

## **Business Ethics Covid and War in the Center of Lignite Production**

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### **Abstract**

Business Ethics are often characterized as a "permanent struggle against the impossible", noting that they essentially create a system in every organization that allow the organization to co-exist with its employees in the best possible way. Business Ethics usually coexist with Corporate Social Responsibility which can be described as the art of wealth accumulation and the relationship between the companies and the society. At the same time, people wonder what is the legalization of the assumption of Social Responsibility by a company, as it does not always co-exist with the ethical issues that arise and does not solve the company's problems. Nevertheless, it has often been spoken about the need to reconcile business logic and ethics which is not at all a given and certain concept, as the business world aims to generate profit; while on the other hand, ethics has solidarity, justice and ethical values as its main basis. Seeing Business Ethics in its every aspect we come across a continuous cycle of crises without breaks in the recent decades, referring to the economic and environmental crisis, the pandemic and the recent Russian-Ukrainian war. In these circumstances, that business attempt to describe the basic dilemma in "ethical management", it is emphasized that people and companies must as individuals and as communities decide whether to follow "a priori" principles of ethics such as solidarity or equality or whether, taking into consideration first the consequences of each action, then make the decision on which principles to follow.

**Keywords:** Business Ethics, companies, Corporate Social Responsibility, Crisis, pandemic, War.

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## 1. Introduction

Without any doubt businesses primary goal is to maximize their profit and achieve their long-term economic growth but nevertheless without allowing these taken decisions to affect society and the natural environment. It is a fact that business decisions have direct consequences to the society, both in a local and a national aspect and the environment as a whole. This is the reason why Business Ethics and Corporate Social Responsibility are becoming, more and more, some of the main factors a company must take into consideration regarding its operation. Undoubtedly, the companies face many everyday issues regarding their best function and it seems that in the recent years, since 2019 to be precise, they face many crises far beyond economical ones, such as the pandemic of Covid-19 and moreover the Russian-Ukrainian war. Since its appearance in the late 2019, the COVID-19 epidemic has caused a lot of trouble regarding the negative effects on the global economy and has resulted in devastating consequences on the human health. The World Bank reports that the overall contraction of the world gross domestic product (GDP) in 2020 was of the amount of 3.4%. In accordance with the International Monetary Fund, the global economy was projected to grow by 5.9% at the year 2021 and 4.9% percent in 2022. The eurozone, too, was greatly affected by the pandemic crisis, reflecting with negative effects on both the aggregate supply and aggregate sides' demand. Economic activity contracted sharply in the eurozone during the first half of the year 2019 as a consequence of containment measures and increased aversion risk. Overall, in the European area GDP shrank by 6.6% in 2020 and the Greek economy was greatly affected by the unprecedented health crisis; according to the IMF's annual report, in 2020 the Greek economy shrank by 8.2%<sup>4</sup>.

In specific it was predicted that the economy of the euro zone, after a contraction of 6.6% in 2020, it will grow at a rate of 4.0% and 4.1% in 2021 and 2022 respectively. This estimation is subject to four important conditions: first of all the acceleration of national vaccinations, secondly the subsequent removal of restrictions and prohibitions, thirdly the maintenance expansionary direction of national fiscal policies and last but not least, the assurance favorable financial conditions, as well as the timely activation of its resources by the European recovery system<sup>5</sup>.

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<sup>4</sup><https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2020&start=2000&view=chart> Retrieved 05/08/2022.

<sup>5</sup> <https://www.bankofgreece.gr/Publications/ekthdkth2020.pdf>, Retrieved 05/08/2022.

## **2. Literature Review**

According to He and Harris (2020), the period of the health crisis of Covid-19 resulted in changes in the society in general, as it has been an event with a global impact, having changed the way of seeing the world, the ways in which people think and, also, their behavior in every area of their daily activity. Apart from the tragic consequences that were the loss of human life, the economic and social changes brought about by the prolonged lockdowns due to Covid-19 will be a "legacy" that will live long in the memories of both current and future generations. The negative impact of Covid-19 on the global economy is likely to be unprecedented, even greater than the Great Depression of the 1930s, and therefore Covid-19 may be one of the most significant changes affecting the modern economy, the history of marketing, which could potentially have a profound impact on corporate social responsibility (CSR), heavily influencing consumer ethics and core marketing philosophy.

The short-term results of Covid-19 were immediately and effortlessly felt, due to the prolonged, global lockdown and social distancing measures, but even with the end of the health crisis, there will be long-term, economic, social, political, and cultural effects. Covid-19 posed challenges to companies and organizations in terms of CSR, with many businesses trying to take advantage of this crisis. Inevitably, the health crisis has put companies to the test of their commitment to ethical business behavior and CSR, as the short-term and long-term financial pressures resulting from the Covid-19 pandemic could lead businesses to pursue short-term profits, often through fraud and misconduct, and experience a reduction in long-term CSR investments, possibly due to a lack of financial resources and increasing pressure to survive their business (Manuel, & Herron, 2020; Bae et al. 2021).

Fortunately, it has been observed that many companies have not only resisted unethical business practices throughout this health crisis, but have also engaged in various CSR activities, particularly those that can directly help the negative consequences of the crisis and without any doubt, the pandemic has offered a wide range of important opportunities for those businesses that demonstrate a more conscious and insightful approach to CSR, which will build a stronger relationship between customers and the wider society, regarding their efforts to fight the pandemic. In particular, the consumer public feels proud that the businesses that supply products help society by offering money and equipment to deal with the health crisis, and the "bond" created between the brand and the consumer public during this period of crisis can be more substantial and lasting in times when no form of crisis is experienced (Crane, & Matten, 2021; Ramya, & Baral, 2021).

This is why it is stated that the Covid-19 pandemic has offered excellent opportunities for companies to actively engage and discover their most appropriate CSR strategies and agendas. But it was also stated that the governments, recognizing the titanic task of businesses to survive this crisis that affects the whole world, have established financial aid packages to alleviate the financial pressure, which is undeniable, especially in the businesses that are most vulnerable, such as,

for example, the small businesses and businesses active in tourism and other affected services, with these measures being able to encourage businesses to maintain their commitments to CSR actions, influence corporate CSR and ethical behaviors (Carroll, 2021). An optimistic point of view is that the health crisis of Covid-19 will favor the development of CSR during the crisis and when it will be eliminated in the long term, as more and more companies realize that in order to be able to survive and grow in the future, it is imperative to strike a delicate balance between profit and a harmonized relationship with its various stakeholders (García-Sánchez & García-Sánchez, 2020).

The health crisis of Covid-19 has led to the worsening of some important social issues, such as for example poverty and inequality and especially issues that have a social impact, concerning wealth, health, education, and every field of human action in general. Therefore, the business efforts are deemed necessary to focus on ways to address social issues on all these "open" fronts both during this crisis and in the long term. It is true that the period of the health crisis provided an excellent opportunity to researchers to examine the interaction between personal and situational factors that influence consumers' ethical decision (Koutoupis, et al. 2021). That includes factors related to the nature and ongoing situations of the pandemic at the level of personal factors such as personality of the consumer in relation to rationalizing the situation and overcoming emotions such as fear, anxiety, and aggression in consumer behavior. The health crisis has given consumers the opportunity and the time needed to reflect on the basic concept of consumption and the impact of their consumption not only on themselves but also on others and on the general society and the environment (Raimo, et al. 2021). Before the pandemic, consumers in the developed world took it for granted that their basic needs, such as food and shelter, could be easily met through the wide availability of various products and services that could help meet those needs, with an overabundance of goods. But, unfortunately the period of the health crisis has essentially been a 'shock' to consumers with the idea that their basic needs may not be met, meaning that food and essentials may not be available, and as a result we have witnessed rushed consumer movements to create stock of products in their homes, which created a climate of panic (Handayati, et al. 2021).

Despite the fact that in the developed world, the basic needs of consumers would still be satisfied, there have been changes in how consumers now "value" the necessity of meeting these needs and, at the same time, has changed the perspective of consumers regarding their social needs. It appears to be a shift towards responsible and "social" values and behavior that has been driven by the interest of fellow citizens (Khan, et al. 2021). That has occurred due to the consumption that consumers consciously think about how to consume and make product choices in order to demonstrate responsibility for themselves, society and the environment. The health crisis teaches consumers and businesses that everyone is connected in terms of the impact of product choices, so there should be an awareness of those choices (Qiu, et al. 2021).

Specifically in Greece, the tourism sector has been irreparably damaged due to the

health crisis during these first years of the health crisis. The immediate impact has been unprecedentedly severe with most planes grounded, tourist areas seeing minimal traffic, hotels and restaurants remaining closed due to social distancing and containment measures (Kourgiantakis, et al. 2021; Papanikos, 2020; Tsalpara, et al. 2021; Sigala, 2020). During the period of the pandemic, consumers significantly limited their trips either for leisure or for business reasons, but also their outings in general, due to the imposition of measures to reduce the dispersion and, also, due to psychological pressure from the whole situation of unsafety (Fotiadis, et al. 2021; Singh, 2021; Ma, et al. 2021). Another area that was heavily affected by the health crisis was the global market and the import of foreign products especially from countries where Covid-19 was rampant, with the pandemic causing geopolitical tensions, with multiple effects such as the explosion of nationalist sentiments in consumer behavior, a kind of “consumer hostility”, meaning the presence of negative feelings about consumer products from a particular foreign country due to antipathy towards the country and its people (Harmeling, et al. 2015).

Moreover, the health crisis offered significant opportunities in the field of marketing of health and wellness products, with the immediate increase in purchase and consumption related to nutrition and medical products, such as vitamin supplements, pain relievers, masks, antiseptics, and other products that are directly related to the new coronavirus. The result of this shift was the acquisition to select products related to health and fitness. For those responsible for making business policy and advertising campaigns, the post-crisis era was a "golden" promotion of healthy consumption and health-related products (Holmes, et al. 2020). It is therefore evident that the Covid-19 health crisis has had and continues to have a significant impact on consumers' ethical decision-making during the pandemic and given the fact that the pandemic is likely to last for a significant period of time on a global scale, the impact is likely to be long-lasting. Even after its end, the consumers will have cultivated some habits, especially in relation to the increasingly important role of the ethical dimension in their decision-making buys and consumers will tend to turn to responsible and "social" consumption and, consequently, the businesses will follow this business plan (Hemel, & Rodriguez, 2020).

Although some of the changes in consumer behavior brought about by the health crisis can be predicted, based on what has already taken place, it seems almost certain that this event will have an impact on the overall philosophy, mindsets, and concepts of marketing, since the pandemic was the “trigger” for questioning and re-evaluating the existing business practices. It has also raised the need for the presence of extensive social responsibility and business ethics (Donthu, & Gustafsson, 2020). Marketing managers have recognized the benefits of promoting a social profile of their company, through corporate social responsibility actions, recognizing the value that the satisfaction and loyalty of the consumer public have for promoting the company's image. Indeed, customer loyalty and the desire to promote positive customer feedback and reflections on products has been the core objective of business planning and countless business development initiatives and actions. Before the health crisis, businesses focused on the value and awareness of their

products, which led to customer preference and loyalty and the achievement of profit (Abed, 2021). Post-pandemic, the previously standard and seemingly indisputable metrics of a business's success, such as customer retention and maximizing profit at all costs, are likely to be challenged with critical thinking, but that doesn't necessarily mean they will be met with the companies' needs.

However, it seems certain that businesses and customers will re-evaluate the way they choose products, from "the reason" they buy them, to "how" they choose to buy products, meaning that they take into consideration the social impact of their purchase but also there will be a significant increase of online transactions (Erdelen, & Richardson, 2021). The predominance of face-to-face interactions and exchanges, which had already begun to diminish will be replaced by online transactions. Also, the means of communication between buyers and suppliers changed almost completely through these years, as lockdowns were imposed and digitization and online marketing prevailed, through mobile and social media, with businesses being "forced" to move into the new era in a hurry (Mahmud, et al. 2021).

### **3. Research Methodology**

#### **3.1 Aim and Research Questions**

The study aims to investigate the businesses' perception of CSR and its importance for enterprises and society in the Western Macedonia region through the investigation of the degree of CSR actions adopted by Western Macedonian enterprises in the pre-Covid-19 era and the respective CSR actions taken by these enterprises during the last two years (post-Covid-19 era) as well as after the Russian-Ukrainian war breakout, finding the impact of the pandemic and the war on CSR actions. The secondary purpose is to investigate the economic impact of the pandemic and war on enterprises of Western Macedonia in total and for each economic sector.

The population under study includes enterprises operating in the Region of Western Macedonia, that were active before the outbreak of the Covid-19 pandemic and continue to be active today. The studied determinant is the degree of influence of the pandemic and the Russian-Ukrainian war on the number and areas of CSR actions adopted by the studied enterprises during the reference period. The outcome under study is the changes that occurred in the level of economic growth (or shrinkage) of enterprises in Western Macedonia.

Based on the stated purpose of the research and the individual objectives, the research questions were formulated as follows:

- "In what degree the enterprises of Western Macedonia were applying CSR actions during the pre-Covid era?"
- "In what degree the enterprises of Western Macedonia were applying CSR actions during the post-Covid era?"
- "In what degree did the Covid-19 pandemic and the subsequent Russian-Ukrainian war change the amount of CSR actions taken by Western

Macedonia's enterprises?"

- "In what degree did the Covid-19 pandemic and the subsequent Russian-Ukrainian war change the areas of interest of CSR actions taken by Western Macedonia's enterprises?"
- "To what extent have Western Macedonia's enterprises been affected by the Covid-19 pandemic and Russian- Ukrainian war?"
- "To what extent have the Covid-19 pandemic and Russian- Ukrainian war affected Western Macedonia's enterprise's economic development?"

### **3.2 Type of Research**

To answer the research questions posed and, given that the conditions created by the Covid-19 pandemic and the war between Russia and Ukraine are situations that have not yet been fully explored as they are both existing and new situations, whose extensions and long-term consequences are not yet known, a descriptive approach was chosen. Thus, quantitative data obtained via a questionnaire concerning the existing situation of Western Macedonia's enterprises were examined and analyzed posteriorly, as proposed for cases where the object is unknown. Descriptive research is a fundamental methodology for examining a situation in its present form, thus correlation methods and observational studies - surveys provide a means of examining such situations (Finlay et al., 2013). Therefore, descriptive, quantitative research was chosen to investigate an essentially unknown situation, to which the inductive method was applied. This choice is also consistent with the methodology followed by Rodrigues, et al. (2021), who investigated the impact of the Covid-19 pandemic on Portuguese enterprises during the mandatory suspensions and travel restrictions due to Covid-19, from which questions about the impact of the pandemic and the war on the economic situation of businesses in Western Macedonia were also drawn. As far as it concerns the CSR adoption of Western Macedonia's enterprises the used questions were adopted from the questionnaire previously used by Kuada and Hinson (2012) in their research concerning the CSR practices of Ghana companies.

### **3.3 Data Collection – Measurement tool**

For the collection of primary data for the purpose of conducting the quantitative survey, a structured closed-ended questionnaire was used, the questions of which were drawn from previous surveys conducted by Rodrigues, et al. (2021) (question about the enterprises and the economic impact of Covid-19 pandemic and Russian – Ukrainian war) and by Kuada and Hinson (2012) (CSR oriented questions). The questionnaire consisted of a total of 26 questions: 14 concerning the enterprise characteristics and the economic impact of the Covid-19 pandemic and Russian-Ukrainian war (first part) and 12 concerning the impact of the aforementioned factors on CSR actions taken by these enterprises (second part), defining two different research factors (dimensions).

The questions of the first part of the questionnaire are of close-type answering

methodology, except for one question that is open-type (extra measures that could be taken by the government to support the enterprises). This part of the questionnaire is divided into three distinct themes (enterprise characteristics, number of employees, and impacts on income). The second part consisted of six questions on a Likert scale (from 1 = I strongly disagree to 5 = I strongly agree) regarding the CSR actions the enterprise used to take during the pre-Covid-19 era and six questions of close type regarding the changes of the CSR actions due to Covid-19 pandemic.

The questionnaire was built in Google forms and distributed to enterprises via e-mail after prior personal communication with their representatives during which they were informed about the purpose of the survey and their anonymity. The online questionnaire was active for a two-month period (1<sup>st</sup> of August to 30<sup>th</sup> of September 2022).

Enterprises of all economic sectors with premises in the region of Western Macedonia participated in the survey. All questionnaires were fully completed (100%) resulting in a sample of 130 enterprises. Statistical analysis was conducted using the statistical program IBM SPSS Statistics 20.0.

### **3.4 Sample Description**

Of the 130 enterprises sampled in the survey, 105 (80.8%) were very small (less than 10 employees), 24 (18.5%) were small (10-50 employees) and only one enterprise was of medium size (50-250 employees), while none of the sampled enterprises had more than 250 employees. The regional section of Kozani was the regional section of most enterprises (36.9%), while the rest enterprises were in the regional sections of Kastoria (26.2%), Florina (21.5%) and Grevena (15.4). Regarding the enterprise's sector of activity, the highest percentage was in the wholesale and retail sector (24.6%), 20.0% in the sector of accommodation, catering and similar and 16.9% in the manufacturing industries. The detailed distribution of enterprises by sector of the economy is presented in Table 1.



**Table 1: Frequencies table of the sample**

<b>Number of employees</b>	<b>n</b>	<b>%</b>
<10	105	80.8
11-50	24	18.5
50-250	1	0.8
>250	0	0
<b>Total</b>	<b>130</b>	<b>100.0</b>
<b>Sector of Economic Activity</b>	<b>n</b>	<b>%</b>
Wholesale and retail	32	24.6
Accommodation, catering and similar	26	20.0
Manufacturing industries	22	16.9
Transport and storage	13	10.0
Construction	8	6.2
Financial and insurance activities	8	6.2
Other activities	8	6.2
Education	5	3.8
Real estate activities	4	3.1
Agriculture, animal production, fishing	2	1.5
Mining	1	0.8
Human health and social support activities	1	0.8
<b>Total</b>	<b>130</b>	<b>100.0</b>
<b>Regional section</b>	<b>n</b>	<b>%</b>
Kozani	48	36.9
Kastoria	34	26.2
Florina	28	21.5
Grevena	20	15.4
<b>Total</b>	<b>130</b>	<b>100.0</b>

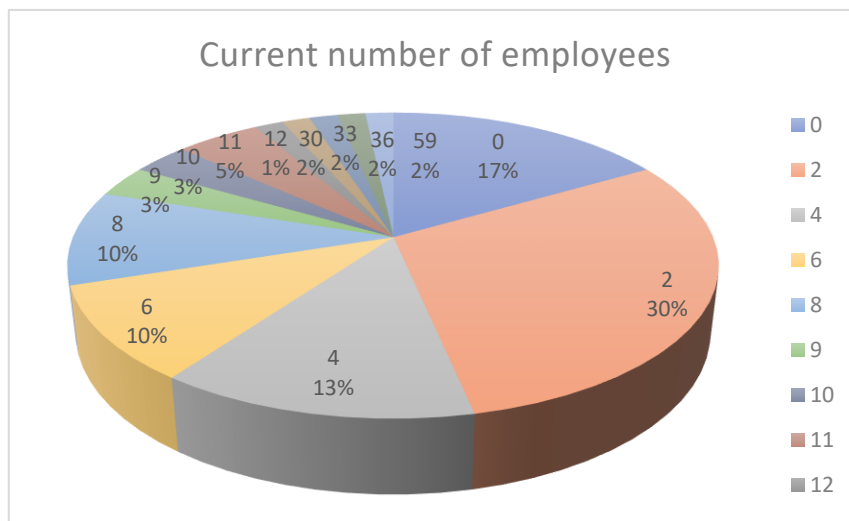
## 4. Results

### 4.1 Employees reduction

80.8% of the sample (105 enterprises) stated that they have already encountered a significant reduction of personnel due to the pandemic of Covid-19. As a result of the mandatory reduction of the number of employees, 18 enterprises of the sampled employ today two employees (17.1% over the 105 total enterprises that mentioned a personnel reduction), 10 enterprises employ none (9.5%) and 8 enterprises employ four employees (7.6%) (see Figure 1). Further personnel reduction during the next three months due to the Russian-Ukrainian war is expected by 33.8% of the sampled enterprises (44 out of 130 in total), while 61.5% stated that cannot estimate the possibility of personnel reduction (see Table 2).

**Table 2: Employees reduction due to the Covid-19 pandemic and the Russian-Ukrainian war**

<b>Reduction in the number of employees</b>	<b>n</b>	<b>%</b>
Yes	105	80.8
No	25	19.2
<b>Total</b>	<b>130</b>	<b>100.0</b>
<b>Current number of employees</b>	<b>n</b>	<b>%</b>
2	18	17.1
0	10	9.5
4	8	7.6
6	6	5.7
8	6	5.7
11	3	2.9
9	2	1.9
10	2	1.9
12	1	1.0
30	1	1.0
33	1	1.0
36	1	1.0
59	1	1.0
<b>Total</b>	<b>105</b>	<b>100.0</b>
<b>Future employees' reduction</b>	<b>n</b>	<b>%</b>
Yes	44	33.8
No	6	4.6
It is too early to have that perception	80	61.5
<b>Total</b>	<b>130</b>	<b>100</b>

**Figure 1: Current number of employees**

Of the total 130 enterprises participating in the survey, a significant percentage of 61.5% stated that they are not able to estimate the outcome and the impact of the Covid-19 pandemic and the Russian-Ukrainian war on the future personnel number, with the highest percentage (15.4%) being active in the sector of accommodation, catering, and similar economic activities. Nevertheless, 7.7% of enterprises in the wholesale and retail sector seem to believe that in a period of three months after the research was conducted, they will be forced to further minimize their personnel number due to the newest conditions as they are formulated because of the pandemic and the war, although a higher percentage of this sector enterprises' (13.8%) don't believe that can estimate the possible loss (see Table 3).

**Table 3: The expected reduction of personnel in the next 3 months per sector of Economic Activity**

Sector of Economic Activity	Expected Reduction of Personnel in the next 3 months					
	Yes	No	Cannot estimate	Yes	No	Cannot estimate
	n	n	n	%	%	%
Wholesale and retail	10	4	18	7,7	3,1	13,8
Transport and storage	9	0	4	6,9	0,0	3,1
Accommodation, catering and similar	6	0	20	4,6	0,0	15,4
Other activities	6	0	2	4,6	0,0	1,5
Real estate activities	4	0	0	3,1	0,0	0,0
Manufacturing industries	3	0	19	2,3	0,0	14,6
Financial and insurance activities	2	0	6	1,5	0,0	4,6
Construction	1	2	5	0,8	1,5	3,8
Education	1	0	4	0,8	0,0	3,1
Agriculture, animal production, fishing	1	0	1	0,8	0,0	0,8
Human health and social support activities	1	0	0	0,8	0,0	0,0
Mining	0	0	1	0,0	0,0	0,8
<b>Total</b>	<b>44</b>	<b>6</b>	<b>80</b>	<b>33,8</b>	<b>4,6</b>	<b>61,5</b>

## 4.2 Economic Impact

The answers given to the questions that aimed to measure the economic impact of Covid-19 pandemic and the Russian-Ukrainian war on the enterprises of Western Macedonia indicate significant problems caused by those two factors. As per se, although the highest percentage (17.7%) of the sampled enterprises seem to be motivated to continue working, the total percentage of those enterprises that lack the motivation to keep on working is significant, as a percentage of 46.1% has a motivational score of five or fewer points. The percentage of enterprises that believed that the current and future impact caused by the pandemic and the war was very high as 61.5% of the sample believed that they have already seen a high impact while 23.1% stated a medium impact.

Furthermore, a very high percentage (44.6%) stated that they have encountered a

reduction of 30 to 50% of their income since the pandemic started. Although most of the sampled enterprises (82.3%) have permanent lines of credit, they seem to have been forced to significantly reduce the enterprise's goals, adjusting them to different levels than the ones that were previously set (55.4%). The highest percentage of the sampled enterprises (90.8%) believed that the measures that have been taken by the local authorities to prevent Covid-19 spread have decelerated or hindered the commercial operations of the enterprise. Finally, the highest percentage of the sampled enterprises (34.6%) think that if the pandemic and the war ended today, they would need 1 to 3 months to fully recover, though the vast majority of the sampled enterprises (75.4%) do not seem to believe that they will not be able to survive the pandemic and the war (see Table 4).

**Table 4: Economic Impact of the Covid-19 pandemic and the Russian-Ukrainian war on the enterprises of Western Macedonia**

<b>Working motivations</b>	<b>n</b>	<b>%</b>
10	23	17.7
3	16	12.3
4	15	11.5
8	15	11.5
2	14	10.8
5	12	9.2
6	12	9.2
7	11	8.5
9	9	6.9
1	3	2.3
<b>Total</b>	<b>130</b>	<b>100.0</b>
<b>Current and future impact on the enterprise</b>	<b>n</b>	<b>%</b>
High Impact	80	61.5
Medium Impact	30	23.1
No Impact	8	6.2
Low Impact	7	5.4
It is too early to have that perception	5	3.8
<b>Total</b>	<b>130</b>	<b>100.0</b>
<b>Impact on the enterprises' income</b>	<b>n</b>	<b>%</b>
Reduction of 30 to 50%	58	44.6
Reduction <30%	32	24.6
No change	17	13.1
Reduction >50%	15	11.5
Increased Income	5	3.8
It is too early to have that perception	3	2.3
<b>Total</b>	<b>130</b>	<b>100</b>

<b>Permanent lines of credit</b>	<b>n</b>	<b>%</b>
Yes	107	82.3
No	23	17.7
<b>Total</b>	<b>130</b>	<b>100</b>
<b>Adjustment of the enterprises' goals</b>	<b>n</b>	<b>%</b>
Reduced significantly	72	55.4
Reduced moderately	30	23.1
Maintain the goals as set before for 2020	12	9.2
Maintain the goals as per 2019	7	5.4
Increased moderately	5	3.8
Increased significantly	3	2.3
It is too early to have that perception	1	0.8
<b>Total</b>	<b>130</b>	<b>100</b>
<b>Authorities' measures affecting commercial operations</b>	<b>n</b>	<b>%</b>
Yes	118	90.8
No	12	9.2
<b>Total</b>	<b>130</b>	<b>100</b>
<b>Needed time to recover if the pandemic and the war ended today</b>	<b>n</b>	<b>%</b>
1 – 3 months	45	34.6
It is too early to have that perception	30	23.1
Less than 1 month	18	13.8
3 – 6 months	18	13.8
+12 months	10	7.7
9 – 12 months	6	4.6
6 – 9 months	3	2.3
<b>Total</b>	<b>130</b>	<b>100</b>
<b>Possibility of closing due to the pandemic and the war</b>	<b>n</b>	<b>%</b>
No	98	75.4
Yes	4	3.1
It is too early to have that perception	28	21.5
<b>Total</b>	<b>130</b>	<b>100</b>

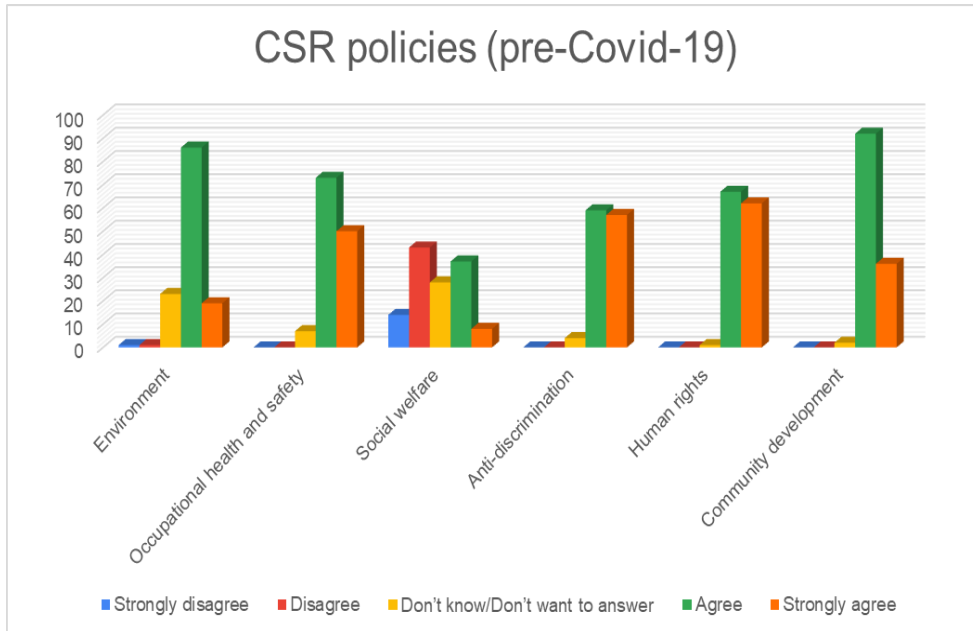
### 4.3 CSR actions

The second part of the questionnaire consisted of six questions regarding the types of CSR actions the sampled enterprises used to undertake before the Covid-19 pandemic breakout, followed by six questions about the degree of the CSR actions differentiation due to the new circumstances created by the pandemic and the Russian – Ukrainian war. As shown in Table 5 and in Figure 2, a significant percentage of the sampled enterprises used to apply CSR actions oriented towards environmental policies (80.8% of the answers were of agreement), occupational health and safety policies (94.6%), anti-discrimination policies (89.2%), human

rights policies (99.2%) and community development policies (98.5%). Nevertheless, actions regarding the social welfare seem to be rather rare as most of the Western Macedonian enterprises (43.8%) do not take any actions to that point, while 21.5% of the sample chose not to give a straight answer by selecting the option “Don’t know/Don’t want to answer”.

**Table 5: Enterprises' CSR policies before the Covid-19 pandemic and the Russian - Ukrainian war**

<b>CSR policies (pre-Covid-19)</b>	<b>n</b>	<b>%</b>	<b>CSR policies (pre-Covid-19)</b>	<b>n</b>	<b>%</b>
<b>Environment</b>			<b>Anti-discrimination</b>		
Strongly disagree	1	0.8	Strongly disagree	0	0
Disagree	1	0.8	Disagree	0	0
Don't know/Don't want to answer	23	17.7	Don't know/Don't want to answer	4	3.1
Agree	86	66.2	Agree	59	53.1
Strongly agree	19	14.6	Strongly agree	57	43.8
<b>Occupational health and safety</b>			<b>Human rights</b>		
Strongly disagree	0	0	Strongly disagree	0	0
Disagree	0	0	Disagree	0	0
Don't know/Don't want to answer	7	5.4	Don't know/Don't want to answer	1	0.8
Agree	73	56.2	Agree	67	51.5
Strongly agree	50	38.5	Strongly agree	62	47.7
<b>Social welfare</b>			<b>Community development</b>		
Strongly disagree	14	10.8	Strongly disagree	0	0
Disagree	43	33.1	Disagree	0	0
Don't know/Don't want to answer	28	21.5	Don't know/Don't want to answer	2	1.5
Agree	37	28.5	Agree	92	70.8
Strongly agree	8	6.2	Strongly agree	36	27.7

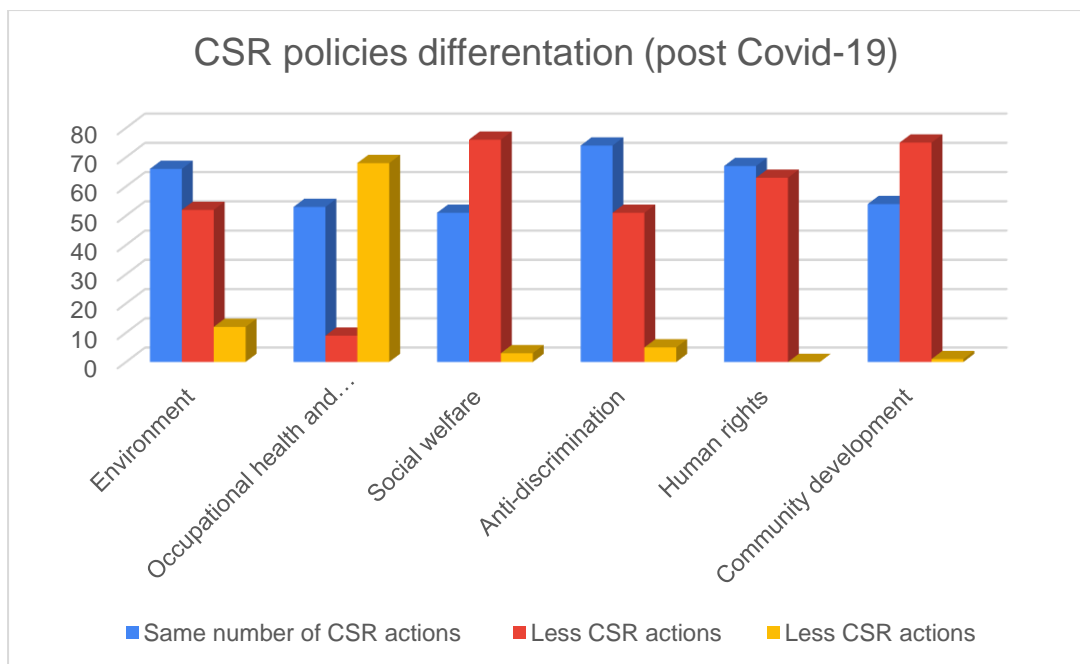


**Figure 2: Enterprises' CSR policies before the Covid-19 pandemic and the Russian - Ukrainian war**

Regarding the differentiation of CSR actions taken by the enterprises of Western Macedonia following the pandemic breakout and Russia's declaration of war on Ukraine when compared to the pre-Covid era CSR actions, it is obvious that the vast majority of businesses either retained the previous actions or decreased the number of adopted policies (see Table 6 and Figure 3). The sole exception is the case of occupational health and safety policies that are significantly increased as the 52.3% of the sampled enterprises stated that they have adopted more actions towards this CSR aspect since the Covid-19 breakout. However, business responses on other corporate social responsibility actions show a considerably decreasing trend (40.0% regarding environmental policies, 58.5% regarding social welfare policies, 39.2% regarding anti-discrimination policies, 48.5% regarding human rights policies, and 57.7% regarding community development policies).

**Table 6: Enterprises' CSR policies differentiation due to the Covid-19 pandemic and the Russian - Ukrainian war**

CSR policies (pre-Covid-19)	n	%	CSR policies (pre-Covid-19)	n	%
<b>Environment</b>			<b>Anti-discrimination</b>		
Same number of CSR actions	66	50.8	Same number of CSR actions	74	56.9
Less CSR actions	52	40.0	Less CSR actions	51	39.2
More CSR actions	12	9.2	More CSR actions	5	3.8
<b>Occupational health and safety</b>			<b>Human rights</b>		
Same number of CSR actions	53	40.8	Same number of CSR actions	67	51.5
Less CSR actions	9	6.9	Less CSR actions	63	48.5
More CSR actions	68	52.3	More CSR actions	0	0.0
<b>Social welfare</b>			<b>Community development</b>		
Same number of CSR actions	51	39.2	Same number of CSR actions	54	41.5
Less CSR actions	76	58.5	Less CSR actions	75	57.7
More CSR actions	3	2.3	More CSR actions	1	0.8



**Figure 3: Enterprises' CSR policies differentiation due to the Covid-19 pandemic and the Russian - Ukrainian war**



## **5. Conclusions**

As is evident from the statistical analysis of the answers given by the enterprises that participated in the survey, most enterprises in Western Macedonia are small and very small, one-person or family businesses. This, of course, is a fact that is already known and established, as it is clearly shown by the data of registered businesses in the local chambers of commerce. Moreover, a recent survey by the Hellenic Statistical Authority (2019) states that as a percentage of total of businesses operating in Greece, businesses in Western Macedonia account for only 5.34%. Furthermore, according to the same survey, the turnover generated by enterprises in Western Macedonia corresponds to a mere 1.12% of the total turnover of Greek enterprises.

Western Macedonia itself is a small region with low growth opportunities. This, in combination with the very small size of the enterprises operating in the region, results in a small degree of CSR actions that could be performed. Nevertheless, these small and very small enterprises, seem to view CSR as an important concept, as shown by the number of actions they seem to have engaged in prior to the pandemic.

According to the results of this research, the enterprises of Western Macedonia were applying significant amounts of CSR actions during the pre-Covid era in the areas of environmental, occupational health and safety, anti-discrimination, human rights, and community development policies.

Regarding the differentiation of CSR actions taken by the enterprises of Western Macedonia following the pandemic breakout and Russia's declaration of war on Ukraine when compared to the pre-Covid era CSR actions, most of the businesses either retained the previous actions or decreased the number of adopted policies. The sole exception is the case of occupational health and safety policies that are significantly increased. Thus, the degree of CSR actions applied by the enterprises of Western Macedonia, is significantly lower than it used to be before the pandemic. As has already been stated, the Covid-19 pandemic and the subsequent Russian-Ukrainian war have differentiated the amount of CSR actions taken by Western Macedonia's enterprises to a considerable extent. Moreover, these factors had a great impact on the areas of interest of CSR action taken by Western Macedonia's enterprises with more actions regarding occupational health and safety and less regarding all the other areas.

The Western Macedonia's enterprises have affected by the Covid-19 pandemic and Russian- Ukrainian war in a high degree, as the percentage of enterprises that believed that the current and future impact caused by the pandemic and the war has already been very high, stating that they have encountered a reduction of 30 to 50% of their income since the pandemic started. Moreover, they seem to have been forced to significantly reduce the enterprise's goals, adjusting them to different levels than the ones that were previously set.

Furthermore, , the highest percentage of the sampled enterprises think that if the pandemic and the war ended today, they would need 1 to 3 months to fully recover,

though the vast majority of the sampled enterprises do not seem to believe that they will not be able to survive the pandemic and the war.

The general and global picture, in terms of the economic and growth performance of businesses following the outbreak of the Covid-19 pandemic, shows severe economic impact for most businesses, with growth trends only in the health and essentials sales/processing sectors. After the war outbreak and the high revaluations, greater economic timidity is expected. Furthermore, extreme poverty is on the rise and the impact of Pandemic and Russian – Ukrainian War in economy sectors and CSR actions is evident.

Further research should be conducted regarding the quality of CSR actions. Also, a deeper investigation of the exact actions taken by Western Macedonia's enterprises for each CSR policy topic to examine the compliance of these actions with the concept of CSR.

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### **Hyper-links**

- <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2020&start=2000&view=chart>, Retrieved 05/08/2022
- <https://www.bankofgreece.gr/Publications/ekthdkth2020.pdf>, Retrieved 05/08/2022