utility index is usually the lesson learned from the government's policies and activities. This may be a positive lesson that boosts human interactions and happiness or it may be a negative lesson that alienates the people from the government and leads to unhappiness.

To this end, in interrogating the politics and administrative capabilities of the government of Nigeria in curbing the menace of COVID-19, several frameworks of administrative prowess will be discussed. This is to derive the level of humanistic tendencies by assessing the justice, injustice, moralities, and amoral roles carried out by its operators in the system. The administrative acumen demonstrated by the government in Nigeria comes in diverse forms. This includes the policy frameworks, such as social infrastructure frameworks, the economic framework, the politics framework, the administrative framework, and the humanistic framework.

The social infrastructure frameworks include the several measures put in place by the government so as to reduce the spread of the COVID-19 pandemic through interpersonal relations. This includes the intensification of information on the nature of the virus, the spread of the virus, and the models for interpersonal relations, such as social or physical distancing between individuals. This model of caution causes people to physically avoid close contact with one another, thereby leading to self-alienation. The government was able to leverage on the use of both print and new media to educate the citizens on what the virus is perceived to be and how COVID-19 can be contracted. This prompt information on the drastic effects of COVID-19 in other regions, such as Europe and the U.S., creates a good caution when it comes to the social interactions of the people. Food distribution is, however, another social welfare package and palliative measure to succor the scourge of hunger caused by social or physical distancing put in place by the government. However, it is important to state that the social infrastructure frameworks for food distribution did not yield the desired effects on the population due to poor distribution and unavailable data compilation concerning the affected people.

The economic framework the government in Nigeria embarked on at the outbreak of COVID-19 was a surface-level manipulation. The fiscal policy meant to guide the government's economic engagements became ineffective due to the drastic crash in crude oil prices. Economic resources meant for other sectors such as education were diverted into setting up isolation monitoring centers (Aluko, 2020b). More funds were sought as loans from the World Bank, the International Monetary Fund, and the African Development Bank so as to be able to tackle the shortfall in the proposed budget effectively. Individuals and private organizations generously donated money in order to provide relief to the government. All these economic frameworks did not translate into a safe haven for the citizens due to technical non-fluidity in the administration and poor transparency in the management of the huge financial outpour for the country—among other displays of powerlessness.

The political framework established for the COVID-19 pandemic response and control is mainly the policies of lockdown and restriction of movement of goods and services. The internal security checks, such as road and land border blockades, were set up to ensure compliance with the policy. The humanistic rationale behind this reveals that the citizens were locked down in hunger, insecurity, economic loss, and an increase in social insecurity, such as rape, kidnapping, theft, and armed robbery, among other social vices (Aluko, 2019a). The adopted political framework slowed down the legislative process and the judiciary engagements were affected while other private businesses were totally stalled at the detriment of domestic economic growth. This does not help humanistic development and the enhancement of the greatest happiness of the greatest number of the people.

The administrative and humanistic framework set up by the government to mitigate COVID-19's impact in Nigeria was largely a reactionary approach instead of a proactive approach. The administrators rely on the policy framework of foreign nations without proper consideration of its application and domestication process. Such actions weaken the governance process especially when the imported policies affected the citizens negatively or fail (Aluko, 2019b; Aluko & Aderinola, 2019). The reactionary approach led to the influx of carriers of the coronavirus into the country. The humanistic approach would have been a proactive attempt to curb the record of index case and the resultant spread of the virus in the community. The shortfall in the allocation of resources and personnel to treat the victims was a sign of administrative malady and institutional ineffectiveness.

The figure below shows the typology of linkage of all the COVID-19 curbing techniques' frameworks of analysis. The social, political, economic, and administrative frameworks should be embedded in the humanistic framework for proper workability in governance. The humanistic framework integrates and empowers all other frameworks to function effectively so as to affect human lives promptly, sensitively, and kindly. Without a humanistic framework, force of habit and draconic policies during the COVID-19 pandemic will be inevitable. Point "a" in Fig. 14.2 indicates the linkage between the humanistic framework technique and the individual techniques, such as the social, political,

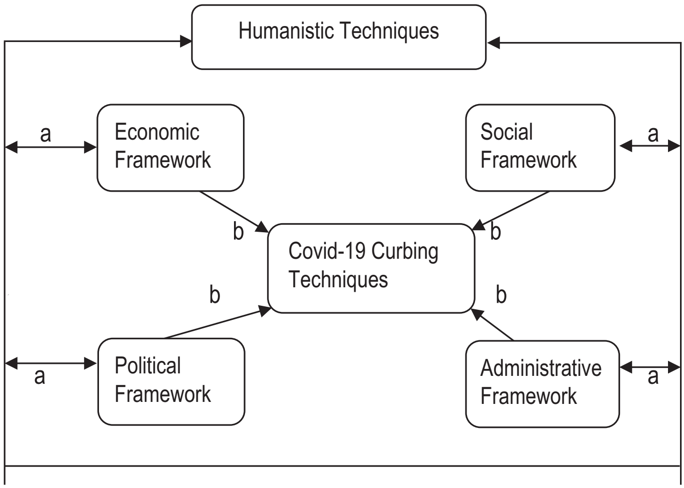

Fig. 14.2 Linkage of the COVID-19 curbing techniques; the economic, social, political, and administrative frameworks; and the humanistic perspective

economic, and administrative frameworks. The humanistic framework technique considers the individual techniques so as to have an effective humanistic impact on the community. Point "b" in the figure indicates the eventual impact of the individual social, political, economic, and administrative frameworks on the quest to curb or minimize the COVID-19 pandemic's effects on the community.

14.3 Lessons on COVID-19 and on Governance and Administration in Nigeria

There are various important lessons that had been learned thus far and then there are those lessons that ought to be learned from the outbreak of the COVID-19 pandemic globally and especially from the African (Nigeria) perspectives. These lessons include policy implications, social implications, economic implications, political implications, administrative implications, and humanistic lessons. Lessons from policy formation and implementation vary in two dimensions. First, governments need to understand the nature of an outbreak, situation, or phenomenon before setting out a policy. This will help to prevent negative and inappropriate policies that may affect the entire society negatively. Second, after ascertaining the nature of the outbreak or phenomenon, the policy implementation should take into account the environmental implication of a policy before enforcement. However, whenever an inappropriate policy is implemented, its adverse effects must be curbed effectively in order to prevent long-term consequences on human lives.

Lessons learned on the social implications of COVID-19 in Nigeria are vital to the survival of the country. The policy makers drummed up support for the total-lockdown policy's social implication for all aspects of the community regardless of the locations where abject poverty is evident. This resulted in the upsurge in rape, suicide, domestic violence, and armed robbery cases, among all the other social vices due to hunger, poverty, and hardship that affect human lives. Selective lockdown should have been introduced in certain locations of high impact or places that are susceptible to high infections such that people could still interact socially and freely.

The lessons learned on the economic implications of COVID-19 in Nigeria are enormous. The COVID-19 pandemic paralyzed the economy and the chance for a quick recovery is very slim. The country is a mono economy: The major source of income for the country is the proceeds from the sales of crude oil. In mid-April 2020, the price of crude oil fell to an all-time low. Nations did not trade with the other because the world's economies were shut down. Nigeria pinned its hope for survival of the country on donations from individuals and organizations and loans from multinational organizations to finance the budget deficit. This poses a great challenge to Nigeria and the quest to find multiple streams of vibrant national income other than the sole or heavy reliance on the non-renewable crude oil is inevitable.

The lesson learned on the political implications of COVID-19 is a test of political and administrative acumen and accuracy in Nigeria. The lesson shows that the government needs to be able to predict or forecast events accurately and make sure the officials are alert to respond to the occurrences in their immediate surroundings and in the external surroundings. The outbreak of COVID-19 was sudden, but the spread was not sudden in Africa and Nigeria. Political promptness in decision making cannot be abandoned in international politics and relations. This has administrative implications too. Whenever political policies are made, it takes administrators to implement such decisions effectively. From a humanistic perspective, people's lives are irreplaceable: Whenever a life has been extinguished, it cannot be recovered. Therefore, prompt political decisions need human administrators in order to preserve and save lives effectively.

14.4 Conclusions

COVID-19 has wreaked severe havoc on humanity. The number of deaths due to the pandemic is alarming. The level of scientific discovery to curb the virus is slow and not as helpful as expected from the World Health Organization. Furthermore, the level of management of the pandemic across countries appears to be poor, especially in Nigeria and other developing countries. It is expected that politics should integrate with administrative capabilities in the process. However, politics and administration will fail to achieve the required success or output if humanistic perspectives are not integrated effectively with the policy formulation and implementation processes.

It is very important for politics and for managers of the mechanism of governance at all levels (local, state, and federal levels) in all countries, especially in Nigeria, to apply logical administrative capabilities alongside humanistic soft touches to overcome the COVID-19 pandemic's short-term and long-term impacts on the citizenry. The humanistic framework helps the government crosscheck the nature and framework of the policy they consider, especially in an emergency period. These humanistic tendencies will minimize the level of errors in policy making and prevent draconian policies against people in distress.

Using political and administrative techniques that are at variance with humanistic responses—such as the use of politics of segregation in the distribution of palliative relief materials, ethnic chauvinism in the appointment of public officials, and religious bigotry and political sentiments in response to the pandemic crisis—must be put to an end. Humanistic principles of equality and equity in the distribution of goods and services, in the prompt administering of palliative measures, and in an efficient and effective distribution mechanism regardless of how remote or peripheral the community is to the center of administration, are inevitable skills that will help Nigeria and other developing countries curb the menace of COVID-19 effectively. This will eventually help Nigeria achieve the greatest happiness of the greatest number of the people in the country.

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15

Local Embeddedness, Community, and Generativity: Building New Management Models in Post-COVID-19 Era

Angela Dettori and Michela Floris

15.1 Introduction

The COVID-19 pandemic has completely revolutionized the life of every individual and, consequently, of every social organization. The sharp lockdown that has been imposed in every part of the world to contain the spread of the virus has highlighted the weaknesses inherent in the development models followed up to a few months ago. Following restrictions on the movement of people and production blocks, nature has slowly recovered its spaces and the media have shared images of a renewed balance between humans and the natural environment.

In Italy, the lockdown's impact on businesses was of extraordinary intensity and rapidity, causing severe risks to survival: 38.8% of Italian companies (representing 28.8% of employment, i.e., approximately 3.6

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million employees) denounced the existence of economic and organizational factors that put their survival at risk during the year. The Italian National Institute of Statistics (ISTAT) announced this in a survey on companies with more than three employees. The danger of closing is more serious among micro-enterprises (40.6%) and small businesses (33.5%), but it is significant also among medium-sized businesses (22.4%) and large businesses (18.8%) (ISTAT, 2020). Fortunately, not all companies have responded similarly to the crisis. A specific category of companies has proven to possess an innate resilience, based on the members' cooperative ability: these are the Community Cooperatives (ComCOs). These companies are characterized by the commitment oriented toward mutual support between users and producers of a service. In this manner, new forms of solidarity and mutual support are created and the set of values that are often weakened, if not lost, due to an increasingly globalized and individualized world is rediscovered.

ComCOs represent an organizational case that, leveraging its local identities and specificities, initiates processes of socio-economic regeneration of abandoned places. ComCOs are the expression of the ability of a given place's inhabitants to self-organize and to rethink their development model together through the launch of participation and management processes for the benefit of the territory. ComCOs show new momentum, especially in this period of widespread uncertainty where the self-organization of communities is recognized as the key to responding to the future social and economic needs of our country (Sforzi & Burini, 2020). By virtue of their peculiar characteristics, these companies can represent a strategic tool precisely to overcome the emergency and difficult situation we undergo and to redefine the current social and economic dynamics.

A community that is re-designed with the intention of responding to its own needs is able, by exploiting and enhancing its local specificities, also to reconfigure the role that public and private actors can play. This cooperation can be the maximum expression of a vital territorial root. What the current situation must really lead to and then reflect is that it is necessary to rethink the development models that are prevalent today, that is, the models based on maximizing the economic value that a good or service generates, and to question the political-economic strategies based on the centralization of economic, social, and welfare activities in particular areas such as the metropolitan ones. In this scenario, the previous development models need to be changed, imposing the search for new growth methods that are able to simultaneously guarantee the satisfaction of human needs and environmental sustainability.

In this scenario, now more than ever, firms are called on to be protagonists of a renewal process that puts people and the contexts in which they live at the heart of managerial strategies, decisions, and operations. ComCOs, which contribute to rethinking the production chain of economic and social value and consequently the organization of socio-working life according to the circumstances of life and the real needs expressed by local communities, can act as innovators in this sense and stimulate the rethinking of the old managerial models adopted to date. In light of these premises, this chapter intends to contribute to this debate by deepening the attention toward a specific kind of firms—the ComCOs—that appear to be particularly enlightening to underscore and spread a new management model. Specifically, by problematizing the mentioned concepts (Alvesson & Sandberg, 2011), this chapter aims to find a suitable answer to the following research question: *How can the management model of community cooperatives inspire other businesses in the post-COVID-19 era?* To answer this question, the chapter is divided into three parts. In the first part, the evolution of management models is brought to mind. The second part explores the ComCOs. The third part, which bases on the multiple case study approach of four Italian ComCOs (Eisenhardt, 1989), introduces a new management model. We labeled this new management model the local embeddedness, community, and generativity (LCG) model, which is based on three main pillars—local embeddedness, community, and generativity—and which is able to face the post-COVID-19 challenges.

15.2 The Evolution of Management Models

The management model is a broad concept that has received little attention from scholars in terms of definitional clarity (Bodrožić & Adler, 2018). For this reason, it embodies several ambiguities and concept overlapping. In this chapter, we agree with other scholars who have recently defined the management model as a "distinct body of ideas that offers organizational managers precepts for how best to fulfill their technical and social tasks" (Bodrožić & Adler, 2018, pp. 86–87). These models change over time (Barley & Kunda, 1992), depicting and suggesting different functions, ideologies, practices, and theories attributable to the culture of organizations and societies (Bendix, 1956; Hofstede, 1983).

Before these premises, the history of management models can be dated from the contribution of Taylor's scientific management (Taylor, 1911) that currently continues to be relevant in defined business practices and contexts (Wilkinson et al., 2017). This model is characterized by a mechanical view of firms and organizations. Developed in the U.S. and aimed to enhance the productive and economic styles of the U.S. caused by the First World War, the new management model was based on the attribution of well-defined tasks and it was developed to act as a machine. The machine, in fact, represented the model of the organization and the most efficient means to perform one operation was the mechanical one. Taylor suggested to conceive a mechanism where parts were scientifically designed to ensure the efficient operation of the mechanism itself. In this manner, the man who works is a part of this mechanism and must as such be the executor—exclusively—of the assigned tasks, which are instead studied by engineers who are entrusted not with executive but with design tasks. Taylor proposed a management model that can be easily defined as the assignment of well-established and well-defined tasks able to generate the development of scientifically based knowledge, the scientific selection of the workforce, the improvement of workers on a scientific basis, and the cordial collaboration between managers and workers. Standardization, simplification, and specialization appear to be the pillars of this model that considers workers as a part of the industrial assembly line.

Taylorism has been criticized for the lack of organizational flexibility and the low quality of working life (Bendix, 1956)—and especially the workers' conditions were criticized by those supporting the model of human relations (Bruce, 2006; Mayo, 1933, 1945). The model of human relations, based on an organicistic approach that considers the firm not only as a system but also as a container of workers and machines, aimed to promote greater democratization of working conditions in companies because of the adverse effects on productivity and turnover produced by the psychosocial malaise that the Taylorism generated in workers. Through several experiments, Mayo realized that there was an increase in production as a result of several factors, which included granting deserved breaks to workers, improvement of lighting in the workplace, job changes, changes in working conditions, attributing importance to the social dimension of the working group, and salary enhancement. Moreover, Mayo highlighted the Hawthorne effect, which is particularly relevant to informal relationships within the company and characterized by the reality that the more the workers receive attention for the work that they had done, the more they understand the importance of their role and the more they are committed to try fulfilling it to the best of their ability. The pillars of the human relations model—according to the Mayo interactionist wave—can be summarized as follows: the organization's effectiveness and efficiency are linked to its members' satisfaction and motivation; conflicts are resolved through negotiation and communication; it is not only man who has to adapt to structures, but also structures to man; the group plays a decisive role in the pursuit of corporate goals; the informal aspects: beyond the official structures and formal relationships, there is a dense network of non-institutionalized relationships in the company. However, if Taylor's scientific model had completely neglected the aspects related to human interactions in order to focus on the technical needs of production, the school of human relations has moved in the diametrically opposite direction, not considering the importance of structural, technological, and economic components within the organization.

The organicist approach was followed also by Maslow (1943, 1954) who focused on a hierarchical scale of human needs known as Maslow's hierarchy of needs, which shows that individuals are motivated to act in order to pursue their goals. Maslow's hierarchy of needs comprises physiological needs, safety, love and belonging, esteem, and self-actualization. The overcoming of the organicist concept occurs when firms and organizations begin to be perceived as systems that are able to process information. The main management models that have been developed in keeping with this vision were the decision-making approach and the learning organization model. Concerning the decision-making approach, the most relevant scholar was Herbert Simon (1955, 1959). Simon, analyzing decision-making behaviors of individuals within organizations, introduced the concept of bounded rationality in contrast to the concept of unbounded rationality. He analyzed the causes and conditions that limit the rationality of human decisions, starting from the concept that decisions are rarely individual, but they express group behaviors. As a result, decisions in organizations are made by balancing the individual's contributions and the organization's incentives.

Concerning the learning organization model, scholars (Argyris & Schön, 1997) considered organizations as complex systems capable of learning and of promoting communication and collaboration such that all members were involved in the problem-solving process, which is the learning organization's main advantage. The learning organization's success is based on open information, on a low level of the hierarchy, and on a culture that encourages adaptation and participation. The learning organization is, therefore, able to analyze and anticipate changes in the environment, develop and modify operating rules easily, and identify the most appropriate strategic guidelines.

Other scholars have also followed the learning perspective, proposing the theories of total quality (Deming & Edwards, 1982; Powell, 1995). The cornerstone of total quality management is the concept of continuous improvements aimed at constantly reviewing the organization's operation by analyzing problems, errors, and non-conformities to understand the causes and identify corrective actions.

Other interesting management models are management by objectives (Drucker, 1954), characterized by the postulate that efficient management is based on the principle that sharing goals leads to better performance; models based on the management of meanings (Daft & Weick, 1984; Weick, 1993, 1995) and models based on culture and corporate image as a management tool (Deal & Kennedy, 1982; Hofstede, 1983), related to the thought that management is a symbolic process inherent in organizational culture, strategic change, innovation, and, thus, the shared activation of meanings; models based on leadership management, such as the model of situational leadership, the model of contingencies, the decision model, and transactional models (Hersey & Blanchard, 1997);

models based on the stakeholder approach (Freeman, 2010); and models focused on change management (Kotter & Schlesinger, 2008) and on the development of managerial skills (Collins & Porras, 1994; De Bono, 2006). The proposed evolution, aware of its non-exhaustiveness, highlights the changes that have occurred in the different approaches to management models as a response to the various contingencies that have arisen over the years.

What is evident is that the different models have considered the management approach from a sectorial perspective. Specifically, each model tends to position itself as a response to the critical issues of the previous ones, focusing on one aspect rather than another. The focus on efficiency, for example, could be opposite to other needs which, especially in recent years, have emerged and which concern, for example, the issues of sustainability as a whole and, even more recently, the dictates of the UN Agenda 2030, which powerfully highlights the need for a joint commitment to achieve a plurality of objectives that can guarantee the well-being of all humanity.

Recently, the COVID-19 pandemic has upset socio-economic scenarios, highlighting a plurality of existing weaknesses of the known management models. Often, firms are anchored to old paths and are still based on managerial approaches too focused on one aspect rather than on the totality of the entrepreneurial action and its consequences for stakeholders. The closure of economic activities, the closure of schools of all levels, the slowdown in people's movements, and the global lockdown represented, for the majority of social systems and organizations, a moment of crisis and overall rethinking of their management and their behavior. For this reason, the current period of health, social, and economic emergency needs to be experienced as an opportunity, that is, as a turning point that has highlighted the criticalities of the previous approaches and suggests resetting one's activities based on different postulates. In this scenario, firms could be drivers of change through a renewed management model. In the light of these brief assumptions, this chapter introduces the ComCOs as a particular type of firm that deserves to be deeply analyzed because it could inspire a new management model that embodies specific features.

15.3 The Community Cooperatives

The ComCOs do not represent a recent managerial phenomenon. These organizations are probably underestimated in terms of mission, vision, and management. These cooperatives have different objectives than the purported traditional companies. Furthermore, in the light of current contingencies these goals require new approaches to management that could be replicated, with the necessary adaptations, to all firms. For this reason, we focus in this study on ComCOs by building on a multiple case study (see the next sections) that allows to underscore a new management model.

ComCOs, born together with capitalism during the Industrial Revolution, have experienced changes and evolution during their lifecycles. In the first stage, this form of firm was characterized by the benefits of the business activities accruing to the individuals who participate as active firm members. In other words, individuals were at the same time owners, managers, and ultimate recipients of the benefits. Example of this situation can be ascribed to cooperatives that produce goods or services for defined individuals, cooperatives of rural credit, and other cooperatives aimed at satisfying the needs of cooperative's members.

However, "(W)hile in the past cooperatives mainly catered to the needs of specific groups within society, often characterized by their economic functions (e.g. specific types of workers), community cooperatives by their nature cater to a community's needs" (Mori, 2014, p. 330). This concept represents the essence of ComCOs that are not founded to be useful for specific individuals, but for the whole of the community, and it is in this context that ComCOs may represent the new wave of management model. These cooperatives provide services or goods of general interest to a whole community. Currently, ComCOs receive interest that, in the past, has sometimes been lacking, mainly in the periods of maximum strength and expansion of the classic enterprise, on the one hand, and in the periods of public intervention in the economy, on the other hand. In conjunction with the fogging of both, the ComCOs have become, at least at an ideal and at a planning level, of great relevance (Mori & Sforzi, 2019).

Today we witness a renaissance of the phenomenon in new forms, with regard to both organizational aspects and fields of intervention. On the other hand, there is also a growing interest in society for new forms of aggregation and civil activism and in new sectors of activity in which ComCOs are engaged. ComCOs are firmly heterogeneous and differ in several aspects: objectives, organizational and legal models, and, above all, business fields.

New ComCOs differ from old ones in several aspects. Old cooperatives served homogeneous communities and adhered to traditional management models. The new ComCOs, by serving heterogeneous communities, adhere to innovative management models able to involve a greater citizen participation in post-industrial societies. For this innovative proclivity toward new management models, we deepen our analysis by focusing on this specific category of firm to find inspiration for other firms that need to change their managerial model to survive in the post-COVID-19 pandemic.

15.4 Methodology

15.4.1 Research Context

ComCOs appear to be a phenomenon that rapidly spreads throughout Italy, with a fair distribution between the northern, central, and southern parts of the country. The number of ComCOs has, in fact, increased significantly, from 48 active ComCOs in 2017 to 109 in 2019, after the measures—first private and then public—which promoted and encouraged the establishment of ComCOs both nationally and with reference to a number of particular regions.

Generally, the regions where there is a higher number of ComCOs beyond Toscana are Liguria, Emilia-Romagna, and Abruzzo (see Fig. 15.1). There are mainly two reasons for the considerable difference between these regions and the others: the presence of a regional law that recognizes the ComCO as a characteristic applicable to enterprises that meet certain criteria and the diffusion of public and private funding that

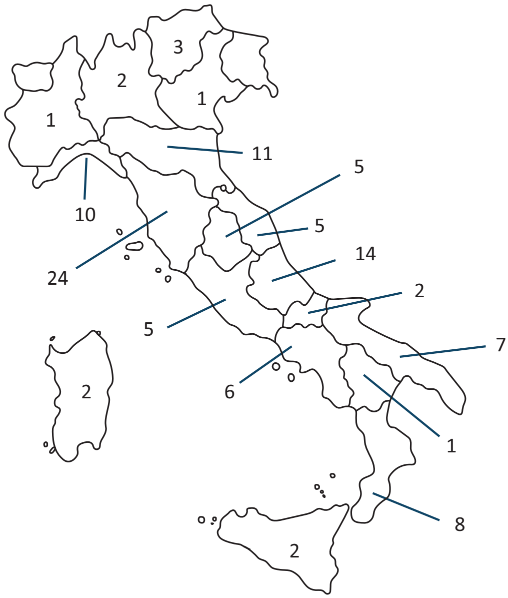

Fig. 15.1 The geographical distribution of community cooperatives in Italy

the ComCOs have encouraged. In certain cases, these two elements worked together (presence of a standard and public funding, e.g., Toscana), in others independently (presence of a standard but without public funding, e.g., Liguria), and in still others, almost in contrast (e.g., Abruzzo) due to the difficulty of coordinating, for example, private financing and regional legislation. Regarding regulations, in the absence of a national law that legally recognizes ComCOs, to date there are 12 regions that have actually legislated independently, with forecasts that often differ from region to region. In most cases (8 regions out of 12), the rules on the matter were introduced with an ad hoc law as in the case of Abruzzo and Liguria, while in the other four regions the relevant rules were provided for in regional laws, already existing, as in the case of Emilia-Romagna and Toscana (Sforzi & Burini, 2020).

Among the private interventions aimed to support and set up ComCOs, we bring to mind the invitations promoted at national level by the two main cooperative centers: Confcooperative and Legacoop. The first invitation, launched in January 2018, was an invitation of Fondosviluppo—Confcooperative. Moreover, in this case the goal was the promotion and support of ComCOs—operating in internal or marginal areas characterized by depopulation or social and economic impoverishment—as a tool for the development and strengthening of the local social and economic fabric. Owing to this announcement, the birth of 28 communities and the consolidation of 5 that have already existed have been supported (fondosviluppo.it). The second intervention was carried out in June 2019 by Legacoop and Coopfond with the support of Banca Etica through the Coopstartup Regeneriamo Comunità, a national initiative aimed at encouraging the creation of new ComCOs and supporting the development and consolidation of those born on or after January 1, 2018. Among more than a hundred projects that were presented, 86 were admitted to the evaluation. Of these, 25 were selected (October 2019) and distributed in 13 regions, which were offered a training course (November 2019) in order to consolidate the project idea and transform it into a real business project. The notice provides for further successive phases and, therefore, it is not currently possible to quantify the exact number of new ComCOs that will be established.

15.4.2 Research Design and Sample

This study adopts a multiple case study (Eisenhardt & Graebner, 2007; Yin, 2008). The use of case studies allows for an analysis of real, unique phenomena, observing the particular scenario and its interactions within the boundaries of the context wherein they develop and act (Patton, 1990; Yin, 2008). It represents a form of qualified investigation aimed at seeking the meaning of reality in the experiential life of people and organizations (Eisenhardt, 1989; Eisenhardt & Graebner, 2007; Patton, 1990; Yin, 2008).

To develop our sample, we first investigated the ComCOs through online research via official websites and found that there are more than 100 ComCOs in Italy. Then, we retrieved press articles and reports to select relevant ComCOs, and we obtained a list of 109 ComCOs. The choice of three case studies was made on the basis of a series of elements relating to the peculiarities of their generative process and to the type of activities undertaken. Particularly, with regard to the first aspect, it was decided to focus the survey on three ComCOs belonging to three different Italian regions (to guarantee anonymity they will be referred to below as ComCOs A, B, and C), where the generative process of ComCOs was widely supported and accompanied by public or private bodies. Among these, the first two ComCOs, ComCO A and ComCO B, have a further peculiarity: in both cases, they were founded due to a tender dedicated to the relevant internal or marginal areas. The missing information was supplemented by additional sources for data triangulation (Jick, 1979; Jonsen and Jehn, 2009), such as follow-up phone calls and further secondary information that comprised several official Internet pages, eight official reports of trade associations, and press articles.

The sample ComCOs are described in Table 15.1. Each of them represents a unique and very enlightening case and the choice of the sampled ComCOs is in line with Patton's (1990) recommendation, which underlined that the logic and power of purposeful sampling lies in selecting information-rich cases for in-depth study. Information-rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the research (Patton, 1990, p. 169).

15.4.3 ComCO A

ComCO A was founded in 1991 owing to the commitment of the country's young people and is made up of 56 members, with 8 permanent employees in addition to the occasional employment of collaborators. Over the years, the cooperative has promoted the activity of its farm and restaurant and has also experimented with new tourist offers in collaboration with a park for which it is a visitor center. The cooperative then grew by developing a farm that allowed the production of pecorino Protected Denomination of Origin (PDO). ComCO A then expanded its scope by purchasing a minibus for transporting students, supplying medicines for the elderly in the country, and making an important investment for the installation of a photovoltaic system. Due to constant commitment and sacrifices, including economic ones, and to the values

Table 15.1 Relevant aspects of the ComCOs

	ComCO A	ComCO B	ComCO C	ComCO D
Foundation date	1991	2003	2006	2018
Localization	Central Italy	Northern Italy	Southern Italy	Central Italy
Number of members	56	16	10	10
Employees collaborators	8	2	34	4
Mission	Stop depopulation, recover abandoned buildings, and create new job opportunities	Redevelop and implement local activities for the benefit of the environment and the local community	Contribute to the relaunch of the city's image through the rediscovery of the artistic and cultural heritage	Innovate with a new vision of tradition through a circular economy concerned with contamination
Activities	- Tourist activities; - Food production business; - Activities intended for both the resident community and the visiting community; - Transport of students; and - Transport of medicines	- Taking care of the green territory and the territory in general; - Community tourism; - School tourism; - Marketing of products in the sectors of interest; - Educational courses aimed at the school environment and all interested parties on issues related to the territory due to its agricultural, forestry, naturalistic, environmental, historical, and cultural connotations; - Environmental services for the control and monitoring of the territory; - Coordination and management of initiatives aimed at managing accommodation, rooms, or other forms of accommodation for tourist use; and - Management of various services, related to the territory, also on behalf of organizations or individuals	- The enhancement of the neighborhood's artistic and cultural heritage; training courses - Job placement processes; and - Exchange and networking process between people, organizations, and associations	- Wool processing; - Realization and sale of items made of felt; - Activation of coworking space; and - Realization of slow tourism activities between the villages

(continued)

Table 15.1 (continued)

	ComCO A	ComCO B	ComCO C	ComCO D
Innovation	- Innovation in services to citizens and tourists	- Touristic innovation; and - Innovative manner of experiencing entrepreneurship and the reconstruction actions of local micro-economies aimed at self-sustainability	- Artistic and cultural innovations	- Circular economy; and - Contamination economy
Effects on the territory	- Protection and enhancement of the territory	- Repopulation of the village; - Improvement of the inhabitants' lives; - Increased job opportunities; and - Cessation of emigration	- Culture, growth, and community promote a social and economic rebirth of the territory in a modern and sustainable manner	- Valorization of the territory; and - Environmental protection

that shaped its establishment, such as cooperation, respect for the environment, sharing, local embeddedness, and care for the territory, the cooperative begins to make itself known and be appreciated through the testimonies of the media and the articles in the newspapers, which is a clear sign of recognized maturity and originality. The identification reaches far beyond the Italian borders. Over time, the cooperative has become a social and economic response of a successful and, above all, a repeatable, exportable model, also owing to it winning the second prize for excellence and innovation in tourism in the business category of a competition established by the World Tourism Organization.

15.4.4 ComCO B

In June 2003, ComCO B was founded by the specific will of a group of young people, with the aim of upgrading and implementing local activities for the benefit of the environment and the local community. This ComCO is composed of 16 founding members and 2 employee's collaborators. The initiative's novelty and commendation lie in the determination of these young people not to abandon the place where they were born and raised to find work but to exploit all the potential of the territory in full respect of the community, of local embeddedness, and of the environment, identifying new opportunities to ensure the local development and well-being of the community. The initiatives of the cooperative, those already implemented and those to be implemented, are part of a purely local perspective and affect the most disparate sectors, from the care of the green territory and of the territory in general to community tourism/school tourism; from the marketing of products in the sectors of interest to educational courses aimed at the school environment and all interested parties on issues related to the territory due to its agricultural, forestry, naturalistic, environmental, historical, and cultural connotations. Lastly, ComCO B also handles the coordination and management of initiatives aimed at the management of accommodation facilities, rooms, or other forms of accommodation for tourist use and the management of various services linked to the territory, also on behalf of entities or individuals.

15.4.5 ComCO C

ComCO C was established in 2006. This ComCO, composed of 10 founding members and 34 employee's collaborators, was founded in a neighborhood divided between contrasts and great resources, with evident socio-cultural differences. The goal of this ComCO is to create a path of self-development through the experiences of each individual and to keep the city unchanged by changing the city. Owing to the enthusiasm and professionalism of those involved, the cooperative contributes to the revitalization of the city's image through the rediscovery of the artistic and cultural heritage. The beauty of the places is an attraction, first of all for Italian and then for international tourist flows, and this contributes to the inclusion of the district in the city's productivity circuit. In the last few years, visitors have increased fivefold and a social economy has developed that has given rise to a network of small cooperatives and artisans. Furthermore, ComCO C has launched training courses and processes of job placement, exchange, and networking between people, organizations, and associations. Culture, growth, local embeddedness, and community promote a social and economic rebirth of the territory in a modern and sustainable manner.

15.4.6 ComCO D

ComCO D, founded in 2018 with ten founding members and four employee's collaborators, includes five small villages. The total population of these villages amounts to about 1600 inhabitants. In these areas, the main economic activity is spa tourism, agriculture, and livestock. Despite the geographical location that attracts many tourists all year round, these small villages have experienced the problem of depopulation and low birth rates for about a decade, elements that drive many young people in the area every year to move and live in neighboring towns. The level of social cohesion of each village and the relations between the countries are high. In fact, they usually organize parties or tourism promotion activities jointly. ComCO D places the processing of wool, which is present in large quantities in the area, at the center of its project, an idea that the local sheep farms have positively accepted from the outset. Starting from the creation and sale of sartorial felt objects, the cooperative carries out numerous associated activities, such as the opening of coworking space, which represents both a meeting point for the inhabitants and a meeting place and exchange of skills, ideas, and new projects for professionals and/or other interested parties, and the implementation of slow tourism activities between the villages. A further innovation that the cooperative intends to implement is the production and marketing of a "box" for food, with the box made of local wood and wool, produced with respect for the environment, free from micro-plastics, and with raw materials that enhance the territory. In addition to this, the cooperative carries out slow tourism activities linked to the area with the aim of involving children and the elderly of the villages and offering guided tourist visits that allow visitors to explore even the lesser-known places.

15.5 Results and Discussion

This chapter's objective was to find an answer to the following research question: *How can the management model of community cooperatives inspire other businesses in the post-COVID-19 era?* Adopting the multiple case approach, the analyzed ComCOs showed interesting commonalities that allowed us to isolate three main building blocks of their management models. These three building blocks allowed us to identify how ComCOs can help other businesses in shifting their traditional management model. Moreover, the building blocks inspired us to conceive a new managerial perspective that we labeled the LCG model, which is based on local embeddedness, community, and generativity.

15.5.1 Local Embeddedness

The four cases involve ComCOs that were established to revitalize their territories from which the ComCOs draw constraints and opportunities and to which they must be able to return favorable results in terms of socio-economic development and respect for and protection of the environment. Each area was characterized by depopulation, socio-economic concerns, and poverty, but the founders decided to face these challenges by building their success on the local specificities, by proposing a good alternative to the large metropolitan areas, and by attracting an increasing number of visitors or customers.

The main aspects that emerged were those related to bottom-up initiatives consisting of activities promoted by those who live in a defined territory and who know better than others not only the needs and difficulties but also the opportunities that the local area. Another main aspect that emerged was the discovery and valorization of local traditions, values, environmental, and cultural heritage that stimulated the founders and the members of the ComCOs to create their firms to promote local uniqueness. The last main aspect was the revitalization of rural and depopulated areas because the founders and the members preferred to invest in their territories instead of searching for a job in other countries or regions. These aspects can be analyzed under the lens of the local embeddedness perspective (Granovetter, 1983, 1985). The attention toward local territories offers firms the potential to create long-term relationships with local stakeholders, to transmit a perception of trust and credibility, to preserve reputation, and to ensure a competitive advantage (Upton et al., 2001). As Granovetter (1985) pointed out, the embeddedness perspective delineates a reciprocal influence about social local actors' intertwined social relationships and economic behaviors characterized by trust, information exchange (Uzzi, 1997), and a small cognitive distance (Nooteboom et al., 2007) that conceives shared trajectories of development (Zucchella, 2006). From this perspective, firms can be considered the result of their local context and its history that transforms a geographical area into a social space with its values, languages, beliefs, culture, and tradition (Granovetter, 1985), and that represents a source of legitimization for the firm to act (Boschma, 2005; Letaifa & Rabeau, 2013). Put differently, firms should start afresh from their territories by intercepting local talents and involving the community in new models of local governance (Argiolas et al., 2009).

15.5.2 Community

The cornerstone of the analyzed ComCOs was the interest in meeting the communities' expectations to satisfy their needs. The main aspects that emerged were the following: active citizenship in terms of the citizens' involvement in revitalization activities and in local decisions; attention to social needs because the ComCOs aimed to find suitable tools to promote social actions and find new solutions to the problems experienced by the community; interest in solving community needs by innovating local development strategies; and intention to propose opportunities in ensuring community well-being and community employment. The community is composed of those who reside in a territory and show interest in the offered services or goods, not because of the needs of a particular individual or group, but because they live there. ComCOs are prone to satisfy citizens' needs by providing community goods. Citizenship becomes fundamental in terms of being an actor and a beneficiary of the ComCOs' services or goods. Active citizenship shows different motivations (Fung, 2009) and assumes several forms, in particular the co-production approach that delineates specific features of citizens' involvement (Ostrom, 1996). Citizen participation in ComCOs takes place through a business organization they own and citizens cease to be mere voters and become entrepreneurs as well.

Attention to the community in which companies carry out their activities is an essential element of companies that want to create value for their primary stakeholders. This element, closely interconnected with the previous one, that is, local roots, highlights the importance that must be attributed to the construction of a common sense that can, on the one hand, legitimize businesses to operate and, on the other hand, can involve citizens in supporting local businesses. In this sense, a virtuous circle of cooperation would be activated—on the one hand, the companies that produce products and services that respect the local identity and are oriented toward the satisfaction of resident citizens and, on the other hand, the citizens who incentivize these companies by becoming their customers and members.

15.5.3 Generativity

The analyzed ComCOs exhibit an intrinsic ability to generate something new for their local territories and for their communities. Instead of abandoning their small areas due to difficulties in the workplace, the founding members preferred to support the potential offered by their territory and their communities. They have founded successful companies that have restored working dignity to members and have generated an appropriate amount of activities with significant effects on their territories. This has triggered a positive process of developing new alternatives to escape the rural and mountain exodus, particularly by stimulating young people to become involved and find new answers to global challenges. The main elements that emerged were identifying new opportunities to ensure local development by involving citizenship and attracting visitors and customers also outside the local areas; social actions in terms of the creation and the subsequent activation of strong local ties through which suitable and effective actions for the community development can be identified; collective actions that referred to the inclusive initiatives that stimulated citizens to participate actively in the proposed social actions; creativity and innovation as the main drivers to identify new opportunities for local development and able to ensure communities' well-being.

In other words, ComCOs spread generativity (Erickson, 1981), that is, a propensity to generate something new, innovative, and capable of producing collective well-being. Specifically, generativity is the attention toward the well-being of future generations and is expressed in the stories that people tell and construct to make sense of their lives, to promote human renewal (Erickson, 1981; McAdams, 2013). Generativity could be an excellent stimulus to reshape past management models by suggesting a social action that is extremely effective not only for individuals to express their personality but also in fostering social development toward more qualitative dimensions (Magatti, 2017).

15.5.4 The LCG Model

The managerial lessons of the ComCOs enabled us to conceive the following management model (Fig. 15.2):

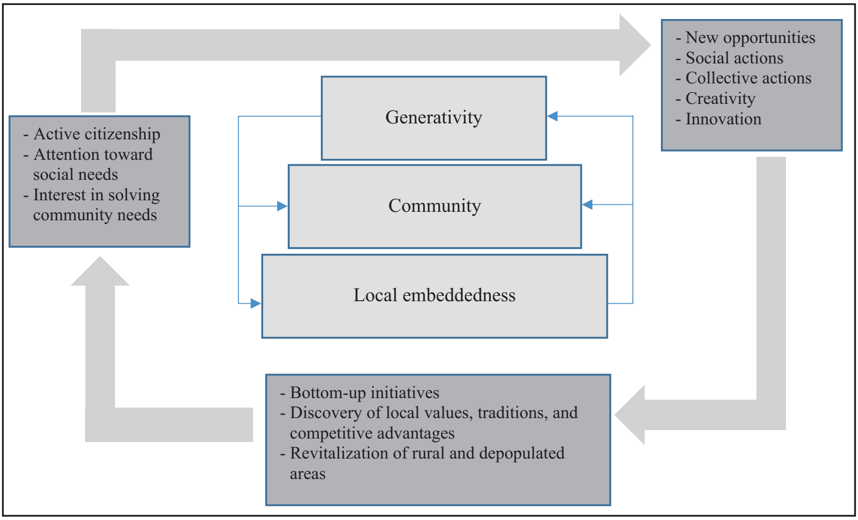

Fig. 15.2 The LCG management model. Source—Authors' elaboration

The proposed model, which emerged from the analysis of the four proposed cases, is based on three building blocks. Local embeddedness, representing the first of the building blocks, expresses the importance of the territory as a place capable of creating a sense of identity and identification, stimulating research, and the internalization of its traditions, values, and cultural and environmental heritage. This first building block activates the second building block, which refers to the community that operates within the territory in which the company is established and from which it draws its lifeblood. The community and the attention it receives call for the company to work for the production and supply of goods and services intended for the collective well-being. This circumstance stimulates citizens to be actors and beneficiaries at the same time, developing active citizenship aimed at creating new development opportunities. This building block enables the last part of the new management model: generativity. This refers to the ability to create something new and unique that can create positive effects for the community and the territory to which it belongs. This happens by innovating and changing old processes and perspectives and basing new strategies on the revitalization of places, particularly those that suffer from depopulation, poverty, and unemployment. In this manner, firms devise new local development paths based on the preservation of local identities and on the awareness of collective actions as the driving force for development that respects contexts, the environment, resources, and, in particular, people.

The LCG model, conceived from the suggestions made by ComCOs, can also be of good support for other kinds of companies that aim to shift their managerial models, creating value for themselves and others instead of utilizing obsolete development paths, which, given the current situation, have not proved adequate to face the current challenges. Specifically, the LCG model incorporates and enriches the previous managerial models, paying attention to the respect and enhancement of the territory, care for the community in terms of input and output of production and distribution processes, and the will to generate new opportunities for oneself and others.

In this sense, the companies that adopt this managerial model do not deny the importance of pursuing positive income results and, therefore, the importance of rationalizing resources and dividing tasks and roles among the various members of the company. These firms enrich the mentioned aspects through the care of the community and the activation of a sense of collective responsibility that highlights the importance citizens have as the first managers of their territories. Furthermore, this model is not self-pivotal. It acts as a stimulus for the generation of new and better opportunities that would not represent possible threats but constitute potential developments of network models oriented to the enhancement of local resources and local communities. It is evident that local embeddedness, community, and generativity activate processes of reciprocal influence, creating a circular process oriented to the activation of a bottom-up development model, which starts from the territory and returns to the territory, increasing in initial value.

15.6 Conclusion

With the spread of the COVID-19 pandemic and its economic and social impacts, the world faces a time of unprecedented uncertainty. It is a time when things that were previously unimaginable are now a reality. The mandatory shutdowns of non-essential businesses and the confinement of billions of people to their homes revamp societies and economies.

This chapter has proposed the LCG model as a valid alternative to the previous managerial models, which, especially in this period of the COVID-19 pandemic, have caused structural and organizational difficulties such as to bring about the definitive closure of numerous entrepreneurial activities. The LCG model, stimulated by a type of company, that is, community cooperatives, that has been able to survive the current crisis, highlights how managerial assumptions are mainly characterized by three mutually and dynamically interdependent pillars: local embeddedness, community, and generativity. The application of this management model also to other types of business could stimulate the latter to radically change the managerial models they have chosen, thereby contributing to a general development model based on lasting assumptions, oriented to the generation of continuous and better opportunities for the benefit of local communities, and respectful of territorial identities.

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16

The Role of Social Entrepreneurship in Community Recovery and Development in the Post-COVID-19 Pandemic Period

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16.1 Introduction

The idea of entrepreneurship has, in general, become increasingly important in society. Moreover, it has become specifically important when it comes to development and welfare. A number of the structural problems eliminated by entrepreneurship have, among many others, been lower

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unemployment tendencies and increased propensities for sovereign inventions and innovations (Abu-Saifan, 2012). To this end, social entrepreneurship is defined as the process whereby business owners channel their entrepreneurial activities toward the creation of social value. While social entrepreneurship might appear like entrepreneurship itself in the real sense, social entrepreneurship differs from real entrepreneurship in terms of the end objective. While the main objective of entrepreneurship is to satisfy needs profitably, with social entrepreneurship there is little or no focus on personal and business profit generation (Sahasranamam & Nandakumar, 2020).

Social entrepreneurship is a concept within the socio-economic space that replicates the need to address numerous societal problems imaginatively and justifiably. As introduced earlier, social enterprises are tailored to have a social impact rather than to generate a profit for their stakeholders. This objective could be achieved by providing market commodities in an entrepreneurial and innovative manner, using the proceeds to achieve social objectives such as bridging the gap between entrepreneurs who have access to social capital and those who do not. While traditional entrepreneurship is targeted at exploiting available market opportunities, social entrepreneurship is aimed at tackling market failure. Social enterprises contribute to national economic development through the re-investment of business profits to expand the benefits of target groups or voluntary organizations, such as orphanages and remand homes. Therefore, the objective of this chapter is to evaluate the role of social entrepreneurship as a panacea for community development and recovery. The chapter is organized as follows: The first section provides a definition of social entrepreneurship. The second section focuses on COVID-19 and social entrepreneurship in Nigeria. The third section presents an overview of emerging economies in Africa. The chapter concludes by providing the policy implications and suggestions for future research.

16.2 Definition of Social Entrepreneurship

Social entrepreneurship is a relatively new discipline that explains how entrepreneurs charge themselves with the responsibility of creating social value and usefulness to society in addition to achieving the economic objective for which the business was established (Abu-Saifan, 2012). This implies that entrepreneurs show dedication and passion for satisfying social good and improving well-being and that they are not only focused on a profit-making motive. Social entrepreneurship encompasses streams of activities and processes that lead to the creation and consolidation of social value by individuals, groups of citizens, and organizations (Pacut, 2020). The concept of social entrepreneurship has undeniably gained increased attention recently because of its ability to solve global issues (Agarwal et al., 2018). To ensure a proper understanding of social entrepreneurship and what it entails, certain key terms associated with it would be defined thus:

(i) *Social enterprise*: the entrepreneurial combination of societal targets with an emphasis on wider social, ecological, and community objectives;
(ii) *Social entrepreneur*: a person who creates and implements a product or service offering to tackle social problems;
(iii) *Social venture*: an initiative (a scheme, firm, or incident) aimed at societal innovation;
(iv) *Social start-up*: a new organization or enterprise established to solve social or environmental problems;
(v) *Social innovation*: the introduction of new models, ideas, and methods aimed at addressing socio-economic issues; and
(vi) *Social capital*: the social connections and resources an entrepreneur needs to attain physical (financial capital) and immaterial (human capital) assets necessary for solving social problems efficiently (Akintimehin et al., 2019; Dai et al., 2015).

According to Rahdari et al.'s (2016) research, the concept of social entrepreneurship is defined to be an essential cog in ensuring the attainment of Sustainable Development Goals (SDGs) through the creation and development of environmental values like poverty alleviation, employment generation, and waste management (Becker et al., 2017). Social entrepreneurship begins with small, local efforts, often confronting challenges within the locality that attracts global attention, such as accessibility to potable water, promoting small venture creation, or waste management. Social entrepreneurship leads to improved welfare of the society, adjusting to the pressing needs of the people by providing various packages of solutions for the problems of everyone (Kumar et al., 2019). In Uchehara's (2019) opinion, social entrepreneurship connects the missing link between the business and the social facts, with a focus on community and societal service rather than placing much emphasis on a company's profitability. Businesses in Nigeria try to adopt the concept of social entrepreneurship, as the government consciously or unconsciously endeavors to encourage social entrepreneurship behavior and foster social entrepreneurship with good public recognition and strong identification with the brand. Since social enterprises are established to accomplish social missions and combat the social challenges confronting the community, the wholesome characteristic of the social enterprise is that the social investor does not aim for any personal financial gain, except that the company should cover all costs and earn a profit (Pangriya, 2019).

Social entrepreneurship is important because it drives social good and social advantage, and it caters equally for the marginal population—women, children, the vulnerable—and also for society in general. Globally, social entrepreneurs address numerous unsolved social vices and challenges while enhancing human capital development around the world; hence, social entrepreneurship should be considered as a consequential factor toward global social good and economic prosperity (Javed et al., 2019), as the United Nations mentioned that the world needs holistic development in terms of economic, political, social, and environmental progress for sustainable coexistence on earth (Ugoani, 2019). Numerous countries across the globe are confronted with different social challenges that offer both economic and social opportunities. While economic entrepreneurship has a primary focus on wealth creation, social entrepreneurship focuses primarily on environmental protection and social value creation. Social entrepreneurs derive satisfaction when, together with their stakeholders, they can solve social problems that impede communal growth (Irawan et al., 2019).

Several researchers have investigated the role of various national government sectors supporting the activities of social entrepreneurship. Kim et al. (2014) examined the role of the Korean government in providing support for social enterprises within their economy, with a number of suggested and implemented regulatory mechanisms to support these enterprises for greater efficiency. Bozhikin et al. (2019) performed a meta-analytic review of 478 scientific pieces of research relating to social entrepreneurship and through this review their research could identify six levels on which the government can enable development of social entrepreneurship. Interestingly, their study further identified the role that non-state actors played in the social entrepreneurship sector. Méndez-Picazo et al. (2020) carried out an empirical investigation using 15-member countries of the Organisation for Economic Co-operation and Development (OECD) to investigate the effect of general and social entrepreneurship on sustainable development. The authors' general findings revealed that general entrepreneurship had a greater impact on sustainable development.

16.3 COVID-19 and Social Entrepreneurship in Nigeria

On February 27, 2020, COVID-19 came into the country through a foreigner who visited Nigeria (Nigeria Centre for Disease Control [NCDC]). In a bid to fight the spread of COVID-19, businesses have diverted their efforts from mere maximization of profit to the welfare of the country. In response to the virus, businesses and business owners made a unified effort to partner with the government in order to curb the spread of the virus. The Jack Ma Foundation donated materials to Nigeria for the fight against COVID-19. The donated items included 100,000 facemasks, 20,000 reagents for testing, and 913 face shields (NCDC). The federal government enforced phases of lockdown on the country. The lockdown, which was mostly felt by the poor families, further worsened their situation. To lessen the lockdown's effect on the underprivileged, wealthy Nigerians and various non-governmental organizations (NGOs) donated food items. Local equipment was also manufactured to help fight the virus. Ventilators were produced from local materials to ensure the availability of the medical equipment to treat patients. The motive was borne out of a need not to maximize profit but to treat patients in Nigeria.

Having identified the importance of forming a partnership to fight COVID-19, the private sector in Nigeria, through the Private Sector Coalition Against COVID-19, contributed immensely to the fight against COVID-19. The Central Bank of Nigeria and various private organizations led the initiative to collaborate with the government to address the pandemic. The private sector players contributed a massive 26 billion Naira (the equivalent of $72 million) (UN Women). Digital start-ups are not excluded from the collaboration, as they have been inventing equipment to help the affected persons.

16.4 An Overview of Emerging Economies in Africa

Africa is challenged with diverse problems ranging from climate change to potable water scarcity, biodiversity and ecosystem depletion, desertification, low resilience to natural disasters, the potential non-achievement of the Millennium Development Goals (MDGs), energy crises, food crises, limited benefits from globalization, health security, the global financial crisis, trafficking and piracy, low penetration of information and communications technology (ICT) services, urbanization, the need to develop better disaster response mechanisms, genetically modified crops concerning food security, technology transfer, and many others (Economic Commission for Africa, 2012). Despite these varying impediments, Africa still has a huge potential to do better and the key question should address what African countries need to do to achieve development. Africa was subjected to numerous forms of exploitation by the Western powers in the nineteenth century. The progressive population increment and concentration in Europe from around the early fifteenth century required an increasing supply of farmland, food, and energy, but there were also widespread epidemic diseases, wars, and exploitation by rulers and landlords (Park, 2019). Given Africa's growing importance and potentials for the emerging economies, both as a source of input and as future markets, most emerging economies seek to engage in strategic partnerships with Africa. In recent years, China, India, Turkey, the Republic of Korea, and Brazil have all held large bilateral summits specifically targeted at increasing cooperation with Africa, and Africa has been the major beneficiary of global aid disbursements (Kaplinsky & Farooki, 2009). Between 2000 and 2016, Africa experienced strong economic growth rates (averaging 4.6% annually), greater than Latin America and that of the Caribbean (2.8%), yet lower than developing Asia (7.2%). These strong economic growth rates in Africa resulted from high commodity prices, improved macro-economic management, and strategies to diversify growth.

16.5 A Review of Previous Pandemics and Their Impact on Africa's Emerging Economies

Africa is the most vulnerable continent with overwhelming populations susceptible to infectious diseases and is mostly predicted to be significantly affected by the outbreak of a pandemic. Therefore, this section summarizes the previous pandemic's observed direct and indirect effect on the growth of developing economies in Africa. Diseases and economic behavior are theoretically assumed to be inversely related. Diseases impact human health directly, that is, high morbidity and mortality may be brought about among countries' populations and the morbidity and mortality subsequently threaten the development of economic activities, productivity, and the general prosperity of society (Dauda, 2018).

Human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS), considered a global pandemic, is one of the leading causes of morbidity and mortality. Sub-Saharan Africa (SSA) is the region most affected by HIV/AIDS and recorded 61 percent of new infections in 2018 (Wikipedia). With about 10 percent of the world's population, sub-Saharan Africa has over two-thirds of the people living with HIV. This overwhelming number may be disastrous to the continent's economic well-being, as those affected are predominantly adults and women who are the key components of the labor force, thereby presenting serious economic hindrances to the growth of the African continent. The first cases of HIV and AIDS were reported in 1981 (Azuh et al., 2014). Two decades later, HIV/AIDS had already infected 40 million people worldwide out of which 28.5 million (approximately 75 percent) reside in Africa (UNAIDS, 2004). Nigeria has the second-largest HIV epidemic in the world and one of the highest rates of new infections in sub-Saharan Africa (Avert, 2019). In 2018, 1.9 million people lived with HIV/AIDS in Nigeria. New survey results indicate that Nigeria has an HIV prevalence of 1.4 percent among adults aged 15–49 (UNAIDS, 2019). This is not only a health issue but also a substantial threat to economic growth, as it indicates a gross reduction in productivity and manpower output of individuals within the employable and non-dependent age bracket. The desirable productivity in economic, industrial, mining, and agricultural activities will drastically reduce, thereby imposing a heavy burden on the affected individuals' families, on communal activities, and eventually on the economy by slowing the productivity of the labor workforce due to constant sickness, sick leave requests from work, and other issues.

The Ebola virus disease, another pandemic that distorted the economic progress of Africa, was a rare but severe and often fatal illness whose outbreak was first discovered in 1976. The largest outbreak in West Africa was, however, experienced between 2014 and 2016. This was the time of the Ebola epidemic's most severe impact. In December 2013, the epidemic began in Guinea and quickly spread to Liberia and Sierra Leone and led to a significant loss of human lives and suffering. The records indicated that more than 21,000 cases were being reported, more than 8000 people died, and numerous more have lost family members or became orphaned (World Bank Group, 2015), resulting in an incalculable human cost. According to the World Bank Group (2015), there was a marked reduction in travel and tourism not only in the directly affected countries but also across the continent. As a powerful vehicle for economic growth and job creation, lower growth in travel and tourism created economic concerns. The restriction of movements of goods and services, the quarantine of communities that are food baskets of the affected countries, the fear of trading with affected areas, the closure of borders, and international stigmatization that has raised premiums on ships berthing in West Africa have affected access to food (United Nation Development Group, 2015). The Ebola pandemic impacted people's consumption habits negatively and stimulated the prevalence of undernutrition. Furthermore, numerous health care facilities and workers were forced to close down and were diverted to take care of Ebola-related symptoms. Huber et al. (2018) suggested that the reduced availability of health care workers and diverted resources also significantly impacted the provision of care for diseases not related to the Ebola virus, such as malaria, tuberculosis, HIV/AIDS, and other diseases that claimed the lives of a number of the patients.

Furthermore, the COVID-19 pandemic is an ongoing global pandemic whose outbreak was first identified in Wuhan, China, in December 2019. The World Health Organization declared the outbreak a pandemic on March 11, 2020. As at the time of writing this chapter, there are more than 14.7 million cases in over 188 countries and over 610,000 deaths. The outbreak of the COVID-19 pandemic has undoubtedly distorted the economic, political, religious, and financial structure of the world economies. Nevertheless, developing economies and emerging markets like the African continent are the most severely affected by this twenty-first-century pandemic. In its April 2020 report, the Economic Commission for Africa (ECA) stated that COVID-19's impact on African economies could be the slowing of growth to 1.8 percent in the best-case scenario or a contraction of 2.6 percent in the worst case, which has the potential to push 27 million people into extreme poverty. Even if the spread of COVID-19 is suppressed in Africa, its economic damage will be unavoidable. The African continent is highly linked to the Chinese market and this makes the continent more vulnerable to economic damages (Africa International Trade and Commerce Research, 2020). The price of oil, which accounts for 40 percent of Africa's exports, has halved and major African exports, such as textiles and fresh-cut flowers, have crashed, as countries, especially China that happens to be the largest importer of such products, cut down on demand for such products and services; funds are now diverted to the health sector in a bid to curb the pandemic. Tourism—which accounts for up to 38 percent of the gross domestic product (GDP) of certain African countries—has effectively halted, as has the airline industry that supports it (ECA, 2020). Nigeria, Africa's most populous black nation, fared very poorly per capita between 2017 and 2020. The economy began to show symptoms of mild economic recovery just before the pandemic. Nigeria still depends on crude oil for economic growth. Undoubtedly, the impact of the COVID-19 pandemic will be felt across all sectors of the economy.

16.6 History of Humanistic Management

The word "humanistic" has its origin in the word "humanism." In the fifteenth century, the usage of this word was encouraged in Italy and spread from there. Humanism in its broader definition represents the ability of humans to think and reason (Huxley, 1957, 1961). To summarize the two divergent views, humanism is a major factor that shapes the actions and thought processes of humans in their communities. Management is a field directed at conducting the operations of enterprises in a productive manner and has been shaped by divergent views. It is impossible to differentiate between individuals and machine-like issues because in studying methods of operation and human relations (HR), the two cannot be separated (Follett, 1941). In the early stages of management study, the two words "humanistic management" (HM) did not appear together until the publication of *Management: A Humanistic Art* in 1967 (Lilienthal, 1967). During these early times, scholars had different views regarding humanistic management. It has been proposed that humanistic management encompasses the encouragement of employees by assigning more tasks and changing job tasks to promote fulfillment and efficiency (Herzberg, 1968). Lilienthal (1967) proposed a divergent view by positing that management should transverse beyond technical aspects to incorporate humanness; management will thus be considered as being humanistic. Humanistic management is similar to employee fulfillment (Swart, 1973).

Barnard showed how imperative it was for companies to honor people while promoting togetherness and bonding (Wolf, 1974). There was also a proposition concerning the organization and its culture. Corporate environments should therefore be amended such that the perception about human interactions, behaviors, and operations that impact and affect employees within the organizational culture will be modified (Cunningham & Tichy, 1983). Humanistic management was recognized as an avenue for efficiency and investment in human capital (Daley, 1986). Humanistic management relates significantly to the behavior and encouragement of employees (Daley, 1986). With a focus on organizations within the Western world, there should be a shift from a functionalistic approach to management to a radical humanistic approach (Aktour, 1992). Leadership should thus aim at focusing on humans and their inclusiveness (Plas, 1996). Policies should consider people. Organizational purpose and culture should be restructured such that people are considered beyond factors of production (Ghoshal & Bartlett, 1997). This is imperative to ensure that organizations promote the fulfillment of the employee. There is, thus, a need to make people the center of an organization's development (Pfeffer, 1998). The need to bring a humanistic approach to firms has also been recognized. Employees are valuable and should be treated as such. Their liberty must be upheld and must not be abused by authority (French & Bell, 1999).

Several scholars contributed to further the humanistic perspective to management. One such scholar was Follett who was considered the forerunner of modern management (Graham, 1995). Her perspective differs significantly from that of her counterparts. Contrary to Taylor's view, Follett (1940, 1987) was not focused on the intensity of efforts employees put into their work or the break given in between work to prevent tiredness. She was more focused on the harmonious relationship with employees. While complementing Follett's idea on the harmonious relationship, it is also of crucial value for making the individual integral to the business. In advancing the field, Barnard asked: What is an individual? What is a person? To what extent do people have the power of choice or free will (Barnard, 1968)? Following a comprehensive study of Barnard, it is important to note that humanistic values are important for comprehending the existence and theories of humanistic management. Barnard valued humans and the growth of their thinking, their activities, and their welfare (Wolf, 1974). Peter Drucker, one of the outstanding experts in management studies, also contributed to humanistic management through the principle of *communitarian* vision (Kurzynski, 2009; Schwartz, 2004). Working in an organization offers humans the platform to make contributions and attain success (Drucker, 1973).

Other scholarly views that may be considered as aligning with humanistic management include those of Elton (1933) and Mayo (1946) who emphasized the need for human behavior in organizations as well as those of Maslow (1954) who averred that human needs and motivations in behavior were vital. Adding to Mayo's study, McGregor (1960), Herzberg (1959, 1968, 1976), and Argyris (1957) emphasized the effect of creating an economic activity that promotes fulfillment, that eliminates hierarchy, and that encourages employees to be involved in decision making since the existence of these things will encourage productivity. The year 2000 brought with it an intense effort to develop the field of humanistic management. By leveraging on historical antecedents of humanistic management (HM), HM was viewed as a type of management that emphasizes and recognizes the state of being human, that focuses on the advancement of man to his maximum limit, and that considers all ramifications (Melé, 2003, p. 79). Drucker similarly averred the need to recognize humans to be integrated with management (Linkletter & Maciariello, 2011; Maciariello, 2014). Further to the development of humanistic management, the idea of humanistic management was institutionalized through the establishment of the Humanistic Management Network. The network was established to advance the cause of humanistic management by advocating for the incorporation of HM principles in the plans and policies of organizations (Spitzeck et al., 2009).

16.7 Humanistic Management Theory

Mary Parker Follett is regarded as the mother of modern humanistic management. Her focus lies in working together with employees (Follett, 1940, 1987). Her management theory focused on the following guidelines:

- *Fostering relationship:* Fostering relationships between and among high- and low-level staff will ensure a harmonious work relationship and existence within a company. Relationships should therefore be fostered through meetups and peer-to-peer learning organized within the organization.
- *Mutuality of interaction*: Further to a fostering relationship, employees provide mutual assistance to one another by engaging with each other. Similarly, there is a synergy of efforts.
- *Equality of efforts:* All efforts and services rendered by the employees will be considered equal. Each task is significant to the success of other tasks.
- *Consistency of efforts:* There must be a consistency of efforts among employees.

In addition to the above, Follett believed that employees should be made a full part of an organization. Collaboration should be encouraged to promote fulfillment. Similarly, collectivism should be promoted over individualism. One such framework that has been used to explain the humanistic management theory is the *mental framework*. The mental framework views business from a human perspective rather than from a technical perspective. From the human perspective, employees are, first and foremost, viewed as humans; they are not judged by what they can do for the company (von Kimakowitz et al., 2011). This piece of research will align itself via a three-step technique to humanistic management as practiced by the Humanistic Management Centre (von Kimakowitz et al., 2011, p. 5). The above-mentioned three-step technique comprises the following steps:

1. guaranteed human dignity;
2. incorporation of business ethics in decision making; and
3. continuous involvement of parties.

16.7.1 Guaranteed Human Dignity

The dignity of people, particularly of employees, must be guaranteed in business. Dignity means that a thing cannot be bought at any price. An adequate and prompt compensation regime and a healthy, conducive environment, among others, are means whereby companies can guarantee the dignity of their staff. The humanistic management theory thus ensures and advocates for the honorable treatment of employees by organizations.

16.7.2 Incorporation of Business Ethics in Decision Making

Humanistic management avers that ethical considerations should be introduced and involved in the decision-making process. By guaranteeing the dignity of employees, companies will evaluate their actions and only pursue activities that will advance the greater good—and this the company does willingly (von Kimakowitz et al., 2011).

16.7.3 Continuous Involvement of Parties

The involvement of all parties concerned is necessary for the companies to know how their employees fare within their employment. This involvement has to do with how the company's policies affect (Freeman, 1984). By ensuring the continuous involvement of parties, the company will enjoy wide acceptance among its employees. It will also promote the accountability of the organization and the common welfare of its people (von Kimakowitz et al., 2011). Various other scholars have also presented their views on the theory of humanistic management. Arnaud and Wasieleski (2014) view liberty at the workplace to be central to the theory of humanistic management. The Humanistic Management Network views the theory of humanistic management as management that evaluates the decisions of businesses based on three interconnected guidelines, namely that the dignity of the individual should always be guaranteed and protected; that business decisions must be rooted in ethics; and that corporate responsibility is integral to commencing and sustaining conversations with all parties concerned. The guidelines will enhance welfarism through employment opportunities that are beneficial to the world and favorable to individuals (www.humanetwork.org). There is a need for a structured management theory that perceives man in his wholesomeness, that is, a person who has rights and the ability to think and to acquire knowledge (Andreu & Rosanas, 2012, pp. 137–138). There is a need for a management theory to be directed at a humanistic approach that focuses on promoting the dignity of man (Dierksmeier, 2011a). Organizations that do not protect the dignity of man are termed non-humanistic. Humanistic management theory foresees a future where organizations are committed not only to creating a conducive environment for individuals but also to giving back to the community (Spitzeck, 2011).

From a case study of 19 companies that embraced humanistic management theory in their operations, one similar feature that emerged among the companies was the shift from a focus on profit accumulation to the promotion of welfare (Kimakowitz et al., 2011). Humanistic management is all about conversations and respect for the dignity of man. The conversation is tailored such that the parties concerned acquire new knowledge and knowledge that is wider than learning about the economic and technical aspects of work (Rodríguez-Luesma et al., 2014). Organizations that practice humanistic management should make their employees self-responsible and treat them as humans, not only as being part of labor. Humanistic management can thus be defined as management that recognizes and pursues the overall advancement of man (Melé, 2003a, b, p. 79).

Business leaders have a paradigm shift from a singular view of success to a multi-view of success. The actions and inactions of these business leaders are perceived to have long-term effects. Initially, these leaders were trained to avoid the complexities of business; now they are trained to include the complexities in their plans (Dierksmeier, 2016). Business leaders are no longer praised for their intelligence and commitment to the affected parties; now, they are concerned with increased obligations to other parties or the people who will be affected by their decisions

(Freeman et al., 2007; Werther & Chandler, 2010). Nowadays, the communities ask business leaders to pursue activities beyond the maximization of profits (Spitzeck et al., 2009). A new study has thus been undertaken on organizations not only to research their willingness to make profits but also to investigate the welfare activities they have undertaken (Melé & Dierksmeier, 2012). Stakeholder theorists argue that the economic person is self-centered and only concerned about satisfying his or her wants (Dierksmeier, 2011b). Humanistic management theorists believe that humans utilize their liberty to engage in communications that have a lasting effect and that view others as ends in themselves, not as means (Pirson & Lawrence, 2010). The humanistic model posits that internal motivation spurs human beings to develop themselves (Melé, 2003).

16.7.4 Humanism

Humanism is a principle that has as its focus the individual, his dignity, integrity, freedom, and development. The principle reinforces that man is not a means to an end. Instead, man is the bearer of his end. A man carries humanity in himself (Erich Fromm 1961). In humanism, employees are considered far more valuable than the instruments of profit-making (Melé, 2008). Julian Nida-Ruemelin (2008) provided four important elements of humanism, which will be discussed in this study. They are as follows:

- *Refinement*: The nature of humans is such that it can be refined through enlightenment and learning.
- *Reasoning and reason*: This refers to humans who are re-empowered with the ability to think and reason.
- *Universalism*: Humanism is universal. Humanism disallows for differentiation or discrimination based on culture, status, ethnic group, or nation.
- *Individualism*: Humanism is ingrained in principles that negate collective identities. It believes in the individual and addresses the individual as a unit rather than as an entity.

In organizations where humanism is upheld, the organizational culture is transformational such that the identity of the organization is created based on the relationship among employees (Brickson, 2007). Such organizations promote regular communication among their shareholders and are driven by a set of mutually agreed-upon values (Dierksmeier & Pirson, 2010). Organizations that are in a quest for purpose instead of a quest for wealth accumulation inspire their employees and stakeholders effectively (Collins & Porras, 2002), which, in turn, will affect their profitability. It is imperative to note that businesses are required to merge and synchronize profit and social outcomes (Sánchez, 2003). Yunus (2008) posits that segregation of social and economic dimensions in business is meaningless. Companies have now recognized the need for corporate social responsibility and social entrepreneurship in creating not only economic but also social values for themselves and the society in which they operate.

Social entrepreneurs are individuals who are committed to helping people and derive satisfaction, developing solutions rather than merely accumulating and amassing wealth (Yunus, 2008). Yunus went further to explain that these individuals are interested in forming a specialized enterprise, which may perhaps be profit-making or non-profit-making enterprises with no loss incurred. Three basic forms of social enterprises exist, namely external social enterprises, integrated social enterprises, and embedded social enterprises (Alter, 2006). Alter averred that the forms of social enterprise are based on the precedence or preference accorded to the financial and social sphere of the enterprise. An external social enterprise promotes social programs in a manner that is different from its profit-driven business operations. This usually involves partnerships with NGOs. An integrated social enterprise is synchronized and merged with the operation of the business or company. In an embedded social enterprise, business and social activities are pursued at the same time. Social programs are funded through the profit or income of the business (Pirson & Lawrence, 2010).

16.8 The Reinforcement of Humanism in Business Activities During the COVID-19 Pandemic

Capitalism has caused organizations to view human beings as a means to an end, with the end being the accumulation and maximization of wealth. The accumulation and maximization of wealth within a short period have encouraged the exploitation of labor (Aktouf & Holford, 2009). Companies believe that this is necessary to achieve corporate efficiency and rationality (Hirschman, 1997). Ironically, this approach has met with success, especially among companies in Western countries that are evaluated through their profit over a long period. Having evaluated the effect of this, it is hardly surprising that there has been a call for corporate ethics that emphasizes humanness (Aktouf & Holford, 2009).

There has been great segregation among top-level executives and low-level employees, which creates a division between mortality and immortality. Death is removed from businesses and employees are busy pursuing life such that businesses continue to operate for enduring times without death (Sievers, 1994). Sievers further expounded that businesses give immortality to a few members who sacrifice others. According to him, top-level executives become immortal while low-level employees are mortals. In aligning our thoughts with those of Sievers, it is hardly surprising that there is toxicity and competition among workers in most corporations and businesses across the world. Employees are committed to working at the detriment of their fellow employees to achieve promotions, have a pay rise, and attain the immortal position as described by Sievers. Aktouf and Holford (2009) made certain suggestions as departures from the management practices entrenched in capitalism. The suggestions are outlined as follows:

- Management practices and structures that are characterized by absolute rights and exceptional advantages are archaic and should be dismantled.
- Strategies used by top executives should be replaced.

- The scientific methods that include behavioral science, the science of decision making, and econometric models that have interfered with management theory should be changed.

Thus, for humanism to be reinforced with businesses the above-mentioned suggestions should be enforced.

16.8.1 The Role of Humanism in Ensuring Post-COVID-19 Pandemic Recovery

In the twentieth century, the term humanistic management surfaced in business and managerial literature only occasionally and mostly with a narrow meaning. Conceptually, humanism explains the significance and the normative value of human beings to the individual, to the community, and also to overall societal welfare. As such, the concept of humanism involves a critical reflection of how society is constituted and human beings interact socially with each other (Hans d'Orville, 2015). Humanist ethics believe that material growth should be undertaken as a collective good, which is to serve all members of a community, and that it is meant to enable the socio-economic progress of society. Global problems like climate change, environmental degradation, natural resources depletion, environmental and water pollution and the loss of biodiversity, growing social inequalities and lack of inclusion, economic uncertainty, shrinking cultural diversity and disappearing languages, social upheaval, new forms of conflict, and war put the progress of human civilization and the very core of the humanist idea to the test (Hans d'Orville, 2015). Humanism addresses everybody and is universal in its outreach (Pirson & Lawrence, 2010). In the humanistic view, human beings are guided by globally applicable principles to build and maintain long-term relationships. Humanism is intrinsically motivated to self-actualize and serves humanity through what those who support humanism do, that is, the persons are central and they are an integral part of their decision making, which is unlike the economistic approach where people become a mere part of the production or distribution processes, without full respect for their rationality, freedom, and capacity to grow as human beings (Melé, 2013).

The business should respect the humanity of people, always treating them as an end and never as a mere means; people should participate in business in a manner that is appropriate to each situation, seeking to protect others from feeling like simple receptors of orders; business should favor human potential in aspects, such as creativity, rationality, character, and strong social and human support, as this COVID-19 pandemic not only points to the need for humanism but exposes a strong purpose to focus on humanism. The pandemic has created an ultimate sense of solidarity and global connectedness to our shared human values, thereby creating a good base to re-kindle societal passion for humanism in the aspect of business and in all facets of society.

16.9 Implications and Conclusion

The COVID-19 pandemic has revealed that businesses should move from their objectives of merely accumulating and maximizing profits to promoting the welfare of people. There were concerted efforts to bring about this shift because it has been identified that without such collaboration COVID-19 will wreck the economy and hinder businesses from making profits. To promote humanistic management in entrepreneurship post-COVID, businesses are encouraged to change their mind-sets. The change starts with the mind of business leaders and HR heads. The mind should be restructured to prioritize the well-being of humanity over profits. Then, the well-being of employees should be paramount such that they can attain their full potential. It is necessary to infuse ethics education in business schools and higher institutions of learning such that business leaders can learn how to maintain a balance between business goals and the wellness of people at large (Swanson, 2004). Higher institutions of learning should train managers who will create an ethical and socially responsible environment in business (Alsop, 2006). COVID-19 has united humanity. It has dismantled class structure and has shown the world that we all need to take care of each other. Thus, businesses and entrepreneurs should hold on to this lesson post-COVID-19.

Several decades of research on entrepreneurship have focused on entrepreneurial ventures and their relationship to the ventures' success, economic development, and prosperity. Our review shows that the literature observes entrepreneurship from the economic perspective and that there is a limited amount of the extant scholarship that focuses on social entrepreneurship as a pertinent aid to communal prosperity and social wellness. First, most papers use the term social entrepreneurship simply to describe a non-governmental organization. The papers seldom discuss how entrepreneurialism and entrepreneurial ventures could concern themselves with societal good and communal well-being; most of their definitions are attributed to profitability and objective attainment. Second, social entrepreneurship is often broadly defined; it is applied to a wide range of organizations that differ in size, objectives, and beliefs. Thus, the value of borrowing the social construct from other disciplines, such as socio-ecology, to move research on entrepreneurship forward is currently limited. Based on these findings, we argue that future studies should incorporate insights from extant scholarship on social entrepreneurship and humanism. Specifically, researchers should take a more holistic view and explore different implications of social entrepreneurship and humanism not only in terms of crises or economic challenges. Most importantly, we call for empirical research on exploring the role social entrepreneurship plays in shaping the positive trajectory of social systems. By offering a timely review of the literature, we characterize the current state of knowledge and identify opportunities to integrate diverse and longitudinal sets of scholarship at the intersection of social entrepreneurship and humanism, especially in times of economic challenge or crisis. In this manner, we hope that future contributions move away from portraying entrepreneurial firms as mainly profit and innovative ventures that have little or no business with social welfarism and individuals; instead, we hope that future contributions move toward a more nuanced, critical discussion of the role social entrepreneurship plays in long-term communal sustainability and prosperity.

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17

The Possibility of "Bouncing Beyond" Today's Crises to a Flourishing World

Sandra Waddock

17.1 Exposing Cracks in the System

If there is one thing that the COVID-19 crisis has made clear, it is that there are significant cracks in the neoliberal economic order. Despite advances from behavioral and ecological economics, neoliberal economics still dominates the world today. For example, responses to the pandemic have exposed long-standing inequalities. COVID-19 has hit the poor significantly harder than the wealthy, and the poor disproportionately lose jobs or work in underpaid but essential positions. Governments in nations where there is a good degree of social cohesion and clear communal values appear to have controlled the virus significantly better than governments that approached the crisis with divisiveness and efforts to create competition to gain needed supplies. The importance of workers who became known as essential but whose efforts have previously been significantly undervalued (and who are still vastly underpaid) became

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manifest. Further, recognition dawned that their efforts to supply health care, food, pharmaceuticals, and delivery services, among others, were vital to survival during the pandemic. In certain places nature began to recover from human predations, with birds, fish, and other animals returning to places they had not been seen in years as economic activity and human traffic slowed. The streets became quiet as noise pollution slowed and the skies cleared such that vistas, unseen in eons, once again became visible.

Of course, the pandemic's economic impacts were also devastating, putting millions of people out of work. Many in lower pay ranges fell into even more precarious economic situations than they had already been in while working. Small businesses and restaurants shuttered—many of them never to return. In various places, people faced eviction from their homes because they did not have enough money to sustain themselves; hunger also became an enormous problem. Moreover, none of these issues even begins to deal with the pandemic's health and morbidity consequences, which were devastating in their impact. As of August 2022, nearly 600 million people have been affected by the virus and about six and a half million persons have died worldwide.

These circumstances have intensified issues of self-sufficiency—at the household, community, and national level, putting economic policies of purportedly free trade into question. What is required are new—or, more accurately perhaps, very ancient indigenous—means of fostering dignity and well-being for people affected by the crisis and stewardship of planetary resources. The economic policies that have played a large role in creating not only the global conditions in which the virus spread so rapidly but also the even greater threat looming from the climate emergency and species extinction ought to be changed.

Two other things became immediately obvious as the pandemic unfolded. First, there is no shortage of monetary resources when the situation is dire enough; governments simply print more money, borrowing in a sense from the future. Second, both governments and businesses can respond innovatively and quickly to emergency situations. Furthermore, governments and businesses can sustain those responses over significant periods of time—when they wish or need to. In that context, it became evident that a system transformation of significant proportions is possible when the will and motivation to change exists.

17.2 Bounce Back—Or Bounce Beyond?

The fractures evident in the economic order suggest a real need not to return to the purported normal that existed prior to the pandemic. In my country, the U.S., long-standing racial divides erupted, sometimes into violence in 2020. Moreover, the governmental response to the pandemic was (to understate things) less than ideal. Gaps in health care became even more apparent than they had been. The insecurity of many jobs and lack of real living wages meant that people already living precarious lives were at even more risk.

In that context, a return to the pre-existing normal appears anything but desirable to many observers—despite its familiarity and despite a number of people appearing to be unable or unwilling to envision anything different than what they were used to. That prior normal was a residue of years of neoliberal economic policy that had dramatically narrowed business purposes to wealth maximization, and operating practices to a brutal form of pseudo efficiency at all costs—socially, humanly, and ecologically. I say pseudo efficiency because companies in efficient mode were often able to externalize costs into the social and ecological environment—where damages in the form of inequalities and lack of sustainability have created enormous, almost incalculable, costs that have yet to be reckoned with. For example, the prior normal had created the growing inequality experienced by far too many. In many respects, the prior normal had created the climate crisis, with attendant deforestation, desertification, and extreme weather patterns that include droughts and floods, massive hurricanes, flooding downpours, and other extreme conditions.

As the economic havoc from the pandemic became clearer, powerful interests in business and politics in many places aligned to make serious efforts to return the system to something that resembled that which passed for normal prior to the pandemic. Headlines and banners appeared to shout out the desire for a return to normal, though few believed it possible. In mainstream press quarters, the desire for economic recovery to that which existed prior to the pandemic was almost palpable. For observers thinking through the lens of creating a different and more humanistic form of economics, that is, a new economics, however, the idea of bouncing back to how things were before the pandemic appeared less than optimal.

Simultaneously (and still emerging at this writing), new ideas and language about moving forward in different manners started to surface as the pandemic have continued. Language like "build back better," "bounce forward," "the great reset," "green recovery," and the "green new deal" began to gain currency—and suggests, uniquely, not a return to the neoliberal order but something perhaps quite different. The principles embedded in these emerging ideas align neatly with humanistic values. They provide a counterpoint to neoliberalism's dominant narrative. Neoliberalism argues that people are self-interested profit maximizers, that markets and trade are and always should be free (to benefit the already well-off), that responsibility is all individual and not shared, that competition and endless economic growth are always desirable, and the like (Waddock, 2016).

For example, the phrase "build back better," which was first used in a United Nations report on disaster risk reduction in 2015, was being popularized in the context of economic well-being by the Wellbeing Economy Alliance (WEAll). The idea even found a place in the 2020 presidential campaign of Joe Biden, former vice president of the U.S. WEAll's Build Back Better Framework emphasizes ten core principles, including economic goals encompassing being socially just and ecologically safe, green infrastructure and provisioning, protecting environmental standards, universal basic services, guaranteed livelihoods, fair distribution, better democracy, well-being economics organizations, cooperation, and public control of money (WEAll, 2020). The idea of bounce forward was promoted by, among others, resilience.org in the context of urban transitions and argued for a core set of principles that include respecting resource limits and creating resilience, promoting inclusivity and social justice, adopting subsidiarity, creating balance in many respects, learning, collaborating, positive visioning, and freely sharing ideas and power (Hopkins, 2020).

As a means of "repair[ing] economic and social damage brought by the coronavirus pandemic, kick-start[ing] European recovery, and protect[ing] and creat[ing] jobs," the European Commission of the European Union (EU) put forward what quickly became known as the green recovery plan in May 2020. The plan was agreed by EU leaders in July 2020 (European Commission, 2020). The plan was, according to the European Commission, meant to lead the EU out of the crisis, while simultaneously "laying the foundations for a modern and more sustainable Europe." In the U.S., a Green New Deal had already passed the U.S. House of Representatives in 2019. The above-mentioned new deal was, however, still stuck in limbo at this writing, demonstrating in certain respects a desire to bounce back to that which is considered normal. While the Green New Deal was proposed before the pandemic struck, it echoes the new deal that was passed in the U.S. in the 1940s during the Roosevelt administration to help the nation recover from the Great Depression. The Green New Deal has similar connotations to other efforts to bounce beyond the current economic paradigm to something different and, hopefully, better in the minds of its proposers.

Perhaps even more striking, the World Economic Forum, which comprised the leaders of the world's largest corporations, put forward the idea of the "great reset" in 2020 as a direct response to the pandemic to improve the state of the world in the aftermath of the pandemic (World Economic Forum, 2022). Launched by a group of powerful entities that have benefitted greatly from the pre-pandemic normal, the great reset claimed to take advantage of the opportunity that is inherent in crisis. The goal is to draw from the vision and vast expertise of the leaders within the World Economic Forum to build a new social contract that honors the dignity of every human being (WEF Great Reset, 2022). The idea of the great reset is to build an economic and social system that can help create a fairer, sustainable, and resilient future (WEF, 2022). From the website, it is clear that the WEF and at least a few of its leaders recognize the fractures in the current system, particularly in the neoliberal economic order that helps define that system.

What is less clear, however, is whether they will be willing to truly transform their enterprises in the manners that will be necessary to actually achieve real sustainability. Actual sustainability goes to transformation that brings businesses in line with nature's constraints, instead of simply being less unsustainable as John Ehrenfeld and Andrew Hoffman put it in their book *Flourishing* (Ehrenfeld & Hoffman, 2013). Indeed, it is unclear whether business leaders truly understand the extent to which transformation demands fundamental changes in their enterprises—and in the economic system and business/public policy ecosystems that support them. Still, the great reset and the thinking behind it is a terrific start on the transformation needed—despite that it very likely needs to go much further than its proposers fully realize. We need to find new means to bounce beyond today's economic systems.

17.3 Emerging Bounce Beyond

Many observers watch things like the transgression of (to date) four of the nine planetary boundaries identified by the Stockholm Resilience Institute (e.g., Steffen et al., 2015). Scientists are keenly aware of ongoing and deeply troubling species extinction (Diaz et al., 2019). Ecologists and others have identified numerous socio-ecological problems (e.g., Scrutton, 2020; WWF, 2018) and have called what the world faced even before the pandemic a climate emergency (Ripple et al., 2019). Still others (including humanistic management thinkers) studied the manifold social and ecological crises facing the world, which are compounded by the pandemic's impacts, and argue that today's neoliberal economic system needs radical change.

Arguably, the pandemic poses an opportunity, found in the depth of its crisis, to move the whole economic system toward a world in which dignity is accorded to all humans—and arguably to all of nature (Waddock, 2015; Korten, 2015; Lovins et al., 2018). This shift can only occur, however, if we do not merely bounce back but rather bounce beyond today's dominant economic narrative and institutional structures to really transform economics by building well-being for all into its core.

How is such a transformation to take place when powerful interests are aligned to try as much as feasible to retain the status quo—even while acknowledging a number of its flaws in certain instances (see Andersen, 2020, for an insightful glimpse of how that has been accomplished)? That is where transformation catalysts like an emerging initiative called Bounce Beyond (BB), which (full disclosure) I have helped develop, come into play. A transformation catalyst is an entity that works to connect, cohere, and amplify transformative actions that take place in a variety of different and previously unconnected initiatives and entities (Waddock et al., 2020). The BB initiative, which is currently emerging as a transformation catalyst, is an outgrowth of the SDG Transformations Forum (https://transformationsforum.net/) founded by change agent, networker, and community organizer Steve Waddell and a group of transformation actors following a conference called Transformations 2017, held in Dundee, Scotland. BB is still very much emerging and therefore the description that follows speaks to its aspirations and intentions, rather than (at this point) its achievements.

The Transformations Forum brings together numerous actors in a range of working groups. Working groups are oriented toward transforming key systems, including capacity/leadership development, evaluation processes, finance systems (including funding and philanthropy), governance and organizing, innovation, and narratives as Fig. 17.1 shows.

Other working groups emphasized transforming places or regions, transforming sectors or land and people systems, and transforming system analysis. These different transformation pathways, to use jargon, are headed by stewardship teams who recognize the complex nature of system transformation and work from a variety of perspectives toward bringing it about.

When the COVID-19 pandemic hit the world, it immediately became clear to Waddell and others in the Forum that the pandemic created not only a crisis, but also an opportunity for transformation. Indeed, the rapid responses of many governments, businesses, and other institutions to the crisis made clear that transformation is not only possible—but in many cases desirable—and desired. It was in that context that the Bounce Beyond initiative was born. Although funding was and is scarce, Waddell formed a design team that worked throughout the late spring and summer of 2020 to develop a framework for BB that could enable funds to be raised and transformational efforts to be supported, and that continues working to develop both understanding and practice of system transformation at this writing.

Bounce Beyond observes (and maps) relevant systems, connects key actors in a system such that they can come together in new manners, cohere their efforts, and take strategic actions to make impactful change, thereby amplifying their efforts, often from a bottom-up

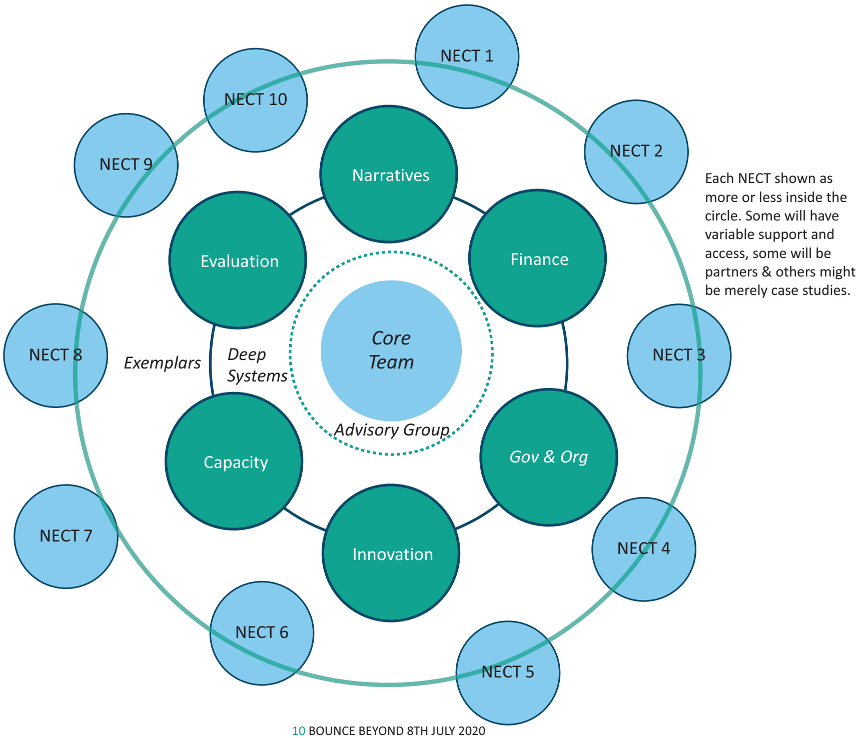

Fig. 17.1 Core components of the Bounce Beyond initiative (Peter Jones, July 2020). NECTs are new economy initiatives collaborating for transformation (though as of 2022, this terminology has shifted)

perspective (see Fig. 17.2 for a visual image and Table 17.1 with the narrative of what BB attempts to do). The phrase connect, cohere, and amplify societal change efforts already underway which are currently fragmented and insufficiently connected to overcome inertial forces in the system guides much of the planning taking place in BB.

BB is an aspirational project that makes an effort to follow Buckminster Fuller's advice, "You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete." That is, BB intends to make an effort through a variety of approaches to build a better world by connecting ongoing new

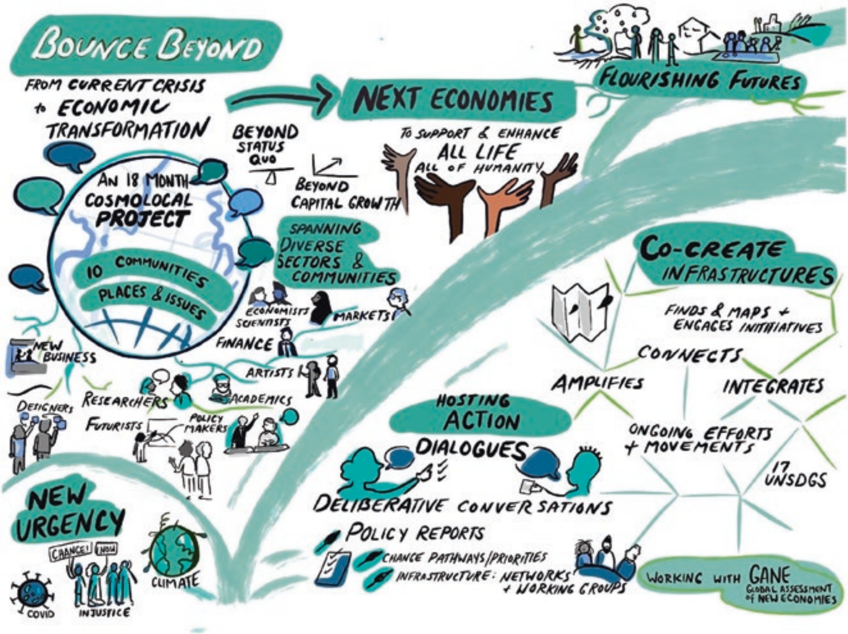

Fig. 17.2 Sketchnote of Bounce Beyond by Patricia Kambitsch (2020)

economies or next economies initiatives that already develop better economic and societal models that integrate humanistic values of well-being and dignity for all. A core idea is to counter in practice the dominant neoliberal narrative or story that informs much business practice today. The neoliberal narrative tells us that continual growth is possible and desirable on a finite planet. It argues that people and the business actors they create are nothing but self-interested profit maximizers and that markets are and always should be free. The neoliberal narrative further posits that responsibility belongs only to individuals (and is not shared). In the words of Margaret Thatcher, "[t]here is no such thing as society", thus governments are inefficient and ineffective and therefore need to be "kept off our backs" to echo Ronald Reagan (Fig. 17.2).

BB is closely aligned with another more academic initiative called the Global Assessment for New Economics (GANE), which has gathered ideas from the "heterodox" economics literature about reframing

Table 17.1 Bounce Beyond: Enhancing, amplifying, connecting, and cohering efforts to move toward a flourishing future of people-centered and life-centered economies (as of 2020)

The COVID-19 pandemic has provoked humanity to face the winter of our soul, a time of stasis and dormancy. At the same time, nature has shown us that it can bounce back very quickly when our human behavior allows it to do so. It is a renewal that has already begun, as our destructive economic practices have stalled.

In this chaos, there is much talk of how our economics and economies must and will bounce back, but if we only bounce back, we will create the same patterns as before. Everything we do, are, eat, wear, live in, consume, and manufacture comes from nature. We humans are interdependent with and fully dependent upon all of nature's regenerative capacities and diversity for our survival. Sadly, many of today's dominant economic practices that shape our societies fail to recognize this fundamental reality. Too many humans are also devalued in these practices.

It is time not to bounce back but to bounce beyond into new approaches to economy, economies, and economics. In ecology and economy, the "eco" means our house, our home. It is time for us to respect, manage, and care for our planetary home by respecting it and all that live in and on it such that all can flourish. The voices and intelligence of youth, of women, of the feminine and female, of those who currently have no or an insufficient voice in the shaping, deciding, and making real of our forward path must be present and have agency. Now.

There are many initiatives and efforts operating around the world, working hard to bring this recognition into life with people-centered economies. The problem is that they mostly act independently of each other and therefore they have insufficient ability to generate the powerful transformation systems needed to bring about real change.

Bounce Beyond[a] *is an SDG Transformations Forum initiative that aims to identify, connect, and support these fragmented efforts into coherent, amplified, and enhanced systems of transformation. Collectively, these systems can effectively and quickly bring about new life and people-centered economies in the turbulence and wake of the pandemic.*

Working together, we believe that Bounce Beyond can reaffirm the value of all of life in and through our economies. Together we can create economies that serve all their people and simultaneously preserve and sanctify all of life instead of producing financial wealth for the very few at shocking cost to our masses and nature—and ultimately ourselves.

Bounce Beyond is an initiative, a manner of thinking and working together that recognizes that in the dormancy of winter comes the possibility and great potential of regeneration and renewal. Spring is on the way. Bounce Beyond will only work if everyone who currently works for the vision of life-centered and people-centered economies can put their efforts together in the interests of a future where all can thrive.

[a]The BB design team as of 2020 included Steve Waddell, Ian Kendrick, Indra Adnan, Karen Downes, Peter Jones, Meenakshi Gupta, Eduard Muller, Jasper Kenter, and Sandra Waddock, with several others participating in different activities at different points in time

economies from many articles. BB aims to foster life-centered economies and, ultimately in its more recent work, system transformation. To build understanding of the values associated with life-giving economics, I made use of numerous economic thinkers to articulate six principles or tenets that underpin life-centered economies: stewardship of the whole; co-creating collective value; governance through cosmopolitan localism; regeneration, reciprocity, and circularity; relationship and connectedness; and equitable markets and trade (Waddock, 2020).

This framing around life-centered economies consolidates a lot of different manners of thinking about what are frequently considered as alternatives to neoliberalism. For example, well-being economics, ecological economics, Kate Raworth's (2017) doughnut economics, environmental economics, and numerous others, all aim, like humanistic management, at putting well-being, dignity, and flourishing for all—where all includes all living beings—at the core of our economies and the societies that spawn them. One description of BB's aspirations, taken from a working document, can be seen in the box, which is a joint product of the BB design team (Table 17.1).

17.4 Transformation and Transformation Catalysts

One thing that has become clearer in the context of the global pandemic is that transformation is possible when the political and societal will is present in a system. Whether the will that has been generated by the pandemic will withstand the pressures to bounce back as much as possible is still in question. Arguably, however, a full return to normal is impossible, given the complex, interactive, and interdependent nature of elements in socio-economic systems and the reality that so much has already changed. Things have changed and will likely change more. The key is to try to find means to guide those changes in the direction of well-being or life-centered economies instead of allowing efforts to drive them back to neoliberalism to prevail.

Furthermore, BB and the SDG Transformations Forum are far from the only transformation catalysts to have emerged during the pandemic, gathering the ideas, inputs, and creative energies of many, many people around the world and attempting to coalesce those energies into concerted action toward what BB calls life-centered economies (to use the synthesis framing). Among numerous others, such as the World Economic Forum's great reset mentioned above, there is a group called Imperative 21, which links actors to reset capitalism toward an economic system that delivers shared well-being on a healthy planet. Add in WEAll, the Wellbeing Economy Alliance, which now has more than 200 new/next economy allies, to accomplish much the same mission of bringing about well-being economies, and which acts on multiple pathways simultaneously. Catalyst 2030 is yet another transformation catalyst that brings together NGOs, social enterprises, intermediaries, funders, and social change innovators in an effort to achieve the United Nation's 17 Sustainable Development Goals.

These initiatives are only a few of many that might be mentioned that bring people together across differences to try to coalesce and amplify their efforts. Indeed, many actors—just in the few mentioned—participate across initiatives, linking them, because there is increasing recognition that such concerted efforts will be needed to bring about real system transformation. Transformation, after all, is change that affects the fundamentals of systems, changing basic assumptions and operating practices, renewing and refreshing relationships in different manners. Transformation can be guided—but not planned via traditional approaches; thus, the emphasis in most of the transformation catalysts named (and others not named) is on engaging many people in a process of change guided by shared visions and values such that they act collectively and independently (as desired) to achieve the long-term vision of well-being and flourishing for all.

In many respects BB, like the other above-mentioned transformation catalysts, is still itself an aspiration. Nonetheless, it is clear from the numerous such entities that have rapidly proliferated during the pandemic, many initially supported by volunteer efforts, that developing an aspirational and hopeful sense of possibility draws many people into new thinking. There is an obvious hunger for change and even transformation. The devastating effects of the pandemic, the growth of inequality, the destructive impacts of climate change and other sustainability issues, the loss of species, and many other societal problems can all be associated with the neoliberal order that dominates today. It is past time for a change to life-centered economies. Transformation catalysts collectively aspire to bounce beyond neoliberalism to something that honors all of life and brings us, humans, into a harmonized relationship with nature herself. Bounce Beyond is one effort to create the momentum for such change to happen.

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18

Learning from the COVID-19 Crisis and Conclusions for Humanistic Crisis Management

Wolfgang Amann

After delving deep into the foundations and stakeholder views, selected sectors, regional factors, and levers for positive change, it is now time to distill key insights on how to manage crises in a humanistic manner based on lessons from COVID-19. In the following, we discuss seven principles based on our analysis of the various chapters presented above and summarize them in the following table.

First, we need to acknowledge that COVID-19 appears to be a crisis of unforeseen proportions—an extreme event. It is a nightmare for all humanists and humanistic-management-oriented individuals and organizations, as human dignity is gravely assaulted. COVID-19 does discriminate between the rich and the poor—affecting the poor far more severely. It can easily overwhelm the elderly and working mothers to name just two stakeholder groups we have discussed in this book. Regionally, COVID-19 affects developing countries in a particularly harsh manner, owing to the deficiency in financial resilience. The

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2007–2009 financial crisis, and the burst of the dot-com bubble before that in 2001, left financial impact but did not see schools and houses of worship being closed or the elderly being deprived of much-needed social interaction. This extreme event should mobilize and unite in order to create the much-needed momentum. Kotter (2009) opines that the ability to create a shared sense of urgency is a prerequisite for effective and holistic change. Now, in 2021, there is a need critically reflect on the extent to which not only leaders but also each individual has the ability to mobilize and create such a sense of urgency. The chapters presented in this book show that change came too late in too many cases.

Second, we reason that COVID-19 is not a black swan event. Taleb et al. (2020) characterize a black swan as an occurrence that is unpredictable, is highly unlikely, has impact that is off the charts if not catastrophic if it materializes, and, in hindsight, more and more people admit they should have seen it coming. Avishai (2020) collects quotes by experts and public figures including Nassim Taleb and Bill Gates predicting this crisis. Even in January 2020 when the virus was still largely contained in China, Taleb et al. (2020) published a warning that if governments do not act now for pennies, they would have to pay trillions, which is exactly what happened later. The cost of even simpler masks would have been a mere fraction of the stimulus programs launched internationally.

The authors also showed that such extreme occurrences have become more likely and that our expectation should not focus on average occurrences in a world that is very interconnected (Table 18.1).

Third, there are no detours or short cuts when it comes to holistic crisis management. Our chapter authors illustrated misinformation by governments and media. In today's world, wrongdoings have a higher likelihood of being detected, be it by investigative journalists, other politicians, or researchers who research and compare globally what is being done or not.

Fourth, in light of the frequently chosen detours, humanism in (crisis) management emerges more strongly than ever as the guiding value and an orientation for one's action. As part of an inquiry-based leadership approach, catalysts for change and key decision makers merely have to ask which option protects human dignity the best or which option fosters human dignity the most. This is where the logic of humanism in business offers tremendous potential. It provides an opportunity to simplify

Table 18.1 Seven principles of humanistic crisis management

Principles
(1) Acknowledging frequency and diversity of crises after building awareness
(2) Embracing risks and responsibilities of an interconnected world
(3) Committing to holistic solutions, not detours or short cuts
(4) Orienting all discussions and action toward human dignity
(5) Learning globally while building local solutions
(6) Distinguishing the need for action on all levels (bio, duo, co, and mundo)
(7) Committing to constant and never-ending improvement
(8) Professionalizing learning toward deutero-learning

discussions and choices. It provides a clear process for framing and advancing issues. Humanistic management follows three steps. It starts by establishing and never violating an unconditional respect for human dignity. It continues by integrating ethical reflections in the decision-making process and, finally, pursues an approach with active and ongoing engagement with stakeholders. It is clear from our chapters that how these steps are implemented may vary somewhat to comply with local cultures. For example, the values and norms in China provide an additional boundary condition to work with when shaping solutions. Yet, at this point in time, it is necessary to reflect on the very degree to which we were able to acknowledge human dignity and integrate ethical reflections; particularly, it is necessary to reflect on freedom as outlined in various chapters and whether we were considerate of the stakeholders' needs and voices.

Fifth, leadership and management are not entirely culture free. This also means that crisis management is culture bound. In this volume, we intentionally included a diversity of authors with diverging opinions, working on different contexts. The logic was already alluded to in the introduction chapter. More ideas are better than fewer—and more diverse ideas are better than more of simply the same. Therefore, we add two more elements to humanistic crisis management. One is that humanistic crisis management relies heavily on seeking new inspiration from heterogeneous environments. Leaders and decision makers should not merely rely on past solutions that might have worked for fundamentally different issues. Today's speed of information sharing and the quality of studies rapidly put together by consultants, such as the previously mentioned one by PWC on ADAPT, can help improve the quality of solutions. Simultaneously, however, we encourage to make a distinction between seeking inspiration versus a subsequent adaptation to one local context. The power and level of professionalism of governments and the media, the level of development of a country's healthcare infrastructure, the general level of self-discipline, trust in one's institution and interest in complying with instructions appear to diverge drastically when we analyze how COVID-19 was managed internationally. This necessitates situational, local solutions and not a mere copy-and-paste approach of a foreign solution without due diligence.

Sixth, humanistic crisis management acknowledges that there are different levels where progress has to be made. Be it one's own level (bio), the manner in which we interact with our fellow citizen or cooperation partner including a supplier or landlord (duo), the approach to advance groups and larger entities (co), or society at large (mundo), it would be a missed opportunity and lack of holistic development if not all four levels evolve over time.

Next to this multi-level view, our final feature of humanistic crisis management foresees constant and never-ending improvement (CANI) as a principle and that the CANI principle will be applied on all these four levels. On the individual's level, we encourage to make use of personal lessons on how the crisis was managed and how to bounce back and beyond positively—the same needs to be done on the other levels. Simultaneously, it is about moving from reactive to proactive action. Learning is key to success and this is where executive education can help build the resilience and habits of CANI as part of leadership as well as organizational and personal development. Visser (2007) details a powerful learning model critically, which foresees three types of learning as visualized in Fig. 18.1.

Single-loop learning refers to the rather simple search process for a solution with the desired consequences as well as success. Once such a solution is found for a given dilemma in a crisis, the resulting initiatives are copied and pasted in the future. In turn, double-loop learning reaches further and possibly integrates more stakeholder interests into the process and outcomes. Double-loop learning simply reaches for higher goals and a better quality of solutions. Great humanistic crisis management,

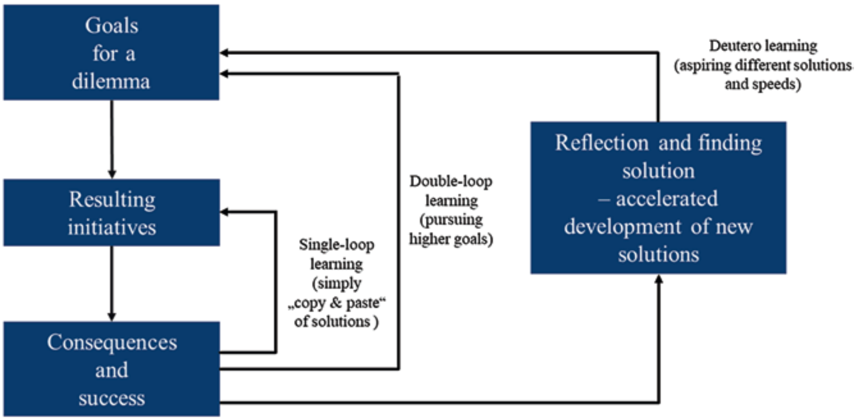

Fig. 18.1 Learning loops as part of humanistic crisis management. Source: Based on Visser (2007)

however, does not stop there. It acknowledges the necessity to pursue and make progress with deutero-learning. Based on critical reflection on the bio, duo, co, and mundo levels, individuals ponder about how to solve the dilemma more fundamentally, on the one hand, and how to do so at a much better speed, on the other hand. How could the problem-solving process be accelerated for potential next crises, which might be of a yet unknown but different nature? What are the roadblocks that will prevent more speed and how to remove them? How to effectively build more resilience and proactive approaches for the future? As of now, we have not yet noticed this deutero-learning being triggered. Similar to the 2007–2009 financial crisis, drastic levels of new debt were accumulated without a chance to pay back these sums in the foreseeable future—an approach that creates or aggravates other crises instead of anticipating issues holistically.

Distilling these seven principles brings us to the end of this book. We very much acknowledge that since we finalize this book, COVID-19 has not stopped haunting the world. However, this should not impede commencing with learning from this crisis. If we as book editors and with the help of the chapter authors inspired you, provided you with more glimpses into different solutions in stakeholder groups, sectors, or regions, along with a number of levers for change, we have reached our goal. We are likely to encounter further crises. As Taleb et al. (2020) clarify, it will be more common to have a crisis than live without one and the gravity of these crises will be more extreme and not merely average. As Gaskell (2019) notes, our speed of learning might well be the only advantage we have. As editors, we wish you good luck in your accelerated learning journey!

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