The Influence of COVID-19 in Systematizing the Work and Introducing Organizational Changes in Small Enterprises

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Abstract - **The new condition and the changes in the working environment due to the long duration of the pandemic caused substantial insecurity among the employees. Employees and managers face difficult challenges in performing their job responsibilities.**

This paper aims to point out the role of the management in gathering the preconditions for the implementation of the organizational changes as well as timely recognition and detection of the employee's necessities for the introduction of the changes. The results of the research confirm the hypothesis that the impact of the COVID-19 caused the implementation of these organizational changes, which are dependent on accomplishing the preconditions for the introduction of organizational changes.

Keywords - **COVID-19, organizational changes, management, employees, small enterprises.**

1. Introduction

The new global situation caused by the impact of the COVID-19 virus has changed the way companies work, the behavior of the employees and their priorities.

This new situation has a great impact on the way the work responsibilities are performed by the employees, but it also has a great impact on the management and the owners of the companies. This new situation has a great impact on the way the work responsibilities are performed by the employees, but it also has a great impact on the management and the owners of the companies. Employees and management have to adapt to the new ways whereby the introduction of the organizational changes in the organization of work is one of the basic tasks of management of small enterprises. Organizational change is a process of changing the organizational setup in order to increase organizational efficiency and with the aim to achieve better organizational goals [1]. Changes are a basic feature of the time in which we live, which is characterized by a pronounced rapid development in all areas of life and work. Organizational changes represent the difference in the state of the enterprise in two successive time periods, while the process of organizational change is a process in which that difference occurs [2]. Intense and rapid changes that occur in the environment as a result of accelerated technological progress are the basis for the introduction of organizational changes. On the other hand, the current events show that the pandemic caused by the COVID-19 virus has forced many companies to make organizational changes in order to adapt to the newly born working conditions. The organizational changes introduced by companies in response to the development in the environment and the necessities of the company differ from the organizational changes imposed by the COVID-19 pandemic. The COVID-19 pandemic has triggered the process of initiating rapid, unplanned organizational changes in the enterprises.

Organizational changes are a necessity for every company due to the need to constantly adapt to changes in the dynamic environment. The constant changes in the environment that are manifested through changes in the consumer demands, changes in the competition, changes in the legislation, changes in the environment as well as changes

caused by the global health crisis caused by the impact of the COVID-19 virus, have to be followed by an appropriate response by the enterprises. Companies can change the rules of the organization of the work or make changes in the subject of work. In this case, organizational changes require the creation of sustainable interchange with regard to the employee's behavior. In a turbulent environment and in conditions of rapid change, companies gain a competitive advantage in the market not only because they are different from other companies, but also because they know how to do something better than other companies [3]. Organizational change illustrates a difference in the structure, characteristics or in the condition of the enterprise over time, in different time period.

Organizational change is to be regarded as the process of changing an existing organization and embracing new ideas or new organizational behaviours. Organizational change is a process of changing the organization in order to increase organizational efficiency, i.e. better fulfillment of organizational goals [4].

According to the goal of the alteration, there are developmental and adaptive changes [5]. Theories of organizational change can also be divided into those that focus on developmental and those that focus on adaptive change.

The successful introduction of the organizational changes in enterprises depends on providing appropriate preconditions for their introduction. The basic preconditions are considered to be the change and the quality management of the process of implementation of the changes. Today is the time of constant, continual changes in all areas of work and life. This means that we are faced with constant evaluation and appraisal of the existing work processes. As a consequence of the changes, primarily caused by the COVID pandemic, the concept of corporate work is changing dramatically globally. The initiator or driver of change is usually the manager or owner of a small business who has the skills or ability to encourage, coordinate and facilitate the change process. The person who starts the process of implementing changes in the company is focused towards the employees, their motivation, moral, quality work performance, internal processes such as intergroup relations, communication and decision making [6].

Any organizational change, whether it is a change whose source comes from external or internal factors, should be explained to employees. Many leaders assume that in order to make a change, people only need to follow the implicit map of the plan, which

shows how to get from here (where things stand now) to where they will stand after the plan is implemented [7]. The future condition, or the changed condition is the position where the organization should be, is necessary if the company wants to survive. Information on necessary changes is firstly passed on through the manager or the owner of the company to all employees in the company. It is necessary that the employees need to be informed about the implementation of the changes or the justification and the aim which needs to be achieved by implementing these changes in the company. Quality management has the character of good process management and directing resources towards achieving goals, and a good result is only a product of good management [8]. The survival of the companies in a dynamic and changing environment depends on the ability of the company to maintain continuity in the work and to manage the changes effectively. Adequate change management is a prerequisite for the company to adapt to changes.

2. Research Methodology

The practical research conducted within this paper aims to point out the role of the owner i.e., the management of enterprises in meeting the preconditions for the introduction of organizational changes and the importance of timely recognition and discovery of the employee's necessities to introduce the transformation. The research is conducted in the period from November 2021 to January 2022. The survey included 130 employees from small enterprises. Out of the total of 130 employees involved, 105 employees answered the survey questionnaire. From a structural point of view, the questionnaire is structured in two parts: the first part which contains questions related to the gender of individuals involved in the research, age, education, job and work experience, and the second part which contains ten questions related to discovery of the set goals of the research - discovering the needs of the employees and providing preconditions for the introduction of the changes.

3. Research Results

According to the results of the survey and the total number of answers to each question, it was concluded that 105 respondents were included in the survey.

105 respondents actively participated in the research, of which 68 were women and 37 men (Figure 1).
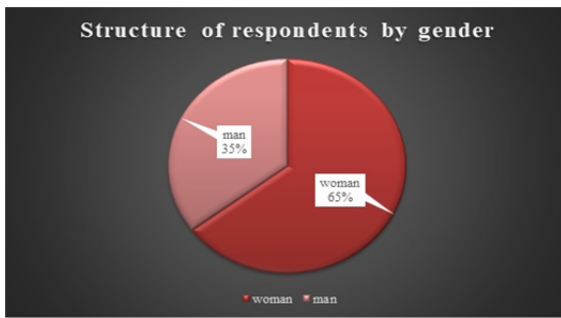
Figure 1. Structure of respondents by gender

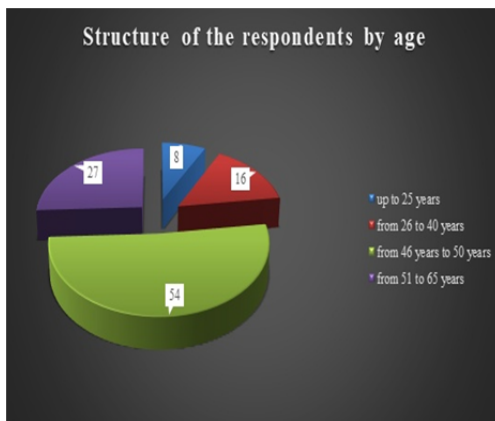An overview of the structure of the respondents by age is given in Figure 2.

Figure 2. Structure of the respondents by age

From the obtained and processed data and the performed analysis, it is concluded that the respondents aged 46 to 50 years dominate and the respondents aged 25 years are least represented, whereby the respondents with secondary education dominate (58 respondents in total) and the qualified respondents are least represented or only 7 respondents (Figure 3). From the performed analysis of the work performed by the respondents included in the research, i.e. at what position they are employed, it is concluded that the least represented are the administrative employees (5 respondents in total) and the most or 85 people as common employees in the companies in which they work.
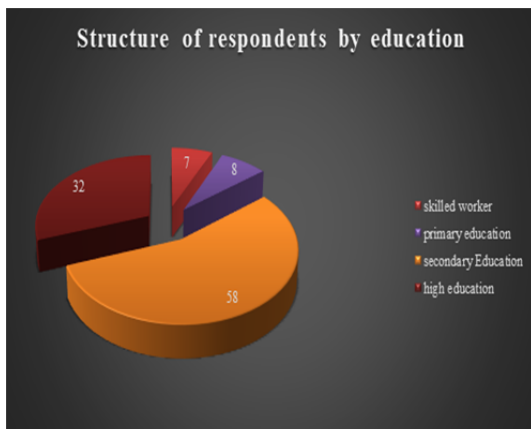

Figure 3. Structure of respondents by education

Figure 4 shows the structure of the respondents included in the research according to the work they perform, where it is concluded that the employees in common jobs dominate and the administrative employees are the least represented, whereby the most represented individuals are employees with work experience from 11 to 20 years, and least represented are newly employed individuals with working experience up to 1 year (Figure 5).
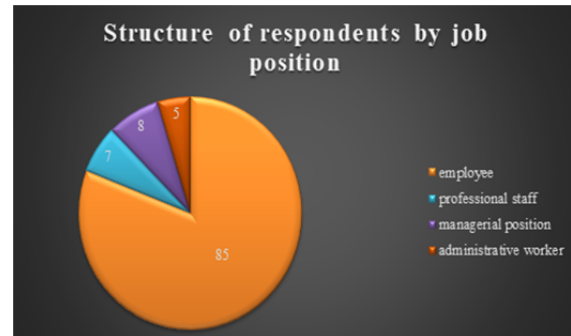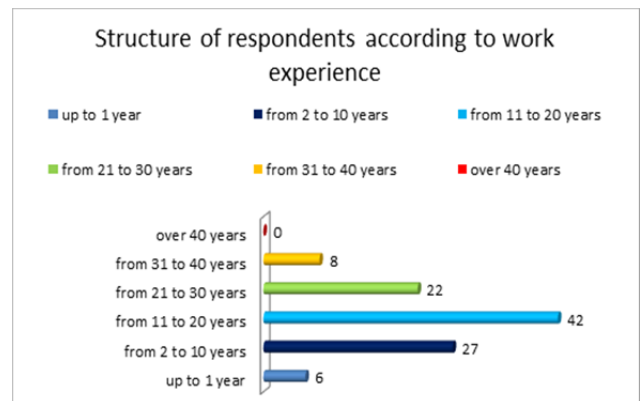

Figure 4. Structure of respondents by job position

Figure 5. Structure of respondents according to work experience

In addition, the presentation and analysis of the received answers to the second part of the questionnaire according to which the research was conducted is given.

To the first question: Do you need to introduce changes in the workplace?, most of the respondents answered with affirmation, i.e. 85 respondents answered positively, 16 respondents answered negatively and 9 respondents did not answer (Figure 6).
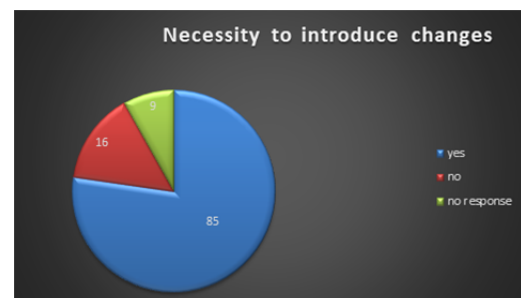

Figure 6. View results of the necessity for change

To the next question: Are you informed about the term organizational changes?, most of the respondents or 78 answered that they are not familiar and 27 respondents answered that they are familiar with the term organizational changes (Figure 7).

Figure 7. Results for information on organizational changes

On the third question: What is the source of organizational change? with given possible answers: a) the impact of the COVID-19 virus, b) new technology and digitalization c) market necessities d) new products, the following is concluded: most of the respondents believe that the impact of the COVID-19 virus is the most dominant reason for the introduction of organizational changes, which was answered by 72 respondents, 24 respondents stated that changes in technology and digitalization are the source of change, 3 respondents stated that market needs are a reason for organizational change and 6 respondents stated that the introduction of new products is a source of organizational change. An overview of the answers received is given in Figure 8.
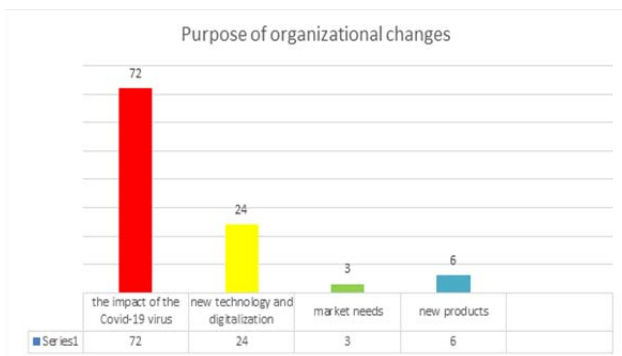

Figure 8. Display of results for the purpose of organizational changes

As for the next question: Do you think that the introduction of organizational changes will improve the working conditions?, 92 respondents agreed that the introduction of organizational changes will improve working conditions and only 13 respondents believe that there will be no changes from the introduction of the organisational changes in the workplace (Figure 9).
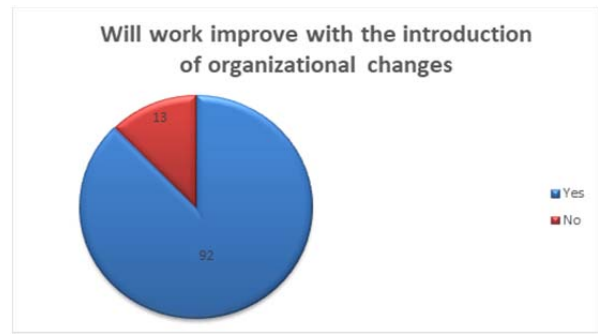

Figure 9. Overview of results for improvement the performance of the work by introducing organizational change

The following question: Do you think that the introduction of organizational changes will contribute to reducing or increasing the stress in the workplace?, the majority of respondents included in the survey or 95 respondents believe that the changes will contribute to increase the stress and only 10 respondents thought that as a result of the changes they would be less exposed to stress at work. A graphic representation of the received answers is given in Figure 10.
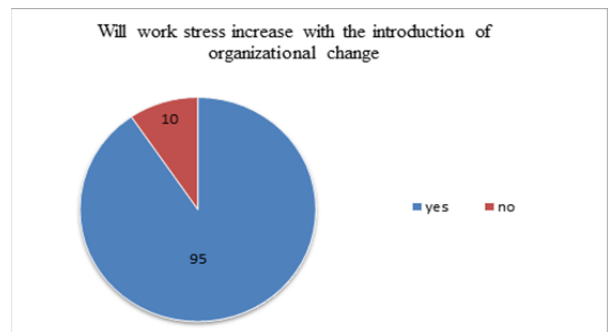

Figure 10. Overview of the results of the impact of organizational changes on stress

To the next question: Are company managers involved in introducing organizational changes?, most of the employees included in the survey or 96 respondents stated that the managers of the company are responsible for introducing organizational changes and 19 respondents believe that the management is not responsible for introducing organizational changes (Figure 11).

Figure 11. Overview of the results on the role of management in introducing organizational changes

To the question: Which approach when introducing organizational changes is most appropriate? with the offered answers a) information about the necessity for the change, b) information about the introduction of change c) introduction of a trial period and d) quick introduction of the changes, most of the employees included in the research or 75 respondents stated that the information about the introduction of change is the most appropriate approach in introducing changes, 21 respondents believe that the introduction of a trial period is an appropriate approach and 9 respondents believe that being informed about the need to introduce change is the most appropriate way to introduce change. The answers obtained are shown in Figure 12.
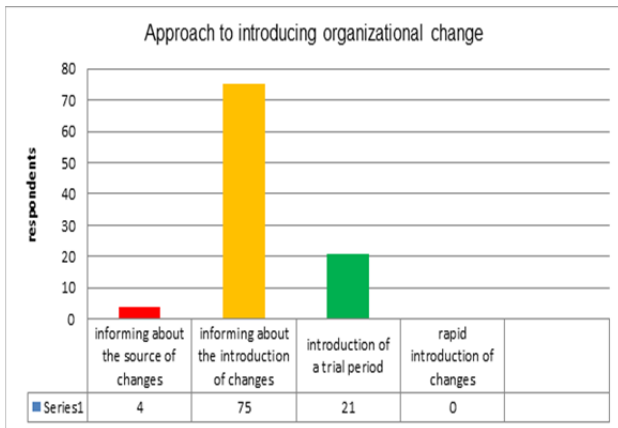

Figure 12. Overview of methods to introduce organizational changes

As for the next question which refers to: What kind of organizational change is most important?, with the given answers a) changes in the organization of work, b) changes in the type of work and c) change in the work processes, from the majority of received answers it is confirmed that 76 employees responded in favor for changes in the organization of work, and 29 respondents stated that changes in work processes are needed (Figure 13).
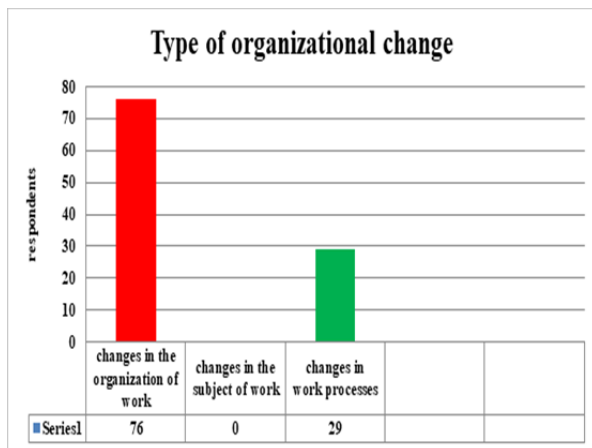

Figure 13. Display of results for the type of organizational change

To the next question: Is work from home an appropriate organizational change?, the majority of respondents (95 respondents) said yes and only 10 employees think that work from home is not an appropriate organizational change (Figure 14).
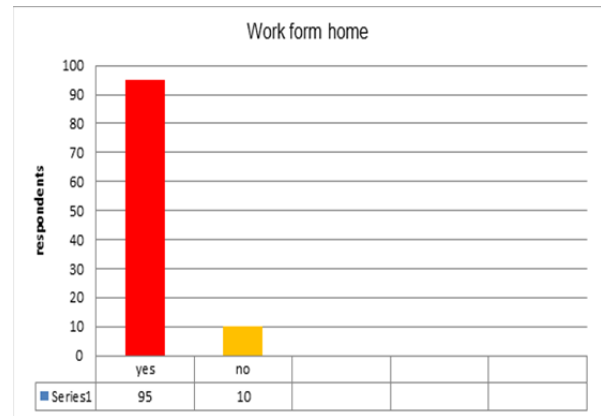

Figure 14. Overview of results for organizational change - work from home

On the last question: Do you think that organizational changes cause stress?, almost all respondents or 98 respondents believe that organizational changes cause stress to the employees and only 7 respondents believe that organizational changes do not cause stress to employees (Figure 15).
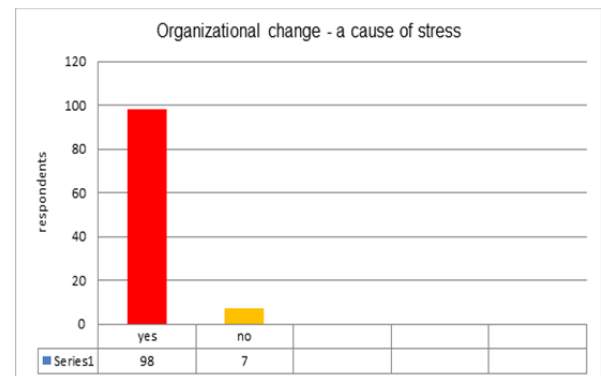

Figure 15. Display of results for organizational change as a stressor

4. Conclusion

The new global situation caused by the impact of the COVID-19 virus has changed the way companies work, the behavior of the employees and their priorities. The global health crisis has a great impact on the way the work responsibilities are performed by the employees, but also on the management and the owners of the companies, due to which the introduction of organizational changes in the work is one of the basic ways to adjust in the new situation. The COVID pandemic triggered the process of initiating with rapid, unplanned organizational changes in enterprises. It is therefore necessary to determine the need and purpose of introducing

organizational changes. The organizational changes that are introduced as a result of the COVID pandemic differ from the changes introduced as a result of the work processes, also from the reason for the their introduction and the goals that are expected to be achieved. The main goal of the strategic changes is to increase the efficiency and performance of the company [9]. The main goal of the organizational changes that are introduced in response to the changes from the COVID pandemic is to adapt to the new situation. But the impact of the COVID-19 virus, caused an increased necessity for organizational changes in the work of companies because the impact of the pandemic caused significant changes in every segment of working and human life.

In order to overcome the situation, it is necessary to pay great attention to the implementation of these organizational changes as well as improving the knowledge of the employees through improved ways of communication and sharing information. The biggest influence in the implementation of the organizational changes has the management of the enterprises, i.e. the owner of the enterprise. Since organizational changes are a source of stress for the employees, it is necessary for the management to focus on informing the employees about changes and introducing "work from home" as a predominantly acceptable way to perform work responsibilities and acceptable changes in the organization of work. Given that "work from home" is an accepted way of working by employees, it is assumed that the stress of implementing this concept will contribute to increasing organizational efficiency.

The results of the research confirms the hypothesis that the impact of the COVID-19 virus and the pandemic on a global scale caused the introduction of organizational changes, the successful implementation which depends on meeting the preconditions for the introduction of organizational changes. The analysis of the data obtained from the conducted research indicates that the organizational changes are a real need, as well as the necessity for informing the employees to introduce these changes. Employees believe that the main cause of organizational change is the COVID-19 virus. Bearing in mind that the manager or entrepreneur has the greatest impact in providing organizational conditions for the implementation of organizational changes, it is necessary to timely inform the employees about the situation and to apply specific activities for good and timely communication. The essence of successful implementation of

organizational changes is in discovering the reason and the need to introduce the change. Timely introduction of changes is a prerequisite for the survival of the company, because otherwise the company may stagnate in development or fail. Organizational change is a prerequisite for success. The key to the success of any business is change. The management or the owner of the company has a great influence in the process of successful implementation of the changes. In every company there is a fear of change and great uncertainty. Organizational changes contribute to leaving the old way of working, entering a neutral zone that is inherently uncomfortable for employees, which also includes moving forward and behaving in a new way.

That is why it is very important for the manager or the owner of the company to introduce an organizational culture that will help to overcome the resistance to the changes that exist in each company. In that case, for each employee the change would be an opportunity, not a threat and a cause of stress. Companies are adapting to the global health and economic crisis in different ways. The introduction of the concept of organizational change, in which "work from home" is the simplest change in terms of implementation of jobs where it can be applied, will inevitably contribute to a change in organizational culture and the promotion of teamwork.

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