THE NEW NORMAL

CHALLENGES OF MANAGING BUSINESS, SOCIAL AND ECOLOGICAL SYSTEMS
IN THE POST COVID-19 ERA

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WAY FORWARD FOR THE ECONOMY

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Contours of the Global Business Environment in the Post-COVID-19 Era: Key Implications for Businesses

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Abstract: The pandemic created by the COVID-19 has affected almost every nation in the world and disrupted every aspect of business and society like never before. The social and economic disruption is unimaginable. We are still going through the adverse impacts in terms of infections and deaths, lockdowns, loss of jobs, and the closing of businesses. Despite the damage caused and the uncertainty about the end of the Pandemic, the world has to prepare for the post-COVID-19 era. In this chapter, we identify and describe the contours of the 'New Normal' predicted by scholars, professionals, and futurists. They are new Human Resource Management (HRM) and workforce practices, focus on health and safety, nationalism and localism, environment and sustainability, artificial intelligence and virtual reality, fewer passengers and more cargo transport, fair and just society, regulation and governance, and a new educational model. We elaborate and draw implications for global businesses.

Keywords: COVID-19, New Normal, Social Disruption, Global Business Environment, Sustainability, Virtual Reality

Introduction

The year 2020 has indeed created a new era due to COVID-19. An invisible virus that launched itself from Wuhan, a city in China that many people in the world would not have otherwise heard of, affected the comity of nations and the global economy like never before. People affected by COVID-19 had influenza-like symptoms that quickly spread, resulting in thousands of deaths worldwide. Despite possessing advanced knowledge in science and technology, the human race could not prevent its spread across cities and countries around the world. There was no readymade antidote to the virus. As a result, countries have had to face disruption that acutely affected their society and economy along with their healthcare and education systems.

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The activities of millions of firms across the globe have had to be curtailed, restricted, or massively restructured. Fearing the spread of the virus, nations have responded by closing their international borders and 'locking down' individuals or requesting them to maintain social distance, all in the name of the collective good. Describing the situation, sociologist Zizek (2020:85) observes, 'the world as we knew it has stopped turning, whole countries are in lockdown, many of us are confined to our homes facing an uncertain future in which, even if most of us survive, economic mega-crisis is likely.' Due to the impact of COVID-19 on all aspects of the global structure, we are at the beginning of a fundamentally changed era that is difficult to monitor or predict with certainty.

It is not that the first time that the world has faced such devastating epoch-making events. There have been many throughout the centuries. Their frequency, however, has increased in the last 100 years – the Great Depression (1929–33), World War II (193945), the Cold War (the 1950s to the 1970s), the Oil Crisis (1973–74), the Asian Financial Crisis (1998) and the Global Financial Crisis (2008–10). Health scares and pandemics have been seen during this time – the Spanish Flu (1918–20), Asian Flu (1957–58), SARS (2003–04), Swine Flu (2009–10), and Ebola (2014–16). The Spanish Flu pandemic and other epidemics caused enormous deaths and damage to society. The COVID-19 pandemic differs significantly from earlier similar events in terms of its speed, severity, and scale across the globe. Within a couple of months of its discovery, most of the world went into lockdown. A defining feature of this lockdown is that travel and mobility were not only restricted across international borders but also internally within regions and cities. At the end of August 2020, 27 million cases of infection and 8,67,000 deaths had been reported and still increasing. Many countries have reported a fall in their gross domestic products, increased unemployment, and downsized or closed businesses. Specific sectors such as travel and tourism, hospitality and restaurants, shopping malls, and airlines have all been hit hard. On the other hand, new opportunities have emerged in areas such as logistics, home-delivery food kits, streaming media, online conferencing, and 'click-and-collect' retailing.

Meanwhile, there are varying predictions about how long it will take the world to contain the pandemic. While some optimists suggest 2 years, others like Kotler (2020) predict 4 to 6 years. The World Health Organization indicated that the COVID-19 pandemic would not end with a vaccine, and its effects will continue to be felt for decades to come (The Week, 2020). An effective vaccine against COVID-19 is still not ready, although many countries are working in that direction. Notwithstanding these discouraging predictions, countries across the world will have to prepare for the post-

COVID-19 era. The current lockdown has already resulted in some significant societal changes such as an increased focus on health and safety, expanded online education, nationalistic tendencies, and movie theatres being substituted by on-demand media companies like Netflix. Given our everyday life, in whatever form it existed before the onset of COVID-19, has been disrupted, a question that begs to be answered is 'when and will normalcy be ever restored?' There is no simple answer. Instead, it can be approached in contrasting ways. *Yes*, because there would be some kind of normalcy where society adapts to new standards of interaction and functioning. *No*, because current changes could accelerate and change the world radically to result in a New Normal. While we may never return to the pre-COVID-19 way of working as such, the New Normal need not necessarily be a diminishment, but it will significantly differ in many ways. This chapter attempts to delineate the contours of the New Normal predicted by many scholars and professionals. Understanding these trends could guide businesses to reconfigure their resources and strategies to maintain relevance in the new environment.

After examining the background events, the experiences of different stakeholders globally, the evolving trends in various economic sectors and the scholarly literature, we have identified nine trends that would characterise the New Normal in the post-COVID-19 era. They are new HRM and workforce practices, focus on health and safety, nationalism and localism, environment and sustainability, artificial intelligence and virtual reality, less passengers but more cargo transport, fair and just society, regulation and governance, and finally, a fractionated educational system. Some of these trends were already present in the period before COVID-19, but they gain traction to emerge as major new trends. We elaborate on these nine trends with suitable examples, where available, from countries that have already have shown signs of early success in dealing with the virus. The remainder of the chapter is structured as follows: In Section Two, we elucidate each trend of the New Normal. In Section Three, we examine which industries can recover early and why. In the Final Section, we discuss implications for business and offer some strategies to compete well in the post-COVID-19 era.

New Trends of New Normal

As we move through the year 2020, the COVID-19 pandemic continues to impact the socio-economic situation in all countries. We attempt to adjust to the new circumstances that are continuously changing. Identifying the contours of the New Normal will allow business managers and policymakers to prepare for that environment.

New Human Resource Management and Workforce Practices

When countries went into lockdown, many business operations either ceased or quickly restructured. There were all-around job losses, redundancies, and in some cases furloughs. For example, the United States car-rental company Hertz laid off 10,000 employees and Singapore Airlines eliminated 4,300 jobs. Staff was allowed to 'work from home' (WFH) as that was the only option available. Soon, this became standard practice for all businesses where physical proximity with the customer is unnecessary. Many firms in industries such as banking, insurance, and consultancy used online platforms like Zoom or Google Meet to communicate with customers.

The New Normal is likely to be defined by three significant sub-trends. One, WFH or working remotely will become a standard practice in many industries. Travel, parking, and other costs associated with maintaining an office environment are reduced. At the same time, some companies such as Google and Scotia bank have allowed their employees to WFH at least until 2021. Facebook, Twitter, and Zillow, for example, have switched to permanent remote working arrangements (Benveniste, 2020). Two, flexible working arrangements where employees start and finish at different times helps firms to retain competent staff and reduce absenteeism. WFH practices make flexible working arrangements an easy option. Three, many workplaces such as stores, offices, and factories that shut down temporarily are unlikely to reopen due to the changes mentioned earlier. Further, given an increasing reliance on automation, there will be a reduced need for workers, particularly in industries like automobile manufacturing.

The role of technology particularly that of Artificial Intelligence (AI) and Virtual Reality (VR), offers a new HRM environment. Many WFH employees actively participate in online conferences and virtual meetings. AI/VR technologies offer a virtual office environment that resembles the actual workspace and reduces the need for employees to meet one another physically. Each participant can see employee avatars in the meetings (Higginbottom, 2020). There will be challenges in identifying best practices, but the application of VR tools and remote working in HRM will be a defining feature of the New Normal in the post-COVID-19 era. It is also not out of place to point out the need for a workforce that is AI/VR competent. A recent Gartner report (Baker, 2020) points out that the downside of these changes is 'de-humanising' work.

Health and Safety

Health and safety is a workplace priority to make sure that employees are safe and protected. While this continues to be relevant, due to COVID-19,

health and safety have become a societal issue given that the corona virus is transmitted by human contact. Since the new HRM arrangements include employees working from home, the line that divides 'home' from 'work' is blurred. Hence, issues of social distancing, best-practice hygiene, and wearing face masks have become critical for all concerned, whether at home or work. A simple hand-shake that symbolised a formal greeting, congratulations, or farewell in a professional setting is practically proscribed for fear of contamination. Face covering has become a legal requirement in many countries for people in, for example, mass transport facilities. Workplaces require adherence to the new health behaviour standards that emerged due to COVID-19. These changes are likely to become a permanent part of workforce norms and professional behaviour in the post-COVID-19 period.

Since people now stay at home and are doing less in terms of exercise and social interaction, there is potential for health issues such as obesity and diabetes to emerge as areas of concern. Eating healthily and home exercise regimes using online videos or mobile phone apps will become regular practices. There will be a focus on healthy food options in food stores and restaurants. In some countries, there will be a penalty for food wastage (Westcott and Gan, 2020). Yoga, exercises, religious and spiritual practices would be openly welcomed to help well-being people.

A related but important trend is increasing mental health issues of workers in particular and in society at large. Due to the COVID-19 lockdown employees feel isolated, demotivated, and anxious. Children and the ageing population are particularly vulnerable to these challenges. Sudden changes including working from home, job insecurities and redundancies, homeschooling, lack of adequate physical space at home, and limited social interaction all impact our health and wellbeing. The importance of preventive medicine and access to counselling services will increase and is likely to become mandatory at least in the larger firms. Further, competent employees will choose employers who differentiate themselves by providing better health benefits.

Having been confined to work-from-home for many months, several households maintain home gardens to grow vegetables. Maintaining a garden becomes an act of identifying with nature which receives a premium value. Hence, the New Normal will focus on workplace health and safety and the wellbeing of society in general. Having good health and safety standards is likely to add to the reputation of both firms and countries.

Nationalism and Localism

When politics interact with the business, free trade will be hindered. During the lockdown period, the sense of nationalism and ethnocentric policies have

become more prominent. Some countries identified the COVID-19 virus as the 'China virus', highlighting their inherent xenophobic tendencies. While the rapid spread of the virus provides evidence of the interconnectedness of the world, the response of many countries is to weaken this interconnectedness by focussing on their national interest by being 'willing to pay more to hurt the enemy.' Even before the COVID-19 pandemic, the US president, for example, expressed a desire to build a wall along the Mexican border to limit refugees and protect American jobs by reducing outsourcing.

COVID-19 has further heightened those sentiments. The new notion of 'supply chain nationalism' is going to need some serious thought by business leaders. For example, Japan is giving its companies incentives to bring home manufacturing jobs from Chinese factories. The US and India have either banned or indicated their intention to this effect, several mobile phone applications like the Tiktok and restricting Chinese investment. Popular phrases like 'the death of distance' by Frances Cairncross and 'the world is flat' by Thomas Friedman have suddenly lost their aura and relevance. A recent survey in the US shows that 40 per cent of people said they wouldn't buy products from China (Murray, 2020). Many government retirement funds stopped investing in Chinese stocks and Chinese companies are now expected to comply with US standards to be listed on the American stock exchange. The US is considering banning the same app unless its ownership is changed to a US firm. Inevitably, these changes mean prices will go up as supply chains adjust to additional tariffs and trade wars.

While the global battle rages on, the sentiment of 'buy locally' becomes popular by riding on a wave of nationalism, if not overt racism. More people are now trying to source food locally, resulting in local ethnic foods and speciality ingredients, gaining an even larger audience. Customers scrutinise product labels to confirm their origin. Emphasis will be on local manufacturing that avoids ordering from distant locations. A new part of this nationalism is its percolation to local or provincial levels. In large countries like India, each state (or provincial) government and its people give priority to their own state's interests. Local produce, jobs, and products get priority. Many states reserve jobs for locals only. These parochialistic tendencies could lead to a new provincialism that can adversely impact products, services, and jobs.

In the future, the New Normal may require every company to prove its commitment to the market its serving. Every company will have to answer the questions like *'How are you helping the local community?' 'Are local jobs being protected?' 'Are local farmers being supported?'* The sense of 'us and them' being seen around the world is likely to continue. This sense of localism can create further trade barriers, causing inefficiencies and a corresponding rise in prices.

Environment and Sustainability

Even before the onset of the COVID-19 lockdown, there has been a renewed concern and debate about protecting the environment and sustainability. The United Nations Agenda (2015) aimed to achieve 17 Sustainable Development Goals (SDGs) to end poverty, protect the planet, and improve the quality of life for everyone by 2030. Likewise, another concerted effort to protect climate was organised by the United Nations Climate Action Summit in 2019, where world leaders gathered to plan actions to aid the reversal of global warming and help cope with its detrimental effects. In general, there is a growing awareness of the two existential crises that can threaten our civilisation itself (Wates, 2020). On the one hand, the world average temperatures of global warming continue to rise at an alarming rate. On the other, we are recording a high level of species extinction and reduction of biodiversity due to the release of toxic chemicals, deforestation, and plastic waste pollution.

COVID-19 lockdowns have had a positive impact on controlling pollution levels. In many countries, there is evidence of a drop in traffic pollution and noise pollution. Air quality has improved due to less travel and manufacturing. The clear water around Venice and blue skies in Beijing and New Delhi are seen as 'visible outcomes' of the corona virus outbreak. Satellite images have revealed a significant drop in nitrogen dioxide concentrations in Europe and China that coincided with strict quarantine measures during those times.

When economic activity picks up again, pollution levels could return with a vengeance unless careful planning is undertaken now. It should not take a pandemic to give us a breath of fresh air, quite literally. As the world seeks to get back to our regular life by going to work and mingling freely with friends and colleagues, it should be remembered that we can't just 'restart' our pre-COVID-19 lives and economy. Instead, the re-set must be on new terms. More than 1.6 million Europeans have signed a petition calling for a green recovery. The petition calls upon all stakeholders to think of a new European economic model to provide for our needs and priorities; it should be more resilient, protective, and inclusive. The focus is on building an economy around Green principles.

Hence, the New Normal society would re-emphasise a transition to a climate-neutral economy, protection of biodiversity, energy efficiency, and zero emissions. Principles of the green economy will guide the manufacturing, social interactions, and consumption behaviours. It is interesting to note that the marketing guru, Kotler (2020), identified five different New Normal lifestyles: **life simplifiers** (who eat and buy less), **degrowth activists** (who call for conservation and reducing material needs),

climate activists (who are concerned about adverse effects of pollution on the planet), **sane food choosers** (who often turn to vegetarian or vegans), and **conservation activists** (who focus on the reuse, repair and redistribute goods to needy people). There is going to be an increased emphasis on the conservation of planet resources and the readjustment of both production and consumption patterns.

Artificial Intelligence to Virtual Reality

Artificial Intelligence (AI) is potentially the most disruptive innovation in modern times after the internet as it could realistically imitate human behaviour in some situations. In the last few years, applications such as predictive analytics, machine learning, language processing, and voice recognition have become part of regular business applications by using AI. In marketing, for example, AI helps in placing relevant ads in front of views by personalising them. Chatbots excel in answering frequently asked questions and can positively impact the customer experience. AI technologies are also used in monitoring customer behaviour in retail by analysing buying habits and online media consumption. Smart speakers such as Amazon Echo and Google Home are present in many homes. They include AI virtual assistants that respond to voice commands to provide information on multiple topics. Along with AI, Virtual Reality (VR) technology is offered by cosmetics and clothing to customers to provide a better customer experience when making purchase decisions.

When COVID-19 started spreading through human contact, AI technology quickly became central to the strategies used against the pandemic. AI-driven thermal scanners and mobile phone tracers, for example, have become visible application tools. Fast detection and contact tracing help in identifying infection clusters and transmission patterns. A study by the OECD (2020) has shown how AI technologies and tools can play a crucial role in every aspect of the response to COVID-19, including early warming, prediction, and prevention and recovery strategies. Real-time contact tracing has been used in countries such as Australia, New Zealand, and South Korea.

The extensive use of AI across the world to fight COVID-19 has increased the opportunity to use such tools in various areas. New trends mentioned previously, such as work-from-home are expected to continue in the post-COVID-19 era. New VR platforms mimic office space, allowing an employee to interact with colleagues in a way that is similar to working in a real workspace. A report by PwC states VR and Augmented Reality (AR) can be used to train employees faster than in a classroom. Similarly, the education and marketing sectors can use VR applications to enhance

training. As travel is now severely limited, VR can offer customers a virtual travel experience. An example is Armchair Travel, a Japanese virtual reality airline that provides the full airline experience from receiving a boarding pass, experiencing an in-flight meal, and 'visiting' countries like Italy and France.

The above examples illustrate the immense potential of AI and VR. The use of these technologies during the COVID-19 period is likely to continue in areas such as business, education, design, government regulations, entertainment, and social interactions. Digital marketing will become central to marketing practices, even for tangible products. The New Normal will be a world in which both real and virtual experiences are seamlessly integrated.

Less People Movement But More Cargo Transport

The transport sector typically covers both travellers and cargo. We will focus on people movement first, then will analyse the impact on cargo as a result of the COVID-19 pandemic. People movement covers travel for business, personal, and tourism purposes. In general, the lockdown has resulted in restrictions of all types of travel due to COVID-19 fears. The movement of people within cities has been curtailed as businesses, and educational institutions shut their physical campuses. Shopping malls, public events, and general social visits have all been restricted excepting for medical and other emergencies. Where essential businesses are required to operate, employees were able to work from home. Country and regional borders were shut. This has resulted in an adverse impact on businesses, including taxi services, Airbnb, and hospitality industries globally. The loss of international students by many universities and shifting to online learning has resulted in further depletion of the need for people to travel both domestically and internationally. Airlines and hotels have shed thousands of jobs, and pre-COVID-19 volumes of tourists and customers are unlikely to return in the foreseeable future.

Except in the case of health services, many industries have begun to operate remotely using online technologies. Physical meetings have been replaced by virtual team meetings and the use of online conferencing software such as Zoom and Skype. As people adapt to these new practices and get used to not moving from their homes, benefits such as saving time, increased flexibility, and enhanced privacy is recognised. There is anecdotal evidence that such practices will continue in the post-COVID-19 period. It is now considered neither necessary nor rude to avoid meetings in person. Instead of watching movies in cinemas, they are streamed into living rooms via NetFlix and other online streaming services.

As fewer people travel both internally and internationally, the importance of logistics and the supply chain has increased. In practical terms, the movement of cargo substitutes for the movement of people. There is increased use of online retail facilities for clothes, food, and many other products. However, the total volumes of cargo may not have increased significantly during the COVID-19 period due to the overall economic decline. The cargo sector is relatively less affected compared to people's movement. Primary goods such as food, milk, vegetables, and dairy products along with other goods like vehicle parts, computers, and digital products continue to have demand. The New Normal period is likely to see the continuation of trends such as reduced people movement and increased cargo. Kotler (2020) pointed out that the New Normal environment would see greater use of public transportation, fewer polluting cars, and less business air travel. When travel options open up, they are more likely to involve road trips and the use of private accommodation and smaller numbers of people.

Call for Fairness and Social Justice

Based on societal and ethical values, the call for fairness and social justice in the post-COVID-19 period will be influenced by what happens during the lockdown. Quite early when the lockdown was imposed, it was clear that poor people bore the brunt of it. For example, about 400 million internal migrants were affected in India due to lockdown (Kelley et al., 2020). When construction and other labour intensive work disappeared, workers looked to return to their hometown and extended families for a sense of social security. With no transport available, they had to walk hundreds of kilometres with no guarantee of food or shelter on the way. In March 2020, there was a heart-rending photograph that went viral, showing migrant workers and their carry bags being sprayed with disinfectant. That photo exemplifies the challenges that underprivileged sections of society faced during the COVID-19 lockdown. Even the practice of social distancing was near impossible for all poor families, many of whom live in one-bedroom houses with neighbouring families are in another room, only a few feet away.

Social justice, fairness and human rights are at the centre of COVID-19 strategies. To alleviate the misery of poor people, some countries like Australia, New Zealand, Brazil, and the US provided financial support to employees and businesses based on their welfare system. Other countries such as India could not offer significant support due to a scarcity of resources and the scale of intervention that would be required. Inequity issues become entangled with other socio-cultural frictions that go beyond the COVID-19 pandemic. With limited access to resources and affordability, many poor

people fail to receive adequate healthcare. Healthcare providers have to take into consideration issues of inequity and differential access to resources and affordability. There were reports of poor students taking their lives due to frustration caused by a lack of resources to pursue their studies (Lathabhavan and Griffiths, 2020). Overall, the digital divide is more pronounced than ever due to the COVID-19 lockdown. Pre-existing inequalities between communities on the basis of income, access to healthcare, electricity, clean water, living conditions, education, and social protection manifest during this period (Sadeque, 2020). In many cases, women had to give up their jobs to take care of the children who were also under lockdown.

COVID-19 pressures have accentuated societal fault lines as seen through the Black Lives Matter (BLM) movement fillip resulting from public protests against the police killing of George Floyd and others. Multinational brands such as Nike and Coke have expressed solidarity with the call for justice. With job losses, business closures, declining wages, and people at the margins of society are likely to face more difficulties during the post-COVID-19 period of economic revival. Both government and the private sector will be called upon to collaborate in addressing the ethical issues of the society by calling for greater accountability and transparency from multinational firms. They will need to be fair to their employees in terms of wages and other working conditions and also to maintain an ethical supply chain compatible with societal values. It will be a challenge to meet these expectations in the context of stringent financial restrictions and growing nationalist tendencies.

Regulation and Governance

When COVID-19 started spreading, governments across the world, irrespective of their ideological differences, had to take a range of decisions to protect their people. National borders were quickly shut down, and internal movement was restricted in a matter of days. Since then, governments have been closely regulating individuals in particular and society in general. To prevent the spread of the virus, governments implemented a slew of measures that changed the personal behaviour and choices of ordinary people. Individuals were asked to stay at home, practice social distancing, and remain confined in their bubbles until further notice. Orders were passed to close public parks, churches, temples, and entertainment centres such as cinemas and playgrounds to reduce mass gatherings of people. Once restrictions were eased, contact tracing measures were introduced to track people who may have been exposed to the virus. But, in the process, mobile phone applications that help in contacting tracing could potentially

compromise an individual's privacy. So there is a trade-off between freedom and privacy.

The government's intervention of business had expanded considerably. For example, many countries provided financial support to their national air carriers and other businesses to prevent them from closing down. In India, a national fund was created, called the 'PM CARES Fund' to provide assistance and relief to those in need. Besides, general and health insurers were directed to offer COVID-19 related health policies. While providing financial support protected jobs, they also gained a justifiable right to intervene again in the future. To protect jobs when sales have dried up during the lockdown, governments in Australia and New Zealand contributed up to 80 per cent of the salary to companies when they were prevented from doing their regular business.

While these steps contributed to protecting jobs, other interventions ran counter to the primary purpose of many firms. In the US, for example, multinationals including General Motors and 3M, were directed to manufacture ventilators and protective masks. While these steps could be passed off as a response to the crisis, there is a fear that governments could use such interventions more frequently in the future, particularly if the economic revival is delayed by a few more years. With appropriate modifications, the mobile phone application used for contact tracing could be used to monitor and regulate the behaviour of its citizens like never before, leading to an Orwellian state where Big Brother watches us all the time. Governments have demonstrated during COVID-19 times how they can decisively intervene and control the movement of people, businesses, and educational institutions.

Even while increasing intervention, leadership played an essential part in providing assurance and compliance. Prime Minister Arden of New Zealand received accolades for her leadership style. A recent Cambridge study (Debnath and Bardhan, 2020) showed how Prime Minister Modi was able to nudge the country into the fight against COVID-19 by frequent public appearances and positive reinforcements. The overall effect is that many Western democratic governments could become similar to autocratic countries against which they have claimed moral and ideological superiority in the past.

Remote and Fractionated Educational System

COVID-19 had a transforming effect on the education sector. Understandably, parents would be worried about the wellbeing of their children. No one, however, visualised that the period of shut down would be as long as it was. Regular classes were replaced by online teaching almost immediately as

learning should not be stopped. In advanced countries, technology-savvy students could transfer to online platforms almost seamlessly as they had access to computers/laptops and internet facilities. For poor people in developing countries, the learning environment was significantly different. Many teachers and students did not have access to computers or the internet to facilitate their learning activities.

On the other hand, educational systems in advanced countries adopted quickly to online or remote learning as a result of the robust infrastructure available in those countries. Zoom conferencing software or Microsoft Teams for team collaboration allowed students to interact and continue their education. Other tools like Canvas Learning Management System (LMS), Piazza, and Mentimeter allowed collaboration and engagement that mimics classroom interactions. While technology has evolved over the last few years to provide better learning and teaching systems, the challenge is to maintain student motivation and self-regulated learning.

Many universities in Western countries depended on international students to augment their finances. Such students primarily come from emerging economies such as China, India, South Korea, Russia, Saudi Arabia, along with other East Asian countries. Universities are now scrambling to devise strategies to reach out to this critical student segment. Fortunately, the experience gained through teaching online during COVID-19 lockdown and by vicarious learning from the way Massey Open Online Courses (MOOCs) have offered courses will guide the future. The logic is that if students cannot come to the universities, the universities should reach out to the students, wherever they are. Hence, the focus would be on building a robust information technology (IT) infrastructure to offer courses with a high degree of engagement.

Due to the uncertainty of travel and general economic conditions, many students would, however, be reluctant to commit significant resources and 2 or 3 years for higher education. This could result in three possible outcomes. One, the focus will be on industry-relevant courses either in the form of micro-credits or shorter degree programmes. Examples of such courses include digital marketing, business analytics, customer engagement, and new business launch. Likewise, industry certifications such as Azure Foundation, Agile Project Management, or Six Sigma will become very popular. Two, online or remote teaching is here to stay even when educational campuses open up. Three, there would be an increased enrollment of domestic students due to limited job opportunities and restrictions on international travel. The last point requires local universities, particularly in emerging countries such as China and India, to improve their quality to attract students who would otherwise aspire to receive their qualifications from foreign universities.

There could be an opportunity and need for cross-border collaboration between universities to provide an assurance of quality and attract students.

Economy Recovery to the New Normal

The recovery period is likely to vary in different countries and industries. Here too, three broad trends are seen. These are positively impacted, negatively impacted, and well adapted to these restrictions. The industries that were positively affected include communication platforms, e-commerce sites, and home entertainment streaming services. Companies like Zoom, Netflix, Amazon, and Dominos saw increased demand, and their stock prices go up. Industries that were negatively impacted include property services, accommodation, airlines, and hospitality services. Airlines like FlyBe (the United Kingdom), Trans States Airlines (the United States), and Virgin Australia (Australia) have all either shut down or are seeking bankruptcy protection. The rental car company, Hertz, filed for bankruptcy protection in May. As transport and travel are adversely affected, many petroleum-related industries will continue to face a challenging environment. Many small businesses fear closure across the globe. Some sectors have adjusted well to the new restrictive environment. Many schools, universities, and retail stores, for example, have continued operations online.

Normal activity such as people going to work or returning to shopping malls will depend on when an effective vaccine is developed. One sector that continued operations and has even grown significantly is healthcare. COVID-19 required many health and allied professionals to offer increased services during this time, often involving high risk.

However, it is possible to identify some industries which have bounced back faster than others. These include:

1. Healthcare and pharmaceuticals – many people, both consume and stockpile health products.
2. Sports and physical well being – having been confined to homes, many people would like to return to their gyms and participate in sports. Visits to adventure theme parks would also gain interest.
3. Consumer electronics – the experience of remote working and online entertainment during the lockdown will continue to guide purchases in this sector.
4. Logistics and the supply chain – a significant proportion of people will continue to purchase online. Lack of international travel opportunities will be compensated by the purchase of products from other countries leading to a greater demand for logistics services. Some products are therefore likely to become a proxy for travel.

5. Online education – there will be more providers in this space. In addition to regular universities, industrial players, and professional associations will offer certifications and accreditations through online qualifications.

In comparison, the following industries may take a longer time to recover.

1. *Travel and tourism* – with social distancing and other restrictions, it will be challenging to return to the previous level of activity. As there will be less demand for these services, costs are likely to increase significantly.
2. *Sports stadiums, cinemas, and shopping malls* – these spaces will eventually return to normal operations but with reduced numbers and stringent rules limiting social engagement.

The actual phases of recovery and the type of industry will depend on the country and the kind of support they receive from their government and other stakeholders. Marketing guru, Kotler (2020), opined that the recovery could take 4 to 6 years.

Implications for Businesses

Businesses need to quickly adapt to the emerging situation, which is unlikely to be neither soon nor as it was before the crisis. The broad trends discussed in Section Two will define the main features of the new business environment and its related challenges. Businesses that identify new opportunities or unique customer preferences sooner rather than later will gain a competitive advantage over others. In general, there is a renewed focus on health in their products and the way they are delivered. Online platforms will become the new business battleground. As a result, a firm's ability to integrate AI and VR into their operations will help them to serve their customers better.

Governments will continue to play a role in maintaining and coordinating the health and social sectors. New businesses will emerge in this area, including rating agencies to certify an organisation's level of health and safety. The workforce has to be tech-savvy, irrespective of the type of job they do, and will use digital channels for meetings and other communication. More work will be completed off-site, resulting in reduced travel, which will see an increase in a flexible workforce and contract-working. In many industries, work-from-home will emerge as the new standard operating practice. Developing a new team culture while working remotely and interacting with online tools will be a new challenge for all businesses.

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