

From Crisis to Opportunity: The Future of Business in the Wake of Current Events

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ABSTRACT

Recently, over the decade so many things are changing and happening all over the globe. It seems like a new era of world started from 2020. Constantly, the planet is going through changes, whether it would be a political change, social, economic/financial, or emotional/empathically. This world and its habitants learned so many things from the ongoing recent event. Despite of several differences some incidents make the world to stand together, some incidents totally separated and devastated the certain community and make them to stand apart. Through this paper author is putting a light over the impact of these changes in the world of business. In this paper we are going to discuss impact of these events, on the business trends and future of business. A survey is conducted among students related to correlate these two. This paper discusses whether the businesses got an opportunity to flourish or suffered in the view of current scenarios.

Keywords: *Climate change; Current events; Future of business; Pandemic; Recession; Wars.*

1.0 Introduction

Recently, business world facing the two sides of coin parallelly. Due, to pandemic and climate changes many countries face a huge loss and capital crisis on the other hand some country turns this pandemic into opportunity their innovative ideas. This corona breakdown created a threat for life as well as livelihood. After the worldwide lockdown many industries faces the huge losses but on the other hand some industries got a huge hike in their market value. For example, travelling business drastically dropdown after covid breakdown and so many airlines companies suffered a huge loss (Fontanet-Pérez, Vázquez, and Carou 2022). But on the other side, the entertainment industry, and the online educational platform got enormous hike in their market value. For example, Physics Wallah, Netflix etc. Almost all the organizations are going through the constant transformation. Traditional way of business marketing is no more in trend now (Knight et al. 2022). Over the top of all the constant power shift, socio-economic condition, climate change is happening and these organizations must contend the need of all these changes.

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As a result of the war in Ukraine, the era of not scrutinizing supply chains, trusting suppliers, and optimizing for cost is likely to come to an end (Anon 2020a). In addition to global uncertainties, enterprises may face threats and risks as a result of domestic government policy (Elnaggar and Elsayed 2023). All the organizations must have to learn to fit themselves into these transformations taking place over the global village. While executives intend to broaden almost all tech competencies as part of their future digital transformations, the key to success is human resources (IBM Institute for Business Value 2020). Among all these topsy turvy changes small business are suffering the most (Helgeson et al. 2022). They did mass layoffs, faced risk of closure and financial fragility (Bartik et al. 2020). But as we say, every coin has two faces. These events also affecting business in the two ways. On one hand many businesses are facing crisis, meanwhile on the other hand some businesses are turning these into opportunities through their innovative ideas. To measure the effect of current event on the future of business in this paper the author has chosen four major scales: pandemic, wars, recession, and climate change. Although we have discussed some other scenarios also like AI taking place of human resources, idea of those business will grow in future which are environment friendly etc.

1.1 Objectives of the study

- The study aims to explore the affects of currents on the future of business through relating the impact of ongoing events on business these days. For this process, four major ongoing incidents are chosen to conduct the research.
- Pandemic (in the wake of covid-19)
- Wars (in the wake of Russia-Ukraine war)
- Climate change (in the wake of natural calamities taking place all over the globe like flood in Pakistan, earthquake in Türkiye)
- Recession (inflation all over the globe like Sri Lanka)
- A survey is conducted among students to establish the relation between these events and business.
- Based on the responses received analysis is done about the future of business.

2.0 Review of Literature

While discussing about the future era business we have to keep some key attributes in mind like what will be the strategy, who will be the consumer in future behavior, how supply chains will be implemented, which business models will be followed, and how emerging technologies will be utilized (Ahmad et al. 2023). In future decision making system with the help of big data analytics is going to play a vital role in making decision about the business, for predicting customers demand, market trend etc. (Chen et al. 2022). After digitalization, time and space is no more hurdle in expanding any business and digital presence is possible at anywhere (MCGINNIS 2019).

According to the report of Forbes the popular Business trends in 2022 were:

Trend 1: Sustainable, Resilient Operations.

- As the sustainability is associated with resilience and hence resilient means underdog (promising and able to be beneficial for long term).
- Those businesses who ignore sustainability fail to stay for long in this competitive and conscious era.

Trend 2: The balance between human workers and intelligent robots.

- After the emergence of AI, unskilled humans are replaced by the intelligent and smart machines gradually.
- So, it is the prime duty of any organization to establish a strong balance between humans and machines.

Trend 3: The shifting talent pool and changing employee experience.

- Most of the industries now prefer to hire smart workers rather than hard workers. They are hiring one highly skilled employee for two or three days in a week rather than hiring 10 employees for the whole week.
- One more trend is going on in IT industry is that non-IT people are switching towards IT industry because of its lucrative incentives.

Literature study over the ongoing events in the world, concludes that, these industries will for sure go on to grow enormously in the future:

- Warfare industry: Due to political differences countries are just behind each other to gain power. For this they are spending a lot of money on weapons, manpower training and nuclear power etc.
- Cyber Security industry: In correlation with the warfare industry cyber security industry is also growing parallelly. Most of the organizations/state are spending a lot of capital over cyber security industry.
- Entertainment industry: With the emergence of digital era people become cozier. When the entertainment is available on a single click, they do not want to spend much more on other recreational activities. This generation is somehow addicted with Netflix, online gaming etc.
- E-commerce industry: A large section of population now, prefer to do shopping online. This is saving their time and travelling expenses.
- Health-care industry: This industry will remain growing and growing in future also.

Categorizing the industrial area and effect of ongoing event on their economy. Four major events chosen are Pandemic, Recession, Climate Change and Wars.

- Pandemic: In the recent pandemic the tourism and transportation industry suffered the most. Economy of many powerful country suffered and their GDP dropped down. Now, the post effect of pandemic is that so many countries are facing inflation. Europe emerges as the most suffered continent over the globe from this pandemic (Anon 2020b). Spain becomes the one of European country with largest drop in Gross Domestic Product (Pinilla et al. 2021). Stock market undergoes through a lot of fluctuations after the

lockdown was announced globally (Xie and Zhou 2022). Shipping trade; importing and exporting the goods, almost got banned all over the globe (Verschuur, Koks, and Hall 2021). Most of time when economic is draining people want to spent over the basic needs only. So, the industry who are meant for the elite class hobbyist or their passions suffered a lot. Horse market is among one of those industry. Horse-owners were at the verge of starving as nobody was willing to spend over the horse industry (Huseman et al. 2021). During evacuating their citizen from any country, it was mandatory to do their full medical checkup. This boosted the country medical economy as well overburdened them with extra workload (Şencan and Kuzı 2020). The industry who got boost in its economy during this pandemic is pharmaceutical industry. People in fear just taking a lot of medicines to keep themselves covid free. Even powerful country like USA with good economy depends upon the country India for the pharmaceutical needs. India is not fulfilling the pharmaceutical needs of its 1.3 billion population but also aiding the 40% of USA pharmaceutical needs. They exported medicine hydroxychloroquine to these countries (Guerin, Singh-Phulgenda, and Strub-Wourgaft 2020). Due, to the manufacture place of hydroxychloroquine India got a worldwide appreciation. Creating a vaccine for this novel disease is a challenge itself. It became a headache for healthcare industry. Tackling this situation is really an exhausting process but healthcare industry is the one who benefited a lot from this pandemic (Koch, Fathi, and Addo 2021). On the ground so many cases of black market of Oxygen cylinder and covid aids happens. On the other hand there are some countries whose economy neither boosted nor much affected like Turkey (Açıkgöz and Günay 2020). So, in overall we can say that from this pandemic small businesses and side hustles suffered the most and healthcare industry suffered the less.

- **Climate Change:** Rapid climate change also affected the business and economy all over the globe. Due to global warming and high pollution rate now sustainable development in demand and in future also so companies would likely to spend over the technology for sustainable development. Because, climate change is doing constant damage to economy of some country. Recently, Turkey suffered a lot and from earthquake and economy of Pakistan is drastically dropped down due to horrible flood. Climate change is creating risk for business world through dropping down economy but also giving opportunity for the innovative ideas which will leads to less emission of CO₂, preservation of natural resources and afforestation. Recycling industry becomes the most benefited industry from climate change. It is the moral responsibility of any corporate that when they think of any idea they have to come up with such a model that will be environment friendly (Hormio 2017). There is a bright future for environment friendly innovative ideas.
- **Recession:** None of industry remains untouchable from the effect of recession. Bank loan rate becomes high, some banks even stopped issuing loans. Tech industry is one of the most suffered industries from recession. Tech business faces certain layoff, huge loss, low growth rate and what not. Impact of recession is much more visual in Higher Education. So many seats of admissions remain unfilled due to lack of admission. As if now people

are more interested in making money at early age rather than seeking Higher Education (Anon n.d.).

- Wars: From wars always wars and weapon industry got a lot of benefit. Whether manufacture of guns and other arms or taxation on these arms. These are the major industry which got boosted during war time (Lakomaa 2017). As the time changes method of wars also changes now cyber security becomes the much-concerned industry during wars. So, a new kind of business cyber security services are growing green whether it is a case of Russia-Ukraine war or China-USA war. In some war-torn area the life and livelihood are itself become a risk but on the other side some are enjoying from this war, benefiting tax impositions, and exploiting their resources. So, wars always say a two-side story in all aspects. Whether it is of business growth or fall. Due to continuous war migration was also taking place so in a way travel industry got benefit from it.

Below is the concluded result depicted through Table 1 for some major industries which suffered, less suffered, or not suffered at all from these above discussed factors.

Table 1: Affected and not Affected Businesses from Ongoing Current Events

Industrial area/ Businesses	Pandemic	Climate Change	Recession	Wars
Food Industry	LA	LA	MA	LA
Clothing Industry	LA	LA	MA	LA
Education	MA	LA	MA	MA
Health care industry	NA	NA	MA	MA
Luxury/passion	MA	LA	MA	MA
Tourism industry	MA	LA	MA	LA
Travelling industry	MA	LA	MA	LA
Warfare industry	MA	MA	MA	NA
Cottage industry	MA	NA	MA	LA

Here LA= Less affected, MA= More affected, and NA = Not affected.

Source: <https://www.bbc.com/storyworks/capital/planning-your-next-business-event-in-japan/the-future-of-business-events>

3.0 Research Methodology

3.1 Research design

This research is conducted in the below mentioned flow:

- Gathering of Information: Information about Business trends and recent events are gathered from authentic resources like Forbes trend, research papers are collected from reputable journals and publication.
- Literature Survey: A literature survey is conducted over these four major aspects chosen in the paper: pandemic, wars, climate change, and recession through the lens of their impact on the future of business and identifying their impact.

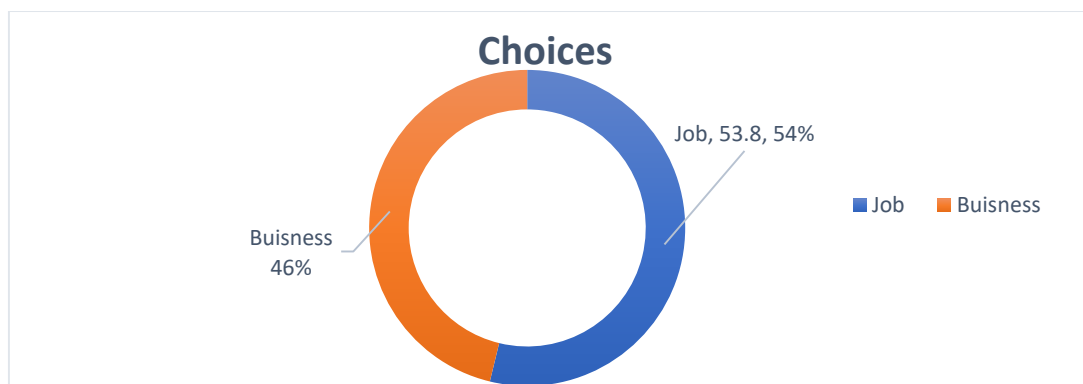
- **Objective and Hypothesis:** The main objective of this paper is to research over the future of business which will get affected through the ongoing incidents. In this paper the formulated hypothesis is these major ongoing events is going to affect the future of business by hook or crook.
- **Survey:** A survey is conducted comprising of these questions: a) Which one you want to choose in your future? b) Which one you feel as a better option? c) Do you have any plan for start-up in future? d) Which recent affected the business most? e) Do you agree that recent events are going to affect the business in future? and f) Suggest a business idea which will remain trend in future?
- **Discussion and Conclusion:** Analysis of responses against this survey conducted is carried out in this part and impact of the four major scales chosen above are discussed in this part.
- **Tables:** Table 1 depicts the effects over industries in future due to those chosen scale in the paper. Three parameters are chosen in this table to show the impact on the industry. MA= More affected, NA=Not affected, LA=Less affected.
- **Graphs:** Graphs depicts the analysis result of survey conducted. Graph 1 depicts the choice ratio between job and business in future. Graph 2 depicts students' choices for their future. Graph 3 depicts students interested in start-ups. Graph 4 depicts the opinion whether they agree or not that ongoing events will affect the business in future. Graph 5 depicts the impact ratio of ongoing events on the future of business. Graph 6 depicts the visual representation for any one suggestion for business that will grow in future.

3.2 Source of data

The data are collected as a response of survey conducted among the students mainly from Undergraduate students.

4.0 Analysis and Discussion

Figure 1: Future is Job or Business



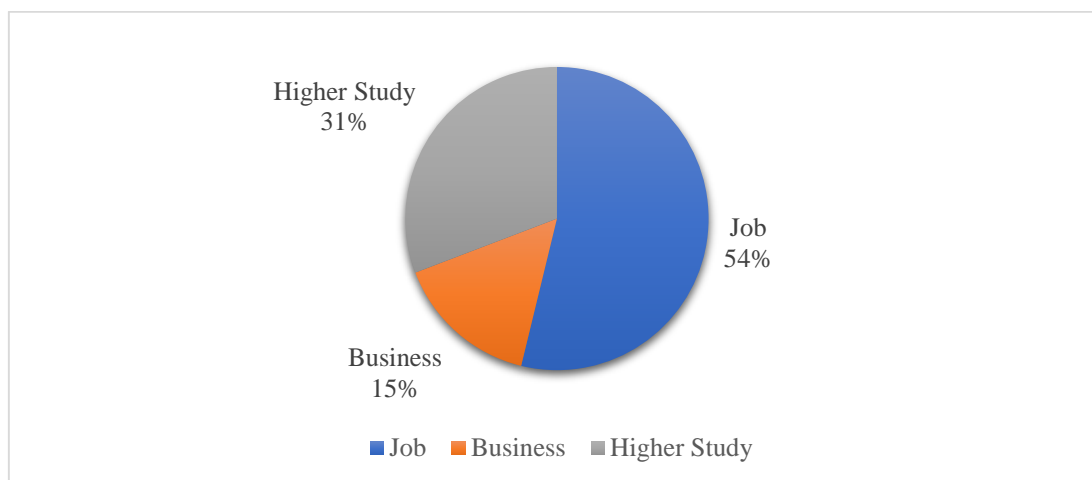
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Through conducting a questionnaire response among student related to the impact of current event on the future of business, these are the results: First, the response against the question “which will be a better option job or business” is as depicted through Figure 1. When there is question what they will choose for their future, the response received as follows: 53.8% opted for the job, 30.8% opted for the higher study and only 15.4% opted for the business presented through Figure 2.

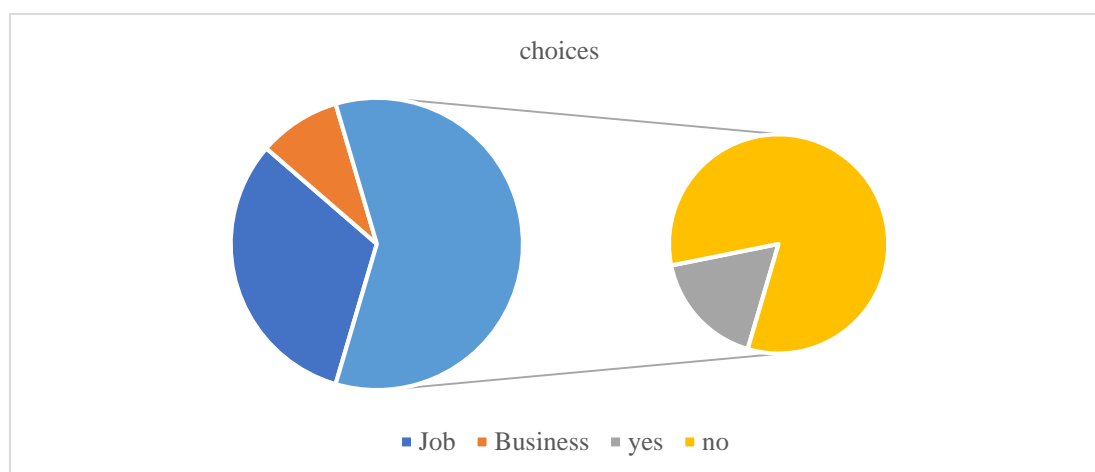
Figure 2: Students’ Choices for Future



Source: <https://docs.google.com/forms/d/1W6ujRI4LTQHskLiNLpubXq89oH-eRcDP9m6A7NgBilo/edit#responses>

Figure 3 depicts the ratio of choice for startup in business which is only 17.3%.

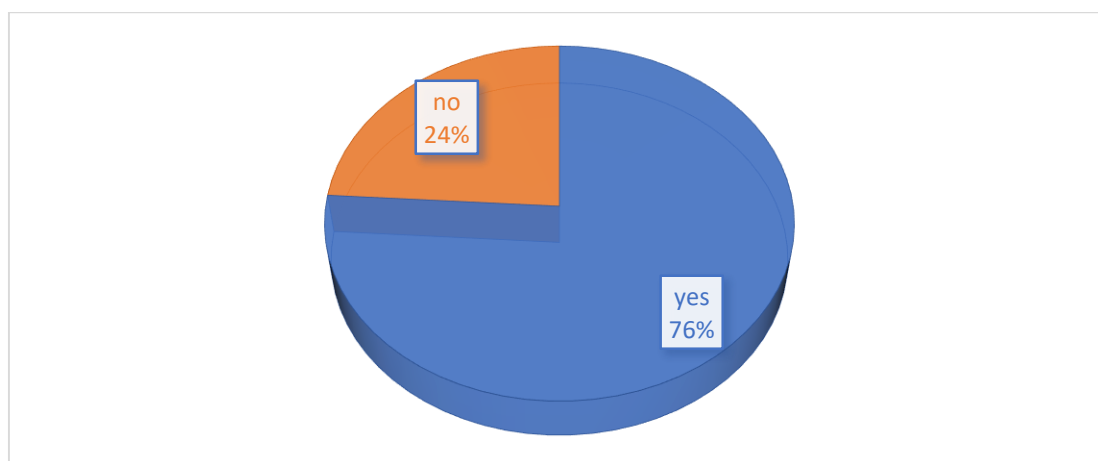
Figure 3: Interested in Start-ups



Source: <https://docs.google.com/forms/d/1W6ujRI4LTQHskLiNLpubXq89oH-eRcDP9m6A7NgBilo/edit#responses>

When the question was that if they think, current scenarios are going to affect future of business then seventy-six percent strongly agree that these events will affect the business while the twenty-four percent disagree and this result is depicted through Figure 4.

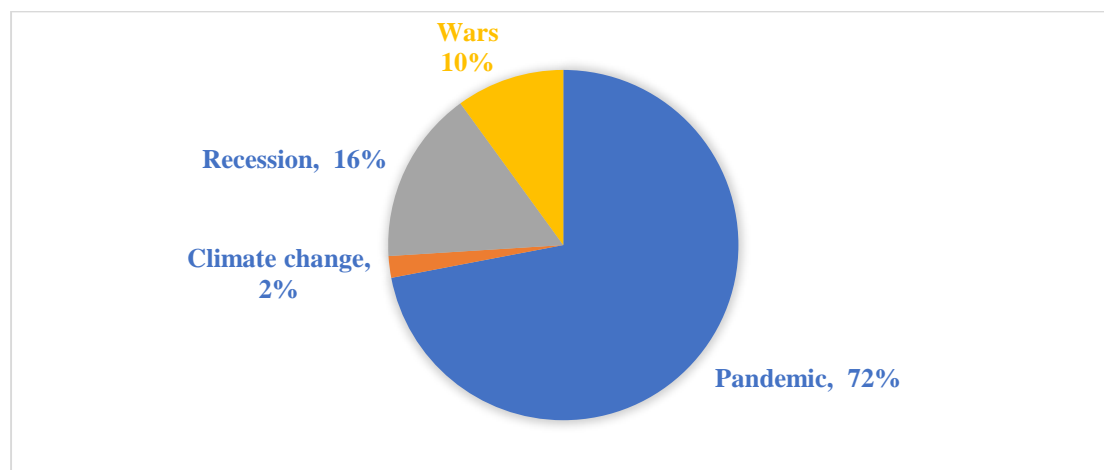
Figure 4: Do You Agree that Recent Events are Going to Affect the Business in Future?



Source: <https://docs.google.com/forms/d/1W6ujRI4LTQHSLiNLpubXq89oH-eRcDP9m6A7NgB1lo/edit#responses>

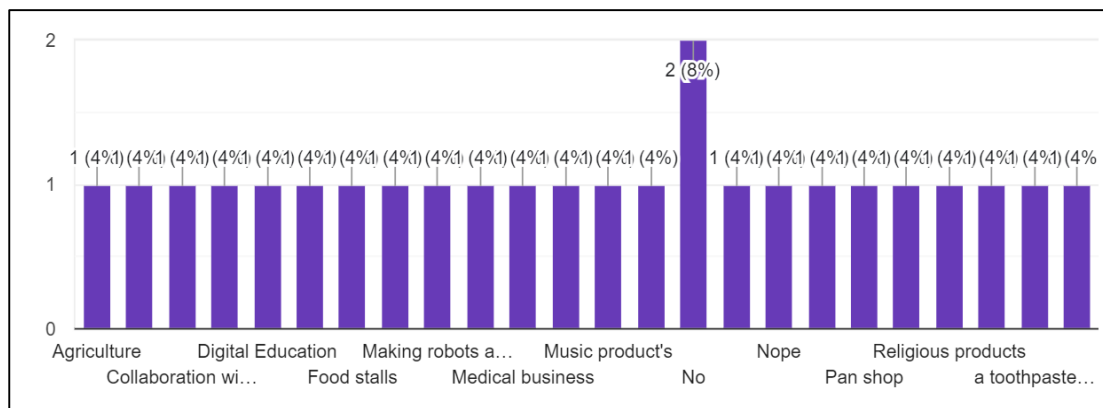
The result for choices shown through Figure 5 against the question, “which ongoing event affected the business most?” the result is as follows:

Figure 5: Impact of Ongoing Events on the Future of Business



Source: <https://docs.google.com/forms/d/1W6ujRI4LTQHSLiNLpubXq89oH-eRcDP9m6A7NgB1lo/edit#responses>

Figure 6 depicts the response for which business will grow up in the future, surprisingly received almost all different-different responses. Some of them are agriculture, music, digital education etc.

Figure 6: Suggestion for Business that will Grow in Future

Source: <https://docs.google.com/forms/d/1W6ujRI4LTQHSLiNLpubXq89oH-eRcDP9m6A7NgBilo/edit#responses>

5.0 Conclusion and Implications

If we only look at businesses that were still open, we can see that the total number of full-time employees had decreased by 17.3 percent. The proportion of part-time workers has decreased by 34% (Chen et al. 2022). For constant economic growth in future the advancement in renewable energy industry is much needed. As well as the availability of financial resources also required (Mukhtarov, Yüksel, and Dinçer 2022). But on the other hand, there are some industries which are never going to feed in the future. Like the food and clothing industry; if the human will remain on this planet these two industries will remain. From beginning to up till now these two industries are flourishing and prospering only. So, through response collected, this paper concluded that the current scenarios are for sure going to affect the business in future among which pandemic is affecting widely and immediately while wars and climate change leaves an impact for long and affect the businesses and livelihood gradually. While some business will remain least affected also like food and clothing industry. Our result collected also shows that due to continuous risk and economic fragility less students are interested to opt business.

6.0 Limitation

The survey is conducted among the students only. Hence, it is solely based on the mindset of academic or educated people. Result may be different if it will be carried out among different groups of society or working classes.

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