

International Business Challenges and Disruption Caused by the Coronavirus, COVID-19

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Abstract: *The Covid-19 crisis continues to spread, way ahead and is affecting lives, people are still in a state of shock as the virus has reached its peak, nobody really understands or can predict the total impact of this Covid-19 virus as things are getting worse day by day. Companies, organizations and institutions are yet to understand its full impact on their businesses and how best to respond. According to a recent survey held, businesses are tracking customer's needs and expectations, spending and behaviors are changing throughout the world due to the Covid-19 crisis across the world. As the crisis is still at a peak in many countries, and even getting worse, people are still getting affected with the supply chains and the economy reaching a miserable state, they are still confused, as to how things will end in the future with this crisis. And the growing number of cases, societies and businesses race to open after a lockdown, this could be a reset of covid-19 crisis, with challenges that still poses significant problems and threat to humanity and lively hoods.*

Keywords: Business Challenges, Disruption, Economy, Global Supply Chains, Human Behavior.

1. Introduction

This disruption has caused major problems for businesses, companies and organizations. The impact on businesses is huge, for example the global value chains are affected, the international trade which could result in loss for exports.

This is the impact of the Coronavirus on businesses; the outbreak has disrupted the economy and businesses all over the world. International business challenges and disruption caused by the Covi-19 has an impact on challenges globally.

According to the author Jacques Burghin from McKinsey & Company the disruption is that Global trends are creating changes. The governments, and individuals, people are still trying to figure out ways and means as to how to go through this crisis, which may require some radical rethinking.

The impact of this crisis affecting all countries, companies and organizations increasingly. This could lead from manufacturing to marketing, because of the deadly virus. This is Disruptive Innovation as well.

Ecosystems are getting affected and disruptions are caused due to the Covid-19. Disruptions in supply chains and offline buying channels have adapted, not just for survival but also a privilege to fast paced opportunities, adaptation with companies and agencies. But in future, in order to secure businesses there will be a need for collaborations and partnerships.

The goal of this article is to reshape global value chains which can bring about change in the Industries, Companies and Organizations. This could help to overcome the business crisis. The future trends, are creating changes globally, where in this disruption is making changes as well due to the Covid-19, with latest digital technologies which are transforming and the posing challenges to globalization.

1. The Covid-19 has brought out the fact that human societies are transforming themselves with this pandemic forcing them to make changes in their lives.

2. This pandemic and the uncertainties is threatening lives and economies .around the world.
3. There should be a way to change the economy.

Due to the Coronavirus and the lockdown mode, people are threatened and terrified round the world, and this has triggered mental health problems and a financial market meltdown. The pandemic demands an urgent response. But in managing the Covid-19 crisis, governments must also look to the long term planning here. The Corona virus has already created a situation that will eventually exceed the capacity of governments, financial institutions, and corporate.

<https://economictimes.indiatimes.com/news/company/corporate-trends/et-gbs-2020-a-huge-opportunity-for-india-inc-from-disruptions/articleshow/74521750.cms?from=mdr>

Based on the Economic Times, dated March 7th2020, a huge opportunity for India can be derived from disruptions caused by the Covid-19 the nature of disruptions has changed, as quoted by the Chairman of Hero Enterprises Sunil Munjal, regarding business leaders and disruption caused by the coronavirus, businesses needs to be alert and agile. Like top technology companies and businesses could face the risk of becoming fallen stars like Nokia and Kodak.

The COVID-19 is also disrupting global value chains, businesses, consumers and the economy. The CEOs of top companies are playing an important role to protect and mitigate the financial impact and demands of their employees and ensure security, but no doubt, this Covid-19 crisis will be remembered as a disrupted force than anything we have experienced in the past.

Companies like Apple have lost a part of its market value, due to strict quarantines and lockdowns in key manufacturing zones, which continues to take a toll. Employees are staying on at their companies and across industries, in order to secure jobs and labor, as many people have lost their jobs, or salaries cut and sent home due to the Covid-19, for example, according to Jefferies Financial Group, only 80 percent of China's 300 million

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migrant workers are expected to get back by the end of the year.

Most businesses have lost revenue and have disrupted supply chains due to Covid-19 crisis, due to lockdowns and quarantine measures all over the world, restricting movement and commerce. The US Department of Commerce reported a decline in gross domestic product (GDP) in the beginning of the year. GDP dropped by 4.8% in the first quarter of 2020 the sharpest contraction in economic US history.

2. Conclusion

The Pandemic is fundamentally reshaping global trade, according to Jesse Lin, the weaknesses of the modern supply chains, shows the low down economic impact in China, the US and Europe and many other countries, due to the Covid-19 crisis. Businesses, organizations and institutions are disrupted. Because of these global changes, challenges arise, to be faced in the future.

The goal is to re-shape the key areas of trade, digitization and diverse sourcing in order to build stronger smarter supply chains, which could re-shape and build the economy for the future. This will be a new turning point to the Covid-19 crisis, and will re-shape the future trends and supply chains. Supply chains will diversify manufacturing hubs in the future, instead of relying only on China, places like Vietnam, Mexico and India are likely to benefit from that shift, and manufacturing technologies would become more resilient by improving their capabilities for better.

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