



**Kaunas University of Technology**

School of Economics and Business

**Success Factors of Organizational Resilience Strategies  
During the COVID-19 Crisis: The Case of Lithuanian Retail  
Enterprises**

Master's Final Degree Project

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Supervisor

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**Kaunas, 2022**



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# **Success Factors of Organizational Resilience Strategies During the COVID-19 Crisis: The Case of Lithuanian Retail Enterprises**

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### **Summary**

XX-XXI century is called the era of crises. A global connection has shaped the modern world into a complex interdependent system, marked not only by substantial interdependence among its elements but also by fragility in the face of external or spontaneous shocks. Against this background, every incident may take on massive proportions and have far-reaching consequences. Small and medium-sized enterprises, which are the backbone of the economy, are especially vulnerable to the effects of the crisis.

In the context of COVID-19 disruption, the organizational resilience strategies of enterprises are gained of particular importance and relevance. The study of the success factors of organizational resilience of enterprises is of crucial importance for the survival, adaptation, and growth of enterprises in times of a crisis. Many retail businesses in Lithuania have faced unprecedented challenges under the lockdown. Therefore, there is a growing need to analyse the impact of several factors such as leadership, adjustment of strategy, networking, and environmental factors on the organizational resilience of enterprises.

The aim of the final degree project is to identify success factors of organizational resilience strategies of enterprises during the COVID-19 crisis. In order to reach the aim following objectives were defined:

1. On the basis of problem analysis, to explore the main challenges that enterprises face during COVID-19 pandemic;
2. To analyse organizational resilience strategies of enterprise for the survival, recovery and sustainable growth during COVID-19 crisis;
3. To develop the research methodology for identification success factors of organizational resilience strategies during the COVID-19 crisis for retail enterprises;
4. To conduct an empirical study of retail industry enterprises in Lithuania to examine the success factors of organizational resilience strategies during the COVID-19 crisis and provide recommendations for developing an organizational resilience strategy for enterprises in retail.

Systematic literature reviews and comparative analysis were conducted to define the main frameworks and explore relationships between key factors. A qualitative research methodology was chosen, and a semi-structured interview was conducted. Five Lithuanian retail enterprises were interviewed. Four out of five enterprises belong to small and medium-sized enterprises. One could be described as a micro-enterprise, another as a large enterprise. The research results have revealed a strong connection between leadership factors, team orientation, digitalization of enterprises,

government support, and organizational resilience. Successfully overcoming the coronavirus crisis for retail enterprises in Lithuania depended on the ability to refocus on online sales, retain the entire team, start partnerships and use compensation from the state. In addition, several recommendations are provided for Lithuanian retail enterprises to survive, adapt, and grow in times of crisis of COVID-19. These empirical research findings have important implications for organizational resilience cultivation and building.

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## Santrauka

XX-XXI a. vadinamas krizių epocha. Dėl globalių ryšių šiuolaikinis pasaulis tapo sudėtinga tarpusavyje priklausoma sistema, pasižyminti ne tik didele jos elementų tarpusavio priklausomybe, bet ir trapumu išorinių ar savaiminių sukrėtimų akivaizdoje. Tokiomis aplinkybėmis kiekvienas incidentas gali įgauti didžiulį mastą ir turėti toli siekiančių pasekmių. Mažosios ir vidutinės įmonės, kurios yra ekonomikos pagrindas, yra ypač pažeidžiamos krizės padarinių.

COVID-19 sutrikimo kontekste ypač svarbios ir aktualios tampa įmonių organizacinio atsparumo strategijos. Įmonių organizacinio atsparumo sėkmės veiksnių tyrimas yra itin svarbus siekiant įmonių išlikimo, prisitaikymo ir augimo krizės metu. Daugelis mažmeninės prekybos įmonių Lietuvoje susidūrė su precedento neturinčiais iššūkiais blokavimo sąlygomis. Todėl didėja poreikis analizuoti kelių veiksnių, tokių kaip vadovavimas, strategijos pritaikymas, tinklaveika ir aplinkos veiksniai, poveikį įmonių organizaciniam atsparumui.

Baigiamojo magistro darbo tikslas - nustatyti įmonių organizacinio atsparumo strategijų sėkmės veiksnius COVID-19 krizės metu. Siekiant tikslo buvo nustatyti šie uždaviniai:

1. Remiantis problemų analize, ištirti pagrindinius iššūkius, su kuriais įmonės susiduria COVID-19 pandemijos metu;
2. Išanalizuoti įmonių organizacinio atsparumo strategijas, siekiant išgyventi, atsigauti ir tvariai augti COVID-19 krizės metu;
3. Sukurti tyrimo metodiką, skirtą mažmeninės prekybos įmonių organizacinio atsparumo strategijų sėkmės veiksniams nustatyti COVID-19 krizės metu;
4. Atlikti Lietuvos mažmeninės prekybos pramonės įmonių empirinį tyrimą, siekiant ištirti organizacinio atsparumo strategijų sėkmės veiksnius COVID-19 krizės metu, ir pateikti rekomendacijas dėl organizacinio atsparumo strategijos kūrimo mažmeninės prekybos įmonėms.

Siekiant apibrėžti pagrindines sistemas ir ištirti pagrindinių veiksnių sąsajas, atlikta sisteminė literatūros apžvalga ir lyginamoji analizė. Pasirinkta kokybinio tyrimo metodika, atliktas pusiau struktūruotas interviu. Buvo apklaustos penkios Lietuvos mažmeninės prekybos įmonės. Ketrios iš penkių įmonių priklauso mažosioms ir vidutinėms įmonėms. Vieną iš jų būtų galima apibūdinti kaip mikroįmonę, kitą - kaip didelę įmonę. Tyrimo rezultatai atskleidė stiprų ryšį tarp lyderystės veiksnių, orientacijos į komandą, įmonių skaitmeninimo, valstybės paramos ir organizacijos atsparumo. Sėkmingas koronaviruso krizės įveikimas mažmeninės prekybos įmonėms Lietuvoje priklausė nuo gebėjimo persiorientuoti į internetinę prekybą, išlaikyti visą komandą, užmegzti partnerystę ir pasinaudoti valstybės kompensacijomis. Be to, pateikiamos kelios rekomendacijos Lietuvos

mažmeninės prekybos įmonėms, kaip išgyventi, prisitaikyti ir augti COVID-19 krizės metu. Šios empirinio tyrimo išvados turi svarbią reikšmę organizacijų atsparumo ugdymui ir stiprinimui.

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## Introduction

In 2020, the globe was severely disturbed by the SARS-CoV-2 pandemic. None of the previous crises is similar to the 2020 pandemic decline. This is especially significant in the field of retail. After a brief rush of demand for necessities - food, household chemicals, and hygiene items - retail faced declining sales and profitability. Cross-border restrictions have led to supply disruptions. Companies have faced the need to implement enhanced measures to protect employees and customers in case of force majeure to rethink forecasts and approaches to management. The consequences of the covid crisis are unprecedented. Bankruptcy was declared by the world's oldest brands, such as one of the most famous lingerie manufacturers, Victoria's Secret, and widespread retail chains: clothing stores J. Crew, department stores JCPenney, department stores luxury brands Neiman Marcus and more. Disruptions and crises are known to substantially influence the behavior of enterprises, especially small and medium-sized enterprises. More than any other type of business, it has been ravaged by the COVID-19 (Suneson, 2020). They have seen a precipitous decline in revenue; as a result, they have implemented significant furloughs, layoffs, and pay cutbacks. Many retail organizations have modified their routines, implemented remote working, or dramatically reduced their expenditures to cope with the crisis. Other businesses have expanded their presence on internet platforms in order to maintain interactions with their customers. Others have shifted business plans to include new distribution channels, new products & services, or new collaborations. These modifications and solutions aim to strengthen firms' resilience both during and after a pandemic.

The critical role of organizational resilience in managing the COVID-19 problem cannot be overestimated. In this situation, organizational resilience strategy seems to be critical for an enterprise's survival, growth, and sustainability. However, relevant research on the changes that service organizations need to make to survive, recover, and flourish under COVID-19 is lacking. There is also a lack of understanding of what organizational resilience factors contribute to SMEs' success in the face of crises and uncertainties.

Thus, **the research question** will be, "What are the success factors of organizational resilience strategies of enterprises during the COVID-19 disruption and crises?" Several aspects of the 'resilience strategies' concept will be analyzed to find out the success factors of resilience strategies of Lithuanian service SMEs during the COVID-19 crisis.

**Aim of the final degree project.** To identify success factors of organizational resilience strategies of enterprises during the COVID-19 crisis. In order to reach the aim following **objectives** were defined:

1. to explore the main challenges that enterprises face during the COVID-19 pandemic;
2. to analyze organizational resilience strategies of enterprises for the survival, recovery, and sustainable growth during the COVID-19 crisis;
3. to develop the research methodology for the identification of success factors of organizational resilience strategies during the COVID-19 crisis for retail enterprises;
4. to conduct an empirical study of retail industry enterprises in Lithuania to examine the success factors of organizational resilience strategies during the COVID-19 crisis and provide recommendations for developing an organizational resilience strategy for enterprises in retail.

**Methods of the research.** The scientific literature review was used for problem analysis and theoretical solutions. Qualitative research was conducted on the basis of the semi-structured interview method. The primary data was collected by semi-structured interviews with top managers/owners of enterprises. The data collection method was used to collect and analyze empirical data from interviews with five retailers.

**Structure of the research.** Firstly, this master`s final degree project, with reference to the findings of the research, reveals the problem that enterprises faced during the COVID-19 crisis. Primarily focus of the research on small and medium-sized enterprises. Secondly, the master thesis, after theoretical analysis, reveals solutions for identifying success factors of organizational resilience which allow enterprises to survive, recover, and sustainably grow during the COVID-19 crisis. Thirdly, research questions, research design, and methods are suggested to determine the process of data collection and analysis. Finally, the main results of the empirical research are proposed and followed by discussion and recommendations for the organizational resilience of Lithuanian retail enterprises. The final project consists of four parts, 67 pages, 11 figures, and 17 tables. It is used 116 sources of scientific literature and 6 appendixes.

## **1. Problem Analysis of the main challenges that enterprises face during the COVID-19 pandemic**

A global connection has shaped the modern world into a complex interdependent system, marked not only by substantial interdependence among its elements but also by fragility in the face of external or spontaneous shocks. Against this background, every incident may take on massive proportions and have far-reaching consequences.

This situation became clear as we began to encounter a new virus, the SARS-CoV-2 (called coronavirus), which has caused millions of diseases globally. As a result of the epidemic's frightening rate of spread, severity, and inactivity, the coronavirus outbreak has been labeled a worldwide pandemic (World Health Organization, 2020). Unfortunately, the illness has become a significant health issue of the twenty-first century, but its destruction has extended beyond global healthcare systems and human loss. The COVID-19 pandemic has had a profound effect on all aspects of everyday life, both individual and communal, resulting in a social emergency. Additionally, it has brought the greatest economies of the world to a halt in their efforts to stop the spreading, laying the groundwork for an economic crisis and the potential of a worldwide recession. Many socioeconomic players have experienced an external shock as a result of the lockdown of broad segments of society and economic activity (Ciasullo et al., 2020).

The SARS-CoV-2 (called COVID-19) pandemic caused the most profound global economic crisis in modern history. According to the International Monetary Fund, the fall of the world economy in 2020 is estimated at -3.5 percent, which is equal in scale to the disappearance of the French economy from the world economy (World Economic Outlook Update, 2021). The consequences were particularly severe for low-income countries. The European Area lost 7.2% in 2020 compared to 2019. According to the World Bank, the real GDP of Lithuania in 2020 decreased by 0.1%, which occurred after the growth over the past ten years (Bank, 2022)

The length of this disruption, as well as its long-term impact on enterprises and organizations, remain unknown. The consequences are considerably more severe and complex for SMEs and start-ups. This crisis emphasizes the need to identify alternative solutions for mitigating harm, preparing for, intervening in, recovering from, and rebuilding society (Brown & Rocha, 2020; Alexander, 2019; Pheng et al., 2006).

The COVID-19 pandemic caused a natural snowball effect on the economy: quarantine, closure of small and medium-sized businesses, and thus a reduction in effective demand, leading to further bankruptcy of small businesses. One can only guess how big this lump will be and what consequences it will have; one thing is clear financially difficult times await SMEs, so small and medium-sized businesses should reconsider their strategies to continue their existence.

### **1.1. Definition of small and medium-sized enterprises (SMEs)**

According to the European Commission Recommendation of May 6 2003, small and medium-sized enterprises (SMEs) defines as “firms with less than 250 employees, companies which have an annual turnover of up to 50 million Euros and, or a balance sheet of no more than 43 million Euros” (European Commission, 2019).

**Table 1.** Small and medium-sized enterprises definition

<b>Category</b>	<b>Employees</b>	<b>Turnover</b>	<b>Balance sheet total</b>
<i>Micro SME</i>	0 - 10	0 – 2 million EUR	Up to 2 million EUR
<i>Small SME</i>	10 - 50	2 – 10 million EUR	Up to 10 million EUR
<i>Medium-sized SME</i>	50 - 250	10 – 50 million EUR	Up to 43 million EUR

**Source:** Commission Recommendation of May 6 2003

It is essential to mention that the definition of small and medium-sized enterprises is very conditional. Quite often, businesses can only meet one criterion. For example, this study will present two enterprises in the retail sector that meet only the criterion of small and medium-sized enterprises - "turnover up to 50 million euros". According to 2 out of 3 criteria, enterprises meet the category of SMEs: in terms of annual turnover up to 50 million and in terms of a balance sheet of no more than 43 million Euros. Firm A has 420 employees, which does not meet the criterion of "up to 250 employees", but still has a turnover of 44 million euros. Firm C also has 330 employees but a turnover of 37 million euros. This situation is quite common when enterprises, according to the level of turnover and balance sheet, are classified as small and medium-sized enterprises and, according to the number of employees, as large enterprises.

## **1.2. Importance of SMEs to economy**

The importance of SMEs to the global economy is hard to overestimate. Small and medium-sized enterprises (SMEs) and self-employed individuals account for 90% of global businesses and create more than 70% of employment. For example, small and medium-sized enterprises account for 99.8% of all businesses and 2/3 of employment in the European Union (European Commission, 2019). Obviously, SMEs represent a cornerstone of the European economy. Around 100 million people work for small and medium-sized enterprises, and they make up more than half of Europe's gross domestic product. Also, they play a vital role in value creation in every part of the economy. SMEs come up with new ways to solve problems like resource efficiency, climate change, and social cohesion, and they spread this new technology across different regions of Europe. They play a significant role in the European Union's transitions to a more sustainable and digital economy. They are very crucial to European competitiveness and prosperity, economic and technological sovereignty, industrial ecosystems, and the ability to withstand external shocks, so they are essential.

## **1.3. Impact the pandemic COVID-19 on SMEs**

This pandemic caused an extraordinary external shock affecting SMEs of Europe on both demand and supply sides. SMEs are especially vulnerable to the COVID-19 pandemic because they often have fewer resources than bigger corporations. As a result, millions of jobs are at risk. For example, a study conducted in 2020 found that more than 40% of United Kingdom SMEs ceased operations, and 35% felt they would be unable to return (FSB 2020). In the Federal Republic of Germany, half of SMEs (1/2) anticipated a negatory impact from the pandemic, with 1/3 forecasting revenue reduction by more than 10 percent. Three out of four Italian SMEs responded that the crisis has personally impacted them. While in other European countries, SMEs have expressed similar worries (OECD 2020), these enterprises are significantly diverse on various parameters. For instance,

Cowling discovered that more significant, established SMEs in the United Kingdom were more impacted by the 2008 global financial crisis than smaller, younger SMEs (Cowling et al., 2018). The latter was more responsive and adaptable through the disruption, while older enterprises were not. Therefore, although shocks from the outside influence all SMEs to some level, it is critical to understand how a crisis affects various “categories” of SMEs (CNA 2020; DIHK 2020).

SMEs are critical for Lithuania's non-financial business sector. They contributed 69.4 % of added value and 75.9 % of employees in 2018, which is above the EU averages of 56.4 percent and 66.6 percent. Between 2014-2018, the total value added of Lithuanian SMEs climbed by 39.1 percent, comparable to the 38.0 percent growth of big enterprises.

SMEs make for a huge proportion of all businesses in Lithuania. According to Statistics Lithuania, Lithuania has 84510 SMEs at the start of 2019, accounting for 99.6 percent of all businesses in the country. This number has increased by over a third over the last decade, but its percentage of total firms has remained relatively stable. The majority of SMEs are micro-enterprises (82 %). Between 2008 and 2018, the number of microbusinesses climbed by 42.2%, while their proportion of all SMEs increased by 7.3 %.

#### **1.4. Problematic of Lithuanian retail enterprises**

The Lithuanian retail market had undergone structural changes in retail after leaving the Soviet Union, when Lithuania went through a transitional economy and then when the market economy was launched. The Lithuanian retail market is characterized by high concentration, market regulation, and strong national retail players. Recently, however, the Lithuanian retail sector has faced increasing competition, not only due to intense competition between local players but also due to the entry of foreign companies into the market. The presence of foreign companies in the Lithuanian retail sector is a relatively new phenomenon.

SMEs contribute significantly to the domestic economy, accounting for about 70% of gross value added and 59% of domestic product exports. In early 2019, SMEs employed over 694 000 people or 73.3 percent of all employees in Lithuania. SMEs are defined by a high concentration of businesses and workers in the commercial sector. Slightly more than a quarter of all SMEs engage in the retail trade sector, accounting for over a fifth of all SME employment. The transportation industry is likewise significant, with SMEs accounting for around 8% of overall employment. Other economic sectors have a significantly lesser percentage. SMEs are also playing a growing role in investment. In 2017, SMEs invested 71.1 percent of all tangible investments made by firms, a five percentage point increase over the previous five years.

The coronavirus pandemic hit the retail sector since there were three lockdowns in Lithuania, which closed almost all physical stores, except for some particular industries. In Lithuania, stores were closed from 3 months to 6 months, depending on the year. In the first year of the pandemic (2020), stores were closed for half a year. In the second year - 3-4 months, then - a month. According to Statistics Lithuania, in April 2020, retail sales were down 15% year over year, although May and June 2020 saw annual growth of 3.6% and 5.9%. April was the most challenging month of quarantine for the retail sector, after which restrictions were gradually lifted. Then, in late 2020 and early 2021 retail sector lost almost 7 percent during the second lockdown.

Despite such drops, Lithuanian statistics show that in the first quarter of 2020, the total number of bankruptcies decreased by 25.6 percent compared to the same period in 2019. However, this downward trend has been observed in Lithuania for several years. During the quarantine period, from March 1 to July 1, 2020, 205 businesses went bankrupt in Lithuania, only about half that number for the same period in 2019. In addition, the new Lithuanian Insolvency Law, which went into effect on January 1, 2020, fundamentally changed the regulation of insolvency. Thus, the decrease in the number of bankruptcies in Lithuania may also result from state support. Economists claim that about 81% of companies operating in the retail sector were considered medium or low risks of going bankrupt.

After three lockdowns, however, up to 51% of them, or every second company, are now at risk of bankruptcy. The risk group includes companies that could not cope with changes in consumer behavior and the growth of online commerce. Many note that this trend may be temporary, and there may soon be an increase in bankruptcy filings and reorganizations.

Legislative restrictions. Lithuania adopted the Law on the Effect of the New Coronavirus (COVID-19) at the beginning of the pandemic. Provided the pandemic caused a debtor's financial difficulties, the Law limited the right of creditors to initiate proceedings against the debtor until the end of the quarantine.

The purchase of masks and disinfectants increased costs for businesses. Restrictions affected the fact that businesses had to keep track of the number of customers allowed in the hall, which documents had to be filled out, how many years they had to keep them, which respirators and gloves to buy, and necessarily put disinfection machines near the entrance. The state also required that all measures of distance and the wearing of masks be observed.

All this time, since the beginning of the pandemic, the restrictions remained, and only in February 2022 began to gradually remove restrictions on the number of people in the square and the mandatory wearing of masks.

In early February 2022, the Cabinet of Ministers of Lithuania decided to suspend the requirement for people to show COVID certificates for access to stores, cafes, or events from February 5. However, closed stores and markets will have to serve only one customer at a time or provide at least 15 sq. meters of space per visitor. Visitors should have to wear masks, maintain a distance of at least two meters and disinfect their hands.

Since the retail sector encompasses a wide range of activities, it is difficult to forecast the full impact and long-term consequences of the COVID-19 crisis on the retail sector. Nevertheless, we can say that there are signs that the retail sector is coping with the crisis and recovering.



## **2. Theoretical solutions for identifying success factors of organizational resilience strategies of SMEs during the crisis**

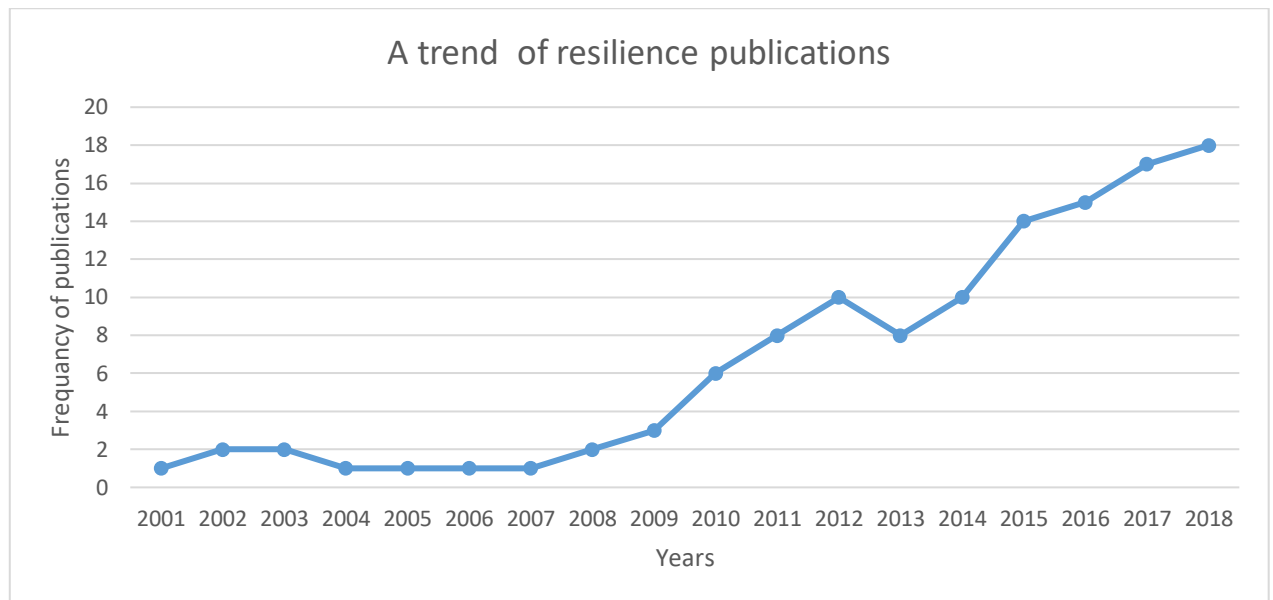
The role of resilience strategies in the survival, growth, and sustainability of SMEs is widely examined in the literature. Different approaches were used to explain the connection between different factors of a resilience strategy and efficiency and successful performance of the enterprise during disruptions and crises.

“Resilience is an ability of firms to adapt and become stronger in the face of difficulties” (Salisu et al., 2020). That is why resilience strategy has appeared as an important entrepreneurial skill. It becomes relevant and necessary to resolve due to worldwide COVID-19 contingency, which has grown widespread (Sawalha et al., 2020). According to Liu et al. (2020), resilience is required for social organizations and people in order to solve issues and fight the new social and economic consequences that arise. The exact method through which business resilience is recognized, as well as the elements that assist the growth and improvement of this talent, are not yet known (Salisu et al., 2020). Therefore, a literature analysis was conducted with an eye to determine the success factors that contribute to organizational resilience strategies in order to improve SMEs' performance during COVID-19 disruption.

### **2.1. Concept of resilience**

The term “resilience” originated with Holling's 1973 article, in which he defined it as the capacity of an ecosystem to adjust to unforeseen environmental changes and swiftly revert to its previous state (Holling, 1973). It has expanded into a multidimensional and diverse notion (Kantur & Say, 2015), with applications in a diversity of spheres. Management and business studies, in particular, indicate a significant increase in resilience research originating from the SME sector.

According to a systematic literature review by Saad et al. (2021), the number of publications published between 2003 and 2008/09 about the concept of SME business resilience was small. However, 2008 and 2009 were times of the financial crisis, which seemed to be the driver for resilience articles from the perspective of SMEs (Annarelli & Nonino, 2016). Following the 2008–09 recession, there has been a noticeable rise in the number of publications about SME resiliency (see Figure 1).



**Fig. 1.** SME resilience publications distributed by years (Source: Saad et al., 2021).

There are several definitions of resilience provided by researchers from an SME`s perspective. See below in Table 2.

**Table 2.** Set the definition of resilience

Author	Definitions
(Hamel & Valikangas, 2003)	“a capacity for continuous reconstruction. Strategic response and fitness to shocks from the outside environment.”
(Acquaah et al., 2011)	“the capability of firms to persist in the face of substantial changes in the business and economic environment and the ability to withstand disruptions and catastrophic events using various strategies”
(Demmer et al., 2011)	“the capability of SMEs to survive and thrive in the face of the global economic crisis and hostile competitive situations.”
(Ates & Bititci, 2011)	“the capacity of SMEs to survive, adapt and grow in the face of turbulent change and crisis.”
(Pal et al., 2012).	“the capability to overcome crisis and constraints that setback success. It is the ability to survive, adapt, and grow.”
(Castellacci, 2015)	“The ability of an organization to adapt to changes in its economic and institutional environment”
(Conz et al., 2017)	“The power of small enterprises to renew itself through innovative strategies when it faces unpredictable events.”

To sum up all definitions, we could highlight that researchers define resilience as the ability or capacity of an enterprise for specific action or behaviour in the face of crisis. Almost all emphasize that resilient organizations should not just overcome disruption and difficulties but grow, renew and succeed after the crisis. So, to conclude, the resilient organization is ready to withstand disruptions and even went out of crisis stronger and improved.

## 2.2. Analysis of SMEs' business resilience

During the analysis of the literature, few systematic literature reviews (SLRs) that were connected with entrepreneurship and resilience were discovered. In one of these studies, Doern (2017) made a literature review to examine the ideas of entrepreneurship and crisis. These writers note that entrepreneurs' reactions to crises are contingent on a variety of elements, including their experience, developmental stage, and the stage of the crisis. Another research conducted in 2018 used a model to investigate the correlation between entrepreneurship and resilience (Korber & McNaughton, 2018). The newest systematic literature reviews by Portuguese Castrol & Gómez Zermeño (2020) will be analyzed in detail below.

Following the SLR conducted by Portuguese Castrol and Gómez Zermeño (2020), resilience can be summarized into key factors, namely:

- **Attitudes toward the crisis:** adaptability, alternatives for improvement, crisis management strategies, diversification, patterns, and best practices, ability to foresee a disruption, innovational learning, strategies after (post)crisis, and customer attitudes (Pallars-Blanch, 2015, Dahles & Susilowati, 2015, Doern, 2016, Davidsson & Gordon, 2016, Sabatino, 2016, Lintner, 2019).
- **Leaders' qualities:** include duration of time in the industry, prior crisis experiences, sex, habits, lifestyle, philosophical identification, and perseverance (Biggs, 2011, Williams et al., 2013, Doern, 2016; Branicki et al., 2018; Micu et al. 2018, Rani et al. 2019).
- **Enterprise characteristics:** include the company's age, the size of the company, the number of workers, turnover, revenue, costs, the technology available, and flexibility (Gebhardt, 2012; Larsson et al., 2016;).
- **Social & human capital:** include things like employee support, connection, strategic suppliers, and partners (Biggs, 2011; Pallars-Blanch, 2015; Cabras & Mount, 2016).
- **Institutional relationships:** impact of different policies such as support on innovation, the interaction between social organizations and governmental institutions, and other players in the business ecosystem are all discussed (Martinelli et al. 2018).
- **Strategic management:** The process of making a decision, speed of action, and the capacity of managers to detect possible issues are all characteristics of effective strategic management (Gebhardt, 2012; Masik and Rzyski, 2014).

In terms of attitudes toward the crisis or mindsets, we discovered that the more resilient organizations can adjust to external shocks while still innovating, creating value, and being open to learning (Lintner, 2019). It is also critical to diversify goods, embrace new business strategies, and provide quality items that sustain client satisfaction (Andres and Round, 2015). Entrepreneurs also embraced proactivity in order to return to normality, innovation, and optimism quickly. They believed that having a good attitude was vital since rehabilitation from mental harm may be more difficult than recovering from physical loss (Doern, 2016). As a result, they appreciated independence and found the positive side of difficulties.

The authors also focus attention on the personal qualities of leaders that have an impact on the resilience of SMEs, both in direct and indirect ways. One of them is a way of life that promotes the leader's emotional commitment to his organization and enhances the personal effect of enterprise failure (Biggs, 2011). Williams (2013) also highlights the individual qualities of entrepreneurs that

contribute to their success, such as adaptability, perseverance, ambition, and optimism. Others include optimistic attitudes toward learning, authenticity, and integrity that inspire trust and loyalty (Larsson et al., 2016), as well as intellect, frugality, and flexibility (Duarte Alonso and Bressan, 2015). Leaders who could see into the future were able to connect the difficulties with opportunities in the future. They were able to find advantages in catastrophe circumstances due to their creativity (Davidsson and Gordon, 2016).

The qualities of the entrepreneurial enterprise have a significant impact on resilience. Small firms are more adaptable and can react more quickly to extreme events than large enterprises. They are very adaptive and can innovate in changing environments (Anthopoulou et al., 2017). Companies that reduced their company plans and concentrated on their core competencies, adopting new tactics and policies to engage clients, were the most resilient (Goats and Mount, 2016; Sabatino, 2016).

Another variable to examine in resilient SMEs are human and social capital. According to the study, the organizations that have highly specialized, qualified, and flexible/adaptable employees, as well as an organizational climate that encourages adaptability and creativity, were the most resilient (Alonso & Bressan, 2015; Pallars-Blanch, 2015). Also, researchers emphasized the significance of social connections and the creation of non-formal support networks. These rely on the strong network of relations which were developed through decades of expertise as well as the social support supplied by their employees (Asgary, 2020 as usual social capital might include local as well as international connections).

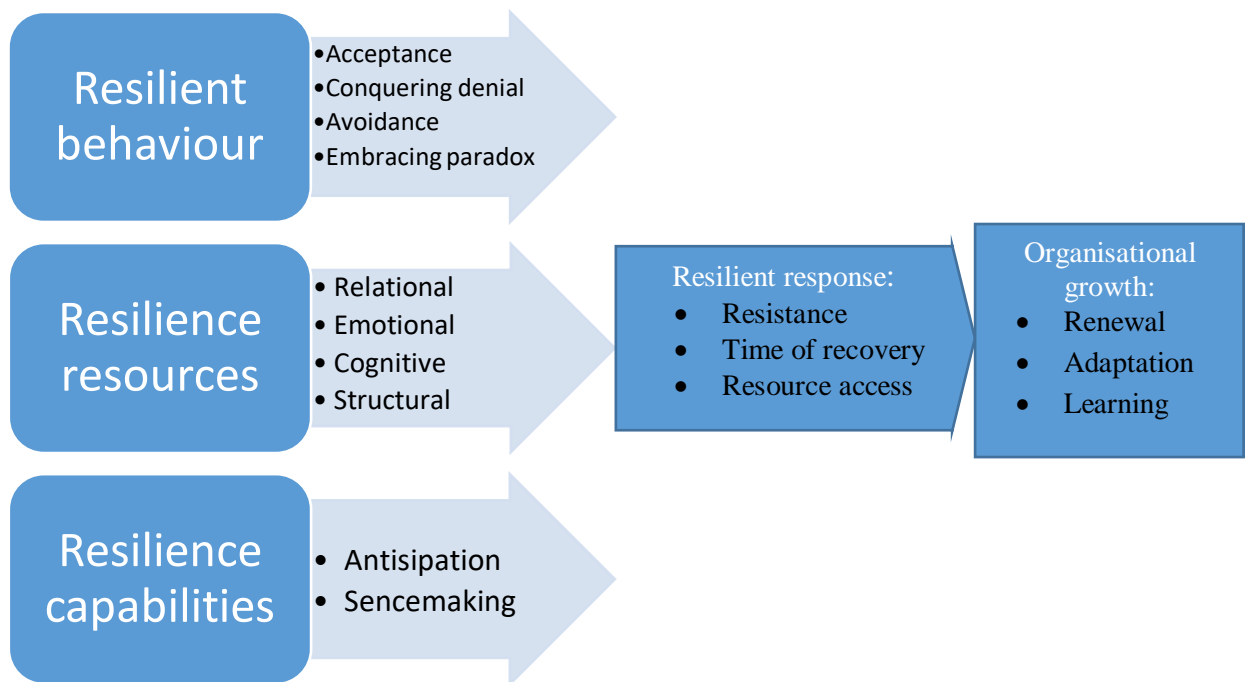
From the strategic management perspective, the authors said that in times of disruptions, quick action is necessary to make both regular and long-term decisions. Better planning was discovered to refine negatory outcomes, preserve the quality of goods and services, and manage resources effectively. Strategies in marketing and management were changed, and strategic renovations were completed. This refers to the enterprises' capacity to see the future and be innovative in terms of activity and new ideas (Sabatino, 2016; Mzid et al., 2019; Rani et al., 2019; Williams & Vorley, 2015; Dahles & Susilowati, 2015).

In terms of other institutions, resilience is determined by how SMEs communicate with the many players in the environment, civil society, and government. Comprehension of business resilience allows enterprises and politicians to respond to crises caused by instability and global changes (Biggs, 2011). There were some good examples concerning government, such as the state intervening with creative initiatives to aid regional recovery in Germany. The program resulted in the formation of new businesses via a collaboration of universities, SMEs, and institutions. Additionally, there have been instances when the government had a significant role in initiating, stimulating, and organizing knowledge-based economic growth (Gebhardt, 2012). An additional critical component of innovation is a collaboration between academic institutions and small enterprises to enhance research and development processes (Masik & Rzyski, 2014).

On the other side, areas that lacked supports and strategies to support entrepreneurship did not experience economic recovery. Thus, the authors advocated for long-term public-private initiatives that capitalize on entrepreneurialism for development of region. They advocate for colleges to stimulate students and society to take advantage of entrepreneurial potential (Williams, and Vorley, 2015). Community well-being may be improved if entrepreneurship is seen as a goal that benefits not just individuals but also communities and families (Anthopoulou et al. 2017).

### 2.3. Organizational resilience strategy frameworks

Frameworks for organizational resilience widely presented in literature. Hillmann and Guenther (2021) present a conceptual model of organizational resilience. The researchers highlight that capacity of an organization to be resilient is dependent on its management's ability to implement steps that allow it to return from a challenging circumstance. According to researchers, “organizational resilience is the ability of an organization to maintain functions and recover fast from adversity by mobilizing and accessing the resources needed. An organization’s resilient behavior, resilience resources, and resilience capabilities enable and determine organizational resilience. The result of an organization’s response to adversity is growth and learning” (see Figure 2 below).

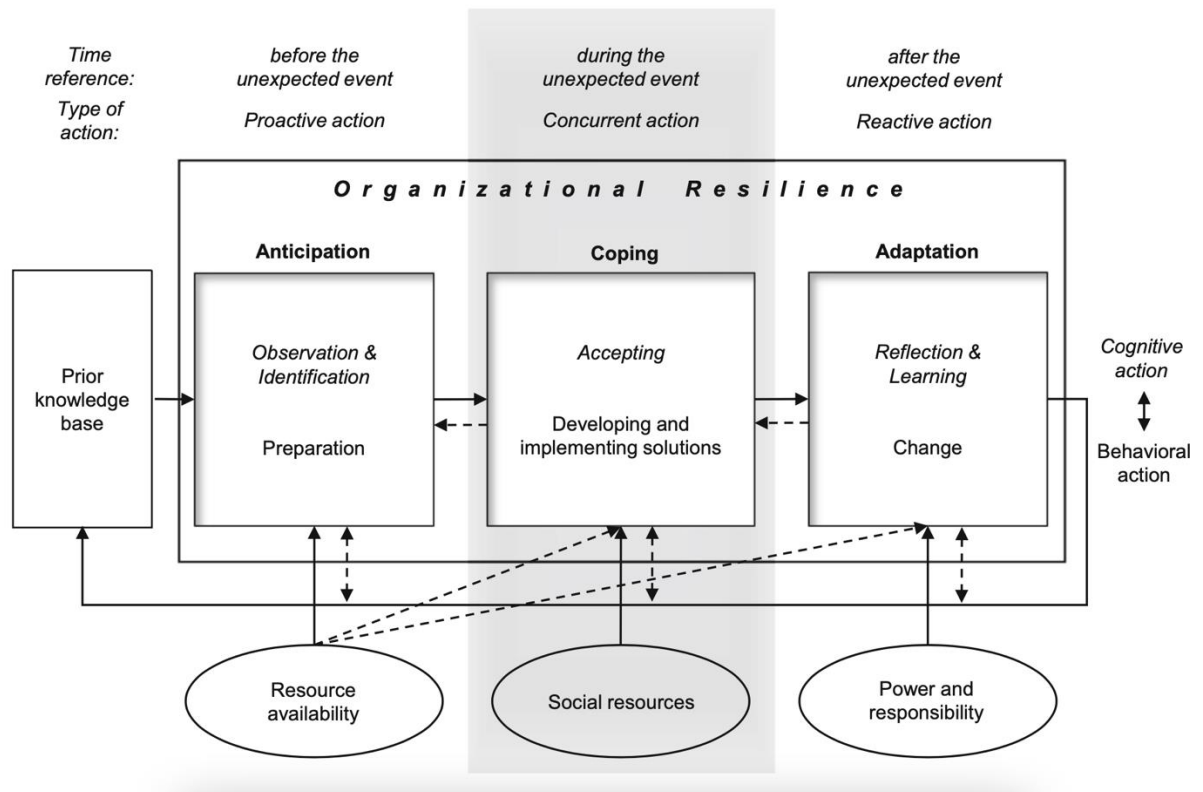


**Fig. 2.** Conceptual model by Hillmann and Guenther (2021)

Organizational resilience strategies, according to Hillmann and Guenther (2021), may enhance how a company incorporates all domains required to respond to a collapse. A conceptual model is shown illustrating some significant conceptual variables buried in how an organization acts to recover from disruptions. The figure depicts six dimensions of key relevance in organizational resilience, with the stability element being the most crucial. Organizational recovery, restoration, and adaptation are separated from the conceptual analysis that was performed in order to accomplish evolution in an organization. According to the paradigm, organizational resilience should be focused at achieving organizational development. Three first-order components were identified as critical in attaining organizational creativity: cognitive, structural, and emotional resources. Finally, cause indicators such as resilience behaviours, resilience capabilities and resilience resources have been identified as critical in determining organizational resilience response which determines organizational resilience. To summarize, this will lead to organizational growth and learning (Hillmann and Guenther, 2021).

Another framework of organizational resilience proposed by Stephanie Duchek (2019). She based her efforts on research oriented on process that highlight resilience as dynamic organization-environment interplay. According to his viewpoint resilience entails skilfully responding to crisis

situations not just when they occur, but also before, during, and then after they take place (Alliger 2015; Linnenluecke et al. 2012; Williams et al. 2017). In the result researcher propose three phases of the resilience (see Fig. 3), arguing that resilient organizations react not just to the past (reactive action) or to present challenges (concurrent action), but also to the future (anticipatory action). It is important to mention that this temporal framework of the resilience process is possible compara to those seen in the literature about crisis management (James & Wooten 2005; Boin et al. 2005; Pearson and Clair 1998).



**Fig. 3.** A conceptual model of organizational resilience by Stephanie Duchek (2019)

The first aspect of organizational resilience is anticipation, which explains its preventative characteristics in the face of a disruption. It refers to the capacity to recognize key changes inside the organization or surroundings and proactively to adjust (Somers 2009; Teixeira 2013). It does not emphasize that the most resilient organizations are resistant to crises or failure. The emergence of a crisis is not always signalled. However, some businesses are better than others in detecting the unexpected and reacting to it quickly, whilst other organization "wait and see." According to Madni & Jackson (2009), anticipatory skills are required for systems to avoid dangerous circumstances or, at the very least, reduce possible negative outcomes.

Additionally to anticipating or preparing for disruptions resilience entails dealing with “unanticipated hazards once they have manifested” (Wildavsky 1991, p. 77). Coping with unforeseen circumstances is recognized by many different names in the literature, such as dealing with unknown dangers, reacting constructively to significant change or creating and performing positive behaviour suited to actual circumstance (Horne and Orr 1998; Mallak 1998; Wildavsky 1991). Clearly, all of these concepts pertain an appropriate response to unforeseen circumstances in order to avoid devastation. The capacity to handle with the unpredictable situation is strongly connected with crisis management

and may be divided into 2 subcategories such as the ability to accept a problem and design plus perform necessary solutions (Reilly 1993; Smart & Vertinsky 1977; Jaques 2007). These talents suggest prompt response during unforeseen circumstances (Madni & Jackson 2009).

In addition to previous 2 stages resilience encompasses a capacity to adapt to difficult conditions. Also it means use risk and chaos to your advantage, see opportunities where others see losses. These skills pertain to post crisis changes and oriented toward organizational progress. This form of long-term learning expands a firm's knowledge base, which used as primary antecedent for the anticipation dimension (Madni & Jackson 2009). As a result, adaptability is one of the essential talents that may assist the company in avoiding or mitigating the negative impacts of unforeseen situations. Adaptation encompasses 2 categories of capacities: organizational change capabilities and reflection & learning capabilities (Carley 1991; Carley & Harrald 1997).

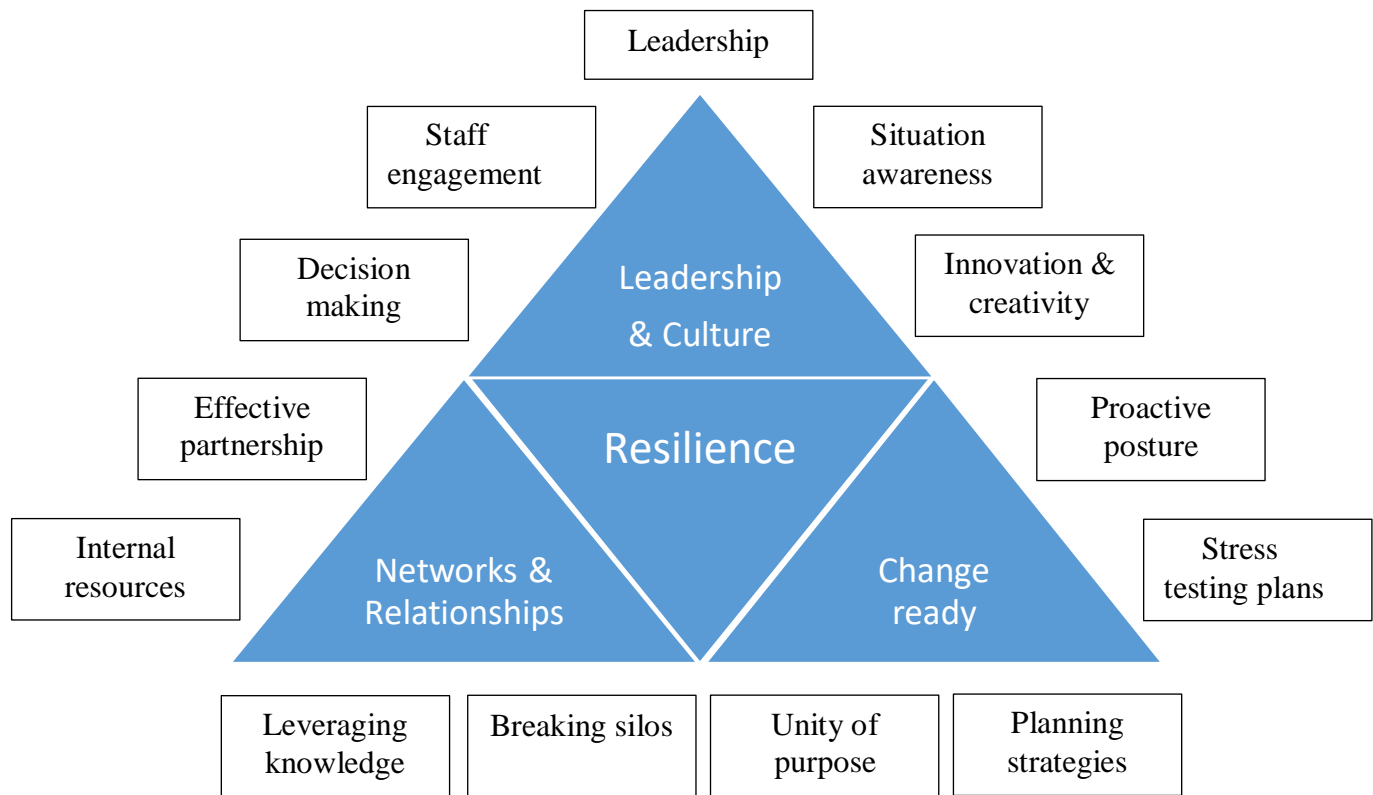
Deloitte also presented approach of resilient organization which founded on financial, operational and reputational resilience. “A more resilient organization will achieve resilience by design, safeguard it through change, and demonstrate it in adversity. It has the right mindset, strong leadership, and a transformative approach to risk. We help organizations focus on what-if and the what-next scenarios to anticipate shifts and identify unexpected risks” (Deloitte, 2022).

Three pillars of a resilient organization:

- Financial resilience - improve your ability to tolerate shocks that influence your assets, liquidity, and income.
- Operational resilience - make certain that your employees, technology, data, facilities, demand and supply can withstand unforeseen situations.
- Reputation resilience - be more sensitive to outside impressions about your company, laying the groundwork for trust and reliability.

According to 2021 Deloitte Global Resilience Report (Deloitte, 2021) resilient organizations have 5 attributes. It could be defined as prepared, adaptable, collaborative, trustworthy and responsible. Prepared means that the most effective chief executive officers prepare for every eventuality, both short and long term. Over 85% of CEOs whose firms properly balance short- and long-term goals believed their organizations had pivoted extremely well to adjust to the events of 2020, compared to less than 50% of organizations that did not achieve that balance. Adaptable means that leaders understand the value of having adaptable staff, even more so after a year like 2020. To that end, flexibility & adaptability was by far the most significant workforce characteristic identified by CEOs as vital to their firms' future success. Collaborative means that CEOs emphasized the value of cooperation inside their firms, stating that it facilitated decision-making, reduced risk, and increased creativity. Indeed, breaking down divisions and improving cooperation was one of the top strategic initiatives undertaken by management before to and throughout 2020. Trustworthy – leaders are aware of the difficulty of establishing confidence. Over 1/3 of responding CEOs expressed doubt about their firms' ability to foster trust between workers and management. Those that succeed prioritize communication and openness with important stakeholders, as well as empathic leadership. Responsible - the majority of chief executives recognize that business has a duty beyond the bottom line. 87% of executives said that their firms have done a really good job of balancing the requirements of all stakeholders also stated that their organizations can swiftly adjust and pivot in response to disruptive circumstances.

Consulting and research group “Resilient organisations” specialising in organisational risk and resilience propose own framework. According to this model organizational resilience include 3 interdependent attributes such as leadership & culture, networks & relationships and change ready. These attributes consist 13 indicators of resilience (see Figure 4):



**Fig. 4.** Conceptual model by Resilient Organisations (2019)

- Leadership means extraordinary decision-making capabilities and crisis management to ensure effective decision making in times of disruption and crises, as well as regular review of strategies and work-programs regarding organizational objectives.
- Employee engagement indicate that employees` understanding the relationship between their individual performance, the resilience of the organization and its long-term effectiveness are more engaged and involved. Employees are empowered and encouraged to address issues.
- Innovation and creativity of employees should be encouraged using expertise in unexpected ways to solve new and ongoing difficulties, and for using innovative and creative methods for solving problems.
- Effective Partnerships means awareness of the relationships/resources the organization may need from other organizations in times of disruption and the training and management necessary to provide that access.
- Situational Awareness show that employees are encouraged to stay on the lookout for signs of problems in the organization, its performance and possible difficulties. Early warning signals are quickly identified and relayed to organizational leadership when employees share positive and negative news about the organization. Employees are awarded for sharing news about the organization both good and bad.
- Decision Making means that staff have necessary authority to make decisions connected with their responsibilities and authority has been explicitly deputed so that crisis response actions



can be taken when necessary. The involvement or decision-making ability of qualified individuals occurs when their unique expertise provides significant value to the decision or when their involvement will benefit the implementation of the decision.

- Leveraging knowledge means that when necessary vital information is maintained in a variety of forms and places, and employees has access to advice of experts. Roles are shared and employees are taught that someone is always ready to replace essential positions.
- Breaking silos. Breaking down of social and cultural barriers which are often presented as barriers and challenges in communication, leading to fragmented, disconnected and harmful methods of acting.
- Internal resources. The mobilization of the organization's resources and management guarantee its ability to operate normally and providing the additional capacity necessary in times of disruption.
- Unity of goals signify an entity understanding of what the goals of organization will be in the midst of disruption and clear understanding and knowledge of the organization's minimal operational needs.
- Proactive posture means a capacity of organization to recognize and reply to changes in its internal and external settings before they become crises, both in terms of strategy and behavior.
- Planning strategies indicate creation and analysis of plans to manage threats in corporate environment.
- Stress testing plans means participation of staff in rehearsal of different situations and scenarios in order to practice employees' response, plans and speed of reaction.

Another framework presented by Arthur Huang & Melissa Farboudi Jahromi (2021). An article presents five resilience-building strategies of enterprises during and post COVID-19. Based on Fromhold-Eisebith's (2015) research on resilience strategies in the manufacturing industry during a crisis, the authors formulated a different strategy with sub-strategies for the service sector. Such as changes in market orientation, supply chain optimization, strategic corporate reorganization, focus on innovation, and business model transformation. Let us discover these resilience strategies in detail.

○ Market orientation



**Fig. 5.** Market orientation resilience strategy.

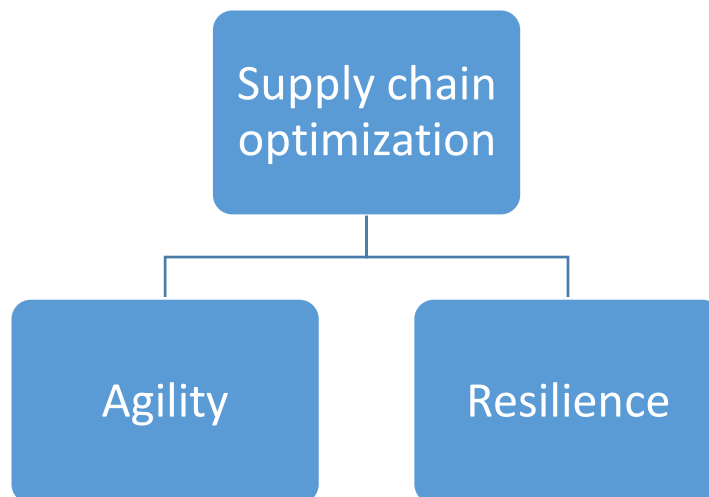
According to the definition, market orientation includes market intelligence collection, market intelligence dissemination, and market responsiveness. Previous studies demonstrate that market orientation competence improves service organizations' performance during a crisis (Lettice et al.,

2014). To enhance market intelligence collection capabilities, service firms should establish a formal and structured intelligence collection process that integrates data from various sources, including the Internet, media, business networks, external stakeholders, government, and financial transactions, and use a variety of data analysis techniques and technologies.

Service companies may use some methods to foster market knowledge and improve the transmission of market intelligence: by distributing reports and presentations to internal stakeholders, as well as sharing a performance dashboard with them, and by centralizing market intelligence and appointing its management to the intelligence team, the organization will be able to understand better its customers and other stakeholder groups, as well as better, serve them (Gebhardt et al., 2019).

According to Lettice et al. (2014), there is a strong correlation between market responsiveness and law firm subjective performance during a recession. Other studies have shown that a firm's performance during a crisis may be improved by having a responsive market orientation (e.g., Bodlaj et al., 2012; Petzold et al., 2019). During a crisis, service companies must thus develop systems that enable them to respond quickly to market demands; for example, they might strengthen client networks and broaden their service offerings and means of delivery depending on current and upcoming consumer requirements (Alves et al., 2020). Proactiveness in anticipating consumer demands during a crisis, in addition to reactivity, boosts the performance of organizations. Proactiveness enables organizations to take risks to target consumers' latent requirements, while responsiveness helps firms use existing market knowledge to meet customers' present demands (Petzold et al., 2019).

- Supply chain optimization



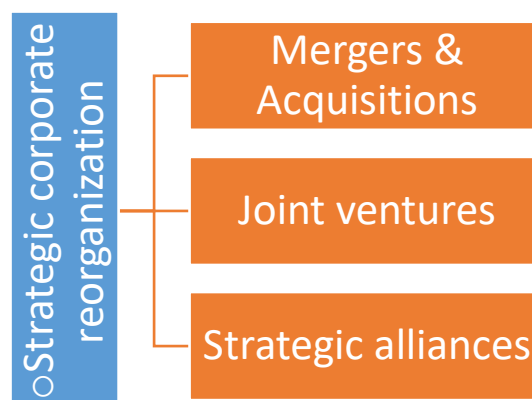
**Fig. 6.** Supply chain optimization resilience strategy.

According to Jüttner & Maklan (2011), through the optimization of supply chains, service companies may lessen their exposure to crises and deal with and recover from crises. Service organizations should improve the agility and resilience of their supply chains (Altay et al., 2018). An agile supply chain can react to changes quickly and economically, while a resilient supply chain can deal with disturbances and recover from them. Flexible sourcing and distribution are two critical factors that may boost resilience and agility (Gligor et al., 2019). Flexible procurement refers to having a wide variety of alternatives for purchasing and receiving high-quality goods and services and the capacity

to efficiently make use of these options to meet changing market needs (Swafford et al., 2006). The capacity to adapt to changing market circumstances by using a variety of storage and delivery alternatives for goods and services is meant by the term "distribution flexibility" (Swafford et al., 2006).

By enhancing the visibility of their supply networks, companies can make their supply chains more flexible and resilient. An essential aspect of supply chain transparency is the ability to follow a product from its source to its ultimate destination. More than six hundred professionals from across the globe participated in Geodis' 2017 global supply chain survey. According to the report, only 6% of the questioned companies had complete supply chain visibility, 17% had extended visibility, and 77% had either limited or no visibility. According to these findings, most companies lack a supply chain that is both agile and resilient. Businesses may use an Enterprise Resource Planning (ERP) system to create real-time data on many aspects of supply chains, such as inventory, production, and shipping, to improve supply chain visibility. A modern ERP system uses AI and machine learning to optimize everyday corporate operations, foresee issues using advanced forecasting, and create customized user experiences. (Biezepol, 2020). In addition, by integrating and analyzing unstructured data created across supply chains, big data analytics may assist companies in making better choices (ModusLink, 2020).

- Strategic corporate reorganization

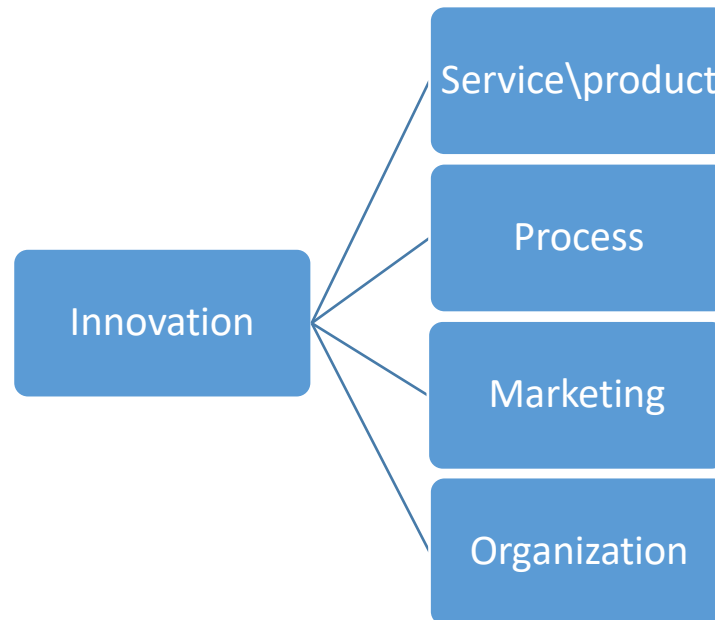


**Fig. 7.** Strategic corporate reorganization resilience strategy

During a financial crisis, SMEs may look for ways to cut expenses and increase their position in the market. On the other hand, firms with significant financial resources may purchase other companies to expand and boost their income streams. The term "corporate reorganization" encompasses various activities, from mergers and acquisitions to joint ventures and strategic partnerships (Fromhold-Eisebith, 2015; Nafday, 2011). In a merger, two existing companies join together to form a new company, while in an acquisition, one business acquires another and becomes its new owner (Hayes, 2020). A strategic alliance is a formal partnership in which two companies exchange resources such as intellectual capital, technology, and trademarks to establish a new third entity (Kenton, 2019). However, mergers and acquisitions are the most typical strategies service organizations use based on their requirements and resources. Anecdotal evidence suggests that mergers and acquisitions

accounted for about half of all worldwide corporate restructuring agreements during previous periods of economic downturn. Still, from 2007 to 2010, this figure rose to over five times that amount (Allen & Overy, 2011).

- Focus on innovation



**Fig. 8.** Focus on innovation resilience strategy.

When SMEs face a crisis, most businesses instantly go into crisis mode and begin cutting expenses across the board, from day-to-day operations to research and development (Nafday, 2011). It is possible to survive the crisis by focusing only on cost-cutting, but this might lead to a drop in product quality, customer dissatisfaction, and a lack of post-crisis development in the company. For this reason, maintaining a balance between cross-cutting and investment is essential to assist businesses in surviving and thriving during a crisis (Gulati et al., 2010). According to the Schumpeterian model, economic crises evict more minor creative enterprises but allow more inventive ones to thrive and prosper (Jung et al., 2018). Other research has also backed this up. During the economic crisis of 2007–2009, for example, research by Soininen et al. (2012) examined the performance of 194 Finish SMEs. They discovered that creative and proactive companies were less affected by the recession in terms of operating revenue and total assets. Additionally, Madrid-Guijarro et al. (2013) found that innovation positively impacted the subjective performance of Spanish businesses throughout the Great Recession.

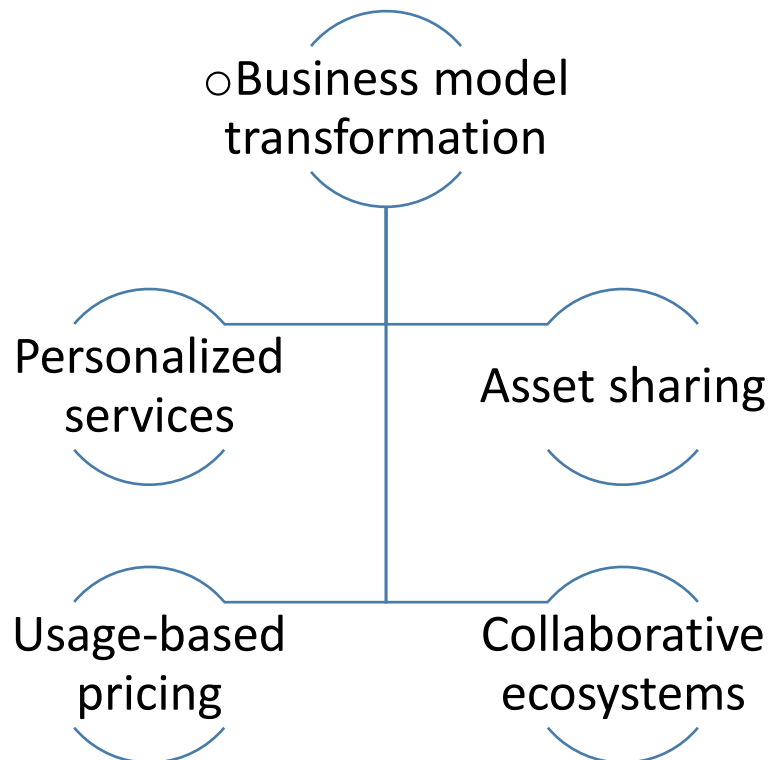
There are four fundamental types of innovation in the service industry: product/service, process, marketing, and organizational/management (Landry, 2020; OECD, 2005, 2010). Product innovation refers to designing a brand-new product or service or significantly improving an existing one's components or specifications (OECD, 2010). Because firms focus on cutting costs during a recession, this kind of innovation is less prevalent (George, 2020).

Changes in product design, location, promotion, and price are all examples of marketing innovation (OECD, 2005). In recent years, many service companies have turned to internet platforms to keep in touch with their consumers. Some of these businesses have even enlisted the help of social media

influencers to help publicize their goods and solutions. Creative commercials have also been used to promote the social conscience of firms in addition to internet marketing.

Another potential for companies to generate growth amid a crisis is via organizational innovation. Dissatisfaction with an organization's current practices and/or procedures often catalyzes organizational innovation, leading leaders and managers to seek inspiration and information from sources outside the company. New business practices, knowledge management systems, techniques of workplace organization (i.e., decision-making systems), and management of external interactions are all included in this notion (Polder et al., 2010, p. 10).

- Business model transformation



**Fig. 9.** Business model transformation resilience strategy

Adopting new technologies and emphasizing innovation may help shift business models. However, it is important to emphasize that business model transformation does not equate to just adopting new technology or innovation (Kavadias et al., 2016). Transformation is the process through which new technology is linked to market demands. As part of the ideal business model transformation, the first sub-strategy, personalized products, and services, satisfy consumers' demands while delivering higher value to the client (Schreier, 2006). Personalized goods and services, asset sharing, usage-based pricing, and a collaborative ecosystem are all part of the ideal model transformation. (Kavadias et al., 2016).

A business model transformation also includes asset sharing, in which valuable material and non-material assets are distributed across many stakeholders. There is a benefit in any sort of asset sharing. Asset sharing in business networks provides monetary and social value and potential for development and innovation for the parties engaged in B2C access-based services (Schaefer et al., 2018) and peer-to-peer sharing (Zhang et al., 2019; Faridian & Neubaum, 2021). The following three types of services

are B2C access-based services, peer-to-peer sharing, and business network asset sharing (Faridian & Neubaum, 2021).

Another method of transforming your business model is implementing usage-based pricing, which charges clients according to how much of a product or service they use. Using this pricing strategy provides clients with more flexibility, affordability, and a minimal commitment, while also boosting the profitability of businesses (Solomonik, 2019). Customers may pay just for what they use rather than paying the total costs of service they may or may not utilize (i.e., affordability). Customers do not have to sign long-term contracts when using usage-based pricing, which may encourage them to try the service (Solomonik, 2019). During an economic downturn, customers become more price-sensitive, and they may find themselves on a tighter budget due to the crises' aftermath. As a result, service providers may better respond to changing market conditions by using a pricing model that is both flexible and adaptable (Deloitte, 2020).

Another sub-strategies that assist service SMEs in their business model transformation is establishing a collaborative ecosystem. Networking among workers, customers, suppliers, and partners creates a collaborative environment where organizations may better use intangible and tangible resources, handle difficult circumstances, and promote innovation (Smith, 2015). Enterprises and their stakeholders' co-creation of multiple values is also possible in a collaborative ecosystem. Alibaba's data-sharing ecosystem is a successful example of a collaborative environment formed during the COVID-19 epidemic. A data-sharing approach was built by the Chinese technology business via horizontal collaborations. This model has allowed hundreds of Chinese SMEs to quickly improve the production of medical supplies and groceries (Prashantham & Woetzel, 2020).

#### **2.4. Key factors of the resilience strategy**

In most cases, authors try to investigate key enablers of resilience strategies. According to the framework developed by Pal et al. (2014), the resilience of a company is largely determined by the three key enablers - resourcefulness, learning & culture, and competitiveness - which are in turn shaped by top-level decision-making collectiveness and sense-making. Resilience can be measured by assessing whether a company has the following three dimensions such as resourcefulness (material & financial resources, social resources, intangible resources), learning & culture (speed of decision-making process, wellbeing of employees), and competitiveness (redundancy of resources, flexibility, networking, robustness).

Likewise, one more framework was constructed and experimentally investigated by gathering data from SMEs, revealing important factors that impact not just SMEs' resilience but also competitiveness (Gunasekaran et al., 2011). An essential variable were divided into three categories: internal (organizational behavior, management qualities), external (such as globalization), and enabling (technology, capital, supply chain integration, marketing).

Other researchers created a model for strategic planning and crisis management to assist organizations in understanding their natural inclinations and how they impact the sort of resilience the organization may attain; model was developed according to SMEs in New Zealand (Vargo & Seville, 2011). There are 4 major enablers: leadership, culture, decision-making process and situational awareness. It is critical for management to transmit a positive attitude, that decisions be made swiftly, that the organizational structure is not authoritarian and centralized, and that creativity and innovation are encouraged.

Ismail et al. (2011) established a seven-step approach for improving organizational resilience: recognize industry differentiating factors, study market implications, compare positioning with competitors' strengths and weaknesses, define objectives, select growth choices, assess and prioritize growth possibilities, design strategies for growth, execute and learn. The idea of an organization's proactive approach to identifying danger and responding to it is a major part of the dynamics given by the conceptual framework.

Sullivan-Taylor and Branicki (2011) used a four-category framework to assess the perspectives of SMEs with necessary capabilities such as resourcefulness, organizational, technical, and speed in order to deal with extraordinary situations.

The resilience of the supply chain in the area of risk management has been investigated by research by Thun et al. (2011). More than 60 German manufacturing SMEs was studied in order to find that using reactive tools to build a resilient supply chain increases both flexibility and redundancy. It means to ensure inventory, dual or multiple sources, excess production capacity, and storage space.

According to Alberti, F.G., Ferrario, S., and Pizzurno, E. (2018) framework, the most relevant key enablers for small and medium-sized businesses' resilience appear to be:

From the perspective of strategy:

- Improve and invest in the core business
- constantly improve the service offered quality;
- expansion of additional channels of distribution;

In terms of resources, the following are available:

- a big amount of available capital;
- an efficient process of product development;
- an effective labour force;
- great after-sales service and support;
- and all of the company's organizational resources.

For De Oliveira et al. (2013), the cornerstone of a resilient organization is the innovation process and the management of that process. Their study found that there are three main types of organizational innovation processes: reactive innovators, proactive innovators, and anticipatory innovators. Ultimately, it is this last group that builds resilient organizations. In order to achieve serial innovation and build resilience, forward-thinking firms must create an atmosphere inside the organization in which four key factors/dimensions are important such as leadership, a trustworthy environment, a strategic planning process, and finally, the implementation of innovation in everyday operation.

According to Seville et al. (2015) research, there are seven core principles for building and cultivating resilience and managing changes:

- invest in social capital;
- make adaptivity a core competency;
- transform into an organization that is constantly learning;
- focus on resilience as a corporate sport;
- seek opportunities despite risks;

- integrate flexibility into operational excellence;
- choose pliability as a priority.

The results of the analysis of resilience key factors research were summarized in the table below (see Table 2).

**Table 2.** Resilience key factors

<b>Author</b>	<b>Resilience key factors</b>
Pal et al., 2014	Resourcefulness, competitiveness, learning and culture
Gunasekaran et al., 2011	Internal (organizational behavior, management qualities, and quality) External (globalization) Enabling (generation of capital, technology, integration of supply chain, marketing).
Vargo and Seville, 2011	Culture, situational awareness, decision making, and leadership
Ismail et al., 2011	Recognize industry differentiating factors, study market implications and trends, compare positioning with competitors' weaknesses and strengths, define objectives & select growth choices, assess & prioritize growth possibilities, design strategies of growth, execute & review
Sullivan-Taylor and Branicki, 2011	Resourcefulness, technical skills, organizational skills, speed of making decisions in extraordinary situations
Thun et al., 2011.	Flexibility and redundancy of supply chain
Alberti, F.G et al., 2018	Strategy and resourcefulness
De Oliveira et al., 2013	Leadership, trustworthy environment, strategic planning process, the implementation of innovation
Seville et al., 2015	Investment in social capital, adaptivity as a core competency, organization learning, resistance, seeking opportunities despite risks, integration flexibility into operational excellence

To sum up, the most frequently mentioned factors are leadership and social capital, strategic management and planning, flexibility, and adaptability. Based on the list presented, a conceptual model will be created.

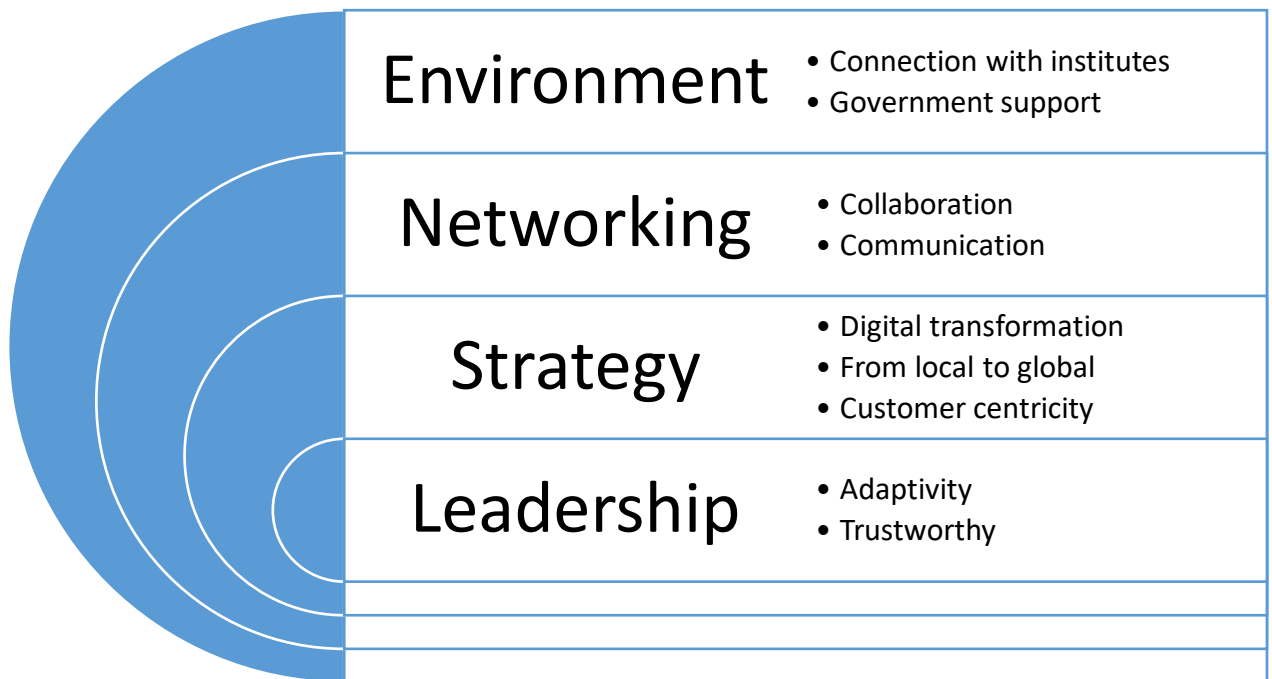
## **2.5. Theoretical framework (conceptual model)**

We will try to propose a new framework in order to recombine key factors listed by previous authors and others recommended in the management literature as important to enterprise success, with the purpose of constructing an all-inclusive model that might represent resilience for small and middle-sized enterprises.

Based on an analysis of literature and different theories, the own combined theoretical framework (conceptual model) was developed. Due to the COVID-19 pandemic crisis, some elements of resilience strategies became especially important and relevant.



- Leadership characteristic
  - o Adaptivity
  - o Trustworthy
- Strategy adjustment
  - o Digital transformation
  - o Shift from global to local
  - o Customer centricity
- Networking
  - o Collaboration and partnership
  - o Communication with many players
- Business environment
  - o Relationship with institutes
  - o Government support



**Fig. 10.** Conceptual model

Based on the investigations, the relationship between leadership, strategy adjustment, networking, environment, and organizational resilience will be assumed, and the hypotheses will be empirically tested.

### 3. Methodological solutions

#### 3.1. Philosophy of Research

The **aim** of the empirical research is to investigate the success factors of organizational resilience strategies of enterprises during and after the disruption and crises caused by COVID-19.

The **objectives** of empirical research are:

1. To carry out empirical research in order to examine the success factors of organizational resilience strategies of Lithuanian retail industry enterprises during the COVID-19 crisis.
2. To provide recommendations on which retail industry enterprises could use during disruption and crises.

Based on the theoretical analysis and research aim, the conceptual model was developed. The process of empirical research can be presented in the figure below (see Figure 11).



**Fig. 11.** Graphically presented the process of empirical research

### **3.2. Research Design**

This study is designed to understand the new phenomenon better, and reveal and explain the relationship between the studied variables (Saunders et al., 2007), so we used explanatory research design and qualitative research methods to identify research constructs, analyze, compare and interpret (Hair et al., 2007). We have adopted the case study method, as case analysis is one of the most relevant methods to answer the research questions posed at the beginning of the study and identify the dynamics of the phenomenon, unique facts, and group information. Case analysis is one of the most effective ways to achieve a deeper understanding. Case analysis provides a comprehensive analysis of the object of research, which allows a complete understanding of the phenomenon (Baxter & Jack, 2008). In the scientific literature, you can find different points of view on the same analyzed object (Eisenhardt, 1989).

Primary data were collected using semi-structured in-depth interviews. A research tool with preliminary questions was developed for this method; the sequence of questions could vary depending on the interview process, interviewees' answers, and other contextual circumstances.

Sampling. The firms selected for this study had to meet the following criteria:

1. the firm operates in Lithuania;
2. the firm overcame the COVID-19 crisis (it means survived and still operates on the market);
3. the firm belongs to the retail industry.

Five cases were selected. The founders of the company or the heads of each company (only five informants) were interviewed. The interviewed managers had deep knowledge about the activities and processes of their companies. We conducted several interviews; the issues were related to success factors of organizational resilience. Semi-structured open interviews were conducted during the interview. This allows you to ask the main questions and then ask additional, more detailed questions (Yin, 1994).

Sample of blocks of questions (see Appendix 1.):

1. General questions: age, size, number of employees, level of turnover.
2. Resilience questions: self-assessment of organizational resilience, plan for disruption.
3. Leadership questions: trustworthiness of leader, adaptivity of leader.
4. Strategy adjustment questions: digitalization, presence on social media, the shift in the focus of enterprises.
5. Networking questions: collaboration and partnership, communication with the many players.
6. Environment questions: customer behaviour, legislation, government support.

### **3.3. Data collection and Analysis**

Interviews were conducted from March-April 2022. The duration of each interview is from 30 to 60 minutes; the interviews were recorded. The recorded interviews were coded. The interview transcripts and notes were analyzed using categories based on the theoretical research outlined above.

The interviewees were informed of the duration of the semi-structured interview. The list of questions was provided in advance. With the help of the discussion, the timing of the interview was planned. The video communication platform Zoom was mainly used.

*Research limitations.* Several limitations are present in the study:

1. The limitation concerns the number of respondents. A small sample does not allow generalizing the results obtained for the entire retail sector.
2. Although most surveyed retail enterprises belong to small and medium-sized enterprises, which reflects the structure of the retail sector in Lithuania, the results do not allow to generalize of the obtained results for all SMEs.
3. The presented theoretical model, based on which the questionnaire for empirical research was compiled, is not comprehensive.

The conceptual model requires refinement and expansion of the number of factors. The presented limitations emphasize the need for a deeper study of this issue. Above all, quantitative methods would seriously enhance this research in the future.

*Research ethics.* The Code of Academic Ethics of KTU was used for research ethics. Ethical principles such as not harming research participants, maintaining confidentiality, informing participants about who will have access to the data, how the data will be used, and a mandatory emphasis on voluntary participation in the study. There is no conflict of interest in the study. Regarding confidentiality, the survey did not ask for company names or any confidential information. In addition, plagiarism has been avoided, and all citations have been provided appropriately.

## 4. Results

Five semi-structured interviews with top managers / CEO / owners were conducted through the zoom platform. Semi-structured interview questionnaire includes 22 questions in 6 blocks (see Annex 1). The first part is devoted to general questions about the enterprise. The second block provides resilience questions. The third, fourth, and fifth parts are connected with the theoretical model developed based on previous academic research. These parts include questions about leadership, strategy adjustment, and networking factors of organizational resilience of enterprises. The last part of the questionnaire was devoted to environmental factors. For reference, the informants were coded as Firm A, Firm B, Firm C, Firm D, and Firm E.

### 4.1. General research findings

The case represents 5 Lithuanian enterprises that operate in the retail sector. The case firms are represented different sizes of business in Lithuania – from micro enterprise to a large enterprise. Table 3 is the summary or general characteristics of case firms. Based on the gathered information all firms orientated for retailing but focused on different sub-sectors such as sport goods, children goods, healthy food (meat and vegetables), optics and consumer goods. Firm B and Firm D are providing mainly B2B services (as HoReCa). Firm A, Firm C and Firm E orientated mainly to B2C customers.

**Table 3.** Characteristics of Case Firms

<b>Firm</b>	<b>Main activity</b>	<b>Age</b>
Firm A	Sporting goods retailer	20
Firm B	Consumer goods. Wholesale network "Cash&Carry" (HoReCa)	30
Firm C	Children goods retailer	30
Firm D	Healthy food and high quality meet retailer (HoReCa)	14
Firm E	Optics and lenses retailer	26

All represented firms operate more than 14 years on Lithuanian market. Firm B and Firm C are working for 30 years. Age of company is vital for organizational resilience. Suppose a company has existed on the market for a long time. In that case, this allows it to become more hardened and stable. 4 out of 5 represented firms faced the global financial and economic crisis of 2007/8 and successfully overcame it. At least they managed to survive and adapt. The longer the company operates, the more troubles it has to overcome. This experience certainly helped to overcome the crisis associated with the pandemic. The CEO of firm A mentioned that the experience and knowledge gained during the 2008 crisis helped him calmly respond to the challenges of the pandemic. He believe that this is one of the main success factors “I would say that basically, experience. Because everybody has already went through 2008 financial crisis. In 2008 I was working in different company, and I remember very well myself and what we needed to do. Then people as well in the management, they are also very experienced, they have worked during that crisis. It was very important. All those experiences have

left in your mind somewhere and you know what to do. You know that everything is temporary, so you don't panic and then you try to think about the better future.”

**Table 4.** Number of employees of Case Firms

<b>Firm</b>	<b>Number of employees before pandemic in 2019</b>	<b>Number of employees during pandemic</b>	<b>Number of employees after pandemic in 2022</b>
Firm A	400	300	420
Firm B	1200	1150 (20)	1170
Firm C	350	330	330
Firm D	18	19	20
Firm E	191	190	194

Table 4 is showing changing numbers of employees during pandemic crisis. The companies represented have a very different numbers of employees. Since the pandemic's beginning, the first reaction has been a desire to reduce the number of employees due to uncertainty and financial risks.

Firm A stated: “We have changed (the number of employees) only through first wave. On the first wave we had to fire them. We fired about 100 out of 400. It was under uncertainty, when we did not know when to open.” But after first lockdown the firm rehired everybody. Everyone from these 100 employees were taken back and even extra.

Firm B, the biggest one out of 5 firms, have to fired assistants who has not so much experience. Also 20 people temporary were sent for downtime: “The number of employees was slightly reduced. We reduced the HoReCa department - because they were under restrictions, and we were forced to reduce the number of our people slightly, but we did it in two ways. First, we transferred many to downtime... And several people had to be fired from those who worked for no more than a year as an assistant, having previously paid them compensation, because everything was incomprehensible and unpredictable. Initially, about 20 people were sent for downtime, but then our sales in Cash&Carry grew significantly... so we temporarily transferred some people from this number to Cash&Carry”

Firm C mentioned that the goal was to keep the entire team intact, so they tried not to fire anyone because of the pandemic. However, planned cuts were made due to the unprofitability of some stores. It was planned to reduce about 20 people. “We did not have such that we laid off people because one of the tasks we set ourselves was not to part with any of our employees, but we closed several stores that we planned to close due to their unprofitability. Of course, they were closed, but it was not a reduction due to the pandemic.”

Firm D stated that they try to be more effective in team of 20 people that is why “during the pandemic, even when we had bigger sales, we had to get only one-two people into our company... Even if we have more work, we are more effective with the same amount of people. Before pandemic it was around the same: 18-19 employees.”

Firm E has 191-194 employees. The numbers of employees during pandemic did not change much because firm “did not reduce the number of employees, but sent them to idle. We paid for it, but not so much, it was 50% of the payment in the first wave of covid ... This idle time was covered by the state, we received subsidies from both the state and the shopping centre, so we did not lay off people.”

Moreover, the firm's representatives highlighted that they believe it was one of the main success factors. “We didn't cut employees, which was very good, and then we met with competitors. For them, it is challenging to recruit employees now. And also the reputation of our company before employees remained. Of course, there were plans for the layoff, especially from the general director, but the department defended against cutting off, that it was necessary to keep people because they have been working for many years and we have a very small turnover of people, so we tried to keep them working.”

To sum up, firms are characterized by a slight reduction in workforce or even an increase in the post-lockdown period. Presumably, a significant focus on the team allowed companies to overcome the crisis period. This once again emphasizes the crucial role of human resources in the sustainability and resilience of the enterprise. Entrepreneurs pointed out the importance of state support and subsidies. This made it possible not to fire employees but to send them to downtime. The financial support of the state of Lithuania made it possible not to lose key people and quickly recover in the post-lockdown period.

**Table 5.** Level of turnover of Case Firms

<b>Firm</b>	<b>Turn-over in 2019</b>	<b>Turnover during pandemic</b>	<b>Turnover after pandemic in 2022</b>	<b>Quotes</b>
Firm A	36M (100%)	28M (77,7%)	44M (122,2%)	“I would say that before pandemic we were 36-35 million, so right now it’s 43-44 million. So, it’s 20% additional turnover.”
Firm B	560M (100%)	566M (101%)	580M (103,5%)	“The turnover itself remained approximately the same... But in the company, we always look at the total turnover, and the most important thing for us is operating profit. Because on the contrary, you can make a lot of money but earn zero from it. Our turnover may not have grown so much, but operating profit has improved.”
Firm C	41M (100%)	27,7M (70%)	36,9M (90%)	“In the first year of the pandemic, we had a decline in sales and profits, almost to zero. ...of course, we lost 10% in sales compared to 2019, but our profitability has tripled.”
Firm D	750k (100%)	1,2M (160%)	1,55M (206,6%)	“So, during this covid situation, these two years, we doubled turnover. From the 750 000 to 1 550 000”
Firm E	7,6M (100%)	6,08M (80%)	6,84M (90%)	“And even if we look at this year, we predicted that we would reach turnover on the 2019. But so far, if you look at the month-month, it is still seasons, in January-February we did not have good results. That is, they have not yet reached the pre-Covid level.”

Surprisingly, despite the decline in company turnover, 4 out of 5 enterprises improved their profitability. Company B, despite the previous turnover, significantly increased its operating profit. Firm C mentioned that they tripled their profitability despite falling sales and turnover. Firm D more than doubled its turnover. Only Firm E has lost turnover and profitability, so they haven't reached pre-COVID levels yet.

If you check Table 6 below you could find that entrepreneurs drew attention to the positive aspects despite the unpredictability and confusion. However, firms adapted quickly after the first lockdown. In connection with the pandemic, 3 out of 5 firms saw a massive increase in sales because they sold essential goods: food and hygiene. Also, sports goods have become more popular. People began to strive for a healthy lifestyle. So for 3 out of 5 firms, it was a time of opportunity despite the challenges.

It necessary to mention about several waves of lockdown in Lithuania. It was 3 waves. First wave was in the middle of March – 15th of March was the first closing for businesses (closed for 1.5 month, before the opening in May). Then the second wave was the longest and the hardest, enterprises were closed 15th of December 2020 (closed for almost 4 months). And the third wave which was quite long in case but already there was seen etc.

**Table 6.** Self-assessment of impact of pandemic on Case Firms performance

Firm	Quotes
Firm A	“In general...for second wave we were already prepared, if you consider that the first wave we operated by general management skills, by most of your experience. Basically, we were preparing for the worst. I was quite happy what happened, because the worst didn't happen.”
Firm B	“Psychological pressure: according to surveys before and after 30-40% of people felt bad because of this situation (tension, depression). But the company itself has seen only positive changes.”
Firm C	"When they began to close retail trade, introducing quarantine, it was not that scary, but it seemed impossible to survive in these conditions. It was a big challenge for us. It was important not to get lost, not to panic, to quickly gather the management itself and help all the company's employees quickly gather so that they do not get confused and give them particular tasks, what, how to do it differently and adjust to work in other conditions."
Firm D	“When covid came into Lithuania everyone was totally confused. Nobody understood what the virus is, how to react, how to deal with it, what to do and so on. Nobody knew what to do. On the other hand, our company was happy, because everyone wanted to buy fresh meat and to store it into the fridges. We had shortages of meat, everyone was buying, there was huge sales.”
Firm E	“In general, everything went well because the opticians were still working, because we, like pharmacies, were allowed to work, unlike clothing or shoe stores. We worked, but not all the shops and employees because there was no such flow of customers. People were not allowed to enter malls, and most of our stores were in malls. People need optics, so we functioned.”

After providing representatives of firms with definition of organizational resilience “the capability to overcome crisis and constraints that setback success. It is the ability to survive, adapt, and grow” (Pal et al., 2012). It was question in semi-structured interview “do you think your organization is resilient?” All firms said “yes”. Confirmation of the resilience of enterprises is at least the fact that



they all survived the crisis. Moreover, some firms mentioned the strengthening of their position in the market. For example, Firm D bought out two companies of competitors: “during this covid situation we also bought another meat shop, which was our competitors. We bought not just one company, we bought 2 competitors. So, basically, we became the biggest player of quality meat sales in terms of food stores, quantities, revenue and so on.”

**Table 7.** Self-assessment of organizational resilience on Case Firms

Firm	Quotes
Firm A	“I would say that yes. We have already right now very experienced managers, but we had at that time as well. We were not at panics we quickly used our skills. For closing business it was also very challenging and we managed to do this very well. So, during second wave there was no stress at all. I would say that yes, we are resilient.”
Firm B	“Yes”
Firm C	“Yes”
Firm D	“I believe yes. Also, the numbers show that. Because our company is small, so we can change everything very fast. Because our business is very old, food business is very old in general. You cannot change very much, you can't make another cow - meat is the meat. It is the method. Is it fresh, is it frozen or is it dry? It's 3 different things. Because still, the difference is how you reach your customers, how many problems do you make to reach them. People nowadays don't want any problems, they want everything to be easy.”
Firm E	“Yes, she is stable. When it all started and there was no money, we were not prepared. But the second time everything was better and with finances, we saved up money in order to pay the employees 100%. But the first time it was a shock. Probably, this covid gave us that now we are ready for different situations.”

In the research, a significant role is given to analyzing the self-assessment of enterprises of their activities during a pandemic. This allows collecting information about what firms consider success factors for overcoming the covid crisis. Indeed, self-esteem is always limited. That is why an external assessment is carried out, which is more objective. However, information obtained directly from inside the enterprise helps to formulate a complete picture in understanding what allowed the represented enterprises to survive, adapt, and sometimes even grow in turbulent conditions.

Based on the companies' self-assessment, we can identify certain success factors that the representatives of the enterprises mentioned (see Table 8 below). Firm A mentioned such factors that allowed them to successfully survive the crisis as previous experience of crisis, personal characteristic of the leader, positive orientation to the future and government subsidies.

Firm B was focused on reorganization of all processes in order to improve efficiency. The system of discounts has been tightened or completely removed, which has improved the company's financial resilience. It allowed reducing costs. The company also revised its lending policy to business clients. This led to an increase in operating profit, which positively affected the company's activities.

Firm C pointed out the importance of relationship and communication with the team. Team orientation gives opportunity to discuss situation with the team and provide appropriate support. For

firm C was vital to involve staff in strategic and tactical planning. Team orientation helps to create a sense of safety and security in people. It creates a positive atmosphere in the team and motivates employees to adapt quickly and learn new competencies. Each team member knows that he is valuable, and the firm does not plan to cut him because of the crisis. Adaptation and agility are extremely important in the unpredictable situation.

Firm D express point of view about significance of high quality service. Especially firms engaged in the retail of essential goods should emphasize service. The task of the enterprise is to make life easier for the consumer by discovering the client's needs. It is important to monitor consumer behavior and detect trends in time. The firm improves the quality of marketing and attracts new customers. With the advent of the pandemic, people tried to lead a healthier lifestyle in order to protect themselves from the virus. This trend has led to an increase in demand for healthy food products. Also, people have become more likely to cook at home because of the pandemic. The discovery of this trend allowed firm D to increase sales and double in size significantly.

Firm E confirms that without government support and subsidies, it would be challenging to survive. Team orientation has also paid off. The firm held on to every employee and laid off no one during the crisis. The launch of the e-commerce store has dramatically strengthened the company's sustainability. Although the opticians continued to work, the shopping centres did not function at full scale, which significantly reduced the flow of people. E-shop is allowed to keep sales at approximately pre-Covid levels. This was facilitated by the expansion of the range in the online store. Also, cooperation in advertising with other companies with an e-shop made it possible to attract a new audience of buyers. The principle of synergy allows increasing sales through the e-Shop without significant investments in advertising.

**Table 8.** Success factors of enterprise to be resilience during COVID-19 crisis

Firm	Success factors	Quotes
Firm A	Experience of management  Stress resistance  Positive orientation  Government support	<p>“I would say that basically, experience of management. Because everybody has already went through 2008 financial crisis.”</p> <p>“You know that everything is temporary, so you don’t panic and then you try to think about the better future.”</p> <p>“I really operate, maybe the best in those very tense situations.”</p> <p>“This calmness and knowing that it won’t last forever and that in general I know everything will be good.”</p> <p>“Government support started to kicking as well, so this was also kind of very good insensitive not to fire more people or not to panic more.”</p>
Firm B	Reorganisation processes  Financial rearrangement  Adaptation and agility	<p>“We revised all our processes in terms of efficiency.”</p> <p>“we looked after the loans of our clients, did not give loans, strictly looked at the length of the loan (if earlier the loan was given up to 21 days, now it has been reduced to 10-14 days), looked after our cash flow...”</p> <p>“And the second point: we made fewer discounts. This allowed us to protect ourselves from losses and, in general, even improved operating profit.”</p>

Firm C	<p>Communication</p> <p>Strategic planning</p> <p>Adaptation and agility</p> <p>Team orientation</p>	<p>“The most important thing is relationships and communication with the people you work with.”</p> <p>“It is important not to get confused, thinking over plans and steps, inviting everyone for this, so that everyone has their new roles and quickly adapts. This situation has changed every day, every month over the past 2.5 years, and well-established communication and distribution of new jobs and competencies that people were trained in was the biggest strength.”</p> <p>“Furthermore, we could not refuse a single person because the company is a giant organism with all the organs, and when everything is fine, it will quickly recover. However, when someone leaves, then it takes time to gain competence. We understood that and did everything possible so that people would not leave.”</p>
Firm D	<p>Customer orientation</p> <p>Problem solving business</p>	<p>“Slight change to reach the customers meanly.”</p> <p>“It depends how you reach the customer. I believe this is the main aspect.”</p> <p>“Also, people, I believe they tried to be healthier, because of the virus.”</p> <p>“People nowadays don` t want any problems, they want everything to be easy”</p>
Firm E	<p>Government support</p> <p>Team orientation</p> <p>E-commerce</p> <p>Cooperation</p>	<p>“That we received support, subsidies from the state, that’s for sure.”</p> <p>“This is that we did not lay off employees and it was very good, and then we saw from our competitors that it is very difficult to bring back employees.”</p> <p>“It also helped us that we had an e-Shop and could still trade and even decided that we ordered glasses on the Internet, which is of course very difficult, but with a prescription it is possible. We used to sell contact lenses, drops, but during the covid period we also supplied frames.”</p> <p>“We ... did advertising with other companies that also have an e-shop.”</p>

#### 4.2. Leadership factors

According to the conceptual model, the resilience of an enterprise largely depends on the leader's characteristics. Since it is the leader who influences the organization the most, his behavior during the crisis determines the ability of the enterprise to overcome difficulties. One of the critical elements of leadership is trust. The more a leader is trusted, the more people are ready to follow him. In a crisis, each employee faces a choice of how to act. If the leader is trustworthy, the team unites and is ready to overcome obstacles for the firm's success. Firm B highlighted “this is the basic thing, without trust there is no leadership. Because the only way you become a leader is when people trust you, if you did not let them down, didn’t deceive them and helped your person or people”. Entrepreneurs were asked how much the resilience of the enterprise depends on the leader (see below Table 9). Absolutely all respondents agreed that the organization's resilience depends entirely on the leader. Adaptability and flexibility are also key to resilient performance. Since employees have to act according to the situation

in unforeseen circumstances, employees must be sure that the boss is ready to make a quality decision quickly.

The most important element is taking care of the team. Theodore RooseveltJohn Maxwell likes to say – “People do not care how much you know until you show how much you care about them”. That is why the critical task is to take care of his team in an environment of uncertainty and instability. This idea is supported by the experience of Firm B, which has strengthened the employee's sickness protocol, also paying full insurance for every employee, from the janitor to the CEO. Management claims that “people began to listen, and there was no single case when we could not cope. This initiative came from our owner because he wanted to protect people from covid”. Firm E also stressed that it is the leader's job to ask how employees feel every day. Firm A noticed that the leader's task is also to convey optimism and confidence in a positive outcome. CEO of firm D absolutely sure that “if employees in your company don’t trust you, the company will just collapse. If employees don’t trust you, they don’t trust also the company. If they don’t believe what you are doing, what you are speaking, they will do whatever they want”.

The study results fully confirm the theoretical models, which singled out leadership as one of the key factors. Namely, organizational resilience strategy frameworks from the consulting and research group “Resilient organizations”. Leadership and organizational culture are at the top of the pyramid (see Figure 4). Also, De Oliveira et al. (2013) see leadership and a trustworthy environment as two key areas in enterprise resilience.

**Table 9.** Correlation between leadership and resilience

Firm	Quotes
Firm A	“I would say that very much depends. How you react. During bad times, first of all to whom people look at leader – how he behaves, what he does. They look at his actions, because they try to see if he is calm; then everything will be okay. And I try to develop that and to translate that to people that all will be good, we are safe, and we will be okay.”
Firm B	“I will 100% say yes, because when they find themselves in crisis new situations, people look to the leader, people who have a big impact in their work and personal lives.”
Firm C	“I have my team, all in their parts, competencies, and departments. Previously, we did not have time for this, but now, after the pandemic, we bring it out and show people that it was not the CEO who did it, but all the store managers are leaders.”
Firm D	“I believe it’s very important to make it fast, to be a leader, just to understand the whole situation, all the background, not just be in your situation and focus on your thing. You have to think about how people are reacting, how they see everything, how they deal with everything and basically just speak with the employees.”
Firm E	“100% it is. The leader is the main person, and if he does believe that everything will be fine and that the plan is good, he must motivate people with his employees who were at home and did questionnaires every day, how do you feel and what can be done.”

### 4.3. Strategy adjustment factors

According to the conceptual model, the next group of factors is strategy adjustment factors. This block corresponds to the theoretical frameworks Hillmann and Guenther (2021), Stephanie Duchek (2019) and Deloitte (2021). In this block of the questionnaire, questions were presented that relate to digital transformation, customer focus, and changing the scale of the enterprise. Entrepreneurs' answer to this set of questions is significant because it shows how ready the company is to adapt and edit its strategy under a crisis. Any crisis hides both threats and opportunities. Therefore, the adjustment of the strategy in a crisis is necessary. It is the right strategy at the right time that brings results. The ability to objectively assess the external environment and quickly change the enterprise's strategy significantly affects the enterprise's resilience.






One the most successful cases firm D emphasized that “the whole company was changed, I believe in one year”. Firm D used time of pandemic to bought competitors and to “became the biggest player of quality meat sales in terms of food stores, quantities, revenue and so on”. It shows how whole strategy of enterprise was changed. Owner mentioned that the company used the opportunities that came with the advent of the pandemic to buy out the companies and assets of competitors at a low price. The firm introduced a lot of new products, changed also the whole sales system, started to sell more to the HoReCa. Also company entered to the supermarkets with another cheaper brand.

Answering the question about adjustment of strategy Firm E mentioned that the shareholders have just started this process, and firm have followed in changing strategies, and this process still continues. “We now have a completely different mission and vision - this is to expand and open new sale points. It is all planned out in time for the coming years”. So firm E even have changed totally mission and vision. Top manager said “the pandemic gave a nudge to the revision of the strategy”.

#### 4.3.1. Digital transformation

The importance of digital transformation during COVID-19 pandemic cannot be overstated. The creation and development of e-commerce and the expansion of the company's online presence made it possible to replenish sales during the lockdown. The company's full-fledged online trading depended on the presence of an electronic platform. Although not all of the cases presented were closed during the three lockdowns in Lithuania, people's flow decreased significantly in general. The decrease in offline shopping is due to government restrictions on the number of people indoors and consumer fear of the virus.

**Table 10.** Digital transformation of case firms

Firm	Firm A	Firm B	Firm C	Firm D	Firm E
Launched ecommerce platform					
Improved ecommerce platform					

<b>Firm</b>	Firm A	Firm B	Firm C	Firm D	Firm E
Created website	★			★	
Expanded presence on social media	★		★	★	★
Digitalization of processes		★		★	

The digitalization of business has helped mitigate the effects of lockdowns. The digitalization has ranged from the rise of online sales and e-commerce to the broader use of technology to increase the productivity of your business, provide your products/services or create new products and services based on technology, including those that support further digitalization of the economy. In addition to reducing costs and increasing efficiency and productivity, it can make business and the economy more inclusive. The launch and development of e-commerce platforms partially made it possible to partially compensate for lost sales. As shown in Table 10, all of the firms represented have undergone a digital transformation to some extent.

Firm A did not have even website and web sales before pandemic of COVID-19. So again, covid nudged to creating a website, launching web sales, and expanding its presence on social media. From a complete lack of online sales to covid, the firm was able to regained a quarter of sales online in a short time (see Figure 6).

Firm B implemented electronic document management and launched a new e-commerce platform. Electronic document management increased the efficiency of processes in the enterprise and accelerated decision-making and implementation. The company had a website even before covid, but it required significant improvements with the onset of the pandemic.

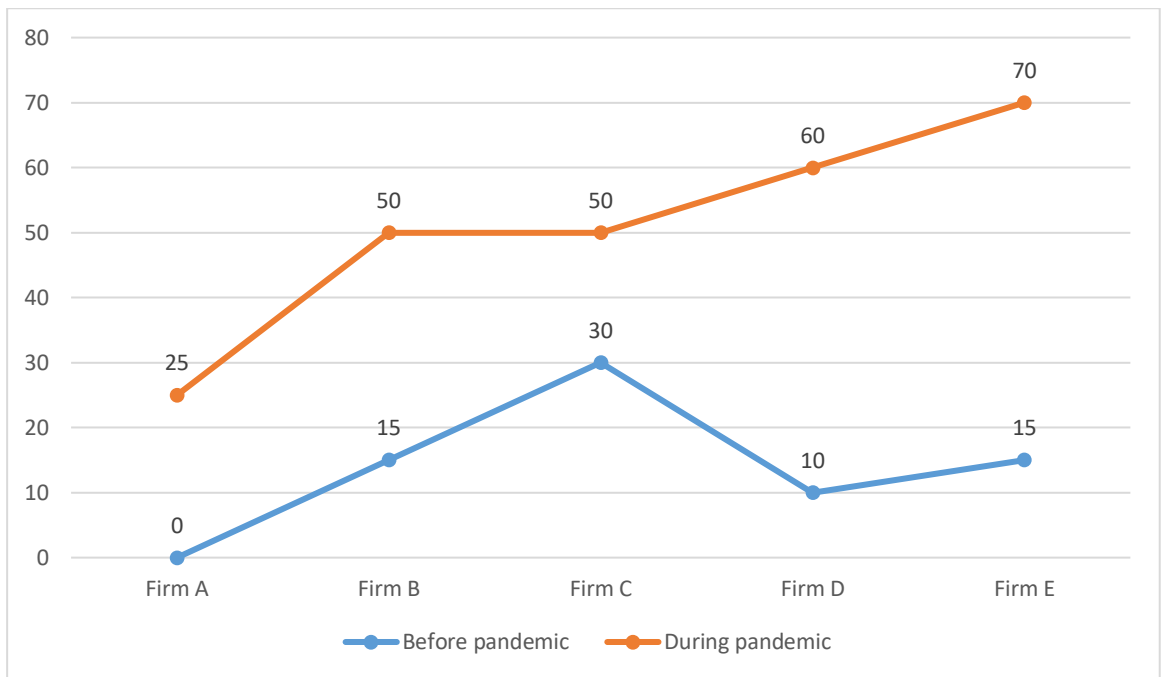
Even before the pandemic, Firm C began preparing e-commerce platforms in 4 countries where the company operates. A development team has been assembled. They even managed to launch the platform in Lithuania before covid, but it needed to be filled. The pandemic has significantly accelerated the process of digitalization of the enterprise. With the help of enormous efforts and investments, the share of online sales has increased to 50%.

Firm D used the e-commerce platforms of other companies such as Wolt and Lastmile. However, it also launched its own website on which the assortment was wider, which motivated customers to use it. Despite the cumbersome design, consumers still ordered the product this way. The company diversified its distribution channels, which resulted in a significant increase in sales (see Figure 6).

Firm E has significantly expanded its range for sale on the Internet. With the help of the e-commerce platform, which has been updated and improved, it is now possible to buy not only lenses but also glasses and frames. Significant investments in web sales have brought results - the share of online sales has reached 70% (see Figure 6).

**Table 11.** Digitalization of firms during COVID-19

Firm	Quotes
Firm A	<p>“E-commerce, the web sales of course was the main change that helped our company to have additional possibilities. It changed the way that we always think of what happens if we are closed, then we need another kind of resources of income”.</p> <p>“it was only 2 years ago, but we did not have web sales at that time. Meaning that we had no normal web page. So, you can imagine that we put huge money and huge efforts in order to create e-commerce platform and we are trying to develop it. During second wave we weren’t happy with the page itself, but in general we had already regained about 20-25% of turnover through web page... This was one of the main goals actually or main outcomes of pandemics, that we created ways to have turnover in other ways as we used to have”.</p>
Firm B	<p>“But as for digital, we switched to electronic documents and opened an electronic store. Previously, the site also existed, but it was not developed - only 15% of our clients used it, the other part made orders from an employee who physically visited them, and the third part - in the call center. But after covid, the number of orders through the site increased by 2-3 times, up to 50%”.</p>
Firm C	<p>“We began to invest a lot in online sales; before the pandemic, we prepared a platform that would work for us since we have many warehouses for goods. ... And before the pandemic, we had just started from this platform in Lithuania. In all countries [where Firm C is working], we had prepared but not launched online platforms. For half a year, we launched country after country, retail brand after retail brand, every month we had new online stores, and of course, they had zero turnovers. We have invested a lot in marketing to raise them.”</p>
Firm D	<p>“We moved to delivery which is also with a web shop. But we also started to sell products in other platforms such as Wolt, Bolt and there is one local player in Lithuania is Lastmile which is also fast food delivery. They have some kind of web shop, where you can buy from different shops, and you get delivery in 2 hours. Instead of creating our own digital web shop we decided to become part of the other companies.</p> <p>What we differentiate that in our own website we have more products that in Lastmile and Wolt, just to make sure that people are coming to our own web shop, where we have bigger assortment of the products. We started (web portal) in the pandemic.”</p>
Firm E	<p>“It also helped us that we had an e-shop and could still trade and even decided to sell glasses on the Internet, which is very difficult, but it is possible with a prescription. We used to sell contact lenses and drops, but during the covid period, we also supplied frames. We took many photos, put them on the Internet, and did advertising with other companies that also have an e-shop. We always had an e-shop, but turnover increased, and we put more photos during the pandemic. We wanted to develop an e-shop for a long time, but the covid gave us a nudge that we did it anyway”.</p> <p>“The e-shop was improved, a new platform was made, and a lot of work was done”.</p>



**Fig. 12.** Increasing online sales in firm cases before and during pandemic (in %)

An important factor in the success of enterprises in the context of covid was the expansion of their presence in social networks. In addition to brand promotion and customer awareness, some businesses have used social media as a sales platform. For example, Firm A recruited local celebrities, influencers, and sportsmen to promote on social media. The company paid much attention to marketing. At the beginning of the lockdown, when no one knew how long it would last and the company did not have a website or platform for e-commerce, it was social networks that became a temporary sales channel. Even Firm B, which has a non-public policy, has created a page on LinkedIn.

Firm C started working on Facebook. The company imitated the competition by creating early pages aimed at audiences with different purchasing power. Firm D also used social media to trade. Customers of the company's web portal could place an order through Facebook and Instagram. Firm E placed particular emphasis on the development of social networks. The company actively cooperated with other enterprises to create a synergy effect in the media space. The company held draws, contests, and promotions on social networks.

To sum up, all respondents highlighted that their firms tried to be active in social media from the beginning of pandemic. Some of them even successfully used social networks as channel of sales. Even if company before pandemic was non-public, the covid nudged to create at least pages on social media which showed that every company understood the importance of connection and communication with customers in the crisis situation.

**Table 12.** Expansion of social media presence

Firm	Quotes
Firm A	“We also strengthen another internet channels (Instagram, Facebook). We are very active in social media. I believe in marketing very much, so we looked at it a lot. Working with local people. Even though we work with global brands, but we really strategized in order



	to bring closer those brands. It can be done only by local influencers, local people, local celebrities, of course local sportsman, because we are a sport company. We always support local sports. Being active social media helped us even when we didn't have our web page. It is very funny, but we tried to make sales even through messengers. It was very crazy, first month of pandemics was very crazy time. And we managed to make some sales actually. We did not know when this closing will finish, so we had to sale all the stock that we have, because it would become very old stock, and nobody needs old stock.”
Firm B	“We have an internal policy coming from the owner that he does not like to communicate a lot about the company. If we talk about publicity, then we opened profiles in LinkedIn. Such communication as other companies, for example, buy articles on serious business portals, we did not do this.”
Firm C	“We did not start developing a separate sales channel. We have online, and we started on Facebook, not on Instagram. What we did: all traffic from all resources was sent to our online store. We have several networks that sell similar goods. We imitated competition. That is, for a contingent that has one salary, we are invited to one page and others to another.”
Firm D	“We started (web portal) in the pandemics. At first it wasn't web shop as you understand. We just needed a manual or a list of products that we had in our shop, list and the prices. We were changing that list every week. You just can choose by the list and order straight by phone or sending the word on the email and sending the order by Facebook or Instagram. It was very old and wasn't very easy for customers to order it. But still because people wanted to have high quality, fresh products, they ordered even when the system wasn't very easy”.
Firm E	“Yes, we have expanded our social media presence. We also launched ads, and we even had partners who sold something, and they gave us gifts so that we put ads from them for our clients and they from us. And they changed every month or two; we worked in such way with sellers of cosmetics, home fragrances”

#### 4.3.2. Customer centricity

Another group of factors that were highlighted in the conceptual model was customer centricity. Attention to the client's behaviour, support of connections, and communication are critical in a crisis for enterprise resilience. Since the enterprise's existence depends on consumers, it is vital for the firm not to lose contact with customers, especially regular ones. That is why crisis conditions are an opportunity to strengthen communication with the client. Some of the presented firms offered a system of discounts and promotions.

As the largest of the companies represented, Firm B tried to use the time of the pandemic to build mutually beneficial relationships with customers. For example, deliveries to business customers were made less frequently but in large quantities. This allowed the company to reduce costs, thereby improving operating profit. On the other hand, the company was very attentive to new customer requests. When the country did not have enough medical masks and disinfectants, the company ordered from China, brought on planes, and delivered them to hospitals and regular customers. So the HoReCa segment, which switched to takeaway food and quickly needed beautiful disposable packaging, has greatly developed this area (disposable packaging).

Firm C became more active with marketing and promo marketing. This is due to the rapidly changing environment. Therefore, in order to remain competitive and attract the attention of customers, the company held promotions that were updated almost every week. The Human Resources Department

has developed a unique customer service program for those who work in stores. The company conducted 3-week training, which continues to this day. The purpose of the training is to understand the client and learn quality service methods in a crisis. The company taught employees how to calm themselves down because there are different situations with clients: misunderstandings, people have become even more anxious because of increased unrest.

Company E also revised the standard of customer service with the advent of covid. Consumers became more demanding and had a request for instant service. A new customer service standard has also been adopted to bring customers back to physical stores. Therefore, a significant emphasis was placed on working with service, service, and the provision of more services. Services have been added, and the quality of service has been improved. For example, the firm now provides services to an ophthalmologist who checks clients' eyesight. Since this service cannot be carried out online, this should motivate customers to come to stores.

**Table 13.** Importance of customer focus for firms

Firm	Quotes
Firm A	-
Firm B	“We have accustomed the client to us, but it is also beneficial for the client (he pays less). From the good for customers - we have expanded the range. We have many clients from HoReCa switched to takeaway food and they quickly needed beautiful disposable tableware and we have greatly developed this area (disposable packaging). When there was a shortage of medical masks and disinfectants in Lithuania, we ordered from China, brought them on planes and delivered them to hospitals. Later, we found a cosmetics manufacturer that refocused on the production of disinfectant solutions for surfaces and hands.”
Firm C	“We have become more active with marketing and promotional marketing. It was more active than in retail stores, because everything is fast online: you can show it and in two or three days it is all outdated. . .Let's say you did monthly promotions, and then you need to quickly throw them away and if they don't work, then change them. You cannot stop this monthly promotion, it needs to be quickly redone, changed. According to the laws of the European Union, it remains for as long as you promised, whoever wants can use it, but in order to attract attention, it was necessary to work very quickly. . .if we discussed our sales once a week, so in the first month we discussed twice a day, then we switched to once a day, and until we corrected the situation, then this time a day remained. Hence, flexibility, communication and competence increase.”
Firm D	“During the covid we let in into our company one sales manager just to reach the restaurants and the other companies, but basically we didn't changed anything with the end customers, those which we are using the food for themselves.”
Firm E	“After covid [lockdowns], we revised the customer service standard, adopted a new one, because covid told us how difficult it is to return customers to stores and we need to work with maintenance, service, provide more services. For example, now we are trying to make sure that every day when a client comes we have a doctor who checks him, since this service cannot be done online, and that people come to stores for this. That is, we increased not the quantity, but the quality, they began to look at microscopy. This service is paid, but we have added a service and improved the quality of service. Sometimes it takes 20 minutes for one client, but we do a full check. Right on the ground we have specialists ophthalmologists.”

### 4.3.3. From local to global or vice versa

Along with high risks, the pandemic has also expanded opportunities for companies. First of all, this is due to the digitalization of business, which has created favourable conditions for entering new markets. Many companies have launched their e-commerce platforms, which has made it possible for people from different countries to place orders. This trend has pushed some businesses to launch in new markets. For example, Firm E decided to expand its activities to the Polish market with an e-shop. We plan to expand to other countries: “We also decided that in Lithuania and Latvia we will open five new stores every year - this is a strategy to expand in our market and go to other countries with the e-shop.”

On the other hand, the pandemic has created several problems for some companies, including with supply chains. For example, Firm B, a significant importer operating in the Baltic market, ordered some goods from Italy. Since Italy was hit hard by the epidemic, the company had to look for other suppliers or intermediaries or even wholly replace products.

For C firms, the pandemic prompted a rethink of their foreign market strategy. Right before the pandemic, the company entered the Finnish market. Before the pandemic, the focus was on working in offline stores, and a large store was rented. But with the beginning of the pandemic, the CEO emphasized, “We see that if there was 30% of online sales and the rest was in retail, now it has changed dramatically, that 50% can be sold online. This is how the pandemic affected the Finn.” Micro companies such as firm D did not enter another market, but rather increased their work on the local one, which brought significant dividends and doubled the company.

**Table 14.** Shift from local to global

Firm	Quotes
Firm A	“I would say e-commerce and web page it was the shift. We didn’t put our attention to that before but right now we put a lot of attention to this”.
Firm B	“I wouldn't say nothing has changed in this regard. We have never entered the global market, we are just importers and we work in the Baltic market. But some other suppliers of goods have appeared. Because, if earlier we ordered some goods in Italy, and it suffered greatly as a result of the epidemic, then we had to look for other suppliers or intermediaries, or else completely replace the products”.
Firm C	“Just a year before the pandemic, we entered Finland. ... We went there and immediately the pandemic began. Of course, we did not have time to leave much effort there, because a new business needs to earn a name, a channel, an assortment and a service standard to work out. Therefore, we put a lot of effort into getting our positions back. Now we are already reworking the strategy, because the client in Finland has changed, they have gone online more. ... we began to develop a new strategy, new working methods, how to gain a foothold there”.
Firm D	“We are working only in Lithuania. What we did, we also bought one company in Poland, but not this totally different. It also working with meat, but not in this business”.
Firm E	“Yes, now with the e-shop we are going to Poland and other countries from this year ... This is a new service for customers and we need new specialists, new equipment. We have already made this decision and signed agreements... We also decided that we will open 5 new objects in Lithuania and Latvia every year - such a strategy to expand in our market, and go to other countries with the e-shop”.

To sum up, the pandemic of COVID-19 nudged many enterprises to launch e-shops and websites. The electronic platforms give opportunity for many companies to sell products not only on the local market but also global without any special preparation or additional costs. So after observing and estimating this opportunity, some firms made a decision to expand an activity the company to the international market. According to organizational resilience strategies (Seville et al., 2015), successful assessment and use of opportunities to expand sales markets, including the international market, contributes to the financial resilience of the enterprise and compensates for lost sales due to lockdowns. Seville et al. (2015) highlights that one out of seven core principles of cultivating and building resilience is to seek opportunities despite risks.

#### 4.4. Networking factors

According to almost all the mentioned theoretical models of organizational resilience of enterprises, networking and social factors significantly affect the ability of an enterprise to survive, adapt and grow during a crisis. According to Asgary (2020) researchers emphasized the significance of social connections and the creation of non-formal support networks for organizational resilience. Social capital could include local as well as international connections. According to conceptual model of organizational resilience by Stephanie Duchek (2019) social resources is one of the main source to cope during the unexpected event. According to Consulting and research group “Resilient organisations” (2019) model organizational resilience consist of 3 interdependent attributes and one of them is networks & relationships. So almost all researchers agrees that networking factors is extremely important for organizational resilience of enterprise.

According to the conducted semi-structured interviews, 4 out of 5 enterprises placed a strong emphasis on building new partnerships and connections. It is noteworthy that the development of new collaborations and the acquisition of new partnerships was extremely important for medium and small enterprises, while firm B, which belongs to large enterprises, was not interested in partnerships. This is certainly related to the specifics of big business, which, firstly, has more resources to ensure its own survival in a crisis than SMEs, and secondly, it has a tougher and more competitive environment. Firm B mentioned that they “do not belong to any associations” and that they “don’t need” cooperation because “in the market, besides us, there are a couple of large distributors, but inside they don’t develop”. Top manager explained “we know that we are leaders and do not want to be unfocused”.

**Table 15.** New collaborations and partners

Firm	Quotes
Firm A	“We started to work actively in retail association, together with other retailers which we have never done before. We were working at those questions: How to deal with government institutions, because there we needed to speak all as one in order to get attention to some things that we really did not like and some that was not logic. So at least we got partners at some questions together with other retailers which I was not in need to contact before. It was useful.”
Firm B	“We do not belong to any associations, in this respect we are quite closed. We know that we are leaders and do not want to be scattered. In the market, besides us, there are a couple of large distributors, but inside they don’t develop like that, so we don’t need it. Covid didn't affect this setup of ours, so it stayed that way”

<b>Firm</b>	<b>Quotes</b>
Firm C	“There were a lot of offers from market places, but we don’t need such competition, we already work with them as distributors, we sell goods. In general, we have abandoned this direction in our local countries, but we are looking for an opportunity to work in foreign market places. And we are also looking for partners in other countries to whom we can offer our assortment and who work according to our architecture and trade in our category.”
Firm D	“the main partners was Lastmile, Wolt, Bolt. They were the partners and collaboration also. So no any other cooperation that we have made”
Firm E	“I wrote letters to schools so that if they needed, they would also buy in other stores that have e-shops. Everyone was looking for partners so that this little e-shop for us would expand and more people would know about us. With e-shop, this partnership continues.” “We joined the retailers because it was easier to communicate with the state.”

Firms A, C and E, on the contrary, joined the retail association, which helped a lot in coordinating and communicating with the state. It was the associations that helped retailers in Lithuania to get to know each other. As the CEO of firm A said “I was not in need to contact before”. The covid pandemic has pushed for cooperation and new partnerships. Firm E was interested in expanding the small e-shop, so it collaborated with other businesses to strengthen the e-shops. Company D, as a representative of micro-business, has joined the cooperation with large electronic delivery platforms such as Wolt, Bolt and Lastmile.

It is worth noting that, based on the answers of firm B, big business is not interested in partnership and cooperation with small business, because it considers it to be “dispersal” (a waste of time), while micro business firm D, on the contrary, tend to partner with big business.

**Table 16.** Communication with the many players

<b>Firm</b>	<b>Quotes</b>
Firm A	“We still communicate a lot with our consumer through social media, so this hasn’t changed much.”
Firm B	-
Firm C	“I, too, like Firm A began to interact [with retail association], but I was not as active as he was, because he had a problem with one company, and I had in several countries and could not devote so much time. But of course, if I had not been in the association of politics, I would not have known all this.”
Firm D	No, because we are small. Of course, that’s not the reason just to be small and not to be a part of civil society. We don’t do these things; I believe it’s useless. Why? Because I cannot change anything. I don’t understand that. We always support some companies. Even now we are supporting Ukraine with the war. We are supporting Ukrainian people here in Lithuania, we are giving them food. Last week we went to Olympus just to feed almost 200 people on one day. So, we are supporting, we are working in the civil society, but it wasn’t with the government.”
Firm E	“Yes, we just joined retail during the pandemic, because it was not clear whether we belonged to retail or to medical [association], so we joined retail. In optics, a lot depends on the state, on medicine and its rules, how you can work during covid. We are strongly connected with the Ministry of Health.”

#### 4.5. Environmental factors

According to theoretical models of organizational resilience, environmental factors play an essential role in the resilience of an enterprise. So following the systematic literature review conducted by Portuguese Castrol and Gómez Zermeño (2020), resilience can be summarized into critical factors, one of which is the relationship with institutions. This includes the impact of different policies and the interaction between social organizations and governmental institutions. Of course, environmental factors are not in the field of influence of enterprises, but nevertheless this group of factors has a significant impact on the activities of enterprises. A supportive environment greatly increases the chances of surviving a crisis for businesses.

The Lithuanian government tried to provide comprehensive support to enterprises, especially small and medium-sized businesses. The government has placed particular emphasis on compensation for employees who have been sent on layoffs. The state motivated enterprises not to fire employees. It was a highly successful initiative that kept the companies' human capital intact. The team played a crucial role in the successful recovery of enterprises after lockdowns. Firms that took advantage of compensation and did not lay off employees could return to pre-Covid levels exceptionally quickly. Since the state introduced restrictions on the operation of shopping centers, shops on the premises, and the permissible number of customers, it also provided partial compensation for rent. Also, a program of interest-free lending was launched in Lithuania. An initiative to defer the payment of taxes for businesses has also been launched. In addition, the state provided information support for businesses regarding restrictions and the rules for the operation of enterprises during covid.

Except for firm D, all firms benefited from state support in one form or another. All respondents confirmed that it was helpful and even life-saving for their enterprises. Company D could not use it because the covid period was highly successful for this company, which not only did not lose turnover but, on the contrary, increased and doubled it. CEO of firm D admitted “usually companies get this [government support] because their revenue, turnover is gone down. And our turnover just went up, so we couldn't even reach those support from the government. We couldn't show the numbers and prove it.” Although Firm D has been highly successful even during the lockdowns, the owner noted that they received rental compensation from the landlords: “we received it from the companies which are renting their place. So it was just from their own perspective, not from the government [individual support from the owners]”.

Firm A used to get 2 million euro for the last two years of pandemic: “One was government support for a rent, because we had very hard times negotiating with landlords. This was one of the most stressful frustration. And we had employee compensation, work places compensation”. Before the pandemic in 2019, firm A had a turnover of 36 million euros. Consequently, about 5.5% of the company's annual turnover was compensated by the state. Of course, this significantly affected the ability of Firm A to overcome the crisis. The company increased its turnover by more than 20 percent within two years.

As representatives of big business, Firm B noted that they only used compensation from the state compensations for workers who were sent to idle time during the first quarantine. About 20 people. Finally, a company representative noted that this was not significant for such a large company “because we lost more from the HoReCa restriction than we received compensation from the state”.

Although this is not commensurate with the losses, it was still good for workers who received payments and did not lose their jobs.

Company C has taken advantage of almost all types of state assistance during covid. Although stores were closed this year during the pandemic (in Lithuania for three months), the company lost sales by 10% compared to 2019, but profitability increased three times thanks to investments. The CEO notes that they took advantage of “the right from the government to lend money on an interest-free loan, and we properly invested this money.” the interest-free loan was a beneficial government program. The head of firm C also mentioned that deferred tax payments helped a lot. The firm also received rental compensation, although “the rent support was very short term.” Summing up government support programs, the executive says, “what helped the most was job retention assistance and working capital support, tax breaks.”

Moreover, the CEO of company C emphasized “we, as a responsible business, used this loan until February, when our financial year ended and we saw that we got on our feet, then, although it was beneficial for us, we said this: “The government needs this money more. Thanks to them, we took advantage, our situation has normalized and we can repay this loan in full.” And we did it, although we had the opportunity to return it before the end of 2023, but we did it earlier.”

Company E believes that the main success factor why they survived the crisis was “the fact that we received support, subsidies from the state, that’s for sure. This is that we did not lay off workers, and it was very good, and then we saw from our competitors that very hard to get employees back.” This is really a significant factor that allowed not to fire the team. Also, firm E received compensation for rent from shopping centers “one shopping center paid off the rent by 20%, the other by 30%”. Support from shopping centers was also a nice bonus, which was an indirect support from the state. Most likely, the state provided assistance to shopping centers, which, in turn, did everything to ensure that businesses continued to rent premises.

The conclusion is that government support is critical in crisis and uncertainty. It is equally vital for the state to have healthy communication with entrepreneurs - to hear their needs and requirements. The Lithuanian government has taken an extremely professional approach to support businesses during the pandemic. This has kept many businesses afloat. Companies did not fire employees but sent them on downtime thanks to compensation. The state program of interest-free lending had a significant effect. In conclusion, we can say that environmental factors are extremely important.

**Table 17.** Government support

Firm	Quotes
Firm A	“We got about 2 million during all those two years that we operated. One was government support for a rent, because we had very hard times negotiating with landlords. ... And we had employee compensation, work places compensation.”
Firm B	“As for state compensations, we used them only for people who were sent to idle time during the first quarantine. But in fact, they did not save us much, because we lost more from the HoReCa restriction than we received compensation from the state. These are not commensurate amounts, but since we understand that it could not have been otherwise, then, of course, this money is bread for workers.”

Firm	Quotes
Firm C	<p>“when we got out of the pandemic situation and the banks supported us and also received the right from the government to lend money on an interest-free loan, and we invested this money correctly.”</p> <p>“As a responsible business, we used this loan until February, when our financial year ended and we saw that we got back to normal position, although it was beneficial for us, we said this: “The government needs this money more. Thanks to them, we took advantage, our situation has normalized and we can repay this loan in full.” And we did it, although we had the opportunity to return it before the end of 2023, but we did it earlier.”</p> <p>“The rent support was very short term. What helped the most was job retention assistance, as well as working capital support, tax breaks.”</p>
Firm D	<p>“usually companies get this (government support) because their revenue, turnover is gone down. And our turnover just went up, so we couldn’t even reach those support from the government. We couldn’t show the numbers and prove it.”</p> <p>“Yes, but for this companies which were impacted by covid. Because we were not impacted (everyone was buying) we couldn’t do that. You had to show that you are not working, you don’t have any turnover. Then you get the compensation. So, from the government we didn’t receive it. But we received it from the companies which are renting their place. So it was just from their own perspective, not from the government”</p>
Firm E	<p>“We did not reduce the number of employees, but sent them to idle. We paid for it, but not so much, there was also 50% of the payment in the first wave of covid ... This idle time was covered by the state, we received subsidies from both the state and the shopping center, so we did not lay off people.”</p> <p>“There was support both in paying for downtime and in renting in the shopping center in different ways, but mostly they were. One shopping center paid off the rent by 20%, the other by 30%.”</p>

#### 4.6. Discussion and Recommendations

**Discussion.** As a result of the analysis, some interesting outcomes were identified. Organizational resilience depends on many factors, which significantly increase the likelihood of an enterprise overcoming a crisis. A significant part of these factors was discussed by researchers of organizational resilience long before the coronavirus pandemic. However, some resilience factors have become more relevant with the COVID-19 pandemic.

The most critical factors turned out to be leadership factors, team orientation, and government support for business. Factors of digitalization of enterprises have become especially relevant during the pandemic. The empirical analysis confirms the theoretical hypotheses about the key role of the leader for enterprise resilience. Especially important is the leadership attitude to disruption, its communication with the team, the ability to adapt, and broadcasting optimism and confidence in a better future. Significant is the previous experience of going through crises and the crisis management skills of the leader. Fundamental to organizational sustainability is the team's trust in the leader. The leader factor significantly affects the survival of an enterprise during a crisis. The crisis has provided an opportunity for leaders to take care of their employees. Those firms which communicated with employees took out insurance, provided psychological support, and allowed them to work from home, coping with the challenges of the pandemic at a high level. Another critical factor in the success of



organizational resilience was team orientation, those enterprises that tried to keep the team successfully overcame the crisis. Enterprises sought not to dismiss employees but to send them to idle times. Moreover, this only increased the team's trust and increased customer loyalty. Saving all team members allowed the business not to lose turnover after the lockdown. In a crisis, an old employee who does not require training is always better than two new employees.

State support has proved to be extremely important, especially in providing compensation for employees. The Lithuanian government-provided rental payments, interest-free loans, and tax holidays during the lockdown. Government support reduced the risk of bankruptcy for many small and medium-sized enterprises. The pandemic has pushed businesses to join the retail association. Communication with other players in the retail market made it possible to provide feedback to the government regarding policies and restrictions quickly. It allowed many small and medium enterprises to dialogue with the state and formulated requests and complaints. In addition, participation in the association allowed enterprises to exchange experiences solving similar problems faced by the retail segment. Active participation in the association's activities made it possible to create new partnerships and collaborations, which was especially important during the crisis, as it made it possible to attract new clients.

Another important factor is related to the digitalization of enterprises. Although not all interviewed firms were closed during the three lockdowns in Lithuania, nonetheless, all enterprises started or accelerated the process of business digitalization. The coronavirus pandemic has motivated businesses to launch online trading through e-commerce platforms and websites. Companies have also sought to increase their social media presence and even use it as a sales channel. The launch of e-commerce platforms has also enabled businesses to enter new markets. The share of online sales could reach 70%, so it was essential to have a high-quality platform that would allow you to fulfil orders quickly.

Adjustment of strategy, flexibility, and rapid decision-making also occupy an important place in the organizational resilience of enterprises. During the lockdown, the importance of focusing on the client cannot be overestimated. Resilient enterprises observed changes in consumer behaviour, caught trends, and quickly responded to market demands. There were improving the quality of service, providing additional services, expanding the range, promotions, and contests helped not lose customers. The revision and updating of the strategy have been vital to the resilience and sustainability of the enterprises.

**Recommendations.** The findings of this empirical research have important implications for practice; thus, several suggestions will be provided for Lithuanian retail enterprises according organizational resilience cultivation and building.

*Leadership.* The research showed that leadership factors are critical to the organizational resilience of an enterprise. That is why businesses should invest in the development of leaders. The leader sets the atmosphere in the team. The leader creates a culture of solving problems and challenges by leading by example. For the enterprise's survive in a crisis, the leader must have a high level of trust from the team. A crisis is a chance to strengthen the team by showing concern for employees. The preservation of employees' jobs largely determines the ability to quickly adapt to the post-crisis period. The higher the quality of the leader, the greater the likelihood of successfully overcoming the crisis.

Leaders need to do everything to develop communication with the team and build trust in the leader. A leader needs to develop a positive mindset and attitude towards crisis situations. See every crisis as an opportunity. It helps not lose vigour in moments of difficulties and encourages and motivates the team. The development of communication and transparency in communication between the leader and employees dramatically enhances the resilience of the enterprise. That is why leaders are encouraged to develop a democratic management style and horizontal communication. Involving employees in planning and preparing a crisis plan significantly increases the motivation of employees in the implementation of the program. During a crisis, a particular focus on the team is recommended. It increases the likelihood of overcoming the crisis by the enterprise.

*Strategy adjustment.* The adjustment of the strategy in times of crisis is necessary. Acting according to the old strategy in a changing external environment is destructive. Only adaptability and flexibility can allow businesses to stay on the market. In the context of the covid-19 pandemic, the digital transformation of enterprises has been a critical strategic change. Under the lockdown, e-commerce was almost the only way to keep from going bankrupt. An enterprise with e-shops, websites, and e-commerce platforms quickly adapted during the lockdown. It helps not to lose sales. Expanding presence and being active on social media have also helped businesses not lose customers. To increase resilience, businesses are encouraged to invest in developing e-commerce platforms, websites, and social networks. The presence of an e-shop also allows expanding sales markets up to entering new markets. Increasing the enterprise's sustainability directly depends on the digitalization of the business. Investing in marketing and promotional marketing is also essential.

Another important point on which the change in strategy depends is the consumer's behaviour. Those firms that carefully study the consumer behaviour and its changes in connection with the crisis are usually more successful.

*Networking.* As it turned out, cooperation and partnerships play a significant role in the enterprise's sustainability. So the more connections an enterprise has, the more likely it is to survive the crisis successfully. Participation in the association of retailers significantly strengthened the position of the enterprise, as it allowed the exchange of experience and sending joint requests to the state. Membership in the association is significant for small and medium-sized enterprises that have faced similar challenges. Communication with colleagues is one of the success factors of organizational resilience.

Enterprises are encouraged to look for new partnerships and develop old alliances in times of crisis. The cooperation and synergy effect can attract additional resources for the enterprise, which is extremely important during a crisis. In order to improve the resilience of an enterprise in terms of distraction, it is recommended to enter into associations and communicate with similar enterprises. It helps to use the experience of other companies in solving challenges. It is also recommended to communicate with many market players, including civil society, which helps maintain and acquire the enterprise's reputation. Reputational losses are among the most devastating during a crisis. Therefore, it is recommended that enterprises invest in strengthening their own reputation.

*Environment.* The external environment is traditionally one of the most influential factors that determine the survival of an enterprise. During the COVID-19 pandemic, government support significantly strengthened the company's retail business. Those enterprises that reasonably took

advantage of state business support programs not only survived but also grew. Thus, one of the most important elements of the support of the Lithuanian state to small and medium-sized businesses is compensation for the retention of employees and rent. This made it possible not to lay off employees. Enterprises that additionally used interest-free lending programs survived the crisis. Retail enterprises are recommended to communicate with the state in times of crisis and use benefits, compensations, and loans to improve the enterprise's organizational resilience and sustainability.

**Future research.** The research has several limitations that may be corrected in future studies. Firstly, the present research focuses on one industry in one country - the Lithuanian retail sector. Future research should focus on a deeper analysis of a number of different enterprises from different countries. Secondly, the questionnaire was focused on studying the success factors of organizational resilience, analyzed in the theoretical part. Therefore, the results of the study cannot be generalized. This will require additional research. Thirdly, the analyzed 5 cases are very few to make generalized statements. Future studies should have more respondents to have a representative sample and generalize the data. Although the present study included an analysis of both micro and large enterprises, the results of the case studies are more typical for Lithuanian small and medium-sized enterprises. In the future, it would be advisable to use quantitative methods in order to obtain additional data on the success factors of the organizational resilience of enterprises. Further research is needed to generalize.

## Conclusions

1. The main challenges that enterprises faced during COVID-19 pandemic were explored. Previous studies showed that relevant research on the changes that service organizations need make in order to survive, recover, and flourish under COVID-19 is lacking. There are also lack of understanding of what organizational resilience factors contribute to SMEs success in the face of crises and uncertainties. Despite the vital role of small and medium-sized enterprises in the economy, SMEs are also particularly vulnerable in times of crisis. A significant drop in sales leads to a drop in income and turnover of enterprises. Due to the loss of sales, businesses are forced to lay off workers, which dramatically reduces the likelihood of a quick return in the post-crisis period. Many businesses' lack of alternative distribution channels has become a significant problem during the COVID-19 lockdowns.
2. The organizational resilience strategies of enterprise for the survival, recovery and sustainable growth during COVID-19 crisis were analysed. Although several studies suggest different frameworks and classifications of key factors of organisational resilience, core features as - attitudes towards the crisis, leaders qualities, enterprise characteristics, social & human capital, institutional relationships and strategic management commonly mentioned by researchers. The analysis of different theoretical approaches to organizational resilience, which are commonly pursued by companies, provided a strong indication to declare that a variety of options affect the enterprise. The review of previous studies reveals that a very limited number of works are devoted to key factors in organizational resilience of enterprises. Therefore, it was interesting to investigate the relationships between organizational resilience and a group of factors such as leadership, strategy adjustment, networking, and environmental factors.
3. The research methodology were constructed for identification success factors of organizational resilience strategies during the COVID-19 crisis for retail enterprises. Based on theoretical solutions, a framework for organizational resilience of enterprises was developed, which included such groups of factors as leadership, strategy adjustment, networking and environmental factors. The data was collected from five Lithuanian enterprises in the retail sector. The empirical exploration of the conceptual model was performed by applying a qualitative research strategy.
4. The empirical research of retail industry enterprises in Lithuania was conducted. The success factors of organizational resilience strategies during the COVID-19 crisis were examined. Some recommendations were provided. The resilience of an enterprise depends on many factors. Some of the elements are determined by the external conditions of the crisis and the challenges faced by the enterprise. The other part of the factors is a more constant determinant of the firm's resilience. In the context of the covid-19 pandemic crisis, digitalization played a crucial role in the enterprise's survival — namely, the search for alternative distribution channels or the strengthening of existing e-commerce platforms, team orientation, government support. Additionally, leadership and client orientation determine the ability of enterprises to overcome crisis.

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## Appendix 1. Semi Structured Interview Questionnaire

### Semi Structured Interview Questionnaire

#### General questions:

- 1) What is the age of your company?
- 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?
- 3) How many employees did you have before the pandemic and how many do you have now?
- 4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021?  
So did you have turnover decrease or increase in %?

#### Resilience questions:

- 5) According to one of the definition “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow in spite of the crisis”. Do you think your organization is resilient?
- 6) Could you provide some examples how your company adapt during COVID-19 pandemic?
- 7) Did you have special plan how to withstand disruptions?
- 8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?

#### Leadership factors:

- 9) What do you think to what extent the resilience of an organization depends on the leader?
- 10) How your leader perform in the face of pandemic? Could you share some examples, please?
- 11) Could you describe your leader as adaptive person?
- 12) Do you agree that leadership of your company is trustworthy? Do you trust your boss?

#### Strategy adjustment factors:

- 13) Has your company`s strategy changed since the pandemic began? How?
  - Digital transformation
- 14) Did your organization move to digital? To what degree?
- 15) Has your company increased its online presence since the start of the COVID-19?
  - Customer centricity
- 16) How important is customer focus for your company? Has it intensified since the pandemic?
  - From local to global
- 17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?

#### Networking factors:

- 18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?
- 19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples?

Environmental factors:

- 20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?
- 21) Did you notice any changes in customer behaviour since the start of the COVID-19 ?
- 22) Did your company in Lithuania receive any type of government support? (i.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?

## Appendix 2. Results from the Empirical Research of Case A

### General questions:

#### 1) Could you tell in general about your company? What is the age of your company?

Company A – is a sport and goods retailer, the main retailer in Lithuania. We are international company which under the brand [...] operates in 3 countries: Lithuania, Latvia, Estonia. But our main shareholder is [...] company which operates in many world countries. So, if we are speaking about Company A, it operates in Lithuania already for 20 years and we have under our company about 29 stores, physical stores in the main shopping malls, but not only our brand. I meant those 29 stores are (these brands): Adidas monobrand, Timberland, outlet stores. Our turnover is not rich only in Lithuania 50 million, but it will be close – 40, 43, 44. Next year we plan already 50 million euro turnover.

#### 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?

Of course, it hit without any preparation. In general, I can say that we had two big waves, so for second wave we were already prepared, if you consider that the first wave we operated by general management skills, by most of your experience. Basically, we were preparing for the worst. I was quite happy what happened, because the worst didn't happen.

We had even 3 waves. First wave was in the middle of March, I remember exactly two years ago – 15th of March was the first closing. We were closed for one and a half month, before the opening in May. Then the second wave was the longest and the hardest, because we were closed 15th of December 2020. We have been closed for almost 4 months. And the third wave which was quite big in case but already there was seen etc. We were not closed last November, December. Even our country prepared already for this.

#### 3) How many employees did you have before the pandemic and how many do you have now?

We have changed [the number of employees] only through first wave. On the first wave we had to fire them. We fired about 100 out of 400. It was under uncertainty, when we did not know when to open. And after one and half month we reopened. Basically, in first month we rehired everybody. Everyone from these 100 employees were taken back and even extra. People didn't spend money during those one and half month and afterwards they really wanted to spend, especially for sports, because people got tired from sitting home and they tried to get into nature. When I say sports, I mean active lifestyle. Because we are not only sport retailer, but we are also active lifestyle retailer. Right now, we have even more employees than we had before pandemic. Right now, we have 420 employees. It changes time to time.

#### 4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021? So, did you have turnover decrease or increase in %?

Turnover is bigger. I would say that before pandemic we were 36-35 million, so right now it's 43-44 million. So, it's 20% additional turnover.

Just to understand, we dropped during pandemics to 28 million, but then we get 40, it was one year of drop. We were 4 months closed. We are not like a regular company; our financial year ends on 30 of April and starts on 1<sup>st</sup> of May, so I'm speaking literally about the year that will finish in the end of April and I know already that is going to be about 43-44 million.

### Resilience questions:

#### 5) According to one of the definitions “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow despite the crisis”. Do you think your organization is resilient?

I would say that yes. We have already right now very experienced managers, but we had at that time as well. We were not at panics we quickly used our skills. For closing business it was also very challenging and we

managed to do this very well. So, during second wave there was no stress at all. I would say that yes, we are resilient.

**6) Could you provide some examples how your company adapt during COVID-19 pandemic?**

We were looking for other ways not to lose turnover. This is very funny thing, because it was only 2 years ago, but we did not have web sales at the time. Meaning that we had no normal web page. So, you can imagine that we put huge money and huge efforts in order to create e-commerce platform and we are trying to develop it. During second wave we weren't happy with the page itself, but in general we had already regained about 20-25% of turnover through web page. So, you can imagine. It's not total zero, but it already shows that you can get ¼. I believe if we would have better web page at the time. Which we created very quickly, and it wasn't so easy process. This was one of the main goals actually or main outcomes of pandemics, that we created ways to have turnover in other ways as we used to have.

[Why didn't you have a website before?]

I was trying to push it as much as we can. It was in plans already. Actually, we already have hired personnel for that purpose before covid. It was in progress, just we wanted to launch as best as we can, you know. Pandemics just pushed us to work hard to launch it as soon as possible. So, I would say it was in progress already.

**7) Did you have special plan how to withstand disruptions?**

One of your questions was if there was plan for this kind of thing to happen and from what I know, even those companies who had some plans they basically could throw it away, because everything was really new.

**8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?**

I would say that basically, experience. Because everybody has already went through 2008 financial crisis. In 2008 I was working in different company, and I remember very well myself and what we needed to do. Then people as well in the management, they are also very experienced, they have worked during that crisis. It was very important. All those experiences have left in your mind somewhere and you know what to do. You know that everything is temporary, so you don't panic and then you try to think about the better future. During these times you need to hold yourself. I would say yes basically, experience of management. I would say that at least my ability to do .. I really operate, maybe the best in those very tense situations (Crisis manager). My goal always is a turnover increase. This is my goal whatever in my life, but during crisis I operate as well very good. This calmness and knowing that it won't last forever and that in general I know everything will be good. And then somehow there was uncertainty during some kind of a time, then government support started to kicking as well, so this was also kind of very good insensitive not to fire more people or not to panic more.

**Leadership factors:**

**9) What do you think to what extent the resilience of an organization depends on the leader?**

I would say that very much depends. How you react. During good times people tend to behave and good leader does not need to bother them with nonsense interruptions and help them to develop. But when it's bad, first of all to whom people look at leader – how he behaves, what he does. They look at his actions, because they try to see if he is calm; then everything will be okay. And I try to develop that and to translate that to people that all will be good, we are safe, and we will be okay.

**10) How your leader performs in the face of pandemic? Could you share some examples, please?**

**11) Could you describe your leader as adaptive person?**

Of course. I believe it's one of the main abilities that you need to have. You need to adapt always, always, always.



**12) Do you agree that it is important trustworthy leadership in company in order to be resilient?**

Of course. I would say that 10/10 it's important.

**Strategy adjustment factors:**

**13) Has your company's strategy changed since the pandemic began? How?**

Yes, we started e-commerce platform.

- Digital transformation

**14) Did your organization move to digital? To what degree?**

E-commerce, the web sales of course they changed. This is the main change that helped our company to have additional possibilities. It changed the way that we always think of what happens if we are closed, then we need another kind of resources of income.

**15) Has your company increased its online presence since the start of the COVID-19?**

We also strengthen another internet channels (Instagram, Facebook). We are very active in social media. I believe in marketing very much, so we looked at it a lot. Working with local people. Even though we work with global brands, but we really strategized in order to bring closer those brands. It can be done only by local influencers, local people, local celebrities, of course local sportsman, because we are a sport company. We always support local sports. Being active social media helped us even when we didn't have our web page. It is very funny, but we tried to make sales even through messengers. It was very crazy, first month of pandemics was very crazy time. And we managed to make some sales actually. We did not know when this closing will finish, so we had to sale all the stock that we have, because it would become very old stock, and nobody needs old stock.

- Customer centricity

**16) How important is customer focus for your company? Has it intensified since the pandemic?**

- From local to global

**17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?**

I would say e-commerce and web page it was the shift. We didn't put our attention to that before but right now we put a lot of attention to this.

**Networking factors:**

**18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?**

We started to work actively in retail association, together with other retailers which we have never done before. We were working at those questions: How to deal with government institutions, because there we needed to speak all as one in order to get attention to some things that we really did not like and some that was not logic. So at least we got partners at some questions together with other retailers which I was not in need to contact before. It was useful.

**19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples.**

We still communicate a lot with our consumer through social media, so this hasn't changed much.

### **Environmental factors:**

#### **20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?**

People need to wear masks of course, but people got used to mask. Maybe first of all it was a change that people didn't like, but right now I believe that everybody is doing and government is already thinking even of removing the last limitations of that. People got used to it.

#### **21) Did you notice any changes in customer behaviour since the start of the COVID-19?**

People tend to go less to shopping centres. We got a lot of sick people even when we were not closed and even right now, we have 4-5 thousand cases per day, so you can imagine that 5\*7=35 or even 50 thousand of people needs to stay at home at very exact moment and these are your consumers, potential consumers. What I feel is that people tend to go a bit less to shopping centres, but during that one visit they buy more. The basket of them is bigger for 20%.

I would say that consumer behaviour did not change in a way that they buy more online, we weren't online. When the person goes to the shopping centre to visit, he maybe thinks 'if I go less than the possibility to get covid is fewer' so then you need to use the chance that you are there, so you can buy as much as you need and then basically you can stay at home. So, I would say that some kind of mentality changed.

#### **22) Did your company in Lithuania receive any type of government support? (f.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?**

We got about 2 million during all those two years that we operated. One was government support for a rent, because we had very hard times negotiating with landlords. This was one of the most stressful frustration. And we had employee compensation, work places compensation. Those people who were getting money they could compensate it as well. So, it was also the compensation that we were looking for.

## Appendix 3. Results from the Empirical Research of Case B

### General questions:

#### 1) Could you tell in general about your company? What is the age of your company?

Наша компания работает в Прибалтике. Была основана человеком, который приехал из Польши в 1992 году, когда в Литве были политический и экономический перевороты. Сначала компания стала заниматься дистрибуцией импортных брендов. Начали с «Mars» и еще одного мороженого, и потом присоединился еще один крупный производитель «PG». До сих пор два этих производителя с нами, но в течении лет их добавилось столько, что мы стали самым крупным лидером на Балтийском рынке. Сейчас наша компания – лидер в сфере дистрибуции брендов. В течении 5 лет от создания наша компания стала развивать второе направление – (оптовые магазины) и 1998-2000 году также стали лидерами по поставкам в Литве. Но нашим недостатком было то, что хотя у нас были хорошие цены и мы могли делать большие поставки, у нас был только основной ассортимент, то есть мука, сахар т.д. И мы решили, что хотим быть специалистами и пойти на более высокий уровень, поскольку открыли свои филиалы в Латвии, где уже были конкуренты на рынке, которые были более развиты по ассортименту. Это заставило нас немного вырасти в этой сфере. На сегодняшний день мы работаем в Литве, Латвии, Эстонии и являемся самым крупным дистрибутором и лидером по поставке HoReCa (Термин HoReCa – аббревиатура от слов, обозначающих места продажи с непосредственным потреблением товаров и услуг: Hotel, Restaurant, Catering / Café). В нашей компании под одним зонтиком есть три бренда: магазин Cash&Carry, ..., .... И в 2014 г присоединили .... В целом у нас во всей продажной части компании у нас работает 1200 людей (это вместе с 10 магазинами Cash&Carry в Литве) и в ... от 700-800 человек в зависимости от сезона: летом больше, зимой меньше людей работает. В Латвии в ... работает 700 людей и в Блессе 550-600, в Эстонии около 400 человек. Итого, у нас работает 3200 человек.

#### 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?

Что изменил ковид? Психологическое давление: согласно опросам до и после 30-40% людей чувствовали себя плохо из-за этой ситуации (напряжение, депрессия). Но на саму компанию пришлось только позитивные изменения: 1. улучшились результаты; 2. мы пересмотрели все свои процессы в плане эффективности – поменяли систему документооборота на электронную (взятие отпусков и т.д. на электронной платформе), это тоже улучшение эффективности, многие вещи перевели в электронный формат. Это нам удалось сделать за год-полтора. 3. у нас появилась работа из дома, что оценили очень многие сотрудники. Мы и сейчас остались на гибридном формате: часть времени люди работают в офисе, а часть могут работать из дома. Пропорцию решают самостоятельно внутри команды, отдела. 4. Во время ковида увеличился оборот, что позволило нам развиваться. Например, в ассортименте Cash&Carry мы получили очень хороший кик-аут, поменяли расположение товаров, сильно развили рыбный отдел (поставили большие холодильники, аквариумы, стали завозить новые продукты). И после того, как сняли рестрикции на HoReCa, мы вернулись на рынок и восстановили свои позиции, т.е. конкуренты не успели перенять от нас, как мы того боялись. 5. Очень эффективно переделали логистику: пересмотрели свои доставки клиентам, наши клиенты стали более гибкие, соглашаясь с нами на другой график и объем поставок (раньше клиенты хотели часто и по немного, то сейчас договорились на реже и побольше, что нам выгоднее и решает проблему с рабочей силой). 6. Во время ковида мы проявили стабильность и теперь, после ковида, это помогает притягивать сотрудников – для новых людей и уменьшилась ротация людей в компании. В 2019 году ротация была 31% за год, а в 2021 – 22%. Это очень противоречит общим тенденциям, т.к. по данным LinkedIn 40% людей поменяло свою должность или компанию за год.

#### 3) How many employees did you have before the pandemic and how many do you have now?

Количество сотрудников немного сокращалось, мы сокращали отдел HoReCa – отдел, который занимается ресторанами, гостиницами, кафе, публичными местами, т.к. они были под рестрикциями, и мы были вынуждены чуть уменьшить количество своих людей, но сделали это двумя способами. Первый – многих мы перевели на простой, им платили часть из своего кармана, а частично

пользовались государственными субсидиями. И нескольких человек пришлось уволить из тех, кто работал не больше года на должности ассистента, предварительно выплатив им компенсацию, потому что все было непонятно и не прогнозируемо. Изначально на простой было отправлено около 20 людей, но потом у нас сильно выросли продажи в Cash&Carry, в связи с тем, что люди туда побежали запастись продукцией и некоторых людей из этого количества по их согласию мы временно перевели в Cash&Carry, потому как там мы быстро развили электронную платформу для покупок и нам нужно было делать отборку из зала на вывоз. Этим занималась команда из 4-5 человек, но в последствии, когда все наладилось, они вернулись (перевелись обратно) в свои отделы. Но потом наступил второй карантин. К тому времени мы уже научились, что никого сокращать не нужно, потом нужно будет все равно восстанавливать. Мы поняли свою – можно ли сказать – ошибку, но второй раз так делать не стали. Люди взяли отпуска, полудомашние режимы, но на вторую волну Ковида мы людей не увольняли.

**4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021? So did you have turnover decrease or increase in %?**

Да оборот у нас вырос. Сам оборот остался примерно одинаковым, потому что он около миллиарда, именно в Литве можно посмотреть по официальной публичной ссылке. Но в компании мы всегда смотрим общий оборот и для нас самое главное – это есть operating profit. Потому что наоборотить денег можно очень много, но заработать из этого ноль. У нас оборот может не так вырос, но operating profit улучшился, потому что во время пандемии мы сильно смотрели за кредитами своих клиентов, не давали кредиты, строго смотрели на длину кредита (если раньше кредит давали до 21 дня, то теперь сократили до 10-14 дней), смотрели за своим cash flow... И второй момент: мы делали меньше скидок. Это позволило нам предохраняться от потерь и в целом даже улучшило operating profit.

**Resilience questions:**

**5) According to one of the definitions “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow despite the crisis”. Do you think your organization is resilient?**

**6) Could you provide some examples how your company adapt during COVID-19 pandemic?**

**7) Did you have special plan how to withstand disruptions?**

Мы больше ориентировались по ситуации. Это наверное зависит от дизайна компании. Мы – большая компания и у нас руководство – это и есть наш собственник, который активно участвует в деятельности компании. Он не руководитель, собственник, но у него есть совет директоров. Это 5 директоров, один из них есть CEO, другой финансовый директор, третий – продажный и т.д. Эти люди управляют компанией, но собственник проявил очень много лидерства и собственничества во время ковида, и усилил свою позицию по влиянию на деятельность компании. Думаю, что это много решало, хотя тут оказали влияние и вторичные факторы: он сам не мог улететь из страны, раньше он много путешествовал, а поскольку он был здесь, на месте, то приходилось участвовать в деятельности.

**8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?**

**Leadership factors:**

**9) What do you think to what extent the resilience of an organization depends on the leader?**

Я на 100 % скажу, что да, потому что оказавшись в кризисных новых ситуациях люди смотрят на лидера, на людей, которые имеют большое влияние в их рабочей и личной жизни. В это время я была главным человеком по ковидной ситуации и мне нужно было многие вещи решать, устанавливать правила, как мы себя ведем, отслеживаем все ковид-контакты. Сейчас у нас есть протокол, который мы заполняем, когда кто-то из сотрудников заболевает. Он действует до сих пор. Наши правила прописаны и даже были строже, чем установило государство. Люди стали прислушиваться и нас не было ни одного кейса, когда бы мы не справились. Это пошло от нашего собственника, потому что он

хотел защитить людей от ковида. Сначала люди воспринимали это как навязанные правила и сопротивлялись, через полгода они устали соблюдать все правила, но мы показывали им пример и сейчас люди даже не предлагают вести себя по-другому, теперь это нормальная реальность. У нас не было ни одного случая, когда бы много кто заразился. Возможно, это тоже повлияло, что эти вещи работали.

**10) How your leader perform in the face of pandemic? Could you share some examples, please?**

**11) Could you describe your leader as adaptive person?**

Да, могла бы. Он человек визионер, он дает нам видение, дает нам новые вещи. Мы, руководство, иногда не понимаем, почему нам предлагают делать какие-то вещи. Например, он сказал, что в рыбном отделе должны чистить рыбу. Как это устроить? А вот у него было такое видение, потому что в Испании на рынке он видел, как разделявали рыбу на месте и людям было приятнее и проще ее покупать. Эта идея оказалась самой лучшей, которая увеличила нам продажи на 100-200 раз. И с этой услугой мы смогли стать лидерами, потому что в Литве этим больше никто не занимается. Конечно, устроить это было сложно: нужна была связь с ветеринарами, нужно было обучить людей это делать, но это один из примеров, когда он придумывает что-то и любой ценой пытается это воплотить, и множество этих идей оказывались хорошими, принося большую прибыль.

**12) Do you agree that leadership of your company is trustworthy? Do you trust your boss?**

Это основная вещь, без доверия не будет лидерства. Потому что только так и становишься лидером, когда люди тебе доверяют, если ты их не подвел, не обманул и помог своему человеку или народу.

#### **Strategy adjustment factors:**

**13) Has your company`s strategy changed since the pandemic began? How?**

- Digital transformation

**14) Did your organization move to digital? To what degree?**

Мало мы это делаем. У нас внутренняя политика, исходящая от собственника, что он не любит очень много коммуницировать про компанию. Если говорить про публичность, то мы открыли профили в линк-и- линк. Такой коммуникации, как другие компании, например, покупают статьи на серьезных бизнесовых порталах, то мы так не делали. Но что касается диджитл, то мы перешли на электронные документы и открыли электронный магазин. Раньше сайт тоже был, но не был развит - им пользовались всего 15% наших клиентов, другая часть делала заказы у сотрудника, который их объезжал физически, а третья часть – в колл-центре. Но после ковида количество заказов через сайт выросло в 2-3 раза, до 50%.

**15) Has your company increased its online presence since the start of the COVID-19?**

- Customer centricity

**16) How important is customer focus for your company? Has it intensified since the pandemic?**

Мы приучили клиента к нам, но это выгодно и клиенту (он платит меньше). Из хорошего для клиентов – мы расширили ассортимент. У нас многие клиенты из HoReCa перешли на еду на вынос и им быстро понадобилась красивая одноразовая посуда и мы сильно развили эту сферу (одноразовых упаковок). Когда в Литве не хватало медицинских масок и дезинфицирующих средств, мы заказывали в Китае, привозили на самолетах и доставляли в больницы. Позже мы нашли производителя косметики, который переориентировался на производство дезинфицирующих растворов для поверхностей и рук.

- From local to global

**17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?**

Я бы не сказала, ничего в этом плане не изменилось. На глобальный рынок мы никогда не шли, мы как раз импортеры и работаем на прибалтийском рынке. Но появились некоторые другие поставщики товаров. Потому что, если раньше какие-то товары мы заказывали в Италии, а она сильно пострадала в следствие эпидемии, то нам нужно было искать других поставщиков или посредников, либо же совсем заменять продукцию. Но, конечно, это было не в таких объемах, как сейчас, когда мы больше не покупаем белорусские и русские товары.

**Networking factors:**

**18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?**

У нас появилась дополнительная медицинская страховка. Много клиник были закрыты и люди, имеющие какие-то заболевания могли попасть в больницу только в самом крайнем случае и мы осуществили для своих людей вот такое решение, которое было очень высоко оценено. Это приватная страховка, позволяющая людям пользоваться платными услугами. Это увеличило наши расходы – это стоит нам около 200 000 в год, но я вижу в этом пользу, так как если мы требуем от людей, чтобы они следили за своим здоровьем во время пандемии, то нам нужно направлять их фокус на здоровье. Сначала была проблема, когда мы все ушли на ремоуд, чтобы научиться коммуницировать онлайн. Нам понадобилось 3-4 месяца, чтобы почувствовать себя комфортно в таком режиме. Что касается моего отдела, то для нас это был большой вызов делать отборы через зум, потому что в реальности приходил совсем другой человек.

Мы не состоим ни в каких ассоциациях, в этом плане мы довольно закрытые. Мы знаем, что мы лидеры и не хотим распыляться. На рынке, кроме нас есть еще пара крупных дистрибуторов, но внутри они так не развиваются, поэтому у нас нет в этом нужды. Ковид не повлиял на эту нашу установку, поэтому все так и осталось.

**19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples?**

По поводу государственных компенсаций, то мы их использовали только для людей, которых отправили на простой во время первого карантина. Но на самом деле они не сильно нас спасли, потому что от рестракции HoReCa мы потеряли больше, чем получили компенсации от государства. Это не соизмеримые суммы, но поскольку мы понимаем, что по-другому нельзя было, то конечно и эти деньги – хлеб для работников.

**Environmental factors:**

**20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?**

Да, это мы соблюдали и в некоторых местах, даже больше, чем государство. Закупка масок и дезинфицирующих средств увеличила наши расходы, бывали проблемы с людьми, когда кто-то уходил на карантин, а нанять на неделю-две другого человека – некорректно. Такие напряженки были, особенно для Кеш энд керри. Там количество клиентов увеличилось, а количество сотрудников не было стабильным и тем, что были на работе приходилось выполнять работу болеющих. 30% нашего оборота была HoReCa, а HoReCa закрыли и продаж было очень мало, работали только садики и больницы. И оборот упал на 90 %. Промо кеш энд керри всего оборота HoReCa не отыграл и наши результаты сначала уменьшились, но в течении года результаты расплылись, когда мы стали поставлять посуду, например, то и ситуация понемногу выравнилась.

**21) Did you notice any changes in customer behavior since the start of the COVID-19?**

Люди стали покупать в движителе, стали покупать больше продукции (как с туалетной бумагой). Выросла корзина, ее размер. Такие товары долгого хранения, как консервы, мука или вот сейчас топ №1 – соль.

**22) Did your company in Lithuania receive any type of government support? (i.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?**

Компания вышла из ковида более закаленная, стабильная и люди многому научились, приобрели новые навыки, повысили квалификацию.

## Appendix 4. Results from the Empirical Research of Case C

### General questions:

#### 1) Could you tell in general about your company? What is the age of your company?

Основана компания была 30 лет назад, занимается розничной торговлей детских товаров: от сосок до колясок, игрушек, одежды. Еще мы работаем в интернете и как дистрибуторы.

#### 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?

В тот момент, когда начали закрывать розничную торговлю, введя карантин, это было что-то, потому что ты всем должен, никто не прекращал твои договоренности и по аренде, и по зарплате, а платить не с чего. Это было не то, что страшно, а казалось, что невозможно выжить в этих условиях, потому что некоторые страны - мы работаем в Литве, Латвии, Эстонии, Финляндии – вводили карантин за год на 7 месяцев. Это был для нас большой вызов. Было важно не потеряться, не паниковать, быстро собраться самому руководству и помочь быстро собраться всем сотрудникам компании, чтобы они не растерялись и дать им очень конкретные задачи, что, как по-другому делать и перестроиться на работу в других условиях. И это мы еще были готовы к этому: я как военный и у меня всегда три плана, я всегда руководюсь долгосрочным планом, краткосрочным и тактическим. В долгосрочном плане у нас стратегия не менялась, мы шли по ней, только розничная торговля в магазинах остановилась. Мы все свои труды перекинули на онлайн и дистрибуцию, потому что большим торговым центрам было позволено работать. Мы стали перестраивать людей, обучать людей их компетенциям, чтобы они могли помогать и работать. Сила нашей компании в том, что мы работаем не в одном рынке. А если скажем, один рынок закрывался и надолго, а в другом была другая ситуация, то мы могли работать в том и так получать деньги и покрывать наши задолженности общей группы. Конечно, полностью это не вышло, но задача была передоговориться со всеми партнерами на отложение задолженностей, потому что мы товар закупаем на 6-12 месяцев вперед, заказываем, получаем. И самое главное – договориться с партнером, что мы считаемся, но у нас задолженность. Важно научить людей общаться, что конкретно говорить, какие аргументы, на что давить партнерам, потому что у одних не было карантина, когда был у нас и они этого не понимали. Надо было объяснить, показать аргументы, факты. Это часть обучения, выполнения задач.

#### 3) How many employees did you have before the pandemic and how many do you have now?

У нас не было такого, чтобы мы сокращали людей, потому что одна из задач, которые мы сами себе поставили – это не расстаться ни с кем из наших сотрудников, но мы закрыли несколько магазинов, которые планировали закрывать из-за их нерентабельности. Их конечно закрыли, но это не было сокращение в связи с пандемией. До пандемии было где-то 620 сотрудников, а до стало где-то 600. Нам очень помогло в выполнении этой задачи правительство Литвы, потому что среднему и малому бизнесу давали льготы и поддерживали деньгами, субсидиями, потому что ты поддерживаешь рабочие места. Это то, что помогло встать на ноги очень быстро.

[Вы себя считаете средним или большим бизнесом?]

По оборотам мы малый бизнес, а по количеству людей нас много, потому что наши административные центры находятся все в Литве. Поэтому мы и те, и те. Так сейчас сделали, что если у тебя и оборот, и есть столько людей, и еще есть средства по недвижимости, то ты можешь выдержитишь и пособия не дают. А мы по обороту не шли и у нас нет много недвижимости, поэтому мы попали в список и нас поддержали.

Из 620 человек в Литве около 350 человек, в администрации работает около 90 и в логистике около 70, а все остальные – работники магазинов.

#### 4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021? So did you have turnover decrease or increase in %?



Если сравнивать с другими, нет. Потому что в общей группе мы потеряли около 10 %, но мы подняли прибыльность, хотя нам сложно сейчас сказать, так как у нас финансовый год начинается не с января, а с июля (из-за сезонности продаж). В первый год пандемии у нас был спад по продажам и по прибыли, почти на ноль вышли. Но у нас были хорошие показатели по четвертям года, когда мы выходили из пандемической ситуации и нас банки поддерживали и еще получили право от правительства одолжить деньги в беспроцентный кредит и эти деньги мы правильно инвестировали. И уже в этот год пандемия была и магазины были закрыты (в Латвии 7 месяцев были закрыты, в Литве – 3 месяца), конечно потеряли мы объем продаж, если сравнить с 2019 годом, на 10%, но у нас выросла прибыльность в три раза. Я даже не сравниваю с прошлым годом, потому что в прошлом году было по нулям. Я сравниваю с позапрошлым годом.

Беспроцентный кредит – это государственная программа. Они отлаживали налоги, и не спрашивали с нас, мы накапливали некоторые суммы, потом подписывали договор и выплачивали их по времени. Мы как ответственный бизнес пользовались этим кредитом до февраля, когда у нас заканчивался финансовый год и мы видели, что встали на ноги, то, хотя нам это было выгодно, но мы сказали так: «Правительству эти деньги нужнее. Спасибо им, мы попользовались, у нас ситуация нормализовалась и мы можем этот кредит вернуть полностью». И мы это и сделали, хоть и имели возможность вернуть его до конца 2023 года, но мы сделали это раньше.

Поддержка на арендную плату была очень краткосрочная. То, что больше всего помогло, это была помощь на удержание рабочих мест, а также поддержка оборотного капитала, налоговые льготы.

#### **Resilience questions:**

##### **5) According to one of the definition “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow in spite of the crisis”. Do you think your organization is resilient?**

Самое главное – это отношения и коммуникация с людьми, с которыми ты работаешь. И конечно важно не растеряться, и потом уже коммуникация, продумывание планов и шагов, пригласить для этого всех, чтобы все имели свои новые роли и быстро приспосабливались. Эта ситуация за последние 2,5 года менялась каждый день, каждый месяц и хорошая налаженная коммуникация и раздача новых работ и компетенций, которым люди обучались - была самая большая сила. И почему мы не могли отказаться ни от одного человека, потому что компания – это большой организм, который имеет все органы и когда все будет хорошо, он быстро восстановится. Но когда кто-то уходит, то тебе нужно время набрать компетенцию. Мы это понимали и делали все возможное, чтобы люди не ушли.

У вас был план на случай непредвиденных событий (выше говорил про три плана)? Плана нет, потому что ты не знаешь, какой кризис будет. Мы ждали экономического кризиса и продумывали, как сократить расходность бизнеса. Мы стали много инвестировать в онлайн продажи, до пандемии мы подготовили свою платформу, которая работала бы под нас, так как у нас много складов для товаров. Мы предоставляем 4 ритейл бренда в 4х странах, которых еще и разные языки. Для нас задача получилась очень большая, как для маленькой компании, чтобы устроить систему и все перевести туда. И до начала пандемии мы только стартовали с этой платформы в Литве. Во всех странах мы имели подготовленную, но не выведенную онлайн платформы. Мы полгода выводили страну за страной, ритейл бренд за ритейл брендом, каждый месяц у нас появлялись новые онлайн магазины, и конечно у них был нулевой оборот. Мы много инвестировали в маркетинг, чтобы их поднять. У меня есть практика по онлайн и это тоже помогло. То есть мы готовились к экономическому кризису и поэтому создали онлайн магазин в Литве, но получилось, что настал пандемический. Вслед за ним конечно последовал и экономический: у многих предприятий оборот упал на 40, 60%. У нас была другая ситуация: мы уже были подготовлены к диджитл и у нас была команда, которая уже умела там рулить, привлекать онлайн клиентов и конечно обслуживание - это было очень важно, потому что объемы, которые приходили в онлайн с ритейла были просто колоссальными в обработке. У нас уже была в этом практика и мы научили этому людей – оформлять, отправлять заказы.

##### **6) Could you provide some examples how your company adapt during COVID-19 pandemic?**

**7) Did you have special plan how to withstand disruptions?**

**8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?**

**Leadership factors:**

**9) What do you think to what extent the resilience of an organization depends on the leader?**

Руководителя в компании у нас нет. У меня есть моя команда, все по своей части, компетенции, по своим отделам. Раньше у нас не было на это времени, но сейчас, после пандемии, мы выводим и показываем людям, что это не CEO тут сработал, но все руководители магазинов – они лидеры. Мы много сейчас в это инвестируем, дополнительно обучаем лидерство и планированию. Я понимаю, что должен этим заниматься, но будет эффективнее, если все они тоже будут думать на своих рядах и перестраивать свои шаги под свою ситуацию. У нас были 3-недельные обучения, они и сейчас продолжаются, мы идем к первому ряду людей – тем, кто работает в магазине с клиентами. Обучаем их, как самому успокоиться – бывают разные ситуации с клиентами: недопонимания, из-за повышенных волнений люди стали еще тревожней, и как понять клиента, и красиво и хорошо его обслужить. У нас есть программа, которую продумывает отдел по человеческим ресурсам. Он ее проводит, но инициатива пришла с моей стороны, потому что я продумывал, как провести и укрепить компанию во время пандемии. Так сейчас мы сделали краткосрочный проект на месяц. Мы делаем разные обучения не только сами, но и пользуемся специалистами, которые знают одну среду и другую среду. Также делали обучения, если начнется военная ситуация в Литве.

**10) How your leader perform in the face of pandemic? Could you share some examples, please?**

**11) Could you describe your leader as adaptive person?**

Гибкость – хорошо, но надо принимать решения. А решения мы принимаем так: обсудили, потому что мне, например, ситуация может показаться плохой и рискованной, а поговорив с другими, можешь изменить свое мнение, потом приняли решение и составили план, кто какую роль играет, потому что у нас есть руководители по департаментам, но ответственности у нас очень разные, мы пришли из разных бизнесов и у нас разные компетенции, это нам очень сильно помогает. Мы не боимся принять на себя компетенцию другого дела, чтобы ему помочь, научить и получить хороший результат.

**12) Do you agree that leadership of your company is trustworthy? Do you trust your boss?**

**Strategy adjustment factors:**

**13) Has your company's strategy changed since the pandemic began? How?**

- Digital transformation

**14) Did your organization move to digital? To what degree?**

**15) Has your company increased its online presence since the start of the COVID-19?**

Мы не начинали развивать отдельный канал по продажам. У нас онлайн есть онлайн, в Фейсбуке мы начали, в инстаграм – нет. Что мы делали: весь трафик со всех ресурсов направляли на наш онлайн магазин. Мы имеем несколько сетей, которые похожим товаром торгуют. Мы имитировали конкуренцию, то есть для контингента, который имеет одну зарплату, мы приглашали на одну страницу, а других – на другую. Это тоже работало, потому что люди разные и по-разному мыслят.

- Customer centricity

**16) How important is customer focus for your company? Has it intensified since the pandemic?**

Делали ли вы скидки клиентам?

Более активны стали с маркетингом и промо маркетингом. Он был активнее, чем в розничных магазинах, потому что в онлайн все быстро: можно показать и через два-три дня это все уже устарело. Кто не работал с каналом продаж, тот не понимает, как это работает и им было очень сложно. Они, скажем, делали месячные акции, а там нужно быстро их кидать и если не работает, то менять. Ты не можешь остановить эту месячную акцию, ее нужно быстро переделывать, менять. По законам Евросоюза она остается на сколько ты обещал, кто хочет, может ей воспользоваться, но чтобы привлечь внимание, нужно было очень быстро работать. И если мы раз за неделю обсуждали наши продажи, так в первый месяц мы обсуждали два раза в день, потом перешли на раз в день и пока мы не исправили ситуацию, то этот раз в день оставался. Отсюда и гибкость, коммуникация и компетентность повышается.

- From local to global

**17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?**

Нет. Как раз за год до пандемии, мы вышли на Финляндию. В наших странах стало уменьшаться количество новорожденных, мы видели, что стратегия по объему продаж будет работать, потому что доходность растет, но из-за того, что падает рождаемость, нация сужается, мы пошли на другие рынки, самым близким нам показался финский рынок. Мы пошли туда и сразу началась пандемия. Конечно, мы не успели оставить там много усилий, потому что новому бизнесу нужно заработать имя, канал, ассортимент и стандарт обслуживания отработать. Поэтому много усилий мы переложили в то, чтобы вернуть свои позиции обратно. Сейчас мы уже переделываем стратегию, потому что клиент в Финляндии поменялся, они больше ушли онлайн. Те магазины, которые были за городом стали еще реже посещаться: был упадок и еще очень большой остается. У нас как раз заканчивается контракт по аренде большого магазина и мы начали выработать новую стратегию, новые рабочие методы, как там укрепиться. Мы видим, что если было 30% онлайн продаж и остальное было по ритейлу, то сейчас резко поменялось, что 50% можно продать онлайн. Вот так пандемия повлияла на фин.

**Networking factors:**

**18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?**

Очень много было предложений от маркетплейсов, но нам такая конкуренция не нужна, мы и так работаем с ними как дистрибуторы, продаем товары. В общем, мы отказались от этого направления в наших локальных странах, но ищем возможность работать в маркетплейсах иностранных. И еще ищем партнеров в других странах, которым можем предложить наш ассортимент и которые работают по нашей архитектуре и торгуют нашей категорией.

**19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples?**

Я тоже, как ... начал взаимодействовать, но я не был таким активным, как он, потому что у него проблема была с одной компанией, а у меня в нескольких странах и не мог уделять столько времени. Но конечно если бы я не был в ассоциации политики, то я не познал бы все это.

**Environmental factors:**

**20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?**

Во время пандемии мы адаптировали магазины. У меня дома работал доктор и лечил людей по телефону. Я был на шаг впереди, потому что врачам предоставлялась информация и обсуждалась в их

формах информация о решениях и предложениях в сфере медицины. Я знал об этом и стал обучать людей, что нужно делать, что закупать.

В Литве магазины были закрыты по 3 месяца, по полгода в зависимости от года. В первый год магазины были закрыты полгода, во второй - 3-4 месяца, потом – месяц. Все это время ограничения оставались и только вот сейчас снимают ограничения на площадь и маски. И это правильно, потому что люди сами не думают: за них нужно продумать и просто поставить по факту.

## **21) Did you notice any changes in customer behavior since the start of the COVID-19?**

В зависимости от времени. Конечно, когда магазины закрыты, люди покупают онлайн. Мы доработали до такого уровня, когда 70% розничных продаж мы смогли собрать через онлайн. Это когда ритейл не работал, это было большое удивление и радость для нас. Когда не работают магазины, это большой объем и для обработки по операйсам тоже. Сейчас, когда мы вышли из пандемии, ситуация нормализовалась и мы можем работать по всем каналам и все конкуренты могут работать в одних условиях, то мы видим, что человек сильно отбирает товар по ценам и так, чтобы он мог получить товар сейчас. Это важно для клиента, поэтому он выбирает товар у того, кто находится ближе к нему. Таким образом клиент вернулся очень быстро. Если мы планировали набирать через онлайн 30% и 70% через ритейл, то в общем объеме наш цель остается такой же и мы его достигаем. Но доля поменялась на 18% и 82% по ритейлу. Это мы просчитались и не подумали, то клиент так поменяется. То есть по онлайн процент снизился с 30 до 18%. Клиент почувствовал, что так быстрее, удобнее и хорошее обслуживание, качество и цена, поэтому он идет в магазин, точно зная, что товар там будет. Когда его нет в наличии, его убирают и онлайн.

Наш товар везде: в ритейле, в онлайн. Заменить его легко, потому что есть разные бренды и мы можем предложить в своей отрасли красивые, полные товаров магазины и хорошее обслуживание, которое выше среднерыночного. Все люди в нашей компании научились за этим следить, читать отзывы от клиентов по магазинам, продавцу или товару.

[Люди больше покупают в онлайн, чем ритейле?]

У нас наоборот. Конечно, во время пандемии нельзя сравнить, потому что магазины закрыты. Если у нас позволено работать магазинам, то нам лучше инвестировать в онлайн, маркетинг, но привлекать людей приходиться в магазин и закупаться там, потому что может быть будет меньше корзинка, но конверсия, обслуживание. Обслуживание мы измеряем по НПС и у нас оно выше среднерыночной и это нам помогает хорошо обслуживать людей, и делать продажи больше. Потому что в онлайн, что человек хочет и понимает, то он и покупает. Там много непонятного. Но когда ты приглашаешь человека в магазин, где хорошее обслуживание и много товара, то можешь продать не только то, что он хочет и понимает, но еще и дополнительно.

## **22) Did your company in Lithuania receive any type of government support? (i.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?**

Владельцы магазина – муж с женой, я – CEO и у нас есть совет директоров, есть один независимый совет директоров, куда входит хозяин и хозяйка.

Сколько лет вы CEO? Я в компании работаю уже второй раз. Отработал больше 4х лет и сейчас уже 5й. Первый раз я работал как менеджер по ритейлу, вернулся как менеджер по ритейлу, за год с лишним перешел на CEO.

Компания вышла из пандемии более закаленной. Мы направили свои усилия на это, потому что знали, что не можем работать в полном объеме, нам не позволено осуществлять наши обычные продажи и мы решили, что наши стратегические проекты, которые мы задумали должны выполняться в полную силу. Раз есть у нас время от обычных забот и рутины, мы все усилия перебросим туда. Часть усилий на приобретение гибкости, а другая часть уходила на выполнение проектов. То есть стратегию мы не

меняли, стратегические проекты выработывались в полной силе и даже больше ресурсов получили и + (что-то, не расслышала) денежных ресурсов у нас не было. Стратегия не менялась, менялась тактика. Краткосрочные планы менялись, и тактика каждый день приспособливалась.

## Appendix 5. Results from the Empirical Research of Case D

### General questions:

#### 1) What is the age of your company?

So basically, we are working in a food business. We are the healthy food shops in Lithuania. Also, we are working in a food (good) market. We have our own factory where we produce fresh meat and other meat products such as sausages, boiled products, smoke products and so on. Our company is working nearly 15 years. We have 4 sales points. And we also providesome of the products to roll sale, let`s say to horeca: hotels, restaurants, catering, other companies which are selling also healthy food, high quality fresh meat and so on.

Customers: 90% individuals and 10% for business.

#### 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?

Basically, there was different levels of impact. When covid came into Lithuania everyone was totally confused. Nobody understood what the virus is, how to react, how to deal with it, what to do and so on. Nobody knew what to do. On the other hand, our company was happy, because everyone wanted to buy fresh meat and to store it into the fridges. Covid is almost the same as the war, just nobody is killed by the other people, it`s killed by the virus. So, there was really huge impact. We had shortages of meat, everyone was buying, there was huge sales. Later people get used to the covid situation. Of course, there was some other legislations, another level of COVID-19. So, it was totally different. Our two shops are located in supermarkets so in some levels the supermarkets were totally closed, only the food shops were open, so also, there was an impact into people coming to the supermarkets. The cities were closed also, so it was hard to come to the shop. We totally changed our company and we started to deliver food directly to our customer`s home.

#### 3) How many employees did you have before the pandemic and how many do you have now?

We have around 20 people. We had too many people in our company, so when the pandemic came in, we had more work and those people get to do the job, so the company became more effective let`s say. During the pandemic, even when we had bigger sales, we had to get only one-two people into our company. It depends on the year, on the quarter. Even if we have more work, we are more effective with the same amount of people. Before pandemic it was around the same: 18-19 employees. So, the number isn`t changed.

#### 4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021? So, did you have turnover decrease or increase in %?

If we speak around the exact numbers: in 2019 we had 750 thousand euros (750 000) ofturnover; in 2020 we had 1 million 200 thousand (1 200 000) and in 2021 we had 1 million 550 thousand (1 550 000). So, during this covid situation, these two years, we doubled turnover. From the 750 to 1 550.

### Resilience questions:

#### 5) According to one of the definitions “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow despite the crisis”. Do you think your organization is resilient?

I believe yes. Also, the numbers show that. Because our company is small, so we can change everything very fast. Because our business is very old, food business is very old in general. You cannot change very much, you can`t make another cow - meat is the meat. It is the method. Is it fresh, is it frozen or is it dry? It`s 3 different things. Because still, the difference is how you reach your customers, how many problems do you make to reach them. People nowadays don`t want any problems, they want everything to be easy. Even if you are web shop - it`s quite difficult. Some of the people want to buy from you, because it`s too difficult to reach your product and you have to always ... to customer view, it is the best way to get your product, on your table let`s say.

**6) Could you provide some examples how your company adapt during COVID-19 pandemic?**

We bought several new cars. It is easy for companies which for example are selling bags, shoes, so you can use any other company for example UBS, DHL, just to deliver the product. But when you are delivering fresh food, you have to make sure that the temperature and all the conditions are good for the product, because the quality is the most important thing. So, we have to not to be afraid and invest into special cars. We bought cars with inside fridges, which controlled the temperature inside and we made our own delivery service. That's why we really reacted very fast. I believe the covid just came in and in one-two weeks we started delivery already with 3 cars. Before we had only one car. We started delivery with 3 cars in just two weeks. For such small company it was quite fast. So, we have reached our customers. We had really a huge amount of orders. Basically, we lived only on the orders, and it was really good. Some people came into the shops also, because as I said the supermarkets were closed, only the most important things such as medicine, food and post are always working. We were working and some of the people still wanted to buy the food by their eyes. When you are buying food in the internet web sites you just see the picture of the product, you don't know, what you're getting. For the example, if you're buying bananas, you don't know if you're getting them green, yellow or already black. There are still people who want to see what they are buying, because they don't believe or they are too scared to buy by websites, web shops, just because they don't know what they will receive. Some people were ordering through web shop and there were still some people, even during the covid when the situation was hard, who were coming to the shop, only the days when the fresh meat was coming.

Shops are in Vilnius and Kaunas. 2 in supermarkets and 3 mobile shops (trucks that we can move from one market to another one)

**7) Did you have special plan how to withstand disruptions?**

Of course, we didn't prepare for that (pandemic). You can't prepare for the things that you don't know. All these almost 3 years are (have been) totally chaotic. First, the COVID-19, now as the war in Ukraine, which is totally impacted not just Lithuania, but to the whole world. People don't know how to react to many cases. We also didn't make all the best choices. For example, before the covid we bought factory, we started to renovate it during the covid. And this was a problem, because the salaries went up, the constructions went up, there was lack of materials. So, our factory is now golden, let's say. But you can't change these things. Now even in the context of war we have lack of the materials, so the construction of factory is going to be very expensive.

**8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?**

Slight change to reach the customers meanly. The main success is because I believe we are selling food. Everyone needs to eat. It depends how you reach the customer. I believe this is the main aspect. Because if companies are not reaching them, then you are a bankrupt. Also, it was very important that we are selling the most important food. We are selling meat, vegetables, fresh milk and so on. Let's say the most important things in people's life. We are not selling chocolates, some kind of 'bataes?', fuagra, which are expensive things. I believe this was the main aspect. Also, during COVID-19 people started to spend more time at home, so they started to make food at home. This is also very important. All the family was at home, so they had to order food from restaurant, or they had to make the food at their home. This is also very important for us.

Also, people, I believe they tried to be healthier, because of the virus. They tried to buy more healthy food, what we are selling. We are selling organic, fresh, high quality, good products. People started to take care of their health to beat the virus.

**Leadership factors:**

**9) What do you think to what extent the resilience of an organization depends on the leader?**

I believe it's very important to make it fast, to be a leader, just to understand the whole situation, all the background, not just be in your situation and focus on your thing. You have to think about how people are reacting, how they see everything, how they deal with everything and basically just speak with the employees. Just to speak and let them spread the word that your company wants to spread, because people which are the

sellers which are in the front line which are speaking with the customers, they are the most important people, because they spread the word about your company and also you have to know all the employees: pluses and minuses, what they are capable of and to give them the right job to do, everyone can do any job, but nobody wants to, for example... Everyone has to do thing that they are best in. If you are the best in cooking, you have to cook. If you are the best in cleaning, you have to clean. If you are the best in numbers, you have to check the numbers. If you are the best with the customers, if you are speaking very well, you have to usually work with people. Company leader has to know all the persons - what they are capable of and just put all those people in the right position.

**10) How your leader performs in the face of pandemic? Could you share some examples, please?**

[He is founder and CEO, owner.]

**11) Could you describe your leader as adaptive person?**

There is very interesting personal test, which shows all your capabilities. And that test showed me that I'm a person who are always looking at all the numbers I don't leave anything behind, but still I'm quite slow, because I want to check everything and I want to make sure that everything is in right position, everything is done correctly. So, I spend too much time controlling everything. Basically, I'm slower than anybody else can be.

**12) Do you agree that leadership of your company is trustworthy? Do you trust your boss?**

Of course. If employees in your company don't trust you, the company will just collapse. If employees don't trust you, they don't trust also the company. If they don't believe what you are doing, what you are speaking, they will do whatever they want.

**Strategy adjustment factors:**

**13) Has your company`s strategy changed since the pandemic began? How?**

- **Digital transformation**

During this covid situation we also bought another (because we were successful) meat shop, which was our competitors. We bought not just one company, we bought 2 competitors. So, basically, we became the biggest player of quality meat sales in terms of food stores, quantities, revenue and so on. That's how we changed the whole strategy and that's how we changed the company. The company that I was speaking before in this conversation it is my own company which I founded, and this is what I was doing for 15 years. It was high quality. And we wanted to make cheaper brand, where we can reach more people to give them also good quality for better price. And also, we have bought a factory where we were going to introduce much more different products. So, the whole company will be changed, I believe in one year. We will introduce a lot of new products, we will change also the whole sales system, we will start to sell more to the restaurants, as I mentioned to the horrica, also enter to the supermarkets with another cheaper brand. Everything totally changed just during the covid. I believe this was because we were successful, and the other companies were not. This was very good chance for us to enter and to buy the other companies cheap.

Now we have 9 specialized meat shops. So, there are no other player, we guess, which has quality meat and this amount of shops. All those shops producing more than 3 million revenue. After we bought company, the other one, the revenue was 600 thousand per year. Last year we had maybe 1.3 million, so also more than twice.

We are thinking always about strategy of all companies, because we have to differentiate, because they are working in the same area. All companies are selling fresh meat. There are also some barbeque sauces, some other products, (for example beer next to the ribs) but still, we have to make them different, so people understand the difference between these companies. Even when they are different, I would say that they are on the same umbrella. Our new thing will react to other company.



On the first company I'm the only one owner. The other company we bought with two other persons which are my colleagues. And in the other company we have also another director, who is a SEO for the company.

**14) Did your organization move to digital? To what degree?**

We moved to delivery which is also with a web shop. But we also started to sell products in other platforms such as Wolt, Bolt and there is one local player in Lithuania is Lastmile which is also fast food delivery. They have some kind of web shop, where you can buy from different shops, and you get delivery in 2 hours. Instead of creating our own digital web shop or smth like that, we decided to become part of the other companies.

... we also deliver with our own cars.

What we differentiate that in our own website we have more products than Lastmile and Wolt, just to make sure that people are coming to our own web shop, where we have bigger assortment of the products.

We started (web portal) in the pandemics. (Spent not very much time to create the platform).

At first it wasn't web shop as you understand. We just needed a manual or a list of products that we had in our shop, list and the prices. We were changing that list every week. You just can choose by the list and order straight by phone or sending the word on the email and sending the order by Facebook or Instagram. It was very old and wasn't very easy for customers to order it. I would not order in this way. But still because people wanted to have high quality, fresh products, they ordered even when the system wasn't very easy.

**15) Has your company increased its online presence since the start of the COVID-19?**

Maybe we have increased. We were doing also the same every day. It was not huge increase, let's say 20%.

- Customer centricity

During the covid we let in into our company one sales manager just to reach the restaurants and the other companies, but basically we didn't changed anything with the end customers.

**16) How important is customer focus for your company? Has it intensified since the pandemic?**

- From local to global

**17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?**

We are working only in Lithuania.

What we did, we also bought one company in Poland, but not this totally different. It also working with meat, but not in this business. (it's 4<sup>th</sup> one)

**Networking factors:**

**18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?**

As I said earlier the main partners was Lastmile, Wolt, Bolt. They were the partners and collaboration also. So no any other cooperation that we have made.

**19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples.**

No, because we are small. Of course, that's not the reason just to be small and not to be a part of civil society. We don't do these things; I believe it's useless. Why? Because I cannot change anything. (Of course, that's idea bad scope of view just to deal with it, I don't know.) I don't understand that. We always support some companies. Even now we are supporting Ukraine with the war. We are supporting Ukrainian people here in Lithuania, we are giving them food. Last week we went to Olimpus just to feed almost 200 people on one day. So, we are supporting, we are working in the civil society, but it wasn't with the government.

#### **Environmental factors:**

#### **20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?**

Maybe there was no legislations that changed our customers.

During the covid there was some legislations such as: there was some space left for one person. In our shops we could get only 2 customers. That legislation impacted our company, because we couldn't get more people inside. People had to wait in the line, because they had to have more than 15 meters for one person. And our shops are usually around 15 meters. Just to make sure that every person has the right amount of space in the shop. In the supermarket there was also some number of people that can come to the supermarket. For example, 300 people inside supermarket and that's all. So, some of the people couldn't even come inside. And people were also afraid of big supermarkets, where were a lot of people. They were using small shops which a separated from the supermarket. They wanted to take care of their health, not to receive the covid.

#### **21) Did you notice any changes in customer behaviour since the start of the COVID-19?**

(Proportion online/offline buying:)

It was changing between the levels of covid. First of all, there was 40% in the shop, 60% online. Now it's totally different: 90% in the shop and 10% online. So, people are changing their behaviour. They like to change.

#### **22) Did your company in Lithuania receive any type of government support? (f.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?**

No, usually companies get this (government support) because their revenue, turnover is gone down. And our turnover just went up, so we couldn't even reach those support from the government. We couldn't show the numbers and prove it.

Yes, but for this companies which were impacted by covid. Because we were not impacted (everyone was buying) we couldn't do that. You had to show that you are not working, you don't have any turnover. Then you get the compensation. So, from the government we didn't receive it. But we received it from the companies which are renting their place. So it was just from their own perspective, not from the government.

## Appendix 6. Results from the Empirical Research of Case E

### General questions:

#### 1) Could you tell in general about your company? What is the age of your company?

Это сеть оптики. Это компания, которая имеет 10 оптиков: одна большая мы работаем франшизой, другая сеть «...» и также шоп, где мы продаем контактные линзы и солнцезащитные очки. Я была ответственная за виденье, но у нас есть генеральный директор, поэтому если будут вопросы про лидера, то это будет про него. Все решения, которые были сделаны во время ковида, были сделаны им, я больше как бы средний менеджер. Мы работаем на Литву и Латвию. В Литве компания была основана 26 лет назад, а в Латвии 30 лет назад.

#### 2) How do you estimate the impact of COVID-19 pandemic on the performance of your company?

В целом, все прошло хорошо, потому что оптики все равно работали, потому что нам, как и аптекам, было разрешено работать в отличии от магазинов одежды или обуви. Мы работали, но нам нужно было иметь поменьше магазинов и работников, поскольку не было такого потока клиентов. Им было запрещено входить в торговые центры, а большинство наших магазинов находились именно в торговых центрах. Только 3 наших магазина находятся на улице и имеют отдельный вход, там мы могли работать, как нам хочется. Оптика очень нужна людям, поэтому мы функционировали.

Сначала было тяжело с клиентами, но когда снова открылись ТЦ, то было побольше оборотов, так что унизились обороты не очень много. То есть поток клиентов и соответственно обороты зависел от ТЦ.

Количество работников мы не сокращали, но отправляли их на простой. Мы его оплачивали, но не так много, было и на 50% оплаты в первую волну ковида. Этот простой покрывало государство, мы получили субсидии и от государства и от ТЦ, поэтому мы не сокращали людей.

#### 3) How many employees did you have before the pandemic and how many do you have now?

В компании 191-194 сотрудника. Мы работаем по всей Литве: Каунас, Вильнюс.

#### 4) What was the turnover of the company in Lithuania in percentage comparison in 2019 and 2021? So did you have turnover decrease or increase in %?

В 2019 г оборот упал, в 2021м на 20% было. И если даже смотреть в этом году, прогнозировали, что будем достигать 19го. Но пока, если смотреть месяц-месяц, то все равно это сезоны, в январе- феврале у нас не было хороших результатов. То есть до до ковидного уровня еще не дошли.

### Resilience questions:

#### 5) According to one of the definition “organizational resilience” is “the capability to overcome crisis...It is the ability to survive, adapt, and grow in spite of the crisis”. Do you think your organization is resilient?

Да, она устойчивая. Когда все началось и не было денег, мы не были подготовлены. Но во второй раз уже все было лучше и с финансами, мы накопили деньги, чтобы рассчитаться с работникам стопроцентно. Но в первый раз это был шок. Наверно, этот ковид и дал нам, что теперь мы готовы к разным ситуациям.

#### 6) Could you provide some examples how your company adapt during COVID-19 pandemic?

#### 7) Did you have special plan how to withstand disruptions?

Про план для кризиса всегда говорили, но когда реально это случилось, его не было. Мы думали, что будем делать уже на месте. И так и придумали, что некоторые работают, некоторые закрываются, открываются. Так вот оно и шло, каждую неделю все меняли.

У нас примерно 25 точек. Сначала мы оставили работать только те, что были на улице и сообщили об этом в интернете, чтобы клиенты знали, где можно починить или заказать. Но плохо то, что мы не можем продать очки без доктора, только если клиент уже имеет рецепт на очки, а докторам не разрешено было работать. И обороты от этого соответственно страдали. Потом смотрели, что есть другие города, где мы не имеем магазинов на улице и мы открывали их в ТЦ, где вход был недалеко и если там рядом были аптеки. И работали там с 10 до 5, чтобы не долго, не так как раньше – до вечера. Делали свои графики и каждую неделю их пересматривали, если нет нужды работать, то их закрывали, потом опять открывали. Мы мониторили поток людей, объем продаж и принимали решение. Из 25 магазинов больше половины были закрыты, временно 2-3 то закрывались, то открывались. Мы держали по одному сотруднику в магазине, остальные были на простое.

### **8) What do you think the main success factors of enterprise to be resilience during COVID-19 crisis?**

Это то, что мы получили поддержку, субсидии от государства, это точно. Это то, что мы не сокращали работников и это было очень хорошо и потом мы видели по нашим конкурентам, что очень сложно собрать обратно сотрудников. И также репутация руководства у сотрудников осталась хорошая, потому что они никого не сократили. Конечно, планы на сокращение были, особенно у нашего генерального директора, но отдел отстоял позицию, что нужно держать людей, потому что они по много лет уже работают и у нас очень маленькая текучка людей, поэтому старались, чтобы они работали дальше. Еще нам помогло то, что мы имели шоп и могли все равно торговать и даже приняли решение, что и очки заказывали по интернету, это конечно очень сложно, но с рецептом можно. Раньше мы продавали контактные линзы, капли, но во время ковида поставили еще и оправы. Делали много фото и выставляли в интернет, делали рекламу с другими компаниями, у которых тоже есть е-шоп. У нас е-шоп был всегда, но во время пандемии выросли обороты и мы поставили побольше фотографий. Мы давно хотели развить е-шоп, но ковид дал нам этот импульс, что мы все-таки им занялись.

#### **Leadership factors:**

### **9) What do you think to what extent the resilience of an organization depends on the leader?**

100% это так. Лидер – это главный человек и если он не будет верить, что все будет нормально, и что план хороший и он должен мотивировать людей...со своими работниками, которые дома были и каждый день делали анкеты, как вы чувствуете и что можно сделать.

### **10) How your leader perform in the face of pandemic? Could you share some examples, please?**

Мы собирались часто на сколько это возможно, потому что все-таки все боялись пандемии и чтобы не заразиться. Онлайн собирались периодически, например, во вторник и четверг, даже если нечего было решать, то все равно, чтобы чувствовалось, что мы команда и мы работаем. Генеральный директор звонил и спрашивал, отвечал на вопросы. Это чувствовалось, что есть мотивация от руководителя и старались прийти уже в нормальную работу.

### **11) Could you describe your leader as adaptive person?**

Да.

### **12) Do you agree that leadership of your company is trustworthy? Do you trust your boss?**

Да, конечно. Первое, что надо – это чтобы было доверие между боссом и командой. И первый фактор, который нужен лидеру – это чтобы он выслушивал, замечал людей.

## Strategy adjustment factors:

### 13) Has your company`s strategy changed since the pandemic began? How?

Изменилась. Начали как раз и акционеры и мы менять свои стратегии и этот процесс продолжается. У нас теперь совсем другая миссия и видение – это и расширяться и другие точки открывать. Это все распланировано по времени, на будущие года. То есть пандемия дала толчок для пересмотра стратегии.

- Digital transformation

### 14) Did your organization move to digital? To what degree?

Е-шоп улучшали, делали новую платформу, много работали на это.

[На сколько выросло количество продаж через е-шоп?]

Выросло где-то на 50-60% больше обычных продаж. Многие пошли к нам работать, но это все равно не те деньги, которые нужны для такой компании.

### 15) Has your company increased its online presence since the start of the COVID-19?

Да. Еще мы запускали рекламу и у нас даже были люди, которые там что-то продавали и они давали нам подарки, чтобы мы вложили для своих клиентов рекламу от них, а они от нас. И они менялись каждый месяц или два, так работали с продавцами косметики, домашних запахов.

- Customer centricity

### 16) How important is customer focus for your company? Has it intensified since the pandemic?

После ковида мы пересмотрели стандарт обслуживания клиентов, новый приняли, потому что ковид нам рассказал, как трудно вернуть клиентов на (физические) магазины и надо работать с обслуживанием, сервисом, предоставлять побольше услуг. Например, теперь мы стараемся делать так, чтобы каждый день, когда приходит клиент у нас был доктор, который его проверяет, поскольку онлайн эту услугу никак не осуществить и чтобы люди для этого приходили в магазины. То есть мы увеличили не количество, но качество, там стали смотреть микроскопию. Эта услуга платная, но мы и добавили услугу и повысили качество обслуживания. Иногда и 20 минут уходит на одного клиента, но мы делаем полную проверку. Прямо на местах у нас есть специалисты офтальмологи.

- From local to global

### 17) Did your company change the scope of work? Perhaps you have become more focused on the global market or vice versa on the local one?

Да, теперь с е-шопом мы идем в Польшу и другие страны с этого года. Также у нас теперь будет такая услуга, как не только зрение проверять, но и слух, и мы будем ставить слуховые аппараты. Для клиентов это новая услуга и нам нужны новые специалисты, новое оборудование поставить. Мы уже приняли это решение и подписали договора. К осени будем делать еще пцк. Еще решили, что в Литве и Латвии каждый год будем открывать по 5 новых объектов – такая стратегия по расширению на нашем рынке, а с е-шопом идти в другие страны.

## Networking factors:

### 18) Has your organization started new collaborations since the start of the COVID-19? Did you get new partners?

Это было в других областях, были люди ответственные за это и я тоже подключалась к этому. Писала письма в школы, чтобы если им надо, то покупали и в другие магазины, у кого есть е-шопы. Все искали партнеров, чтобы этот нам маленький а-шоп расширялся и больше людей узнало про нас. С а-шопом это партнерство продолжается и дальше.

**19) Do you agree with the statement that your organization communicate with the many players in environment such as government and civil society? Please provide some examples?**

Да, мы как раз присоединились во время пандемии к ритейлу, потому что было неясно к кому мы принадлежим к ритейлу или к медицинскому, так присоединились к ритейлу. У нас в оптике много зависит от государства, от медицины и ее правил, как можно работать во время ковида. Мы сильно связаны с министерством здравоохранения.

**Environmental factors:**

**20) How different legislation things impacted your company? How economic factors such as decrees of customers number or changes purchasing power impacted your company?**

Повлияло на то, что нужно было за всем следить, чтобы ничего не упустить: сколько клиентов можно в зале иметь по площади, какие бумажки заполнять, сколько лет их нужно хранить, какие покупать респираторы и перчатки, дезинфекционные аппараты ставить возле входа.

**21) Did you notice any changes in customer behaviour since the start of the COVID-19?**

Увеличились продажи на контактные линзы, потому что люди уже привыкли в е-шопе покупать, а магазины приходят покупать очки, они все-таки вернулись эти клиенты. Так оно и будет, потому что такая сфера у нас. Что еще случилось с клиентами, так это то, что они стали очень злыми и приходит много нехороших отзывов про обслуживание, про скорость. Во время пандемии мы это заметили, по Польше заметили, что клиенты стали требовательные. Сначала они радовались, что могут прийти, вживую пообщаться, но потом стандарты и требования обслуживания стали выше. То есть после пандемии люди стали больше покупать в онлайн и стали требовательнее в скорости обслуживания.

**22) Did your company in Lithuania receive any type of government support? (i.e. rental compensations based on profit base financial calculations of previous years and or idle time compensations) What was the impact of it and main fields it helped?**

Была поддержка и в оплате простоя, и в аренде в ТЦ. По-разному, но в основном были. Один ТЦ погасил аренду на 20%, другой на 30%. К ритейлерам мы присоединились, потому что так проще было коммуницировать с государством.

[Как так выходит, что обороты не увеличиваются, но вы хотите расширяться?]

Прибыль и обороты в принципе остаются не изменёнными, не повышаются, но чтобы этого достичь, нужно побольше оптик открыть. Не только в ТЦ, но и на улицах, чтобы если опять будет пандемия или если почему-то ТЦ будут закрываться, чтобы мы имели свои оптики. Ну и то, что новые конкуренты тоже расширяются. И мы хотим не только в больших городах, но и в маленьких расширяться.

[Как много больших игроков, конкурентов для вас в Литве?]

Мы третьи, есть ... первые. Есть ..., которые вторые и мы уже третьи. Наша доля на рынке 18% примерно.