The Impact of COVID-19 on the Organisational Behaviour of Small Businesses in Malta

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Research Question and Objectives

“To what extent has the COVID-19 pandemic affected the organisational behaviour of small businesses in Malta?”

**FOUR** main objectives in answering this question:

1. Identify a reference **set of constructs** related to the impact of COVID-19 on the organisational behaviour of small businesses in Malta.
2. Evaluate and assess the constructs and **their inter-relationship**.
3. Create an initial **conceptual model** based on the constructs’ inter-relationship.
4. Appraise the **implications** of the conceptual model created.
Methodology – Grounded Theory: Why?

- COVID-19’s implications on different facets of people’s lives.

- Organisational Behaviour being defined as:
  
  “The study of the structure and management of organizations, their environments, and the actions and interactions of their individual members and groups” (Buchanan & Huczynski, 2017).

- Each individual’s uniqueness leading to multiple motivations to the same behaviour (Maslow, 1954).

- GT as an ideal strategy for exploring behaviour in business environments and management issues (Goulding, 2002).

- GT being a process through which “a robust interpretation is generated” based on observations and resulting propositions (Glaser & Strauss, 1967).
Philosophy and Approach

- An epistemology of interpretivism through which it is possible to look for meaningful data “among people rather than objects” and construct interpretations (Saunders, et al., 2007).

- An inductive approach to discover new aspects and realities from the data gathered rather than trying to prove any hypothesis which has been “formulated in advance” (Curran & Blackburn, 2001).

- Seven expert interviews conducted with owner-managers or employees of small businesses.
  - Mono-Method, Cross-sectional
  - Limitations by the pandemic

The Data Management & Analysis Process

A visual analogy of Constructivism (adapted from pngwing.com)
Use of Conditional Matrix  Corbin and Strauss (2008)

CONTEXTUAL CONDITIONS
- Business Setup and Background
- Personal Characteristics
- Technological Background
- Working Conditions
- Organisational Culture
- Economic Activity

Pre-COVID Environment and Situations

COVID-19

CONSEQUENCES AND OUTCOMES
- Owner-Manager Feelings
- Effects on Culture
- Business Repercussions
- Employees' Adjustments
- Future Considerations

Impact on Organisational Behaviour

RESPONSE TO THE PANDEMIC

ACTIONS AND REACTIONS
- Owner-Manager Attitude
- Business Reactions
- Employees' Reactions
- Clients' Reactions

Contextual Conditions

Consequences and Outcomes

COVID-19

Business Setup and Background
- Family and Friends’ Support
- Employees Recruitment
- ManagementCamp

Personal Characteristics

Technological Background

Working Conditions

Organisational Culture

Employees’ Relationships

Customer Relationships

Economic Activity

Owner/Manager Attitude
- Fear of Pandemic
- Leadership Example
- Empathy, Support and Nurturing
- Thinking of Closing Down

Business Reactions
- Government Assistance
- Health and Prevention Measures
- Communication with Employees

Employee’s Reactions

Client's Reactions

Future Considerations
- Positive Discoveries
- New Business Model
- Minimalism

Coping Mechanisms

Guilt and Doubts

Resilience

Effects on Culture

Customer Satisfaction

Ethical and Legal Issues

Employees' Adjustments
Resulting Propositions

Main Elements

1. COVID-19 as a catalyst for business owners to shut down.

2. A heightened sense of collegiality within organisations where everyone is equally susceptible.

3. Empowerment of employees when allowed to work remotely.

4. Collateral damage on mental health which needs addressing.

5. Effective communication’s benefits particularly when drastic decisions are taken.
Resulting Propositions

Main Elements (contd.)

6. Discovery of owner-managers’ **creativity** and new forms of business operations.

7. More **financial stability** where credit is given to ‘smaller’ business-to-business clients.

8. Eye opener for employees about qualities for **job retention**.

9. Perplexing decision over **vaccination** of employees.

10. **Alienation** from other possible risks threatening small business.
Recommendations

1. Extending the **time horizon** to observe the long-term effects.
   • Transitory vs. a complete shift in trajectories and mindsets

2. Include **more participants** from a wider spectrum.

3. Conduct studies with owner-managers and employees working together **in the same setting**.

4. Explore the conceptual and process **models’ effectiveness and adaptability**
   • Develop a toolkit through which behaviour in times of crises could be projected or explained.

5. Carry out a **tracer study** on redundant workers’ new employment in industry, if any.

6. In-depth probing on the importance that small businesses give to **mental health and the holistic wellbeing**.
Conclusion

- COVID-19 has undoubtfully **reconfigured our lives** – as small business owner-managers; as employees; as human beings.

- A **constant reminder to be thankful** for being alive and able to share our joys and sorrows, while looking forward to a brighter tomorrow, **together**.

Thank You

Any Questions?