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SUMMARY

Exploring the Antecedents of a Zimbabwean Philanthropist who Practiced Servant Leadership

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Admire Mwareya hold a BSc in Politics and Administrative Studies, and a Master's in International Relations, both from the University of Zimbabwe. He is currently pursuing a PhD in International Leadership with Horizons University to enhance his understanding of leadership and prepare himself to be a catalyst of effective leadership within society. He has worked in several sectors globally for the past 25 years. He is a diplomat, currently employed as a minister counsellor at the Zimbabwe Embassy in Paris. Prior to joining the diplomatic field, he worked for the International Committee of the Red Cross (ICRC) Southern Africa Regional Office covering Zimbabwe, Zambia, Malawi, Mozambique and Namibia

Abstract: *Studies of servant leadership that have been conducted to date, identified motivation-to-serve, self-efficacy, personality, staying long in a leadership position as some of the antecedents of servant leadership. Notwithstanding these laudable efforts, a gap still exists in the identification of antecedents of servant leadership. As part of efforts to complement to the existing theories, this paper seeks to answer the question: "what are the antecedents of those people who practice servant leadership?" This paper postulate that ubuntu is an antecedent of servant leadership. The paper begins with the premise that the examination of someone's life who practiced servant leadership can teach us a lot about the antecedents of the subject. Hence, this research examined the lives of African leaders and used Jairos Jiri as an example to illustrate that ubuntu is an antecedents of servant leadership. He exemplified a rare type of a leader characterised by Robert Greenleaf as a servant leader. By way of an introduction, Jairos Jiri, often referred to as Baba (meaning a respected elder and father), was a Zimbabwean humanitarian and philanthropist who won national and global accolades for pioneering charity, disability and rehabilitation work in Zimbabwe. He was not a Christian and was not western educated. Examining his life helped to illustrate what motivates people to practice servant leadership. The examination of the life of Jairos Jiri revealed to the world that ubuntu is antecedent of servant leadership, and contributed to the fuller understanding of the concept. The paper established that Jairos Jiri exemplified a rare type of a leader, envisioned and characterised by Robert K. Greenleaf as servant leadership with antecedents featuring prosocial motivation, compassion, service orientation, giving and ubuntu.*

Keywords: *servant leadership, antecedents, ubuntu, motivation-to-serve*

Introduction

Servant leadership is a complex subject which has resonated much interest among leadership scholars and management gurus alike. The interest comes from the fact that researchers agree that of all the leadership approaches, "servant leadership is the foundation for effective leadership" (Blanchard, 2002, p. ix). The complexity emanates from the fact that servant leadership must not only be lived but must also be learned because as Focht & Ponton (2015) observed, it cannot all be taught in class. Servant leadership is a theory that was put forward by Greenleaf

(1977). Spears (2002, p. 16) echoed the same sentiments and asserted that "servant leadership truly offers hope and guidance for a new era in human development and for the creation of better and more caring institutions." The status quo yearns for effective leadership as there seems to be a vacuum of leadership, and servant leadership can fill this void. Researchers such as Steven Covey, Peter Senge, Max DePree and Margaret Wheatley argue that for the 21st century, servant leadership constitutes a better approach to manage organisations (Spears, 2002). As explained by Greenleaf (1977, p. 27), "the servant leader is servant first… It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead." Where does the 'conscious choice' to serve comes from? This is where the issue of antecedents of servant leadership comes in and it is an issue better explored academically to provide clarity to the theory. Notwithstanding the interest and the number of articles written on the subject, the theory on servant leadership is still considered an under-developed theory because it "lacks coherence and clarity around the construct" (Eva et al. 2019, p. 111). Some scholars say that research in servant leadership is "at the level of a blind man or at least poorly sighted man" (Aman 2018, p. 126). It is within the context of the impediment on the theory development that has generated consistent calls for more empirical research regarding servant leadership (Eva et al. 2019).

A number of articles have been written, illuminating on some components of servant leadership (Eva et al. 2019). Eva and colleagues (2019) categorise into three phases the research that has been conducted to date, on servant leadership. As explained by Eva et al. (2019, p. 112) the first phase is centred on the "conceptual development of servant leadership" with the works of Greenleaf (1977) and Spears (1996) coming under spotlight. The second phase is focused on developing measurements for "testing relationships and leadership outcome via cross-sectional research" (Eva et al. 2019, p. 112). Eva et al. (2019) asserted that we are at the moment experiencing the third phase of servant leadership research. The third phase is as put forward by Eva et al. (2019, p.112), is directed towards model development "where more sophisticated research designs are being utilised to go beyond simple relationships with outcomes, to understand the antecedents, mediating mechanisms, and boundary conditions of servant leadership." As previously mentioned, an understanding of antecedents is one area that requires exploration. This is an area where few studies have been conducted with Amah's (2018) research being among the recent scholarly works. There is undoubtedly a gap in the understanding of the antecedents of servant leadership which Eva et al. (2019) observed may have been occasioned due to lack of a guiding theory.

Within the leadership literature, it is known that Greenleaf (1977) coined the term servant leadership, but its application can be traced back to Jesus Christ, the founder of Christianity. He is considered as one of the first person who taught and applied the concept of servant leadership in more practical ways (Sendjaya & Sarros, 2002). It must be stated from the outset that there are people in Zimbabwe, for example, who practised servant leadership yet they had not been converted in to Christianity or had read Greenleaf's (1977) book. With that observation in mind, it calls for a real understanding of how servant leadership originates because it has been found to be present in all cultures, Zimbabwe included. Contributing to a discussion on servant leadership, Winston & Fields (2015, p. 416) observed that "characteristics such as low need for power, genuine humility and high empathy are likely antecedents of servant leadership." Notwithstanding that observation, not much research has been conducted to understand the background of servant leaders. Therefore, the search for antecedents of servant leadership presents a research opportunity.

This paper postulates that *ubuntu* is a source of servant leadership behaviour. In other words, *ubuntu* is an antecedent of servant leadership. This will be demonstrated by examining the life of an individual who was committed to serving others. This is a unique approach not only because it is looking at a single individual but it is focusing on sub–Saharan Africa (Zimbabwe). It is context specific. The researcher read and was inspired by Williams' (2002) article entitled, *Fannie Lou Hamer, Servant of the People*. In the article, Williams (2002) chronicled the life history of an African American, Fannie Lou Hamer, who with determination and convictions, fought for the rights of Black people. Williams (2002) came to the conclusion that Fannie Lou Hamer's selfless and fearless attitude of serving others made her a servant leader. The examination of someone's life can teach us a lot about servant leadership. Hence, this research examined the lives of African leaders and used Jairos Jiri to understand that *ubuntu* is an antecedents of servant leadership. He exemplified a rare type of a leader characterised by Robert Greenleaf as a servant leader. By way of an introduction, Jairos Jiri, often referred to as Baba (meaning a respected elder and father), who was a Zimbabwean philanthropist who won global awards for pioneering charity, disability and rehabilitation work in Zimbabwe. He was not a Christian and was not western educated. Studying his life would help in the understanding of what motivates people to practice servant leadership. The recognition of the ubuntu phenomenon implies a change or a broadened understanding of the antecedents of servant leadership.

Servant leadership defined

Researchers have proffered and documented many descriptions of servant leadership in an attempt to define the paradigm. Berger (2014) observed that servant leadership as a paradigm did not have consensus regarding definition. He noted that the approach "has many different conceptual models and related measurement instruments… but with no agreed upon definition" (p. 146). Greenleaf (1977) himself did not give a concrete definition of a servant leader. In Greenleaf (1977)'s conception, a servant leader is a 'servant first'. He went on to say that "becoming a servant leader begins with the natural feeling that one wants to serve, to serve first. That conscious choice brings one to aspire to lead" (p. 23). The servant leader's motivation to serve is informed by their desire to "make sure that other people's priority needs are being served" (p. 26). Williams (2002) dissected servant leadership into its essence and posited that a servant leader "is committed to serving others through a cause, a crusade, a movement, a campaign with humanitarian, not materialistic, goals" (p. 67).

Picking up from Greenleaf's logic, Winston and Fields (2015) distilled the essence of servant leadership as the unique leader who exhibits "a key set of behaviours focused on the welfare and progress of others" (p. 417). Reaffirming that position, Sendjaya (2015) suggested that servant leaders should be having conversations in their mind on how to serve and improve the life of others. He added that the kind of mental conversations that the leader should have was: "I am the leader, therefore I serve, rather than I am the leader, therefore I lead (p. 43). In other words, he underscored what Greenleaf postulated that what starts first is the determination to serve others than the desire to lead. Service generates leadership. There are certain behaviours that are associated with servant leaders. Morris et al. (2005, p.1325) described the behaviour of a servant leader as "primarily other-enhancing, rather than self-enhancing." Servant leadership can easily be identified because a simple test could be applied. The ultimate test of this type of leadership is "do those served grow as persons? Do they while being served become healthier, wiser, freer, more autonomous, more likely themselves to become servants. And what is the effect on the least privileged in a society; will they benefit, or, at least, not being further deprived" (p. 24). From the foregoing, servant leadership embodies *ubuntu*. It is natural inclination to empower and improve the life of others?

Ubuntu defined

The word *ubuntu* has various definitions. For the purposes of this paper, the definition provided by Mugumbate (2020) would suffice to capture the essence of the term. He defined ubuntu as "collection of values and practices that people of Africa or of African origin view as making people authentic human beings. While the nuances of these values and practices vary across different ethnic groups, they all point to one thing – an authentic individual human being is part of a larger and more significant relational, communal, societal, environmental and spiritual worlds" (p. 83). *Ubuntu* is a philosophy that embodies a who range of characteristics such as empathy, foresight, humility etc. Across Africa, it has different names but referring to the same set of value systems as illustrated below:

Countries	**Language(s)**	**Word(s)**
Angola, the Democratic Republic of Congo (DRC)	Kongo	Kimuntu Gimuntu
Botswana	Setswana	Botho
Burundi, Rwanda	Kinyarwanda, Kirundi	Ubuntu
Cameroon	Sawabantu	Bato
Kenya	Kikuyu	Umundu
Tanzania	Swahili	Utu
Mozambique	Makua	Vumuntu
Namibia	Herero	Omundu
South Africa	Ndebele, Xhosa, Zulu	Ubuntu
Uganda	Luganda	Obuuntu
Zambia	Tonga	Ibuntu
Zimbabwe	Shona	Unhu/Hunhu/Ubuntu

The servant leader

A servant leader has certain qualities that make them have the craft competence to ensure that those "being served grow" (Greenleaf 1977, p. 27). Spears (1998), the Chief Executive Officer (CEO) of the Greenleaf Centre, after a thorough investigation of Greenleaf's writings, identified ten major attributes of servant leadership. These included listening, empathy, healing, awareness, persuasion, conceptualisation, foresight, stewardship, commitment to the growth of people and building community. It is important to mention that Spears (1998) indicated that the ten characteristics of servant leadership he had identified were not conclusive. In that regard, other authors on the same subject have identified other attributes that are found in Greenleaf's works. Nine of the identified attributes are classified by Russel & Stone (2002) as functional attributes. The functional attributes are vision, honesty, trust, service, integrity, modelling, pioneering, appreciation of others and empowerment. Russel & Stone (2002) explained that their classification as functional attributes were primarily informed by their repetitive prominence in the literature. The functional attributes are those operative characteristics and unique features belonging to leaders and observed through specific leader behaviour in the workplace (Russel & Stone, 2002). In addition to the functional attributes, the literature also identified other characteristics that are classified as accompanying attributes of servant leadership. These are communication, credibility, competence, stewardship, visibility, influence, persuasion, listening, encouragement, teaching and delegation. The accompanying attributes are said to supplement and augment the functional attributes. They are not secondary in nature, rather they are complementary and in some cases are *sine qua non* to effective servant leadership (Russel & Stone, 2002).

It is important at this juncture to explain briefly the ten characteristics of servant leadership as identified by Spears (2002). Listening is one of the major characteristics in which leaders could demonstrate to others how they respect and value them (Russel & Stone, 2002). Regarding servant leadership, listening "encompasses getting in touch with one's inner voice and seeking to understand what one's body, spirit, and mind are communicating" (Spears, 2002, p. 5). Greenleaf (2002) added that "listening, coupled with regular periods of reflection, is essential to the growth of the servant leader" (p. 5). Related to listening is empathy. This is the ability to put oneself in the shoes of other people. The servant leader pursues a deliberate endeavour to make sure that he/she is understood and empathise with others (Spears, 2002). In that regard, an effective servant leader is a "skilled empathetic listener" (Spears, 2002, p. 5).

Healing is considered a vital characteristic of servant leadership because it is a "purposeful force for transformation and integration" (Spears, p. 5). Thus, healing oneself and others is considered one of the greatest strengths of servant leadership (Spears, 2002). Servant leaders recognise that many people have broken spirits and are in agony, and with that they are expected "to help make whole those with whom they come in contact". The servant leader, Greenleaf (2002) concluded: "there is something subtle communicated to one who is being served and led if, implicit in the compact between servant leader and led, is the understanding that the search for wholeness is something they share" (p. 5). The fourth characteristic is awareness. A servant leader is strengthened by not only their awareness of their surrounds, but self-awareness. It is through awareness that the servant leader would be able to understand issues of ethics and values (Spears, 2002). Within Greenleaf's (2002) construct "awareness is not a giver of solace – it is just the opposite. It is a disturber and an awakener. Able leaders are usually sharply awake and reasonably disturbed. They are not seekers after solace. They have their own inner serenity" (p. 6).

Another important characteristic of servant leadership is persuasion. In the words of Russel and Stone (2002) a servant leader is "consensus builder, change agent" who through wisdom uses power in an unselfish manner to enhance organisational goals. A servant leader is able to influence others through persuasion in making decisions. He/she does not coerce or rely on positional authority to influence followers but through encouragement. Conceptualisation is another important aspect of servant leadership. Servant leaders are multifaceted in how they approach problems, going beyond the day-to-day realities (Spears, 2002). They endeavour to inculcate in themselves the "abilities to dream great dreams" (Greenleaf 2002, p. 6). This is a characteristic which scholars say requires discipline and practice. Within the ambit of conceptualisation is foresight. According to Spears (2002) foresight is one of the characteristics that enables the servant leader "to understand the lessons from the past, the realities of the present, and the likely consequence of a decision for the future" (p. 7). Greenleaf (2002, p. 7) averred that "foresight is the one servant leader characteristic with which one may be born. All other characteristics can be consciously developed." He called foresight "the central ethic of leadership". Young (2002, p. 245) emphasised that foresight is critical for a servant leader because it "helps organisations move from a survival outlook, reacting to immediate events, to being proactive, moving with an incremental plan."

Another fundamental part of servant leadership is stewardship. This refers to "holding something in trust for another" (Spears, 2002, p.7). Leaders and their followers would be referred to as stewards as they would be agents of the organisation that they lead (Russel & Stone, 2002). Stewardship also puts emphasis on openness, honesty and accountability (Spears, 2002). Commitment to the growth of people is the nineth characteristic of servant leadership. Servant leaders believe that people within an organisation are an asset because they have "an intrinsic value beyond tangible contributions as workers" (Spears, 2002, p. 8). In that context, the servant leader is expected to do everything within his/her power to nurture, empower the people within an organisation (Spears, 2002). Building the community is the tenth attribute on the list of characteristics of servant leadership. In the context of servant leadership, the servant leader identifies some way of building community for those who work within a particular organisation. In the words of Greenleaf, "all that is needed to rebuild community as a viable life form for large numbers of people is for enough servant leaders to show the way, not by mass movements, but by each servant leader demonstrating his own unlimited liability for a quite specific community related group" (p. 80).

As already observed, there are more than 20 pertinent attributes identified in the extant review of literature of servant leadership. The paper, however, adopted the categorisation provided by Sendjaya et al. (2008). The authors classified the different dimensions of servant leadership behaviour into six catalogues: voluntary subordination, authentic self, covenantal relationship, responsible morality, transcendental spirituality, and transforming influence. Although a full discussion of each of the conceptual dimensions of servant leadership is beyond the scope of this paper a brief outline would suffice to put the discussion into context.

The literature underscored the willingness to serve others (voluntary subordination) as a *sine qua non* of servant leadership (Blanchard &

Hodges, 2003). Consistent attendance to a legitimate need of service voluntarily is a preoccupation of servant leaders (Foster, 1989). Sendjaya et al. (2008) observed that this voluntary nature of service implies that servant leadership is more about being a servant than just merely doing acts of service. Servanthood is considered a hallmark of servant leadership because of its readiness to renounce status attached to leadership (Greenleaf, 1978; Wilkes, 1998). The leadership of servant leaders flows out of "being" (Sendjaya et al. 2008, p. 402) and therefore they are capable of leading authentically (De Pree, 1989). This authentic behaviour is manifested in their unswerving display of humility, integrity, accountability, security and vulnerability (Sendjaya et al. 2008). They do not fake their behaviour in the way they do things. They are willing to work quietly behind the scenes and unnoticed, without constant acknowledgement or approval from others (Badaracco, 2002). The sense of security displayed by servant leaders enables them to be accountable and vulnerable to others (Batten, 1998). In the Shona culture, a servant leader is a leader who works *anyerere* (quietly behind the scenes and make seemingly inconsequential decisions unrewarded and unnoticed) and *haana nhongwa* (not self-defensive when criticised by others).

Servant leaders accept people as they are and as equals (Greenleaf, 1978). This distinctive feature of accepting people as they are enables other people to experiment, grow and be creative without fear (Daft & Lengel, 2000; Sendjaya et al, 1998). People are afforded the latitude to think outside the box and make mistakes. The treatment of people with radical equality and as equal partners in the organisation (Graham & Organ,1993) is what Sendjaya et al. (2008) characterised as covenant-based relationship. The authors said this kind of relationship is marked by shared values, open ended commitment, mutual trust, and concern for the welfare of other people. The predisposition of servant leaders is to ensure that both the "ends they seek" and the "means they employ" are morally legitimized, thoughtfully reasoned, and ethically justified (Sendjaya et al, 2008, p. 403). In that regard, servant leaders appeal to higher ideals, moral values, and higher order needs of followers because of their ethical predisposition (Yukl, 1990).

Researchers such as Graham (1995) went further to suggest that servant leadership emboldens good moral dialogue and promotes moral reasoning between leaders and followers. Servant leadership becomes versatile because it fosters reflective behaviour and brings about changes in the ecosystem of an organisation (Ciulla, 1998). The moral-laden relationships promoted by servant leaders are also hinged on spiritual values (Sendjaya et al, 2008). Some researchers such as Fairholm (1997) equate spiritual leadership to servant leadership, claiming that the two approaches bring together service and meaning. It is not the purpose of this research study to delve into that debate, but it suffices to say that servant leadership responds to the needs of the individual at the modern-day workplace which has been described by Fairholm (1997, p. 98) as "disconnectedness, compartmentalisation, and disorientation."

Transforming other people socially, emotionally, intellectually and spiritually is at the cornerstone of servant leadership (Sendjaya et al. 2008). The god father of servant leadership, Greenleaf (1978) argued that those served should become wiser, healthier, freer and autonomous and should be becoming servants themselves, which entails a complete transformation in the aspects mentioned above. The transformation that servant leaders engender in others stimulate positive changes in organisations and societies (Fairholm, 1997). Buchen (1998) observed that the transforming influence occurs through visioning, modelling, mentoring and empowering others.

Exploring the antecedents of servant leadership

Notwithstanding the fact that servant leadership gained currency decades ago, there is still much to be explored and examined. Parris & Peachey (2013) called for "the investigation of the backgrounds of servant leaders." Graham (1991) had earlier on echoed the same call, urging scholars to look seriously into the antecedents of servant leadership. In his view, some antecedents of servant leadership he had discovered in his research included "low need for power, genuine humility, high empathy and communication skills" (p. 117). As scholars continued to explore the subject, Barbuto and Wheeler (2006) suggested that "emotional intelligence, flexibility, early childhood experiences, and exposure to servant leaders" could be listed as antecedents of servant leaders.

The study of antecedents of servant leaders in the academic arena is scant, but on a growth trajectory. Most researchers attest to the fact that a lot has been done in the area of antecedents of servant leadership. In trying to explore the antecedents of servant leadership, Morris (2005) suggested that "leaders with high levels of humility are more likely to be servant leaders" (p. 1339). As the subject continued to receive attention from researchers, Hunter et al. (2013) brought in a new understanding of the subject. He concluded that the antecedents of servant leadership were found in the servant leaders themselves. Hunter et al. (2013) asserted that "servant leaders are effective by inspiring a cycle of service in which followers learn to serve" (p. 327). The efforts by Hunter and his colleagues were to understand the antecedents of servant leaders with the focus on the investigation of personality provided "insight into the type of individuals who are likely to become servant leaders" (p. 327). Notwithstanding the in-depth study by Hunter et al., there was little in terms of empirical evidence. In efforts to close that gap, Beck (2014) conducted a study whose goal was to find out if there were "characteristics, behaviours or life experiences that would predict a servant leader." The investigation came up with four key findings connected with the antecedents of servant leadership. Beck (2014, p. 299) concluded that "(a) the longer a leader is in a leadership role, the more frequent the servant leader behaviours; (b) leaders who volunteer at least one hour per week demonstrate higher servant leader behaviours; (c) servant leaders influence others through building trusting relationships; and (d) servant leaders demonstrate an altruistic mindset (p. 299). This research focused on experience, while other researches focused on traits as antecedents. Morris et al. observed that humility was one of the critical elements of a servant leader. They admitted that "humility is expected to result in leadership behaviours that parallel those of servant leaders" (p. 1339). In that regard, humility was considered to be one of the antecedents of servant leadership. Other studies that looked at traits as antecedents included the one conducted by Barbuto et al. in 2014. The researchers found out that "emotional intelligence is a good predictor of a leader's servant leader ideology but may not be a good predicator of servant leader behaviours as rated by the leaders' followers" (p. 315). This research was complimented by Amah (2018) who studied participants from "oil, financial, manufacturing, power service and telecommunication industries." The survey looked at the issues of interest in determining the antecedents of servant leadership, namely, "the motivation-to-serve, the motivation to lead, and self-efficacy." (p. 315). Amah (2018) discovered that "self-efficacy is a critical variable because of its effect on servant leadership… and motivation-to-serve is an antecedent." From the foregoing analysis, character traits of a servant leader appears to be dominant in the endeavour to establish why servant leadership is adopted (Amah, 2018). Most of the research conducted to date, focused on attributes, experiences, skills or characteristics. Arguably, the need to establish the antecedents of servant leadership is needed because the studies that have been conducted closed with additional calls for research. Undoubtedly, the antecedents of servant leadership is an area of opportunity to conduct research in order to close the gap.

The call to conscience

As already stated, *ubuntu* is an antecedent of servant leadership. The man Jairos Jiri is being used to illustrate that point. Jairos Jiri was born in 1921 in a dry area called Bikita where his clan had been driven by British colonialists some three decades earlier (Illife, 1987). His father was a chief called chief Mutenyami Jiri of the Rozvi royal family. His mother Mai Marufu, who also came from a royal family, was a daughter of subchief Mazimba of Gutu. In that regard, Jairos Jiri was a prince of the Rozvi royal family. Within the Shona culture, the royal family is expected "to provide social services in the community like feeding the hungry and housing the travellers or homeless" (Mugumbate 2020, p. 84). Jairos Jiri grew up seeing his family helping the poor and these experiences shaped his perception of life and embodying servant leadership in his work and personal life. The royal Rozvi people including Jairos Jiri's family were guided by *unhu* values (Mugumbate, 2020). Jairos Jiri's family was "spiritual and valued family and community. They prayed to Mwari (God) and respected their elders present and past. Values of helping, giving, friendship, being good in the community and working and doing work that please Mwari guided the royal family" (Mugumbate 2020, p.84). The desire to help and lift the needs of others was some innate value in Jairos Jiri because it was the DNA of the family. As stated by Mugumbate (2020) Jairos Jiri while was asleep, "he would dream of himself as a big helper of the people in the Bikita area as part of his royal duties as a prince of the chief himself" (p. 84). Jairos Jiri's background anchored on *ubuntu* influenced his view of life (Mugumbate, 2020).

Jairos Jiri's vision to help other people can be traced to 1939 when he arrived in Bulawayo in search of work (Farquhar, 1987). He saw a lot of destitute people "half naked, blind, disabled, homeless, unemployed and begging" and this touched his heart. The spirit to support motivated him to help but he did not have a decent income to accomplish his desire because he was only working as a gardener for white people. Notwithstanding the lack of resources to implement his project Jairos Jiri "helped in small ways… by just speaking and making friends with poor people on the streets" (p. 85). Jairos Jiri had an extraordinary zeal to help other people which surprised historians even today. Those who have researched on Jairos Jiri's life have come across extraordinary testimonies. For example, "one day, it is reported that he used his bicycle to carry a disabled young man to Old Memorial Hospital and persuaded the hospital to do corrective surgery which he paid for from his meagre earning. He did not stop there but took beggars who were blind from the streets of Bulawayo to his lodgings. He had a two roomed place, so he created a back yard house to accommodate his clients (Magumbate 2020, p. 85). This experience undoubtedly influenced Jairos Jiri to register a charity organisation in the country. In 1950, the Jairos Jiri Association for the Rehabilitation of the Disabled and the Blind was founded by

Jairos Jiri himself. The registration was not easy because of "bureaucratic hurdles as a black person registering a first charity organisation in colonial Rhodesia" (p. 85). When Jairos Jiri died in 1982, the association he founded in Bulawayo "had grown from one centre in 1950 to 16 centres including schools, special schools for the deaf and blind, hostels and homes, vocational training centre, agriculture skills centre, clinics, orthopaedic workshops and satellite units" (Mugumbate 2020, p. 87). These institutions are still in existent today and have uplifted the lives of many people.

In trying to understand Jairos Jiri's motivation to carry out such impressive work with long legacy, Mugumbate (2020) asked "where did that strong force that drove penniless, uneducated, rural child of poor parents to be one of Africa's greatest philanthropists for more than 35 years come from? The energy to set up 16 facilities in Zimbabwe and live a strong foundation for the disability movement to emerge and receive the highest medal on the land" (p. 87). The motivation was driven by what Greenleaf (1977, p.7) said "the natural feeling that one wants to serve, to serve first…" Research done on colonial documents in Zimbabwe revealed that the desire to help was also in Jairos Jiri's father who was quoted to have said "wealth is unimportant… we have not been placed on earth to be rich but to direct the affairs of others" (p.87).

Perhaps that explains why Jairos Jiri helped other people even though he was poor and unemployed. "It is the feeling of helping others, when there is no other help, which makes the 51-year-old Jiri feel important and wealthy indeed" (p. 87).

Drawing conclusions

Of the many emerging paradigms of leadership that researchers have documented – bureaucratic, charismatic, democratic, transactional, transformational, distributed, authentic and entrepreneurial – the Zimbabwean luminary exemplifies servant leadership. From the foregoing, Jairos Jiri can aptly be described as a servant leader. Driven to serve by *ubuntu*, an antecedent of servant leadership. He was selflessly devoted to helping the less privileged people of the society. Jairos Jiri's work was recognised and awarded locally and globally. Firstly, Jairos Jiri was given the title Baba which means respected father. That is a no mean recognition in Zimbabwe because it is often given to people who have contributed immensely to the national building and development of the country. When he died in 1982, Jairos Jiri was conferred with the National Hero of Zimbabwe Status. People accorded this status in Zimbabwe are buried at a national monument called the National Heroes Acre. Jairos Jiri, however, was not buried at the Heroes Arce because his relatives opted that he be buried at their rural home in Bikita, a town located in Masvingo province. Beyond that, the government of Zimbabwe later honoured Jairos Jiri by coming up with an award after his name: The Jairos Jiri Humanitarian Award. This is an award given to people who have contributed immensely to helping others.

Mugumbate (2020) identified and itemised the awards that Jairos Jiri received during his life of servant leadership. These included the international Symposium on Rehabilitation, which Jairos Jiri received in 1975 in Kampala, Uganda. The then University of Rhodesia (now University of Zimbabwe) awarded Jairos Jiri an Honours Degree in Master of Arts. Jairos Jiri was also awarded the Member of the British Empire (MBE) by the Queen of England, Queen Elizabeth II. During an audience with Pope Paul VI, Jairos Jiri received a medal, marking a Holy year in 1975, as a blessing for his sterling work. Similarly, Lions International awarded to Jairos Jiri a Service Award in 1977. In the same year (1977), the then Salisbury Union of Jewish Women presented Jairos Jiri with a Humanitarian Award. In 1981 Jairos Jiri received three international accolades. Firstly, Jairos Jiri received the Freedom of the city of Los Angels for his work. Secondly, Jairos Jiri received the Goodwill Industries international Award for Humanitarian and Rehabilitation work. Finally, Jairos Jiri was presented with the Rotary International's Year of Disabled persons Award for Africa, which carried the citation "Greatest contribution to rehabilitation in Africa – IYDP 1981."

Jairos Jiri was not materially enriched by his involvement in the rehabilitation and humanitarian movement. He lived most of his life in poverty. It was only later in life that Jairos Jiri did attain a modest house and a modicum of economic security. Jairos Jiri was much more selfless, for his fame was unsought. His loyalty was to the lowliest as opposed to the higher political or career aspirations. As Williams (2002) observed "servant leadership seeks not its own rewards, rather it measures success by how much followers grow and evolve as persons, and whether the least privileged in society have benefited" (p. 86). Within that context, Jairos Jiri was richly rewarded. His sacrifices and tireless advocacy became the building blocks for a charity, disability and rehabilitation movement in Zimbabwe.

This paper explored the antecedents of servant leadership and added that *ubuntu* is one of the antecedents. It examined the life of Jairos Jiri, who employed servant leadership in his work and personal lives in order to illustrate that *ubuntu* is an antecedent of servant leadership. The study established agreement with various works of other researchers. Early childhood experiences have been suggested by Barbuto & Wheeler as an antecedent while Beck (2014) found time as an antecedent. Amah (2018) found motivation to serve and self-efficacy as antecedents of servant leadership. This paper is in agreement with those findings. The paper established resonates with studies on emotional intelligence as an antecedent of servant leadership. Compassion, humility and integrity as a responsibility were found to be antecedents of servant leadership. In that regard, the research in a way helped to validate the research of scholars who have been searching for the antecedents of servant leadership. The paper makes some contribution in the search for antecedents of servant leadership in that it considers ubuntu as additional variables to the understanding of servant leadership. ■

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Navigating Economic and SME Struggles in South Asia during the Covid-19 Pandemic

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Abstract: *The COVID-19 epidemic has posed a serious threat to human health, disrupted daily life, and caused widespread economic and social upheaval worldwide. Its far-reaching impact has triggered significant global trade and commerce disruptions, pushing the world economy toward an unprecedented recession. The highly interconnected nature of global supply chains has amplified these challenges. South Asian countries, however, face unique vulnerabilities due to their large populations, fragile healthcare systems, and limited social protection frameworks. Challenges such as inadequate access to water, sanitation, and overcrowded living conditions have further complicated efforts to contain the virus. This study explores the multifaceted impacts and risks posed by COVID-19 on key sectors in South Asia, covering rural life, agriculture, tourism, migration, and informal enterprises. According to the findings, the pandemic will probably raise the risks of macroeconomic instability, limit economic development, and widen budget deficits. Moreover, it has led to a decline in migration, remittances, and tourism revenue and significant challenges for micro, small, and medium enterprises. These effects are expected to exacerbate poverty, unemployment, hunger, and food insecurity, potentially reinforcing existing inequalities and creating social discord.*

Keywords: *COVID-19, Socio-economic effect, Public well-being, Poverty and disparity, South Asia*

Introduction

One of the biggest worldwide issues of the current era is the quick and widespread development of COVID-19, presenting an unprecedented threat to human lives and global economies. What began as a health crisis quickly escalated into a severe global economic downturn, affecting every aspect of society. In an era where economies are intricately interwoven through globalization, the pandemic has sparked a worldwide recession of incomparable scale (Ozili & Arun, 2023; Ullah et al., 2024). The impact of COVID-19 has reached every corner of the globe, showing that no nation, regardless of size or economic standing, is immune to its effects. This crisis has revealed the deep interconnectedness of the global economy: disruptions in one country can trigger cascading effects on others, demonstrating the vulnerability of all sectors to shocks in a globalized world (Acharya & Porwal, 2020; Amirzadeh et al., 2023). As the pandemic unfolds, it highlights the critical importance of international collaboration and preparedness to mitigate such widespread risks (Freeman & Nel, 2024).

The challenges posed by COVID-19 have been particularly acute in South Asia, a region marked by its dense population, high poverty levels, and fragile public health infrastructure. Approximately one-third of the world's impoverished population resides in South Asia, which is home to some of the most economically disadvantaged people on the planet, many of whom are heavily reliant on agriculture for their livelihoods.

Before the pandemic, the region already faced serious issues related to food insecurity, with approximately 649 million people classified as abstemiously or harshly food insecure and 271 million facing extreme food insecurity (Ismail et al., 2023). The pandemic underscores the need for comprehensive and long-term solutions to address South Asia's entrenched socio-economic challenges in light of these ongoing issues (Hossain et al., 2020).

Although physical distancing and lockdown measures are essential for controlling the virus's spread and protecting lives, they have also profoundly impacted the livelihoods of millions in South Asia. This region is home to a significant proportion of the world's poor (ESCAP, 2020).

The economic repercussions increase with the severity of the lockdown measures. In light of this, the following important questions are addressed in this paper: What are the COVID-19 pandemic's short- and long-term effects on South Asia's economy? What difficulties do the region's vulnerable groups confront, and what are the short-, medium-, and long-term economic consequences expected to be? What impact will the pandemic have on important industries including agriculture, labor, tourism, and migration? What steps have the governments of South Asia taken to lessen these effects, and what more national, regional, and policy initiatives are required to address these problems?

Economic Consequences of the Covid-19 Epidemic in South Asia

In an effort to curb the rapid spread of COVID-19, countries across South Asia implemented a range of strict measures aimed at limiting the virus's transmission. These included the closure of various public and private spaces, such as offices, restaurants, hotels, schools, and universities, alongside the shutdown of international borders.

Many countries also suspended visas, imposed comprehensive domestic and international travel bans, and restricted public gatherings (Table 1). While these actions played a critical role in reducing the spread of the virus, they came at a substantial financial and societal cost. Industries that are crucial to the financial health of many South Asian nations, including tourism, exports, and remittances, were severely impacted. Consequently, the economies of the region are predicted to contract for the first time in forty years (Irudaya Rajan & Arcand, 2023).

2.1 Rising Threats to Macroeconomic Stability

2.1.1 Declining GDP growth

The COVID-19 epidemic has led to a significant slowdown in economic activity across South Asia, with forecasts predicting a sharp decline in GDP growth, marking the region's worst economic performance in four decades. While the full extent of the impact remains uncertain, various projections indicate that the region's economies will experience substantial contraction. The severity of this economic downturn will be largely determined by the duration and intensity of the pandemic, the length of lockdowns, and how quickly economies can recover once restrictions are lifted.

According to the International Monetary Fund, GDP growth in South Asia is expected to range from a decline of 18% in the Maldives to a modest 3.8% growth in Bangladesh in 2020. Five of the region's countries are projected to experience adverse growth (Table 2).

Table 1 - South Asian governments' actions to stop the spread of COVID-19 in the early stages of infection

State	Measures (duration)	International border/travel restrictions	Air Transportable	Land transportation	Maritime transportation
1. India	The lockdown in containment zones from March 25 to May 31 was extended till June 30. After June 8, 2020	Locked	Passive limitations for foreign fights were reinstated, but domestic fights continued	Neighboring countries enforce inactive restrictions at the border	No data
2. Bangladesh	A lot of activities were permitted. Began on 26 Arch and continued till May 16 and May 30. There are lockdowns on hotspots	Locked	On June 1st, domestic flights began operating. Until June 15th, international flights are not operating. Only cargo flights	Freight trains	Essential good only
3. Bhutan	Tourist entry restrictions starting on March 6: 23 From April 1 to April 21, international borders were under sealed lockdown	Locked	Not allowed	Essential goods only	Not applicable
4. Sri Lanka	The lockdown was lifted from March 20 to May 11 and a public holiday was announced on March 15. On March 19	Locked	Cargo flights	Prohibited	No data

Table 1 - South Asian governments' actions to stop the spread of COVID-19 in the early stages of infection *(Cont'd)*

State	Measures (duration)	International border/travel restrictions	Air Transportable	Land transportation	Maritime transportation
5. Maldives	a public health emergency was proclaimed, and larger Malé was placed under lockdown from April 1 until June 12	Locked	Permission required	Not applicable	allowed
6. Nepal	23 March to 2. June. Further extended to 14 June	Locked	Permission required	Conflicting information	Not applicable
7. Pakistan	1 April to 9 May. Lockdown lifted	Locked	The international flight allowed cargo fights only.	Prohibited	allowed
8. Afghanistan	Entire lockdown from March 22 to May 24	Open only for immigrants	Passive restriction enforced by neighboring countries at the border	Neighbouring countries enforce passive restrictions at the border	Not applicable

Source: Adapted from UNESCAP 2020.

Table 2 - South Asian macroeconomic indicators: current account balance, inflation, and real GDP growth

	Real GDP growth			Inflation			Current account balance		
	Actual	Projections		Actual	Projections		Actual	Projections	
Country	2019	2020	2021	2019	2020	2021	2019	2020	2021
1. India	4.2	-10.3	8.8	4.8	4.9	3.7	-0.9	-0.3	-0.9
2. Bangladesh	8.2	3.8	4.4	5.5	5.6	5.9	-1.7	-1.5	2.8
3. Bhutan	3.8	0.6	-0.5	2.6	3.6	4.6	-22.5	-21.4	-13.5
4. Sri Lanka	2.3	-4.6	5.3	4.3	4.7	4.6	--2.2	-3.6	-3.2
5. Maldives	5.6	-18.5	12.8	1.2	0.5	2.6	-26.1	-31.7	-16.0
6. Nepal	7.2	0.2	2.4	4.5	6.5	6.2	-7.8	-2.6	-7.1
7. Pakistan	1.8	-0.5	1.2	6.6	10.8	8.7	-4.8	-1.2	-2.4
8. Afghanistan	3.9	-5.0	4.0	2.3	5.4	4.8	11.7	9.5	7.8

Sources: Internal Monetary Fund, 2020.

2.1.2 Declining trade volume

The pandemic has also strictly disrupted both regional and global trade, leading to a significant contraction in trade volumes across South Asia (Kimura et al., 2020). Many countries imposed temporary border closures, limited imports of non-essential goods, and canceled international orders, all of which have affected the flow of goods. Over the past few decades, South Asian countries have experienced robust growth driven by exports, with key trade partners like the United States, Europe, and China being particularly crucial. However, the economic slowdown in these regions, triggered by the pandemic, has sharply reduced external demand, leading to a decline in exports and imports. According to projections, South Asia's import growth would decline by –7.3% to –6.2% and its export growth will fall by –6.8% to –3.9%, indicating the prolonged global downturn and decreased external demand (Bhatta et al., 2023).

2.1.3 Inflation

Inflation trends in South Asia are anticipated to rise slightly in 2020 due to the economic fallout of the COVID-19 epidemic. While inflation is expected to remain relatively low across most countries in the region, Pakistan stands out with a projected inflation rate of 10.7%. Other countries like the Maldives and Nepal will experience inflation rates ranging from 0.4% to 6.4%, which are in line with the inflation figures from the previous year (Table 1). Despite these low inflation rates, the current account balance of almost all South Asian countries, with the exception of Afghanistan, is predicted to worsen as a result of the economic disruption brought on by the pandemic. Compared to 2019 (Bhatta et al., 2023), the regional deficit is probably going to be marginally lower, largely due to the plummeting oil prices and the ongoing disruptions in global supply chains.

2.1.4 Macroeconomic consequences

The broader macroeconomic outlook for South Asia in 2020 is grim, with a projected increase in fiscal deficits to 7.7% of GDP (ESCAP, 2023), resulting from decreased revenue generation and rising recurrent government expenditures. This widening fiscal gap is pushing up public debt levels, threatening long-term fiscal sustainability across the region. The combination of low or negative economic growth, diminished export revenues, and mounting fiscal deficits is likely to have profound effects on household incomes, exacerbating poverty levels. The economic challenges will not only reduce consumer spending and disrupt local economies but also trigger broader macroeconomic problems, such as decreased demand and mobility (Tamasiga et al., 2023). As these issues spread across various economic sectors, the effects will ripple through national, regional, and global supply chains, further dampening consumption, savings, and investment activities.

2.2 Effects on Migration Patterns and Remittance Flows

The COVID-19 pandemic has severely disrupted various sectors, with travel restrictions, mobility limitations, and tourism, sports, entertainment, education, transportation, manufacturing, migration, and remittances all particularly affected by gathering bans. There have been notable decreases in this sector in South Asian nations that rely significantly on remittances as a source of household income and foreign cash (Agosin, 2023; Rajan, 2023). In Nepal, for example, remittances account for 27% of the GDP, while in India, the figure was US$ 83 billion in 2019. Other countries in the region also rely on remittances, with Sri Lanka at 8.2% of GDP, Pakistan at 7.9%, Bangladesh at 5.8%, and Afghanistan at 4.6% (Rajan, 2023). Early forecasts indicate that remittance inflows to South Asia will experience a sharp decline in 2020, with India, Pakistan, and Bangladesh each expected to see a 23% drop in remittances compared to 2019 levels and Nepal facing a 14% decline. Overall, the region's remittance flow could drop from US$ 140 billion in 2019 to US$ 135 billion in 2020, with further projections indicating a fall to US$ 120 billion in 2021 (Bhatta et al., 2023; ESCAP, 2023). The key details on the impact of migration and remittances in South Asia are provided in Table 3.

Table 3 - Key details on the impact of migration and remittances in South Asian

Country	**Key Details**	**Sources**
India	India, the largest global recipient of remittances (US$ 83 billion in 2019), saw an estimated 23% decline in remittance inflows in 2020 due to job losses abroad and restrictions on remittance services.	(Abbas et al., 2024; Irudaya Rajan & Arcand, 2023)
Bangladesh	The remittance-GDP ratio is 5.8% (2019). The pandemic reduced remittance flows and impacted families reliant on these funds. Many Bangladeshi migrants faced job losses abroad, particularly in the Middle East.	(Abbas et al., 2024; Chowdhury & Chakraborty, 2021)
Bhutan	While Bhutan has a smaller reliance on remittances compared to other countries, the decline affected families' dependent on income from relatives abroad, primarily in India.	(Abbas et al., 2024)

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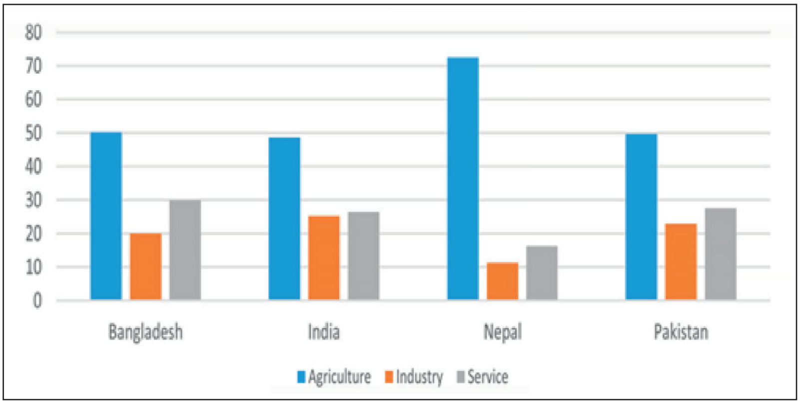
Country	Key Details	Sources
Sri Lanka	Remittances contributed 8.2% of GDP in 2019. The pandemic resulted in a 23% anticipated drop in remittance flows, impacting households that depend on these funds as a main source of income.	(Abbas et al., 2024)
Maldives	Maldives has fewer migrant workers sending remittances home, but the tourism-based economy's downturn indirectly affected local employment and internal remittances, limiting household incomes.	(Abbas et al., 2024)
Nepal	Remittances comprised 27% of GDP in 2019, and Nepal was heavily impacted by the pandemic, as many Nepalese workers abroad lost their jobs. Remittances were expected to drop by 14%, affecting numerous households.	(Abbas et al., 2024)
Pakistan	Remittances accounted for 7.9% of GDP in 2019. Pakistan experienced an estimated 23% decline in remittance inflows, hitting low-income families reliant on funds from the Middle East and other regions hard.	(Abbas et al., 2024; Riaz & Zaidi, 2023)
Afghanistan	Afghanistan's remittance inflows, contributing about 4.6% to GDP in 2019, declined as many Afghan migrants, primarily in Iran and Pakistan, faced unemployment and travel restrictions, affecting household incomes.	(Abbas et al., 2024)

2.3 Shrinking Employment Opportunities in the Informal Sector and MSMEs

In South Asia, a significant portion of the workforce is involved in self-employment, agriculture, or related sectors, with services and industry also playing key roles in employment. Among these micro small and medium enterprises (MSMEs) alongside the informal sector are major employers, providing jobs for a large segment of the population (Figure 1). For instance, 60 million people are employed by India's 36 million MSMEs, which also provide a significant economic contribution to the nation (Nanda & Kumar, 2023; Shetty & Bhat, 2022). Similar to this, MSMEs in Nepal create more than two million jobs and account for roughly 22% of the nation's GDP. (Shetty & Bhat, 2022). In other South Asian countries, MSMEs are vital sources of employment, income, export growth, and foreign exchange earnings (Delardas et al., 2022). These sectors are crucial not only for local economies but also for providing livelihood opportunities for a large proportion of the population. For instance, over a million informal workers in Nepal lost their jobs, and many are now dependent on government assistance (Adhikari et al., 2023; Jamal & Ashraf, 2024).

Figure 1 - Informal employment in South Asia in agriculture, industry and service sectors. Source: ILO, 2018.



2.4 Challenges in Social Security Access

Public health expenditure across South Asian nations remains well below the global average, as indicated in Table 4. When looking at public health spending as a percentage of GDP, the Maldives stands out with the highest allocation at 5.2%, while Bangladesh allocates only 0.47% of its GDP to healthcare. This disparity in healthcare funding has led to significant challenges in meeting the growing demands for medical services. Furthermore, the availability of social security coverage for workers is minimal in most South Asian countries, with only Bhutan (14%), Sri Lanka (24%), and India (10%) showing a relatively higher percentage of the workforce covered. In stark contrast, less than 4% of workers in many other countries in the region benefit from any form of social security (Jadoon et al., 2024; Khan et al., 2022).

Table 4 - Social Security coverage and basic healthcare services in South Asian nations

States	Public health exp (% GDP)	Basic sanitation services	Employment with social security	Employment without social security	Potential job losses (millions)
1. India	0.91	50.48	10.3	89.7	112.8
2. Bangladesh	0.47	43.78	2.5	97.5	
3. Bhutan	2.49	65.67	14.00	86.0	
4. Sri Lanka	1.62	93.41	2.4.1	75.9	0.92
5. Maldives	5.21	96.2			
6. Nepal	1.00	51.28	3.4	96.6	2 27
7. Pakistan	0.72	54.45	3.9	96.1	11.71
8. Afghanistan	0.49	38.75	3.7	96.3	12.37
World	5.8	69.94	41.3	58.7	

Sources: ESCAP, 2020.

The average Global Health Security (GHS) index ratings for South Asian countries are shown in Table 5. India and Bhutan, who have slightly stronger health security frameworks, surpass this criterion with a global average score of 40.2, but Pakistan, Nepal, Bangladesh, the Maldives, and Afghanistan have scores below the global average.

Table 5 - South Asian countries' rankings and scores for health security

States	Public health exp (% GDP)	Basic sanitation services
1. India	0.91	50.48
2. Bangladesh	0.47	43.78
3. Bhutan	2.49	65.67
4. Sri Lanka	1.62	93.41
5. Maldives	5.21	96.2
6. Nepal	1.00	51.28
7. Pakistan	0.72	54.45
8. Afghanistan	0.49	38.75
World	5.8	69.94

Sources: ESCAP, 2020.

2.5 COVID-19's Effect on Tourism and Travel

The COVID-19 pandemic has severely impacted several key sectors in South Asia, including tourism, hospitality, manufacturing, construction, agriculture, and transport (ESCAP, 2021). Among these, the travel and tourism industry has been particularly hard hit, because it significantly boosted national economies around the region in 2018 by generating almost 50 million employment (Table 3). For instance, the tourism and travel industry supported over a million jobs and contributed over 8% of the GDP in Nepal, around 43 million people were employed in India, and it accounted for over 9% of the GDP in Pakistan (Table 6).

Table 6 - The travel and tourism sector's economic impact and employment in South Asia

Country	GDP (%)	Number of jobs in T&T (in Thousand)	Total employment, most recent year (56)	Growth (2018 or latest year)
1. Bangladesh	4.8	2,500	4.1	12.0
2. India	9.5	44,000	8.3	6.9
3. Maldives	65.0	75	33.0	8.5
4. Nepal	8.0	1,100	6.9	3.8
5. Pakistan	7.5	4,000	6.5	7.1
6. Sri Lanka	13.0	1,050	12.3	12.8

Source: World Bank (2020a).

2.6 Challenges Facing Agriculture and Rural Economies Amid COVID-19

The COVID-19 pandemic has severely impacted agricultural value chains and the livelihoods of rural populations reliant on agriculture, particularly in South Asia (Behera et al., 2024; Boughton et al., 2021). In this region, a significant portion of the rural workforce is engaged in agriculture, with over half of the labor force dependent on the sector. The labour-intensive nature of agriculture makes rural economies highly vulnerable to disruptions such as the pandemic, which has triggered widespread lockdowns, movement restrictions, and the shutting of cross-border trade (Priyadarshini & Abhilash, 2021; Tamasiga et al., 2023). The effects of COVID-19 extend far beyond the farm, affecting every aspect of the agricultural system, encompassing manufacturing, shipping, advertising, distribution, and consumption (Parajuli et al., 2023). The fear of food shortages led some grain-exporting nations to temporarily halt exports, which not only disrupted global trade but also undermined confidence in international food markets, heightening food insecurity (Rasul, 2021).

2.7 Food Security and Agricultural Vulnerabilities during the COVID-19 Pandemic

While the impact of COVID-19 on agriculture in developed nations has been comparatively less severe, the situation in South Asia is markedly different, largely due to the region's low levels of mechanization and the labor-intensive nature of agriculture. Agriculture and related sectors are the primary sources of livelihood for a significant portion of South Asia's rural population, with nearly half of the workforce engaged in these activities (Karim et al., 2022). Although the social distancing measures and lockdowns implemented to curb the spread of COVID-19 are crucial for public health, they have significantly disrupted agricultural operations (Khan et al., 2022).

The fact that the pandemic struck around crucial planting and harvesting times for important crops including wheat, paddy, fruits, and vegetables makes the effects of COVID-19 on South Asian agriculture much more severe. For example, the transportation prohibition in Bangladesh prevented farmers from delivering produced watermelon to markets, resulting in large financial losses (Hossain et al., 2020; Islam & Walkerden, 2022). The Food and Agriculture Organization reported that restrictions severely hindered Bangladesh's ability to export tropical fruits, further compounding economic challenges (Murshed et al., 2023). Furthermore, the pandemic has also interrupted food transportation and the agricultural supply chain throughout South Asia (Quilty, 2023). For example, wheat prices in India fell sharply due to the inability to transport the harvest to markets (Hamid & Bano, 2023; Islam & Walkerden, 2022).

2.8 Societal and Cultural Effects of the Pandemic

The lockdowns imposed during the COVID-19 pandemic have profoundly affected social relationships and interactions, exposing entrenched social norms and systemic exclusions globally, including in South Asia. Sudden job losses and economic instability have led to a rise in mental health issues such as depression, substance abuse, alcoholism, and, tragically, suicides in several cases (Madziva & Chinouya, 2023). Marginalized and disadvantaged groups bear the brunt of these impacts disproportionately (Davidson et al., 2021; Rathore et al., 2022). Thousands of migratory workers, stranded at national and intercontinental borders, have shared their frustration and feelings of abandonment through social media and news reports (Rathore et al., 2022) (Davidson et al., 2021).

3. Social Risks and Emerging Vulnerabilities in the Wake of the Pandemic

Social protection systems in South Asia are notably underdeveloped, leaving vulnerable populations to face the unprecedented challenges of the COVID-19 pandemic with minimal support. A substantial portion of the region's workforce is engaged in informal daily wage labor, making them particularly susceptible to the economic shocks triggered by the pandemic. The collapse of key economic activities such as tourism, a sharp decline in internal and external migration, and the resulting drop in remittances have significantly impacted poor households and communities. Urban areas have witnessed a noticeable contraction in informal employment, forcing large numbers of internal migrant workers to return to their rural homes. Similarly, international migrant workers are returning to their countries of origin, further exacerbating economic pressures on their families

The economic fallout from COVID-19 extends beyond job and income losses. A decline in aggregate demand, coupled with behavioral changes such as reduced travel and tourism, has led to decreased demand for various goods and services. This situation has intensified the financial strain on households, particularly those dependent on remittances, pushing many into debt or forcing them to sell productive assets. Poor households face severe constraints in investing in essential areas like education and nutrition, with potentially devastating long-term consequences for children's development and regional poverty levels. These challenges are expected to deepen existing inequalities and vulnerabilities, significantly hindering social and economic progress in South Asia (Panda, 2023).

4. Future Prospects

The COVID-19 pandemic's ongoing difficulties offer a once-in-a-lifetime chance to capitalize on its disruptive effects and related recovery strategies to hasten the shift to more resilient and sustainable civilizations (Delardas et al., 2022). By integrating short-range recovery measures with long-term sustainability goals, policymakers can create strategies that simultaneously address immediate economic challenges and foster enduring socio-economic resilience. For instance, investments in natural capital can enhance the region's productivity and resilience over the long term while generating immediate economic benefits. Such an approach demands comprehensive strategic thinking to ensure that short-term interventions yield lasting advantages, particularly in environmental and social domains.

Careful planning and execution are essential to link short-term recovery initiatives with sustainable socio-economic growth. Measures such as "food-for-work" programs can serve dual purposes: alleviating vulnerabilities impoverished households face and contributing to the construction and maintenance of vital infrastructure, such as roads, irrigation systems, and watershed management projects. These initiatives not only report immediate livelihood challenges but also build assets that benefit society as a whole. Similarly, embedding energy efficiency requirements in construction projects, alongside economic support for building companies, can restore jobs in the short term while simultaneously reducing carbon footprints and enhancing climate resilience in the long term (Behera et al., 2024).

4.1 Innovating Together: Civil and Corporate Solutions

To guarantee that food reaches markets in spite of limitations, consumer-led organizations have partnered with Farmer Producer Organizations on social media sites like Facebook, WhatsApp, and Twitter (Alder & Dinnen, 2022). In several instances, farmers utilized WhatsApp to consolidate orders and deliver produce directly to housing organizations in nearby urban areas (Butler, 2022). For example, Swiggy, an Indian food delivery app, has supported over 40,000 restaurant partners with initiatives like the "jumpstart package" to revive sales and the Swiggy Capital Assist Program to help restaurants implement hygiene upgrades (Szász et al., 2022).

The pandemic has also reshaped energy dynamics globally, with demand and prices dropping sharply due to containment measures. For South Asian nations, many of which are net energy importers, falling oil prices present significant economic benefits. For instance, India, as the fourth-largest global oil consumer, stands to cut its current account deficit by nearly 0.5% of GDP with a $10 reduction in crude oil prices (Akudugu et al., 2023; Ali et al., 2023). In Pakistan, the government has slashed oil prices by Rs. 20 per liter (Soomro et al., 2024), a move likely to lower production costs across manufacturing, transportation, and agriculture sectors. The health sector also emerges as a critical area for growth. The pandemic has heightened public awareness of health issues, encouraging governments to prioritize investments in healthcare infrastructure. This shift is expected to drive demand for medical goods, nutritional products, and health-related services. Concurrently, expanding internet-based services has created opportunities in online shopping, remote education, telemedicine, and work-from-home setups.

5. Collaborative Responses from Government and Civil Society

In reaction to the COVID-19 emergency, South Asian governments acted swiftly, implementing various policy measures to limit the virus's spread, support vulnerable populations, and stimulate key economic sectors. The following sections summarize the key economic actions taken by these countries.

5.1 Initiatives to Aid Vulnerable Groups

Government responses primarily focused on controlling the pandemic, enhancing healthcare system capacity, and providing emergency public interventions to bolster medical infrastructure. This included financial aid for medical testing and treatment, alongside support for expanding hospital resources. Governments also prioritized strengthening social protection programs, which included cash transfers, asset support, and food aid for marginalized groups. For example, Afghanistan allocated US$ 15 million to combat the virus, while Bangladesh committed US$ 29 million to its preparedness and response efforts. In India, the government introduced a massive relief package of US$ 22.6 billion aimed at supplying critical food, healthcare, and cash assistance to the poor and elderly. Pakistan launched a US$ 7 billion relief initiative to provide aid over the next three months. Similarly, NGOs, civil society organizations, and the private sector, along with religious groups, played a critical role in delivering food and essentials to those in need.

5.2 Addressing Immediate Economic Pressures

In addition to providing direct support to vulnerable groups, South Asian governments rolled out fiscal and monetary policies aimed at alleviating temporary economic hardship and ensuring liquidness within the financial system. These measures included concessional loans to key sectors, tax relief, and extended deadlines for loan payments, allowing businesses and individuals more flexibility to manage their financial obligations. For example, the Reserve Bank of India introduced a plan equivalent to 1.8% of the country's GDP to boost liquidity in the financial sector. In some states, such as Kerala, additional state-specific measures were enacted, including a US$ 2.6 billion recovery package to sustain economic activities and provide direct assistance to impoverished households (World Bank, 2020a). US$600 million for SMEs and tax breaks for the export industry were part of a large stimulus package in Pakistan (World Bank, 2020a). A US$588 million pay assistance plan was also put into place in Bangladesh to help sustain jobs in the export and apparel sectors.

5.3 Strategies for Economic Recovery and Renewal

As part of the recovery phase, each country took a tailored approach to reopen economies and provide financial backing to priority sectors gradually. India, for instance, adopted a zonal approach, easing lockdown restrictions in areas with low or no COVID-19 cases while maintaining strict measures in regions experiencing high transmission rates. In Assam, a task force was created to design approaches to revive the local economy. India's central bank also introduced measures to surge liquidity, targeting industries such as pharmaceuticals, construction, and tourism.

Bangladesh provided 50–70% subsidies to farmers purchasing harvesters to address labour shortages during the paddy harvest. Additionally, during the recovery phase, Bhutan, Myanmar, and Nepal governments implemented plans to assist SMEs (ESCAP, 2022).

6. Conclusion and Policy Recommendations

The COVID-19 pandemic has profoundly impacted South Asia's socio-economic fabric and livelihoods, with its effects continuing to unfold unpredictably. The ongoing nature of the pandemic necessitates urgent, decisive measures to safeguard lives, protect livelihoods, and rebuild economies. This crisis has imposed significant costs on public health and financial activities, disproportionately affecting the most vulnerable and impoverished communities. To address these challenges, this study outlines key measures to assist those most affected. Given the limited social security systems in many South Asian nations, governments must prioritize providing social safety nets for their most vulnerable populations, particularly those reliant on informal employment.

6.1 Strategic Economic Recovery Plans

Governments should develop adaptive strategies to revive their economies while minimizing blanket lockdowns that disrupt local economic activities. For example, India's zoning strategy, which adjusts restrictions based on infection rates, offers a model that balances virus containment with economic continuity. However, these approaches require detailed operational guidelines and robust protocols to mitigate the risk of resurgence, as evidenced by recurring outbreaks in other regions like the United States and Europe. Extensive public awareness campaigns through media can further educate citizens on health precautions, mental well-being, and self-care (Alder & Dinnen, 2022).

6.2 Roadmaps for Revitalization

Governments must design comprehensive recovery roadmaps tailored to the needs of vulnerable groups at national and sub-national levels. Immediate priorities should focus on handling the well-being crisis, ensuring food security, creating short-term jobs, and providing financial support to those in need. Medium-term efforts should aim at stimulating economic activity through targeted fiscal interventions. At the same time, long-term strategies should emphasize sustainable growth and poverty alleviation by fostering innovation, environmental stewardship, and equitable economic reforms.

6.3 Integrated Fiscal, Monetary, and Development Policies

Coordinated fiscal and monetary policies are critical to amplifying their collective impact on economic recovery. While short-term interventions should address pandemic-related disruptions and restore employment, long-term investments should focus on enhancing productivity and resilience. Priorities include building human, social, and natural capital through investments in health, education, technological innovation, and green infrastructure. For instance, renewable energy projects can simultaneously improve, reduce health risks, and combat climate change, ensuring lasting benefits for future generations.

6.4 Enhanced Social Protection Measures

Expanding social protection programs is essential to shield vulnerable populations, including migrant workers, from income loss and poverty. Short-term creativities should address instant needs, while long-term strategies should focus on reducing environmental risks and building resilience against climate change. Strengthening natural capital—such as water resources, forests, and ecosystems—can enhance productivity, mitigate future socio-economic shocks, and foster sustainable development. Investments in green infrastructure, such as renewable energy support long-term recovery and climate goals.

6.5 Targeted Job Creation and Economic Inclusion

Policymakers should prioritize job creation in sectors where low-skilled and marginalized workers can participate meaningfully. Efforts must balance addressing immediate employment needs with building long-term resilience. Strategic investments should reinforce poverty alleviation programs while promoting economic recovery. By integrating sustainability into these initiatives, governments can ensure that recovery efforts address current challenges and contribute to broader equity, resilience, and sustainable growth.

6.7 Foster Regional Collaboration:

South Asian nations should strengthen regional partnerships to ensure the swift and efficient movement of critical goods and services across borders. This includes essential items such as medicines, medical equipment, food supplies, and other necessities. A unified regional approach is vital for effectively tackling the challenges posed by the pandemic and achieving a sustainable and robust economic recovery. ■

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The role and impact of leadership in crisis management: a definition of leadership and executive concepts in crisis management

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Born in Iran, Dr. Azar Alaie has carved an impressive niche in the realm of international leadership and organizational management. She holds a PhD in International Leadership from Horizons University, where her groundbreaking thesis explored the intricate relationship between crises and trust in leadership within organizations. In addition to her doctoral achievement, Dr. Alaie possesses two master degrees—one in Innovation Management and the other in Business Administration (MBA). Her academic prowess is complemented by extensive experience in international companies, where she has honed her skills in negotiation and strategic leadership. With a commitment to advancing the field of leadership, her insights and expertise continue to influence organizations navigating the complexities of today's global landscape.

Abstract: *In today's fast-paced business world, the crisis is an unavoidable fact. Rapid organizational change, changing economic conditions, personnel problems, unexpected technological changes and political effects have caused instability in today's business world. It seems, this instability is out of the government's control as an economic disturbance caused by the crisis. Crisis on our country and on every country all over the world, it will not only affect the unemployed but also affect the working people who are in a crisis and they are worry about losing their jobs. It seems economic uncertainty has an effect on the shares of companies. However, the environment is also one of the factors that affect the creation of crisis. If the crisis is not under control or not managed properly, a crisis chain will be created. Due to the increase in chaos, the change from autocratic leadership to teamwork and collaborative management mentality has been investigated and observed. Business is becoming more complex day by day. These changes have turned the traditional crisis management into a leadership model and have caused the analysis of different scenarios and working in harmony with a team and by gathering different perspectives to create a favourable solution. Leadership and concepts in the field of crisis have been discussed in order to implement the leadership approach in solving the crisis. Crisis leadership is an optimal and timely method in the field of evaluating adverse environmental effects caused by various reasons. In the first part of this article, which provides extensive reports, general information about the concept of leadership has been reviewed from the general principles of quality management to the comparison of leader and executive concepts. In the second part, leadership in crisis management will be examined and in the last part, the importance of the executive director in crisis management and the role of reports will be examined.*

Keywords: *leadership, crisis management, total quality management, executive concepts.*

Introduction

Today's remarkable developments in the field of information, communication, and transportation technologies have almost eliminated the distances. Products and services produced in different parts of the world are immediately offered to consumers. Organizations compete with each other in the field of providing better, cheaper, and faster services to their customers to keep their customers. The developments observed in the whole world are accepted as Japanese realities like the miracles of the Japanese, although different names have been given to them. Total quality management is also a management style for competition. This is a business approach that aims to fulfil the current and future expectations of customers in a comprehensive and complete economic way. The form that improves all work according to the expectations of all employees (Tancharchi, 1994).

Comprehensive quality, which today emphasizes the completion of the process, can be defined as follows; Comprehensive quality is an approach that focuses on processes instead of organizational functions and functions or results. It is the basis of management decisions in the field of information and data analysis that is collected appropriately and are generally related to organizational materials and human resources (Tancharchi, 1994).

Comprehensive Quality and Leadership

It is generally accepted that leadership plays an important role in the success of total quality management. It is necessary to briefly address the changes and improvements in an organization.

For example, to study organizational models in order to discuss and examine the performance of leadership in the way of total quality management. It was a mechanical model that considered the organization as a machine. Workers were considered part of this machine. The biological model was presented after the mechanical model (Lee, 1995). The biological model also considered the organization as a mechanism. There was a mastermind that belonged to senior management. The social model also considered the organization as a community. Every person in the community should have an idea and a goal. Management also tries to ensure that, there is an interaction between people to achieve common goals. Although the concept of the social model was initially presented in the United States, its first successful application was experienced in Japan through total quality management (Lee, 1995).

In other words, participation in the social model is significant because it is everyone's responsibility:

- To design and run an interactive organization
- To approve people
- To create an ever-learning organization
- Downward trend
- A strategy is defined during certain stages

Every organization should create information from its past achievements and experiences and use this information to create a better future. Managers have an important role in using this information. In the modern world, where there is very high competition, the average manager does not exist and organizations need distinctive and successful leaders (Lee, 1995). The important role of the senior manager in the transition to comprehensive quality management is to remind the times that quality can be achieved by the efforts of each person from low to high levels. Quality means obtaining significant results in the long term, they are guided by the senior manager at every stage. The senior manager is a model and creates an educational arena, organizes, supports, and improves the quality of the groups (Kovanci, 1995). Managers do not create conflicts in their work in order to create a positive impact on their subordinates. The change of attitude in quality is reflected in all people from senior managers to lower management levels. The important point here is to provide messages to senior management and lower-level managers without specific action and ensure that middle managers and lower- level managers have accepted the intended message (Kovanci, 1995). The following steps are used in a hierarchical structure for efficient and effective use of total quality management in an organization:

- To decide on the application of total quality management
- To define the objective of total quality management
- To create a vision for total quality management
- To identify the comprehensive quality management policy (Ardic, 1997).

The Concept and Purpose of Crisis Management

Crisis management is the set of manager's actions, who using power when problems arise, for example, lack of raw materials, defective production, lack of quality, marketing, etc. In other words, crisis management requires systematic decision-making and the establishment of a team to implement these decisions and the ability to make new decision to achieve practical results as soon as possible (Cafouglu, 1996). On the other hand, Mitrov defined crisis management as a set of internal links and crisis monitoring that may be for the main process, workers, managers, and the external environment of the organization. Crisis management is a set of specific processes that attempt to anticipate events that may significantly disrupt future relationships, as well as a process in which managers try to achieve their goals with a reasonable cost considering the existing risks (Cafoglu, 1996). Accordingly, it is necessary to identify the problem when facing the crisis and the problems in the context of the planned goal framework. At the same time, operational opportunities are also identified. the usefulness of the decision is also checked and the implementation stages of the problem- solving process are monitored (Baum et al., 2021). Crisis management can be defined as a process in which crisis indicators are determined and evaluated in order to identify the risk of a potential crisis and the necessary measures are taken in this direction in order to minimize critical situation losses is applied to the situation. In this way, crisis management requires quick and effective decision-making and immediate correction of deviations. In the process of crisis management, it is very necessary for the organization to act quickly and effectively against existing threats that lead to damage to organizational activities (Cafoglu, 1996).

The goals of crisis management can be stated as follows:

- Identifying types of crises that may affect quick and effective decision-making and immediate correction of deviations.
- Empowering managers to identify and evaluate a crisis.
- Provide managers with different techniques to escape the crisis.

• To provide managers with the necessary conditions to manage the crisis in the best possible way. (Cafoglu, 1996).

Definition of Crisis Leadership

Groups create leaders. Leadership does not reflect the personality, but it reflects the relationship between group members. In this regard, the leader has a function like a postman and a policeman and is responsible for solving problems and directing organizational functions. It is the personal characteristics that make a person a leader. Intelligence, strong character, and insight are very important to become a leader. Giving power to a person is not enough to make him a leader. A leader should not only have power, but also the ability to use that power (Asna, 1994). Being a leader does not mean being a manager, in times of crisis an organization needs a leader more than a manager. Although the manager emphasizes the continuation of the current situation, the leader focuses on creativity, coordination, and agility. The manager is looking for the net profit at the end of the period, but the leader is looking for the intellectual horizon. While the manager focuses on systems, supervision, processes, policies, and structure, the leader emphasizes reliability and human relations (Shelton, 1997).

The leader is one of the success criteria in crisis management. As a leader, a person should be able to unite people with each other, should be able to draw a road map, and create differences. Having good behaviour and delivering the message are two prerequisites of leadership. Leadership paints the picture of the future with knowledge and intellectual experiences. This is the view of the leaders. Leaders follow messages and people around and follow them (Tutar, 2004). Real leaders show themselves in critical situations. New conditions and rules are also valid in critical mode. In other words, true leaders have their solutions in mind and they are optimistic. Energy also affects others because critical situations arise when people want to change and make a difference. Normal solutions are not valid in critical situations. True leaders change the status quo and certainly make a difference. Although leadership is not a duty, it is an inevitable responsibility. Another important point about crisis management is success factors. Performance is not a necessity, but it reflects leadership qualities (Kadibesegil, 2008). Leaders distinguish between decision- makers and doers of organizational activities. They think that the main threat in the organization is not the intellectual capacities of people, but the confinement of these capacities. Leaders who are qualified to lead crises understand the value of self-care, independent thinking, and initiative. They dislike bureaucracy and balance work and personal life. Leaders believe that when operators achieve their goals, organizations can also achieve their goals. Leadership is not a duty but an inevitable responsibility. Another important point about crisis management is success factors (Kadibesegil, 2008). Managers become leaders if they are courageous and able to manage risk in extraordinary circumstances. A leader can enable people to step up in the face of danger and make an extraordinary offer when ordinary people have no alternative (Tutar, 2004). A leader is born when there is a need to manage a crisis. The leader emerges in these moments and shows a clear path, creates resources and guides, makes decisions, and starts to act (Gultekin, 2002). During critical situations, people need power, Self-confidence and leaders are available (Luecke, 2008) In this situation, the internal communication in the organization is weakened and the top of the organization is broken. It is necessary to fight the crisis and also motivate the employees to fight the crisis in this situation. Leaders must overcome critical situations, especially when there is chaos in the organization. He rebuilds the organization and manages the changing environmental conditions. Therefore, we can conclude that a leader plays an important role in crisis management. Therefore, it is very necessary to study the leader's characteristics in crisis management. The conditions of leader managers about crisis management can be specified as follows (Cener, 2007):

- Ability to receive crisis signals
- Preparation and protection against crisis.
- Effective decision making during the crisis management process.

- Ability to use power during the crisis management process
- Ability to plan the crisis management process.
- Ability to organize the crisis management process.
- Ability to ensure communication throughout the crisis management process.
- Ability to ensure coordination in the crisis management process.
- Ability to monitor the crisis management process.
- Ability to change status to normal.
- Ability to learn and evaluate during the crisis management process

Leader Management in Crisis Management

Crisis management is a general activity that is done in a planned, systematic, and logical manner in order to eliminate the crisis situation. He makes the decision-making process to be done step by step and forms a team to apply these decisions and make new decisions based on the results of the action. In general, three types of process management are used to overcome the crisis of organizations. Management before the crisis, management during the crisis, and management after the crisis. In the pre-crisis process, the goals of management are to understand the crisis indicators and turn the situation into an achievement. Crisis management, which is a type of management during a crisis, is a stage in which the potential crisis situation is predicted and necessary precautions are taken to prevent the crisis.

When a critical state ends, the post-crisis process begins. At this stage, leaders must find appropriate solutions that are compatible with changes and bring new dimensions to activities and strategies (Bayazit et al., 2003). The important point in crisis management is not to try to find a way out of the crisis or to solve the crisis, but to prevent the crisis from occurring for the organization (Guzzo, 2021). One of the main features of modern management policy is to anticipate any potential problems and prevent crises. In addition, it is very important that we must accept that management actions in times of crisis are caused by reasons of unpredictable and external nature, political, economic, technical, and environmental, which cause the application of these precautionary measures successfully (Peker et al., 2000). Balsi (1995) stated that the components of crisis management are the following items; Formation of the crisis management team, cooperation with professional consultants, creating a crisis management plan, having knowledge about labour laws, using of guidance and advice, perform supervisory measures.

The easiest way to overcome the crisis is to try to solve the problem by doing teamwork with the managers. Therefore, team crisis management should be applied in every organization. Team crisis management should not be done by force and pressure and should be done by experts in the field of crisis. This work of teams in the context of discussing the potential risks of the organization may also include how to deal with them (Murat et al., 2005). Teamwork creates a tendency among employees that makes them cooperate more with each other during economic crises (Basaran, 1988). The strategies needed in crisis management are also identified by the crisis management team. This team includes people who are experts in dealing with the risks caused by the crisis. It is necessary to have an emergency study centre as well as a super crisis control centre in order to manage the team from a single centre (Mcnulty et al., 2019). Critical environments require immediate decisions and the implementation of these decisions.

As a result, crisis management requires leaders with a special perspective and insight. In the modern world, leader management involves having a vision for the future, identifying the true vision and future goals of the organization, and motivating people to realize these goals. Progressive leaders are those who are able to assess the potential of their employees and convince them that they can be better than they are (Sisman et al., 2002). Therefore, leaders are those who understand the crisis indicators and guide their employees accordingly. An important responsibility in crisis management is based on the fact that some managers can adhere to the rules. As they tend to follow all their actions according to the rules, they cannot make quick decisions in unexpected situations. These things also affect the management of the organization (Aykac, 2001).

As a result, leader managers must be able to make immediate decisions at the appropriate time. According to Kahn's comments in 2002, crisis management is a process in which an organization seeks to adopt and apply necessary precautions to overcome a crisis situation and minimize losses. This process has 5 steps: Understanding the crisis signals, as the signals indicate the existence and severity of the future crisis, managers should respond to these signals. To be sensitive to crisis preparedness and protection of the organization, the organization must understand these signals by using warning systems and preparation have the necessary and take the necessary precautions against the crisis (Akdemir, 1997). Under control of the crisis, with early warning, protective mechanisms may work more effectively in some cases, although it is not possible to completely overcome the crisis. Therefore, the data collected in the first two stages are used to monitor the crisis process. Change to the normal state, it is necessary for the organization to rebuild after the crisis and take control of the crisis and overcome it (Post et al., 2019). Training and evaluation stage; Including the review stage of decisions and precautionary measures and actions taken during crisis and learning from the crisis situation (Baum et al., 2021).

According to Packer and Ayturk (2000), planning for immediate action in the crisis phase should be provided for crisis management. Crisis management centres and crisis teams should be formed. The crisis communication system should also be established and the trust and support of people should be guaranteed. The most authoritarian type of management should not be included in crisis management, in other words, disciplinary measures should be applied and carried out, successful employees should be rewarded and society should be encouraged. Finally, the crisis management process should be well evaluated. In summary, in order to successfully overcome crises, leaders must be knowledgeable and skilled. Because if any organization is not managed well during the crisis period, it will be inevitable to create new problems (Ramazan Tabar, 2019).

Conclusion

A crisis is an unpredictable situation that disrupts the normal operations of the organization and requires immediate action. As the crisis situation cannot be predicted in advance and disrupts the natural processes, there is a need to provide an effective crisis management plan and correct management skills. A crisis management plan can minimize the potential damage of a crisis and ensure preparedness against a crisis. Just as it is a wrong approach to see the crisis as the fate of the organization, it is also wrong not to take precautionary measures and not to provide an operational plan to deal with the crisis with the assumption that the organization will never face a crisis. If organizations are on the way to achieving their goals, they must identify potential crisis stages and provide the necessary infrastructure and operational strategies and processes. Crisis situations strengthen the motivation and power of mutual trust. This is a common facet that must be created by leaders at regular times. A crisis enables a leader to implement his decisions in the best way and ensure the achievement of predetermined goals. Typically, leaders negotiate big problems over long periods of time with other people in order to achieve common goals and points. As the leader is not allowed to make optimistic decisions or decisions based on negative data. Collected data should be carefully approached and combined, calmness should be maintained and any attitude that may lead to wrong information should be avoided. As all types of total quality management cannot be used as a common cure for all problems. These works should be done in accordance with the organization's structure and logical measures and ensure that the expectations are met. These activities can achieve policies in the field of quality, satisfaction, and living system. ■

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The future of the UK as a hub for FinTech

Elisa Weizman

Dr. Elisa Weisman was born in Germany in 1982. Having lived in several European countries, the United States and the PRC, she developed an interest in international management, driven by first-hand experience with those diverse business environments. With a decade of management experience to include positions as director of sales and director of business development, as well as founder in the FinTech industry, she developed a passion in the success factors for FinTechs across European markets. She earned her DBA from Horizons University in Paris, where her thesis explored how the UK, then the largest FinTech market in the EU, was and will be affected by the impact of Brexit. During her studies, she transitioned from a career in the tech industry to a role as professor for management, where her passion for teaching and mentorship allows her to bring her management skills, as well as her research experience, into an academic context.

Abstract: *The future of the UK as a hub for FinTech*

The United Kingdom (UK) with London as its capital has been a hub for FinTech and FinTech innovation since the end of the 20th century, when First Direct started its online business in 1995. The FinTech industry in London has been thriving ever since. Access to capital, a favorable regulatory environment created by the FCA, access to one of the best educated pool of talent, and the UK's membership in the European Union (EU) allowed FinTechs to take advantage of passporting and operating across the single market. London became Europe's Fintech hub and thus led FinTech innovation among EU countries. However, the departure of the UK from the European Union, or Brexit, brings a possible disruption to the UK FinTech industry. Loss of access to the single market may jeopardize the UK FinTech industry's two-plus decade lead position.

The research explores the potential impacts of Brexit on the UK as a place of business for FinTechs going forward and investigates possible alternative hubs within the EU that might see an increase in hosting FinTechs after Brexit.

The qualitative research has been based on a case study and in-depth interviews which enabled the researcher to collect data to answer the research questions. The interviewees were professionals working in the UK FinTech industry at the time of the interview , or have comprehensive knowledge of the market. The research results imply that even though Brexit will have far-reaching consequences for the FinTech industry in the UK, London will ultimately be able to recover from this disruption and retain their standing and prominence not only within the EU, but also globally. Further research implies the marketplace London offers will be able to offset the less favorable regulatory environment post Brexit.

Introduction

Internet start-ups continue to emerge at a rapid rate and expand into additional business sectors, where they are able to spur innovation and thus increase their relative importance within those markets. One of the slowest moving industries, with a perceived lack of customer service, is the banking industry. As a result, an increasing number of start-ups within the financial world, referred to as FinTechs, are taking on the banking and financial system globally (PWC, 2016).

Similar to other types of start-ups, we see a development of global hubs for FinTech. Even though FinTechs are taking financial businesses online, the UK benefitted from a larger settlement of these new tech companies within their borders and has become a hub for FinTech innovation within the European Union (EU) and even globally.

Currently the UK is among the top three countries worldwide in hosting FinTechs, with London at the center of the rapid development. As of April 2019, FinTechs in the UK employed over 60,000 people and the industry was estimated at roughly 7 billion pounds (Basul, 2019). In fact, 25 of the 50 most successful FinTechs in Europe can currently be found in the UK (FinTechCity, 2019).

Compared to other financial centers in the EU competing for FinTech business, the UK has a unique ecosystem which provides capital, an international highly-educated talent pool, a favorable regulatory environment, and access to the single EU market through passporting.

Some of those advantages the UK presented to FinTechs as a place of business, such as the international talent pool and passporting, have been jeopardized by the 2016 UK vote to leave the political and economic European Union (EU), referred to more commonly as the 'British Exit' or simply 'Brexit' (Kimathi, 2020). In addition to the difficulties of withdrawing from several decades of membership in the EU, the industry has struggled with continuous uncertainty due to ongoing negotiations between the UK and the EU.

In November 2020, only weeks before the UK is scheduled to leave the EU, authorities are still negotiating possible exit scenarios and issues are far from being resolved. Initially, the road map leading up to Brexit intended to reach an agreement by July 2020 (Brundson & Stufford, 2020).

Evaluating the new market situation, many FinTechs are weighing their options and have taken action in order to prevent the blow to their business in case of an absence of regulatory agreements between the UK and the EU. However, according to Flinders (2019), a quarter of all FinTechs are not adequately prepared to face the Brexit challenge.

Literature review

Success factors for FinTech in the UK

The UK has been a financial center since the late 17th century, when the Bank of England was founded to fund British military operations in the Nine-Year War (Dsouza, 2019). After the Second World War, New York's economic importance rose, but while the US's hegemonic power focused on manufacturing, the British manufacturing industry declined and instead the country focused on the development of the financial system itself and their financial sector (Nesvetailova & Palan, 2010). As one of the main reasons for the country's successful modern banking system, Dsouza(?)credited the 'Big Bang,' referring to the start of the deregulation of the UK banking system in 1986 (*ibid*), removing fixed commissions for trading, allowing foreign companies to enter the UK trade market, and simultaneously moving to an electronic trading system.

This early adoption to a less restrictive and innovative financial regulatory system allowed the UK to become one of the global financial hubs, and gain momentum as the number one in Europe, and third worldwide, to flourish as a FinTech start-up hub (Haddad & Hornuf, 2019). Ernest and Young (2018) identified the favorable policy environment, a pool of talent capable of supporting and driving the ideas behind start-ups, close proximity of capital investment, and the access to the single EU market as the four drivers for FinTech innovation in the UK.

Compared to other regulatory bodies in other nations, the Financial Conduct Authority (FCA) has taken an active role in promoting financial start-ups in the UK, and also to assist young entrepreneurs. The FCA created a regulatory sandbox (Lee, 2016) which allows young entrepreneurs to prove their business model in a safe environment before seeking regulatory approval. This system, Lee explained further, does not only help to lower start-up failure rates, but allows the FCA the ability to constantly assess their regulations to renew and adapt them to provide a favorable market and requirements (*ibid*).

In addition to a favorable regulatory atmosphere, the access to talent is one of the most important aspects of a successful business venture (Beaverstock, 2012). And while the UK itself does not produce the amount of talent that is needed to sustain such a fast-growing FinTech industry, the country greatly benefits from free-flowing talent across EU borders, and from progressive immigration policies allowing talent to enter the country based on visas (Palmer, 2019). London's appeal as an international city of start-ups has become a recognized dream destination for many young professionals seeking the fast-paced start-up environment. Due to this perception, the UK has been able to attract and retain a highly-skilled labor force, which is essential to staying competitive globally (Hirschl & Shachar, 2013).

Outside of a favorable regulatory environment and arguably one of the most innovative and best educated pool of talent, the overpowering access to start-up capital compared to other locations has become a catalyst for the UK FinTech world. In addition to proximity to venture capital firms, crowdfunding, and private equity, UK FinTechs benefit from large-scale government grants and R&D tax-relief schemes, as well as the Seed Enterprise Investment Scheme (SEIS), which offers investors sizable tax reliefs for investing in start-ups (Gov.uk, 2020).

Lastly, UK FinTechs benefit from unlimited access to the single EU market. UK companies benefit from a looser regulatory system at home as well as passporting, which allows financial institutions registered within the European Economic Area (EEA) to do business in any other EEA country, without seeking additional authorization to access the EU financial market (Armour, 2017).

FinTechs in the UK also benefit from the simple economy scale in the country, according to CEO of the European Banking Federation Wim Mijs (Flinders, 2019). He asserts that London's efforts to become a breeding ground for successful FinTechs are partially based on the assumption that these FinTechs will have access automatically to a large number of potential customers.

Consequences for FinTechs after Brexit

Brexit has become the buzzword for the UK's 2016 referendum to leave the single European market (dictionarty.com, n.d.). And while the UK's policies have always yielded a deep skepticism towards a further integration into the economic and political union (Lee, 2016), Brexit will affect not only established FinTechs in the UK, but might also have an impact on future start-ups and their choice of location. At least two of the four aspects which accelerated the FinTech marketplace in the UK might be in jeopardy with the UK decision to leave the EU. As mentioned previously, UK FinTechs have benefitted greatly from passporting, which allowed them to operate under a looser, less-regulated monitoring system in the UK than other European nations, but offering their services through passporting within the single market (Armour, 2017). With the exit from the EU, UK FinTechs would automatically lose these passporting rights and consequently the ability to provide service to their EU customers outside the UK.

Due to the complexity of the Brexit negotiations which began in June of 2017, negotiators as of December 2020 have not addressed the structure of future relations between the single market and the UK, which would also include the financial regulatory agreements (Fahrholz & Hohlmeier, 2018).

The preferred option for the UK would be to reach an agreement on equivalence for financial services with the EU. Equivalence refers to an agreement between two states to recognize another state's regulations and requirements as equal, even if they are not actually the same within each country (Institute of Government, 2020). Brunsden and Stafford (2020) reported in November, less than two months before the final exit of the UK, that in an attempt to reach an agreement granting UK companies equivalence in the EU, the UK endorsed EU regulations and financial supervision granting EU financial services equivalence in the UK. The EU, however, has not made any announcements and is requesting further clarification from the UK on how the country plans to reach a level of divergence that is acceptable to the European bloc (Jones, 2020). What industry experts are worried about, however, is that the UK and the EU would agree on equivalence terms that are not in the best interests of both parties, and which would thus constantly be under threat. This would inevitably leave FinTechs without a reliable business model.

In addition to passporting and regulatory issues, Blumer and Quaglia (2018) discussed talent acquisition as one of the main issues financial institutions, especially FinTechs, will be concerned with after Brexit. Tougher entry restrictions, a shortage of UK tech talent, and obstacles for international recruiting will add to the challenge (Jones, 2019). But while many scholars and companies in the industry are raising the issue of a lack of home-grown talent, the UK government is starting to take protectionist actions against companies hiring foreign talent, instead of staying with the past approach of encouraging young start-ups to recruit the talent needed regardless of national origin (Lomas, 2019). This protectionist notion might impede FinTech development in the UK, as well as other start-ups, whose demand for tech-savvy employees often outpaces the UK's native supply. And while the UK has already announced a visa option allowing talent to enter the UK, the additional challenges involved in hiring talent from across Europe and the bureaucracy attached pose a challenge to young startups.

Fintech Investment during Brexit negotiations

Flinders (2019) reported that in the final days before Brexit, 27 billion pounds of investment capital had been put on hold due to uncertain Brexit negotiations. While this money was scheduled to be invested into different start-ups, 68% of the investment firms freezing payments were those scheduled to invest into FinTechs. The author explained that existing IT programs are expected to continue to receive funds in order to keep operations afloat, while many venture capitalists are currently holding money back for new investments. Further, PitchBook Data (2019) provided insights into investment developments within Europe over the past several years. Even though London & Partners (2019) argue that in 2018 London once again led the European investment table, a closer look at the investment development showed a drastic decrease from over 2.5 billion pounds to 1.8 billion between 2017 and 2018, indicating a decrease of VC (FinTech Global, 2019). In 2017, a year after the Brexit vote, 54% of all VC flowing into UK FinTechs came from outside the UK. The decrease between 2017 and 2018 might be explained by this increase in foreign investment (Mavadiya, 2018), which just represented a few high-profile deals.

Another explanation for a slow 2018 is the comparison of the number of VC deals versus the actual amount of VC investment. While the investment under $100 million stayed similar, 2017 was a year with a higher volume of deals that reached over $100 million (FinTech Global, 2019). In contrast to the numbers reported by Pitchbook are UK VC numbers stated by Innovate Finance (FinTech Global, 2019), an association supported by the City of London. Innovate Finance reported a decrease in deals from 2017 to 2018; however, the total number of capital invested increased (London & Partner, 2019).

Research Questions

Resulting from the review of the literature and the current situation in the UK, the study is designed to research the actual impact of Brexit on the local FinTech market. The following research questions have been identified:

- RQ1 : What steps are FinTech taking to lessen the impact of Brexit on their business model and will the UK be able to remain the hub for FinTech Innovation within the EU?
- RQ2 : Will the UK be able to continue to be relevant in the global competition for FinTech innovation?

Due to the novelty of the Brexit situation, the research area has not been studied sufficiently. Therefore, the researcher chose to utilize a case study method. Case studies provide answers to the how and why questions of a research topic, and are useful in answering questions about a contemporary set of events that the research is unable to influence (Yin, 1994).

Methodology

Qualitative research designs involve an interpretative, naturalist approach on the subject matter (Denzin & Lincoln, 2011), and allow the researcher to answer questions about experiences and perspectives from the viewpoint of the study participant (Hammarberg et al, 2016). Further, it gives the researcher the opportunity to take on a holistic approach, which allows a look at the larger picture of the issue in order to identify and study underlying matters. Therefore the researcher has-chosen a case study of the entire UK FinTech industry in order to answer the underlaying research question. The research objective in qualitative research is generally exploratory and descriptive, which allows the researcher to look at similarities among participants and understand the subject as a whole (Stumpfegger, 2017).

Sources of Research Evidence

The secondary source of evidence is based on available documentation such as journals, legal documents, as well as responses from different regulatory bodies.

The primary source of evidence is based on in-depth interviews with industry leaders. The interview partners were chosen based on their senior roles within the FinTech industry in the UK such as founders (F), high-level executives (E), FinTech consultants (C), and a professor for international capital markets (P) (Table X). All interviewees were approached through professional networks and by referral. Among the founders that were interviewed, two had first-hand experiences with the FCA sandbox and six interviewees' businesses were currently directly impacted, or related to, the current Brexit situation. The distinct set of interviewees allowed the researcher to capture the development within the FinTech industry in the UK in relation to Brexit, and also to draw reliable conclusions.

This qualitative research approach, using diverse interview participants, allowed the researcher to develop a broader understanding of the current dynamics within the UK FinTech market. Due to the position of each of the interviewees within the industry, their opinions can be accepted as a reflection of the decision-making process of industry participants and therefore can be utilized to predict the factual impact of Brexit. The interviewer was able to establish a level of saturation during the interview process at which point additional participants would not offer any further insights.

During the interview, the researcher aimed to identify the factors each interviewee recognized in relation to the success of the UK as a hub of FinTech and FinTech innovation in order to possibly find. The second part of the interview was dedicated to the influence Brexit will have on their business, the extent to which their work has been influenced by Brexit, and on their outlook on the future of the UK as a hub for FinTech and FinTech innovation.

E1 - Martin	Senior Executive – FinTech– founded 2009	October 2020
E2 - Michael	Former CEO/ Consultant - FinTech	November 2020
F1 - Sam	Founder – FinTech – founded 2020	October 2020
F2 - Tobi	Founder – InsureTech – founded 2017	November 2020
F3 - Elena	Founder – FinTech – founded 2018	November 2020
F4 – Gene	Founder – RegTech – founded 2016	November 2020
P - Dirks	Professor	November 2020
C1 – Peter	Consultant FinTech relocation	November 2020
C2 – Jose	Consultant – financing	November 2020

Research Findings

The following section discusses the results of the in-depth interviews and how the interviewees evaluated the current and future success factors for fintech in the UK. The first section highlights the interviewees' evaluation of the UK as a place of business and elaborates on the initial factors discussed in the literature review that set the foundation for the UK to become a hub for fintech and fintech innovation. In a second section, the researcher discusses the actual findings about the future of the UK as a place of business. Interviewees will be quoted directly under the synonym (see Table 1).

Areas of impact

As described in the literature, four factors have been identified as the driving success factors for the UK as a hub for FinTech: the regulatory body, a favorable venture capital situation, a highly-educated and driven international talent pool, and access to the single EU market.

When it comes to the FCA, the UK FinTech market has benefited from an extremely hands-on regulator that not only created an environment that allowed start-ups to grow but went further by applying a unique sand-box approach; actively assisting young start-ups in their pursuits to a successful launch of a new business. "The FCA can be seen as the most sophisticated regulatory authority globally…" (E1), as it has been the first one to take such an active approach to support and accelerate FinTech and FinTech innovation (Quan, 2020). Compared to other regulatory bodies, especially in the EU, the FCA is "principle based, and the case law allows it to look at every scenario differently" (P1). The FCA does not simply interpret regulations strictly according to the regulatory framework, and "while they obviously don't just change the regulatory framework at a whim their approach allows them to make changes if necessary." (C1). "The FCA acts more like a consultant, that has the best interest of the FinTech in mind" (F2); and "many FinTechs, which have been part of the sandbox "would have possibly not been able to fulfil license requirements without the help of the FCA" (C1). In addition to an active and supportive approach, the FCA's sandbox "might also be the only way for FinTechs that don't fit into the framework to have a shot at materializing their idea" (F2).

Though all interviewees agreed that the FCA is an accelerator for FinTech in the UK, some felt more strongly about its role than others. Though most named the role of the FCA as one of the leading reasons for FinTech success in the UK, two interviewees argued that the UK is the perfect place for innovation of any kind, the FCA is a nice add on, but not a primary factor (P1 & C2). Regardless, all agreed that FinTech was a natural development in the UK after the financial crisis and that "this environment required a regulatory body which supported innovation and growth" (F3, C1) and that the FCA "identified its opportunity to stay relevant within the regulatory system by accompanying FinTech" (C1).

The FCA has been, without a doubt, a global spearhead when the authority established the very first regulatory sandbox in 2016. A great and solid understanding of the future needs of financial services and the willingness to drive innovation has made their efforts famous well beyond their borders. However, with Brexit looming, six other EU countries followed the UK lead and established a financial regulatory sandbox, an additional six are preparing to advance their sandbox system within the following twelve to twenty-four months (Parenti, R. 2020), both efforts to attract new FinTechs to the EU. Of the six countries with already established sandboxes, Lithuania, Latvia, Malta and the Netherlands were also named during the interviews as countries with regulators which are more open to UK FinTechs seeking licensing in the EU. The presence of a regulatory system that establishes sandboxes sends a clear message to existing and new FinTechs of being more open towards new FinTechs and especially to innovative ideas" (F2).

In addition, the Council of the European Union released a recommendation in which it encouraged the commission to resume their efforts in applying an experimentation clause when reviewing new regulatory legislature in order to create an environment which attracts innovation (European Council, 2020), and proves the EU to be a global player in FinTech innovation while creating a resilient regulatory framework.

Consequentially, UK FinTechs seeking licensing in the EU are vetting different options. As mentioned previously, states that have invested into sandboxes are generally more open to FinTech and FinTech innovation. However, regulatory sandboxes are not a primary argument for FinTech to settle in a specific state (P1). While the regulatory environment is important, talent as well as the reputation of the state as a financial center, play a role when FinTechs choose their licensing authority (C2, F1). And while a large FinTech such as Revolut acquired their banking license in Lithuania (Rumney, 2020), many others prefer to stay in marketplaces such as Belgium and the Netherlands which are geographically close to London, and also share a common financial and cultural background (E1).

The second important accelerator for the UK FinTech market is the abundance of international talent with a strong emphasis in finance which is unique to the UK. "It was the young, highly-skilled financial professionals that were laid off during the financial crisis that had to make a living" (F3) and "they had seen what had been broken in the big banks" (E2). "Many were well connected, and they just took the opportunity that opened up in front of them" (C1), and accelerated the start of a FinTech ecosystem which is among the largest in the world. But it was not only an opportunity for unemployed bankers that made the UK become the hub for FinTech, it was also "the degree and acceptance of diversity and the level of freedom to be, and to think, to create an environment of incredible innovation" (F1) which "you can arguably not find anywhere else in the world" (F3). While London has an incredible pool of talent, most of these young over-achievers are not British, but rather from other countries around the world. As one interviewee recalled, he was "invited to a FCA round table. About 200 entrepreneurs that all, one way or another, were part of the FCA sandbox. We came from all over the world: Germany, Russia, Spain, India… It was such a diverse group of people, but not many Brits" (F4). "In fact, I know entire FinTechs here in London that don't have a single Brit working on their staff" (C2).

However, most entrepreneurs don't come to London with the primary goal to set up their own company. "They come here to work for one of the large Banks or for one of the Tech companies and then see an opportunity" (P1). And "many of these talented young people are coming here from the EU" (C2), highlighting the importance of free movement of labor between the EU and the UK.

Inevitably, the stricter regulations on free movement of talent between the UK and the EU will impact the success of FinTech in the UK and raise concerns about recruiting and attracting talent. "While it won't be a game changer for those that are already here and established… it is uncertain how much time and effort companies are willing to invest into acquiring visas for new talent" (F2). In order to lessen the impact of the absence of free movement, the UK has introduced a point-based immigration system, which prioritized applicants based on skills and talents and not country of origin (Gov.uk, 2020). However, FinTechs raise concerns about the applicability of this new Visa. "Before Brexit, companies had access to a virtually unlimited labor pool" (F2). "An applicant from Portugal or from Italy could start next week" (E2). "If the visa process now takes weeks or months, it takes away from the flexibility of the FinTechs" (C2). "Regardless of how transparent and how seemingly stress-free the process will be, it still adds difficulty to the recruitment process" (P1) and "might lead to hybrid solutions where people work as contractors and never move to London" (F2).

Although all interviewees named talent as one of the main drivers for FinTech success in the UK (P1, E1, F1, F2, C1, F4 & F3), only about one third assumed that the UK will stay an attractive market for young talent (C2, F2 & F1). They believe that even if there is a chance that work which requires less skilled and specific skills might be outsourced outside the UK (C2 & F2), the decision makers will continue to be located in the UK and talent will continue to migrate regardless of visa requirements. "The UK is the hub for FinTech in Europe, and it will continue to recruit and attract talent" (F1). "Regardless of visa requirements, it's a growth question rather than a regulatory issue" (F2).

In contrast to this rather optimistic outlook, two thirds of all participants disagree and suppose that the UK will not stay as attractive for talent as it has been. While all concur that there will not be a movement of labor away from the UK as a direct result of Brexit, there is an understanding that "it will become much more difficult to hire international talent" (E2). Beyond the challenges of a potentially complicated and ongoing visa process, "less people seem interested in coming to a job market that is as uncertain as the UK one currently is" (E1).

In addition to the Brexit developments, the 2020 COVID-19 pandemic pushed for an increase in telework and a decrease in employee presence at a specific location. "Covid has proven that companies can be as efficient with employees working from home than they are working from a desk in the office … why should I pay someone UK wages if they can do their job from anywhere else?" (F3). Even without Covid, an inevitable part of the digital transformation is a more flexible workspace in terms of where and when employees work (Deloitte, 2018), "and the pandemic just speedup the process" (F3). "Taken this development and the fact that the UK loses its access to the single market, we will see an increase in FinTech growth in the EU compared to the UK" (P1, C1 & E1). "The EU is where the talent is at, and we will see a decrease of importance of the UK as a place of business if we can't find an easy way to import talent" (F4). Adding to a shortage of talent for the FinTech industry, two interviewees raised concerns if the UK, and London in particular, would be able to maintain the degree of diversity without free movement which inevitably enhanced the start-up culture in the UK" (E2, F4).

The third aspects that influenced the FinTech scene in the UK has been the fact that the UK has been a financial capital for decades; therefore, it was not surprising that fifty percent of all interviewees named access to capital as the most important success factor for FinTechs in the UK. "People in the UK understand finance and how to successfully invest their savings" (F4) while many "embrace a culture of being more likely to invest into new ideas" (C2), rather than to look for traditional investment opportunities with low risk and low yield. The abundance of access capital (E2), an active early-seed investment sector (P1) and the clear relationship between capital and innovation (F1) have been stated as the lead reasons for success. Although there are incentives for investors in the UK, the UK FinTech scene also attracted a lot of capital from the US and from within the EU. Unfortunately, "the industry has seen a decrease in these investments" (F3). While the numbers show that larger FinTechs with solid post-Brexit plans are generally still doing well (Skelton, 2020), over half of the interviewees brought forward that there seems to be a significant hold back on investment into smaller and younger start-ups" (F3, F2, E1). Capital has become more mobile, and if the political uncertainty in the UK discourages investors from investing in FinTech in the UK, they might invest into FinTech elsewhere or into a business that depends less on regulatory requirements (P1).

Lastly, as discussed previously, the UK FinTech market benefited from the access to the single market through passporting rights. Passporting allows financial service providers which are licensed in any EU country to offer their services and products in any other EU member state without seeking further authorization (Ringe, 2017). Passport was discussed with all interviewees as a key draw for young start-ups to begin their business in London, at least until the Brexit vote of 2016. The outlook to be able to access one of the largest single markets in the world without any additional regulatory requirements, while at the same time benefitting from an extremely FinTech friendly ecosystem in the UK, attract many young entrepreneurs (C2). With Brexit looming, companies that are either already operating in the EU or have plans to export their FinTech idea into the single market were facing the challenge of either seeking a license in the EU or hoping for a Brexit deal which would include equivalence for the financial sector (P1). Especially for many smaller FinTechs, an agreement that does not include passporting or does not propose a scenario for equivalence is horrendous (Lemmon, 2020). "It would have been nice to have an exit scenario which included some kind of equivalence, but as Brexit moved closer and we couldn't count on a positive agreement between the UK and the EU… we decided to move ahead to seek licensing in Holland. It has cost us not only a lot of money and headaches, but it also slowed down our expansion efforts" (F2).

However, for many established FinTechs, seeking licensing in the EU is the only path to successful expansion into the single EU market. For future FinTechs, however, this might be a deciding factor as to where to start-up their new business. "It obviously all depends on the business model. But what is the point of having a business model in the UK when there is no other place to easily replicate it? The key consideration from a strategic perspective is that if the cost of growing outweighs the benefit of being in the UK, companies might as well move their business to continental Europe… The UK was always the easy choice but might as well not be in the near future" (E1).

Even though the UK and EU agreed on a last-minute exit treaty on December 24th, just one week before the final Brexit, the deal does not provide an answer for passporting or equivalence (Bercetche, 2020). While it does address preventing money laundering and the requirement for global financial standards, the EU clarified that it would hold on to its tighter financial restrictions and would only accept equivalence with the UK if it would uphold the EU's best interest (Brunsden & Stafford, 2020), ultimately excluding financial services almost entirely from the treaty (Dodds et.al., 2020). The main reason for the strong stance of the EU against financial equivalence with the UK might be the European bloc's own attempt to create a successful counterpart to the UK within Europe. "The single market is a beautiful vision which drives a lot of regulatory framework innovation which we are now seeing in the EU. It is unparalleled to anything else we are seeing, and their regulations are in place to enable their free financial markets (F4)."

Interpretation and Conclusion

The objective of this research paper was to answer the research questions. In a first step, it was intended to identify the reaction of the FinTech industry in the UK in their preparation for Brexit. In a second step, the researcher investigated how these reactions will impact the importance of the UK in a global race for FinTech innovation. During the interviews, the four key drivers for the success of FinTech in the UK were discussed and their importance for the future of the UK FinTech market elucidated. On the basis of this discussion, the researcher drew conclusions which assist in answering the initial research question.

Foremost, it is significant to note that all interviewees, when asked to name key success factors for FinTech in the UK, named all four aspects in some form: regulatory environment, international talent, and passporting. What differentiated their answers was merely the importance assigned to each one of these factors. The most important factor all interviewees agreed on, which will jeopardize the future of the UK as a hub for FinTech and FinTech innovation is the loss of passporting rights for UK FinTechs in the EU. All interviewees voiced their concern that losing the ability to expand business operations into the single market will deflate the UK market's attractiveness at least in the short-term (Markus, C2), and might jeopardize the growth potential of the UK FinTech market indefinitely (E1, P1, C1). As a result of the looming removal of passporting rights, many FinTechs have taken steps to seek licensing in another EU member state, shifting part of their business away from the UK. This won't have an immediate effect on the sheer number of people that are employed by FinTech, and most companies don't have plans to move especially senior management away from the UK right away, but there is an understanding that the EU market will develop, and growth will shift away from the UK into the EU (C1, P1, E1, E2, F4).

At the same time, as discussed previously, there are a growing number of countries that copy the UK's FCA sandbox approach and are trying to attract new financial technology start-ups within the EU. These positive developments inside the EU add to the attractiveness for FinTechs to incorporate inside the single market instead of the UK.

With a growing number of FinTechs either acquiring licenses in the EU or contemplating taking advantage of a more open regulatory environment, talent acquisition might also be affected (C1, P1, E1, E2 & F4). While there are no plans to move employees from the UK to the EU, companies might resort to hiring talent within the European Union, bypassing complicated and timely visa processes needed in order to get talent to the UK, consequently leading to a shift of growth from the UK to the EU.

Lastly, venture capital and the abundance of investors interested in investing into FinTech was one of the key factors which made the UK a hub for FinTech. However, similar to every other industry, 2020 has also changed the financial industry. While before the global pandemic it was impossible to make investment deals via telephone conference, lockdowns and travel restrictions have proven to be similarly effective. "There has been a trend away from face to face meetings which really expanded the horizon for many of the investors" (C2) to "also invest into FinTech outside of the UK" (F3). In addition to a change in UK investor behavior, there is also a fear that Brexit, the exit of the largest free trade zone in the world, will be accompanied by a decrease in wealth for people in the UK" (P1 & E1) which in turn might negatively affect the growth that can be generated by FinTech in the country.

In conclusion, all interviewees saw Brexit as a massive disruption of the UK FinTech market. While two interviewees believe that the UK won't be able to stay relevant in the long term and loose much of their growth to the EU, the overwhelming majority expect a massiv disruption of the FinTech market in the UK but expects the country to eventually bounce back and secure their standing of a global hub for FinTech and FinTech innovation. ■

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Determining Measurements for Value-based Employee Performance

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Abstract: *In this study, the author uses interview data collected from 100 executives of four hospital service companies in Germany to determine their expectations of soon-to-be implemented corporate values. Participants are also asked to anticipate how they will measure the outcomes of each expected value. The results of this study relate to the potential benefits of expressing corporate values internally and externally and provides a benchmark for establishing and measuring value-based employee performance.*

The articulation of corporate values appears to have become a trend in recent years (Binder, 2016; Bjørge and Whittaker, 2015; Barakat, Isabella, Boaventura, and Mazzon, 2016; Crowther and Rayman-Bacchus, 2016; Quinlan, 2017). Multinational Companies (MNCs), as well as Small and Medium Enterprises (SMEs) devote particular effort to determine and implement values which define their identity and work (Bjørge & Whittaker, 2015; Hsu and Cheng, 2012). Among the key reasons are the enhancement of their company image and the acquisition of both new business and employees (Beurden and Gössling, 2008; Rashid, Sambasiva, and Johari, 2003; Sharma, 2016).

Indeed, several studies show a relationship between corporate social performance (CSP)—with corporate values being a major aspect—and corporate financial performance (CFP) (Chang, Oh, & Messersmith, 2013; Makni, Francoeur, and Bellavance, 2009; Peng and Yang, 2012). Many of studies compare and interpret the global financial and social ratings of MNCs as provided by KLD Research & Analytics (KLD, today RiskMetrics Group) (Tilburg University, 2018) as their single source.

The impact of corporate values on human capital, other than an improvement of the company's image perception is an area of future research identified by Barakat, Isabella, Boaventura, and Mazzon (2016). Similarly, Hammann, Habisch, and Pechlaner (2009) see the need for additional research on the impact of corporate values on labour performance; Schönborn (2010) asks for deeper insight into the corporate value as it relates to employee performance.

Review of Literature

Two areas of research appear to be most relevant in the context of research for measurements of value-based performance: the foundations of corporate values, and the reasons why companies create and implement them. Understanding these topics is necessary for arriving at a framework under which their impact can be measured.

Foundations of Corporate Values

Moral aspects appear to lay at the foundation of corporate ethics and corporate culture. Moral sturctures are generally delimited to morally negative behaviour (Valentine, Fleischman, and Godkin, 2016). An organisational culture thus can be considered to comprise three groups of values: Work values, leadership values, and spiritual values (Klenke, 2005), forming together, or strongly influencing, the corporate values based on the organizational culture. Underlying these principles are some more universal moral values such as trustworthiness and respect, responsibility and fairness, caring and citizenship (Schwartz, 2005) which make leaders adopt certain values and create corporate values from them. On a more practical side, the frugality of profits over their maximum is a core moral value, influencing businesses (Thumin, Johnson, Kuehl, and Jiang, 1995).

Particularly in western economies, Christian values are seen to take influence on corporate ethics and culture (Gregg, 2014). This is recognised in three ways: First, democracy is considered a Christian value and democratic structures are seen to go along with a positively increased ethical behaviour (Grudem, 2010). Second, the belief in, and longing for, a "greater good", as a central part of the Christian message, has the potential to enhance awareness for more ethics and responsibility within a company (Kim, Fisher, and McCalman, 2009). Third, Christianity addresses unacceptable behaviour, for example in the Ten Commandments, which Christian Orthodox companies might even consider applying as well (Gregg, 2014). But even if Christian, and other religious values do not influence business ethics directly and in a clearly visible manner, they can still be expected to influence them indirectly by the beliefs of their executives and employees (Neubert, Carlson, Kacmar, Roberts, and Chonko, 2009).

Other factors influencing corporate values are age and gender (Thumin, Johnson, Kuehl, and Jiang, 1995). It is found that women influence the adoption and the upholding of ethics and values in companies more than do their male colleagues (Slepian and Jones, 2013). This goes along with the perceived stronger affiliation of females to ethical behaviour arising from their responsibility for families and their generally stronger awareness of values (Cohen, Pant, and Sharp, 1998). Another structure of implementing corporate culture is the Corporate Ethical Virtues Model (Kaptein, 2008) which underlies the necessity for both clarity and congruency in actions of leaders and executives. Demanding and sanctioning moral imperatives appear to form a more practical approach to the implementation of culture; in particular, the democratic ideas are also reflected in the origin of corporate culture, when this is seen to come from joint learning and thus grows over time (Van Den Steen, 2010). These ideas then develop into an ethical more mature organisation (Otenko and Chepelyuk, 2013), expressing the values and social norms of its employees as well.

The enhancement of responsibilities along with the prevention of wrongdoing (Dempsey, 2015), is also seen to motivate companies to invest in corporate ethics and culture (Van Den Steen, 2010). This can possibly be linked to the growing awareness on commercial effects from a perceived good culture (Joyner and Payne, 2002) such as higher employee attraction and their perceived stronger commitment and higher job performance (Sharma, Borna, and Stearns, 2009). The existence of a set of implemented and widely embraced corporate values, alongside the presence of a leadership that embodies these values, serves as a basis a formal system to implement and train employees on the corporate ethics, as well as the means to sanction misbehaviour if necessary (Schwartz, 2013).

Reasons for and Benefits from Corporate Values

Although it is commonly perceived that corporate values and corporate success are related, academic literature shows a more diversified picture. One differentiation may reside in the definition of corporate success. Some work sees a clear relation with financial results (Rashid, Sambasivan and Johari, 2003), while other literature identifies the more indirect path of a link between values, being only perceived or real, and employee performance (Sharma, 2016), more general improvements of performance and processes through corporate values (Lee and Yu, 2004) or an extended sustainability, particularly when stakeholders are attracted by the corporate culture (Tatarusanu and Onea, n.d.). Other findings range from a moderate unclearness of a potential relationship between values and benefits (Lee, Fabish, and McGaw, 2005; Schönborn, 2010) even in the face of no significant influence of values on profitability (Thomsen, 2005). The satisfaction as well as the performance of employees is an important issue when considering benefits from values. One of the aspects is a focus on empowerment and the commitment of employees as a motivating factor (Schönborn, 2010). The idea is to make employees the key addressee of corporate culture (Hitka, Vetráková, Balážová, and Danihelová, 2015), place them as "a decision-making grown-up" in the centre of the system (Begley and Boyd, 2000), and leave them with the room to differentiate between work life and private life (Kuchinke, Kang, and Oh, 2008).

Additionally, employees' satisfaction in work life (Valentine, Godkin, Fleischman, and Kidwell, 2011) and their individual judgement of right and wrong (Nwachukwu and Vitell, 1997), may be a topic of importance. The significance of a match between the values that employees perceive from a company—for instance, triggered by its public appearance—and the values that are set within the corporation (Ortega-Parra and Sastre-Castillo, 2013) is another relevant aspect. What appears to be particularly important, is the benefit to a company with strong ethical values under financial pressure, in which employees are willing to live their corporate citizenship up to a level of being satisfied with little or no rewards for their efforts, other than their salary, as long as they see that what reward is available, is shared ethically and equally (Baker, Hunt, and Andrews, 2006).

The development of benefits from values is clear with an Asian example, where in the SAE 8C Model a continued advancement of employees from infancy through childhood and adulthood to parenthood is described (Ng, 2002). This phenomenon reflects both the employees' development as staff members and the traditional from-birth-to-death relationship between companies and their employees, which can still sometimes be found in some companies in Asia. In a global context, the importance of executives' communication towards their employees is identified to be vital (Agerholm Andersen, 2010), stressing its importance in times of crisis and when implementing or changing values. But as found earlier, some sources name a continuing need to discover how values can measurably be converted into results (Lee, Fabish, and McGaw, 2005).

When it comes to implementing benefits from values, it is underlined that companies with financial strength will be able to exploit the relationship between values and results better than others, as they are seen to have the (financial) means to approach this topic much more comprehensively (Lee, Fabish, and McGaw, 2005). This can also imply that to a certain extend such benefits not merely spring into life but can be actively created. A key point in implementation also appears to match any perceived values with the corporate reality, or vice versa (Sharma, 2016), placing the corporate Human Resource Department—typically the key operative representative of values—at the helm of the process (Ortega-Parra and Sastre-Castillo, 2013). The look beyond the texting of a value into its actual implementation and living is seen vital for positive results.

Method

Study population

The German hospital market is comprised of fewer than 2,000 hospitals (The German Hospital Federation, 2018). The group of companies on which the research was conducted represents more than 100 hospitals of different ownerships with secondary services, consisting of six companies, of which the executives of four took part in the research project. The first company, FMP, provides services such as building management, technical and medical device repair and inspection services, office and writing services. Its 52 executives are responsible for 488 employees. The second company, FIT, provides IT services and employs 113 people who are managed by 12 executives. The third company, FRS, provides cleaning services, employing 646 people and 23 executives. The fourth company, FGS, operates kitchens and provides catering services with 386 people and 13 executives.

In 2016, the group of companies developed their set of four corporate values: Reliability, Respect, Dedication, Together. In a first step, all executives were trained intensively on the application of the values to enable them to act as examples (Nygaard, Biong, Silkoset, and Kidwell, 2017) for all employees. Before rolling out the corporate values and rules to the entire group of companies, the directors wanted to identify the executives' expectations on the benefits from corporate values to measure in the future which positive effects the implementation has brought to the company and its employees. Under this rationale, the following research question was identified: *What do the executives expect from rolling out the corporate values into the entire company?*

Corporate values are expected to have multiple benefits which can be, among others, financial, organisational or moral (Rashid, Sambasivan, and Johari, 2003; Lee and Yu, 2004). Thus, the topics of this research question are the executives' expectations and their proposals for a measurement. Answering this research question lays the groundwork for a measurement of the benefits from corporate values in the future. The aim of the research question was to summarise the executives' expectations for implementing corporate values as well as identify indicators for their success. Some delimitations were set for the research. The first was to work only with the answers provided by the executives during the interviews. A second delimitation was to conduct the research prior to the roll out of the corporate values to all employees only since the set timeframe for the research was limited. The third set boundary was the methodological approach. A potential limitation—a homogeneous composition of the interview groups—was addressed by mixing executives from the different companies of the group, different business units and different locations for each interview group.

To determine the research methodology the Research Onion (Saunders, Lewis, & Thornhill, 2007) was chosen for reasons of clearness over the model of Relationship in Research (Scott and Usher, 1999). An interpretivist philosophy was adopted in awareness that all answers are subjective from the individual executive's point of view, are influenced by the setting in which they are given, are influenced by personal aims of the executive himself, and require interpretation, thus interpretivism appeared to be the most suitable for this research. The methodological choice (Saunders, Lewis, and Thornhill, 2016) is in line with the previous selections consequently qualitative, thus the mono method was deemed most suitable. The research was carried out as a narrative enquiry because this left open room for free answers and allowed the researcher to consider the answers given, in the sense of interpretation, in their entire context (Klein & Myers, 1999). Using narrative enquiries with narrative answers to collect data also appeared to be the common technique in phenomenological studies (Waters, 2017).

The research was carried out solely by the research in the group headquarters in Germany between October and November 2016. The interviews were conducted in 16 groups of five to seven participants with all the company's 100 executives. The questionnaire consisted of only two questions, one for expected benefits ("What benefits do you expect from having corporate values?") and one for the measurement of these benefits ("How would you measure if these benefits have been gained?") to collect data for a future measurement. The research resulted in 16 questionnaires and thus did not require a severe physical administration.

When analysing the data of the questionnaire (all answers were narrative), a semi-iterative approach was applied (Neale, 2016) and answers were grouped by the corporate value they refer to mostly, leaving a section for those answers that do not directly link to a value. The reliability of the collected data (Golafshani, 2003) is ensured by the collection process. Each interview group was comprised of executives from different business units and locations, avoiding direct reports or co-executives being in the same group. It is considered highly unlikely that these mixed groups take the time and effort to coordinate answers to questions they do not know beforehand to undermine the reliability of the information collected. Should single potentially unreliable pieces of data be contained, these would have become insignificant within the total amount of data. If the information provided by the groups is valid, lies, according to the research philosophy, in the view of the researcher (Peirce, Collected Papers 5.171, 1878). It will require interpretation, even more so as values are a most subjective matter.

Findings

The study showed that the awareness of, and the longing for, benefits from the introduction of corporate values are high amongst the executives. The investment in several thousand hours of employee time in the upcoming workshops with employees to roll out the corporate values appears to trigger this awareness additionally. The research also shows a high degree of creativity of the executives when it comes to find potential areas of benefits and means to measure them. With regards to the most important expected benefits, the executives made clear that particularly effects from employee satisfaction and identification as well as from the corporate value Reliability are expected to be beneficial.

The question, "What benefits do you expect from having corporate values?" was interpreted in terms of several types of benefits, as seen in Figure 1.

Those expected benefits with a relation to *Reliability* confirmed in the executives' view that this value needs more attention in the group of companies. The expectation is to give it a stronger focus along with the introduction of the corporate values to all employees which the executives also see as beneficial for their own adherence to this value.

Figure 1 - Expected Benefits of Corporate Values

Expected benefits from corporate values and rules	
Reliability	higher reliability through communication on agreements
	better plannability of own tasks due to kept agreements
	decrease of conflict meetings related to missed agreements
	faster decisions through clear agreements
	smoother processes through kept agreements
	higher acceptance of own responsibilities by employees
Respect	higher respect for each other and each other's work
	matching of decisions in similar situations by different managers
	higher objective approach in person-related discussions
	higher job-satisfaction
	higher identification with the company
Dedication	higher acceptance of managerial decisions
	less time to discuss decisions repeatedly
	less time to re-explain tasks
	more employees pointing out improvements instead of problems
Together	better teamwork
	less pushing tasks to someone else in the organisation
	one appearance to the customer
	higher recognition of work by customers
	higher awareness for own reception
	higher attractiveness as employer
	less employee-fluctuation
Others	mutual control on values and rules rather than management control
	higher transparency in management actions
	higher security in culture rather than in structure

With regards to the value *Respect*, one of the highest-rated values in application and one of those expressed to contain a company paradigm, benefits were expected in the employees' satisfaction and identification. One issue appeared to be that different managers act differently in very similar situations. This was to be found in different locations from the same business unit, implying the need for more structure in decision-making. That finding was consistent with the occupational backgrounds of a large proportion of the executives who, being engineers and technicians, tend to be highly fact-driven and structured in their decision-making. In single cases this was also related to different understandings of respect in different national cultures.

The value *Dedication* offered some of the different views the interview groups had taken with regards to their understanding of the questions. All the expected benefits of higher acceptance—less time for repetitions, more employee initiative—showed executives' anticipation that the benefits would directly impact them. The benefits linked to *Together* were those of working for a common goal. They were about work organisation, also closely linked to Reliability, the attractiveness of the company, and the own appearance to customers and employees. The market for experts, specifically in the technical and the IT sector, was reflected to be small with companies needing to distinguish themselves to attract good personnel. Executives, on the other hand, see a similar result with cleaning employees, whom to attract and keep is reflected to be equally challenging. This, too, was expressed as an expected improvement from having corporate values.

Finally, three more expected benefits were mentioned, which cannot be linked to one specific value. One is the mutual control and the employees' security in the corporate culture, issues, which were expected to become a benefit since the company has emphasised that managers and employees alike should point out misbehaviour with regards to the corporate values and rules to each other. Some groups considered this a weapon which could be easily used against them whereas others saw this as a chance to get reminders and place themselves, with regards to the values and rules, deliberately on the same level with all employees. This was found to reflect the corporate paradigm of humbleness. The employees' security in the culture was said to refer to the managerial training on the corporate model which explains that employees should understand the values of their company to use them as an anchor rather than fix themselves to an organisational structure or strategy which can change much more frequently.

On the question, "How would you measure if these benefits have been gained?" the executives demonstrated their awareness that some measurements might take a lot of efforts to be collected and thus appeared to focus their answers on those sets of information that are either already available or are assumed to become available easily. The measurements proposed by the executives are shown in Figure 2.

Figure 2 - Proposed Measurement of Benefits

Proposed measurement	Explanation
agreements missed	Number of missed oral or written agreements to finish a certain task at an agreed time. A decrease of the number would be beneficial.
project runtime	Project runtimes are measured and should be as short as possible. A higher reliability would decrease project runtimes and would thus be beneficial.
number of project managers	The number of people who are able to run a project is much bigger than the number of people who are willing to do so at present. If more people are prepared to take responsibility for a project, projects could be launched an finished faster.
employee survey	The Quality Management department runs survey on employee satisfaction which cover various subject. Monitoring the development of a topic covered in the survey would allow direct measurement of its success.
number of sick days and times sick	It is perceived that people sometime call-in sick and are not, particularly on Monday and Fridays. If this (and the overall sick-rate) decreases, people might be happier with their jobs which would be a benefit.
number of terminations by employees	The longer an employee stays with the company the more benefits both have. A decrease of terminations by employees might mean a higher employee satisfaction with his/her job.
manager survey	This would be a new tool to ask specifically managers on the changes they recognise in relation to the interoduction of corporate values.

Proposed measurement	Explanation
customer survey	The Quality Management department runs survey on customer satisfaction which cover various subject related to the performance of the company and the employees. Monitoring the development of a topic covered in the survey would allow direct measurement of its success.
number of job-applications	If the corporate values become know "in the market" they might lead to a higher number of job-applications which would be beneficial.
adherence to values	Executives and employees alike are requested to point out any misbehaviour with regards to the corporate values directly to each other. This could theoretically be menitored.
speed an success of change	If people find their anchor in the company culture rather than in the company structure, structural changes could be performed much faster since everyone would remain secure in the culture.

The measurements suggested by the interview groups were reflected to be strongly related to what the company's current resources. The company's Quality Management Department undertakes detailed scheduled surveys among all employees (and executives) as well as customers. The acceptance is said to be high and the actions proposed by employees in these surveys are treated seriously. Data on employee turnover as well as sick days and the number of sick times are said to be readily available. Information on applications and termination ware said to be collected easily and the monitoring of agreements and project times were reflected to become possibly part of a new manager survey.

Figure 3 combines the expected benefits and their measurement as proposed by the executives in the group interviews and thus constitutes the summary of the findings from the research.

Figure 3 - Expected Benefits and Proposed Measurements

Expected benefits from corporate values and rules		Measurement of success
Reliability	higher reliability through communication on agreements	agreements missed
	better plannability of own tasks due to kept agreements	agreements missed
	decrease of conflict meetings related to missed agreements	agreements missed
	faster decisions through clear agreements	project runtime
	smoother processes through kept agreements	project runtime
	higher acceptance of own responsibilities by employees	number of project managers
Respect	higher respect for each other and each other's work	employee survey
	matching of decisions in similar situations by different managers	employee survey
	higher objective approach in person-related discussions	employee survey
	higher job-satisfaction	number of sick days and times sick
	higher identification with the company	number of terminations by employees

	Expected benefits from corporate values and rules	Measurement of success
Dedication	higher acceptance of managerial decisions	manager survey
	less time to discuss decisions repeatedly	manager survey
	less time to re-explain tasks	project runtime
	more employees pointing out improvements instead of problems	manager survey
Together	better teamwork	employee survey
	less pushing tasks to someone else in the organisation	project runtime
	one appearance to the customer	customer survey
	higher recognition of work by customers	customer survey
	higher awareness for own reception	employee survey
	higher attractiveness as employer	number of job-applications
	less employee-fluctuation	number of terminations by employees
Others	mutual control on values and rules rather than management control	adherence to values
	higher transparency in management actions	employee survey
	higher security in culture rather than in structure	speed and success of change

Discussion

The conclusion of this study are threefold: First, the high degree of executives' identification with their corporate values and their ability to discuss benefits and their measurement in groups constructively was noteworthy. This may even be one of the benefits the group of companies will experience following the introduction of corporate values. Second, the consideration of benefits by the executives have covered a very wider area of benefits, some even only tangentially related.

This can be seen as an example of the wide of area of influence corporate values can have. Many of the benefits discussed in the interview have not made it into this research since the participants decided them not to be substantial enough, which makes the explorable area even wider. Finally, the executives automatically considered the easy availability of measurement data instead of devising more complicated, unrealistic measures.

The critical analysis of the information collected leads to the conclusion that the managers have the necessary (Sharma, 2016) clear ideas of the benefits they expect. These are mostly set in processual and organizational issues, leading to the conclusion that the executives' focus with regards to the corporate values is strongly towards the inside of the company, a concept frequently noted in literature (Lee and Yu, 2004). The matching of the proposed measurements with existing tools and practices undermines the conclusion of the executives' clear ideas on what they want from having values and rules but contradicts those studies that find rather unclear managerial expectations (Lee, Fabish, and McGaw, 2005).

It can also be concluded that the future process of introducing the corporate values to all employees needs dedicated ambassadors to drive it forward without requiring extra resources from the executives, a concept which also appears in academic literature (Hassi, Storti, and Azennoud, 2011). To make the employees familiar with the corporate values also contains the executives' expectation to cover those issues they themselves have struggled with. If their expectations are not met, the ambassadors (trained workshop conductors) might be a target of critique, leading to the conclusion that this needs proper attention beforehand. As an overall conclusion, the managers predominantly expect benefits for their internal work and will be able to measure if these have been achieved.

These results are relevant and transferrable to future research. The number of people directly represented as well as the range of different industries covered by the companies in the research process is wide, allowing the possibility of generalization to many other contexts. Previous researchers such as Barakat, Isabella, Boaventura, and Mazzon (2016), Hammann, Habisch, & Pechlaner (2009), and Schönborn (2010) suggested more research into the actual impacts from corporate values and this study is seen by the researcher to shed a little more light into this issue by providing a concrete set of benefits and a suggestion from professionals on how to measure them. A task for future research will be to actually apply these measurements and determine if indeed positive results for the implementation of corporate values can be supported. ■

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The Benefits of Transforming from Waterfall Project Management towards an Agile Transformation

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Abstract: *This research paper delves into the shift from Waterfall project management methods to Agile transformation, emphasizing the importance of innovation, creativity, and leadership in ensuring a smooth transition. While Waterfall has long been the go-to approach for project management, the increasing adoption of methodologies in today's business world is driven by their flexibility and adaptability. This study aims to shed light on the theoretical advantages of embracing Agile methods in terms of project timelines, cost-effectiveness, quality and stakeholder satisfaction rather than relying solely on empirical evidence.*

We will highlight the potential benefits that organizations can achieve through an Agile transformation by discussing concepts and theories. Moreover, this research article explores the importance of innovation, creativity, and leadership in ensuring the success of the transformative shift from Waterfall to Agile.

Besides relying solely on case studies, this research delves into a theoretical examination of how implementing these methodologies requires cultural change within organizations. This involves creating an atmosphere that fosters creative thinking, improves creative problem-solving skills, and promotes effective leadership to encourage collaboration and maintain a mindset focused on continuous improvement. In summary, this research article offers insights into the benefits of transitioning from Waterfall to Agile project management, emphasizing the crucial role played by innovation, creativity, and leadership in achieving a smooth transition. It provides perspectives and recommendations for organizations aiming to adapt to a dynamic environment and gain a competitive advantage through strategic utilization of Agile methodologies.

Introduction

In the world of project management, the traditional Waterfall approach has long been the methodology. However, with the changing business landscape, there has been a growing trend towards adopting Agile methodologies due to their flexibility and adaptability. This paper aims to explore the aspects of transitioning from Waterfall project management to Agile methodologies. The goal of this research article is to shed light on the theoretical advantages of embracing Agile methods in terms of project timelines, cost-effectiveness, quality, and stakeholder satisfaction. Implementing Agile methodologies requires a cultural shift within organizations that fosters an environment with innovative thinking, enhancing creative problem-solving skills, encouraging effective leadership for collaboration, and maintaining a mindset focused on continuous improvement (Corejova et al., 2020). This research will not only present proof through case studies or data analysis but instead provide insights into the potential benefits that organizations can experience through an Agile transformation. Additionally, we will delve beyond the existing evidence and discuss how innovation, creativity and leadership play crucial roles in ensuring the success of this transformative journey.

In a time defined by paced progress shifting consumer expectations and ever-changing market dynamics, it is crucial to reassess the traditional Waterfall project management approach in order to address the intricate and evolving requirements of organizations effectively. Agile methodologies have emerged as a game changer not solely based on evidence but due to their ability to provide a project management approach that emphasizes flexibility, collaboration, and adaptability (Bergman & Karwowski, 2019). Organizations can strategically position themselves to gain an advantage by adopting Agile methodologies. This advantage is not solely based on proven outcomes but rather on the conceptual benefits that come with an Agile approach.

Justification

In the context of present-day business and project management, this research proposal holds significance for compelling reasons. Firstly, there is a need to move from Waterfall methodologies to Agile project management, extending beyond mere theoretical discussion. Businesses worldwide are increasingly acknowledging the importance of adopting methodologies to stay competitive, adaptable, and responsive in a changing business environment (Bergman & Karwowski, 2019). This study aims to provide insights into the benefits that organizations can gain from this transition. It will serve as a basis for making decisions and aligning project management strategies with the demands of the modern business landscape.

Moreover, the reason for conducting this research goes beyond justifying the need to fill the knowledge gap there is about transitioning to Agile project management methods. There is a lack of enough information and studies that combine both theory and practice in Agile transformation, particularly when it comes to considering innovation, creativity, and leadership (Corejova et al., 2020). This research proposal aims to bridge these gaps in knowledge by offering perspectives that will equip businesses with insights for navigating the complex transition from Waterfall to Agile project management. The focus here is not only on evidence but also on providing a deep understanding of how innovation, creativity and leadership play crucial roles in achieving a successful transformation. Businesses can gain insights that can inform their decision-making even in the absence of extensive empirical studies by adopting this approach.

Research Questions

1. What are the main factors and incentives that prompt organizations to switch from using Waterfall to adopting Agile project management methodologies?

2. What advantages can organizations gain in terms of project efficiency, cost-effectiveness, and stakeholder satisfaction through an Agile transformation?

3. How does Agile project management influence the overall quality and flexibility of project outcomes when compared to traditional Waterfall methods?

4. What are the main hurdles and difficulties that organizations typically face during an Agile transformation process?

5. What is the leadership's role in guiding and supporting teams through the Agile transformation process, and which leadership styles are most effective in this situation?

6. Which metrics and evaluation methods can be used to evaluate the success and effectiveness of Agile transformations in different organizational contexts?

Research Objectives

The study aims to investigate the transition from Waterfall to Agile project management methodologies and focuses on the importance of innovation, creativity, and leadership. The primary objectives are:

1. To evaluate the measurable advantages that come with transitioning to Agile project management, including project efficiency, cost-effectiveness, stakeholder satisfaction, and project quality.

2. To gain a comprehensive understanding of how innovation, creativity, and leadership contribute to the success of Agile project management. This objective aims to identify the specific ways in which these factors play a role in a successful Agile transformation.

3. To study the challenges and obstacles faced by organizations during an Agile transformation and propose strategies to overcome these difficulties.

4. To offer organizations practical insights and best practices by closely reviewing real-life case studies from various industries that have effectively implemented Agile approaches. This includes conducting a comparative analysis of organizations that have adopted Agile methodologies versus those that have stuck with Waterfall methodologies, aiming to uncover similarities and differences in terms of project efficiency, quality, and cultural changes.

The paper aims to enhance both the knowledge of project management and provide practical advice to organizations aiming to adapt and succeed in today's ever-changing business environment by accomplishing these research objectives.

Literature Review

In their literature review, Bergman and Karwowski (2019) explored the relationship between Agile Project Management (APM) and project success. They provide insights into the foundations and practical implications of APM in the project management field. One significant aspect highlighted by Bergman and Karwowski (2019) is the emphasis on teamwork, cooperation, and improved communication among team members. The underlying belief is that effective collaboration enhances project outcomes. The authors also emphasize APMs flexibility as a characteristic that allows teams to adapt to changing circumstances in line with the nature of project management (Bergman & Karwowski, 2019). This flexibility throughout the project lifecycle contributes greatly to project success, according to their perspective. Additionally, APMs' commitment to involving customers throughout the business process has been seen to add another dimension to its framework. Businesses gain an understanding of their needs and expectations, thereby contributing to overall business success by engaging customers.

The authors argue that APMs' commitment to consistently improving through feedback and tracking enhances the achievement of project goals (Bergman & Karwowski, 2019). The theoretical basis for this idea is that continuous improvement, guided by feedback, plays a role in ensuring project success. While Bergman and Karwowski (2019) highlight the advantages of APM, they also acknowledge the presence of challenges. One significant challenge is resistance to change, which has implications in terms of behavior and managing change effectively. According to the authors, it is important to provide support for teams in adapting to changes brought about by APM (Bergman & Karwowski, 2019). It is therefore important to highlight the significance of considering the aspect in discussions about project management.

The lack of knowledge and experience are identified as barriers to implementing APM, which leads to a discussion on the value of skills and expertise. This emphasizes the need for a framework that recognizes the skill sets required for APM and acknowledges the challenges organizations may face in bridging this gap. Another challenge highlighted by Bergman and Karwowski (2019) is the communication process, which sparks discussions on communication methods in project management. APM relies more on face-to-face communication than extensive documentation, which poses challenges for organizations that rely heavily on records. The implication here is that effective communication methods and documentation practices are factors influencing the success of project management approaches. It is evident that success in APM depends on several factors, such as teamwork, adaptability, customer involvement and ongoing improvement. These factors highlight the importance of innovation, creativity, and leadership in driving change. APM organizations should prioritize leadership that embraces ideas and fosters a culture of creativity and innovation within their teams to achieve success. This approach will facilitate transitions and positive project outcomes for those seeking to adopt APM methodologies.

In their study, Corejova, Bielik and Genzorova (2020) delved into the realm of project management strategies in the process of digital transformation within companies. The authors provide insights into the challenges and benefits of adopting an Agile approach to project management (Corejova et al., 2020). To discuss this topic in context, we will focus on the theoretical foundations, methods and implications highlighted in their work. The authors argue that Agile project management enables organizations to adapt quickly to changes in the market and customer needs while promoting collaboration and communication among team members (Corejova et al., 2020). In this perspective, this assertion aligns with principles that emphasize adaptability and responsiveness. Methodologically speaking, implementing Agile project management practices can enhance agility and responsiveness to dynamic market demands. According to these authors' findings, the Agile approach emphasizes planning for situations as an effective coping strategy (Corejova et al., 2020). This highlights how early planning plays a role when organizations adopt methodologies to navigate through unknown and uncertain environments.

Understanding the difficulties that arise when shifting from project management approaches to Agile is crucial. Corejova, Bielik and Genzorova (2020) bring attention to obstacles, including resistance to change, insufficient skills and knowledge and cultural barriers. Theoretical discussions pertaining to these challenges underscore the significance of change management theories, the need for skill enhancement, and the necessary cultural shifts for a swift adoption of Agile methodologies. In this essence, organizations are advised to tackle these challenges in a manner that facilitates a seamless transition into Agile methodologies.

The authors present a framework that outlines how to effectively adopt Agile project management (Corejova et al., 2020). According to this framework, the first step involves examining existing project management practices while emphasizing the importance of assessing the organization itself and identifying areas that need improvement based on their foundations. The next phase is the planning phase, which focuses on developing a roadmap for integrating Agile methodologies. During this phase, organizations are required to set objectives, establish realistic timelines, and allocate resources for successful implementation.

The training phase is considered crucial, according to Corejova et al. (2020), as it prepares project managers and team members with the skills and knowledge for Agile project management in the process of digital transformation. This step involves targeted training initiatives aimed at ensuring readiness to embrace Agile practices. During the subsequent implementation phase, organizations actually put project management practices into action. They ought to closely monitor progress to ensure that these practices align with their goals and organizational objectives. The assessment component of the framework emphasizes evaluations of how effective Agile project management practices are and encourages organizations to adjust their approaches based on feedback and results, which is in line with the core principles of Agile methodologies (Corejova et al., 2020). Agile project management can theoretically enable companies to be flexible, innovative and customer-focused amidst digital transformation by following this framework. The key implication here is that a strategic and systematic approach based on foundations is crucial for successfully integrating Agile practices within organizations undergoing digital transformation.

Hamad and Al Fayoumi (2018) provided an examination of the Scalable Agile Transformation Process (SATP), a structured framework designed to convert Waterfall Project Management Offices (PMOs) into Agile PMOs. The authors emphasize the advantages of SATP, highlighting its role in managing organizational changes (Hamad & Al Fayoumi, 2018). The theoretical foundation lies in SATP's nature, which offers a systematic approach for transitioning from traditional project management practices to Agile methodologies. The SATP framework serves as a resource by providing PMOs with clear guidance on adapting to Agile practices and achieving a smoother and more efficient transition. According to Hamad and Al Fayoumi (2018), SATP is adaptable to suit an organization's needs and can be used to assess Agile practices throughout the entire enterprise. This highlights SATPs' flexibility as a customized framework while methodologically it enables organizations to tailor their approach to Agile transformation based on their unique context and requirements.

The importance of the phases presented in the SATP framework, according to Hamad and Al Fayoumi (2018), lies in their nature to provide a theoretical basis for a systematic transition. These phases offer practical steps that organizations can follow to emphasize the significance of each stage during the transformation process. Hamad and Al Fayoumi (2018) conclude that SATP is a framework for organizations transitioning from Waterfall project management to Agile methodologies. This highlights how SATP offers value as a structured approach to address challenges associated with change. Methodologically, it serves as a roadmap for organizations by emphasizing the need to assess the situation accurately, plan and execute changes effectively, and monitor/manage them for successful transformation. It is evident that SATP provides a theoretical foundation for organizations to navigate the complexities of transitioning successfully into Agile methodologies.

Kurup and Sidhardhan (2015) offered valuable insights into the theoretical aspects, methodologies and consequences related to Agile practices in their study on the dynamics of Agile project management. The authors thoroughly explain project management as a process that involves iterative and incremental software development, prioritizing flexibility, collaboration, and customer satisfaction as fundamental principles (Kurup & Sidhardhan, 2015). The underlying theory is rooted in the nature of Agile project management methodologies focusing on continuous improvement and adaptability. Agile project development relies on these principles as guiding principles with a focus on improving customer satisfaction. According to Kurup and Sidhardhan (2015), close collaboration and continuous communication with clients throughout the project development process are essential for developing a deeper understanding of their needs. This perspective is crucial in shaping the client-centric nature of Agile methodologies. It emphasizes the importance of involving clients in order to meet expectations and enhance the overall quality of the product over time.

Kurup and Sidhardhan (2015) further emphasized the influence of Agile methodologies on reducing time spent in marketing products by highlighting the streamlining of the development process to enable faster product releases. The foundation of this concept lies in Agile project management testing and feedback techniques, which aim to identify and resolve issues early in the development phase. The focus on rapid prototyping and frequent releases aligns with Agile principles of adaptability and responsiveness, even if it may not always align with traditional cost-effectiveness. Kurup and Sidhardhan (2015) also delve into how Agile boosts team efficiency by fostering collaboration and self-organization, leading to increased motivation and performance levels. The theoretical perspective underscores the influence of Agile on team dynamics and motivation. Methodologically, it implies that cultivating collaboration and self-organization within teams is crucial for expediting project completion while ensuring team members remain dedicated to achieving project success.

Despite the advantages, Kurup and Sidhardhan (2015) recognized that Agile project management faces obstacles. These include resistance to change, concerns about documentation, and difficulties in optimizing processes within more complex organizations. Theoretical discussions focus on the shift in mindset and organizational culture that Agile methodologies require, which can pose challenges for some companies. Careful optimization and adaptation are key to implementing Agile methodologies in diverse organizational contexts. Kurup and Sidhardhan (2015) mean that embracing Agile principles can bring benefits to organizations. They recommend starting with pilot projects as a transition strategy. It is important to emphasize the foundations of Agile methodologies, particularly iterative development, client engagement, team collaboration and the challenges associated with cultural shifts and organizational adaptation. Taking a strategic approach to incorporating Agile practices while aligning them with the discussed theoretical principles is very important for the success of an organization.

Mokhtar and Khayyat (2022) delved into the comparison between Waterfall and Agile management in project management. Their research provides insights, methods and implications regarding the pros and cons of these approaches. To illustrate their findings, they present a real-life case study of an insurance company that successfully implemented both Agile and Waterfall methodologies (Mokhtar & Khayyat, 2022). The study emphasizes the significance of considering the project's requirements and organizational culture when choosing between Agile and Waterfall. Overall, it highlights the importance of tailoring project management approaches to fit each organization's context. According to the study conducted by Mokhtar and Khayyat (2022), the survey findings demonstrate that the availability of a structured communication channel plays a significant role in effectively managing projects. This implies that having a defined communication plan contributes to the success of both Agile and Waterfall approaches.

Mokhtar and Khayyat (2022) suggested adopting an approach that combines the design aspects of Waterfall with the flexibility offered by Agile methods. This theoretical perspective aims to strike a balance between agility and structured foundations. Methodologically, it proposes implementing a system that capitalizes on the benefits of both approaches, enabling flexible project management practices while maintaining a structured foundation. Key findings emphasize how important it is to contextualize the selection of Agile and Waterfall project management strategies (Mokhtar & Khayyat, 2022). The theoretical perspective highlights the need for conducting an analysis of business requirements and aligning them with the organization's culture. Methodologically, this recognition that there is no one-size-fits-all approach underscores the role played by leaders in decision-making processes. Leaders not only have to choose the suitable strategy but also foster a culture that supports and encourages such choices.

Patricio et al. (2021) discussed the role of management in the dynamics of the open innovation era. The authors argue that project management is essential for firms to develop a dynamic capability, which is the ability to adapt and innovate in changing environments (Patricio et al., 2021). It is emphasized that project management plays a crucial role in promoting adaptability and innovation as dynamic capabilities from a theoretical standpoint. This means that companies must prioritize effective project management to navigate through changing landscapes successfully. It enables them to not only meet evolving market demands but also effectively respond to technological shifts.

Patricio et al. (2021) emphasized the importance of project management within the realm of innovation in their study. They highlight how collaborating with partners is crucial for driving forward product and service innovation. The study's theoretical framework underscores the role of project management in orchestrating and coordinating efforts in the context of open innovation (Patricio et al., 2021). Methodologically, traditional project management approaches like the waterfall model may not be well suited for the adaptive nature of open innovation. Instead, it proposes that agile project management, with its enhanced flexibility and coordination capabilities, offers a suitable approach. The theory further suggests that adopting an approach that combines the structured elements of waterfall methodologies with the agility inherent in agile methods is essential for successfully navigating through the intricacies of open innovation.

Furthermore, Patricio et al. (2021) argue that for companies to cultivate capabilities closely tied to innovation and creativity, project management is indispensable. The theoretical standpoint highlights the connection between effective project management, innovation, and creativity. Collaboration and adaptability emerge as traits associated with agile project management. This perspective suggests that fostering a culture of collaboration and flexibility within project management practices plays a pivotal role in driving innovation and creativity. Effective leadership is identified as an element in ensuring a smooth transition from Waterfall to agile project management. The theoretical basis underscores the leadership's responsibility in guiding change and facilitating the adoption of agile methodologies. Overall, Patricio et al. (2021) provided insights into the role of project management in creating a dynamic capacity for open innovation. The authors emphasize the importance of collaboration, flexibility, and effective leadership in project management.

Serrador and Pinto's (2015) literature review is a comprehensive study of Agile project management effectiveness through quantitative analysis, which provides valuable insights into the success rates compared to traditional waterfall management. The authors' findings are impressive and show that Agile projects demonstrated a significantly higher success rate compared to their waterfall counterparts (Serrador & Pinto, 2015). This theoretical framework emphasizes the advantages of adopting Agile methodologies for achieving project success. From this standpoint, organizations should consider incorporating Agile project management principles to enhance overall project outcomes. Moreover, Serrador and Pinto's (2015) research highlights how Agile projects excel in meeting customer needs and maintaining higher levels of customer satisfaction. The customer-centric approach inherent in Agile methodologies aligns well with stakeholder expectations, underscoring the importance of customer satisfaction in ensuring project success. Methodologically, it signifies that organizations embracing Agile methodologies are more likely to deliver results that meet stakeholders' and customers' expectations.

However, it is important to note that Agile methods come with their set of potential drawbacks, as highlighted by Serrador and Pinto (2015). One key concern they raise is the possibility of technical costs. This perspective emphasizes the need to consider the long-term implications of project management strategies. In essence, while Agile projects may show immediate success, organizations must carefully evaluate the potential for increased expenses associated with maintaining and updating software over time. The authors also stress that successful Agile projects rely heavily on teamwork and communication, which can be fostered through strong leadership. The foundation of this theory emphasizes the role that leadership plays in promoting a collaborative and communicative team environment. Organizations should prioritize investing in leaders who foster cooperation and open communication to enhance the success of Agile projects. Serrador and Pinto (2015) also emphasize the need for a level of adaptability within Agile projects, which can be facilitated through an organizational culture that encourages innovation and creativity. The theoretical perspective highlights the significance of culture in supporting the flexibility required for Agile methodologies. Practically, nurturing a culture of innovation and creativity is essential for managing Agile projects with the necessary flexibility.

Methodology

The research methodology employed is broad and varied, encompassing a range of approaches to investigate the benefits of transitioning from Waterfall to Agile project management. Additionally, we recognize the role played by innovation, creativity, and leadership in ensuring a successful transition. To begin this process, the paper extensively reviewed existing literature from sources that discuss Waterfall and Agile project management methodologies as well as innovation, creativity, and leadership. This comprehensive analysis will provide a theoretical foundation for our study. Furthermore, we aim to supplement this basis by examining real-world practices through multiple case studies spanning different industries. These case studies will offer insights into the practical implementation of Agile methodologies and shed light on the influence of innovation, creativity, and leadership in facilitating these transformations. To enhance our analysis of real-life examples, we will employ a combination of quantitative approaches to collect data for our investigation into Agile project management. Our primary method will involve distributing surveys to individuals who possess expertise and practical experience in methodologies. These surveys will concentrate on uncovering the perceived advantages of Agile difficulties encountered during the transition process as well as the significance of innovation, creativity, and leadership in implementing Agile practices.

In addition, the plan is to conduct interviews with individuals within organizations involved in Agile transformations, such as project managers, team members, and leaders. These interviews will follow a structured format and aim to gather valuable insights into the impact of leadership, innovation, and creativity. By analyzing both quantitative data collected from surveys and interviews, we will be able to identify trends and correlations that highlight the benefits of adopting Agile methodologies. The qualitative data obtained from the interviews will be analyzed thematically to uncover recurring themes and stories related to innovation, creativity, and effective leadership. Our research proposal employs a range of methods to thoroughly investigate the transition from Waterfall to project management and the crucial significance of innovation, creativity, and leadership within this framework. We aim to conduct a balanced study that offers empirical evidence and in-depth insights for a thorough analysis by adopting this approach.

Findings

The research findings cover an analysis of the shift from Waterfall to agile project management practices, highlighting the crucial roles played by innovation, creativity, and leadership. Our research has uncovered a range of intricate insights by studying case studies across different fields. The advantages of transitioning from Waterfall to approaches have proven to be highly beneficial. Notably, Agile methodologies have improved project efficiency, cost-effectiveness, stakeholder satisfaction and overall project quality (Serrador & Pinto, 2015). However, it is important to acknowledge that this transition was challenging. Obstacles such as resistance to change, limited familiarity with practices, and adapting from document-centric methods to more Agile approaches were encountered. Nevertheless, it is worth emphasizing that these challenges also presented opportunities for innovation and fostered an environment of creativity and proactive leadership roles. These findings are poised to enrich the knowledge and practices of organizations seeking to adapt and excel in an ever-changing business environment.

Discussion

The discussion section is where different research findings, objectives, existing literature, and real-world implications intersect. Based on our research, goals, and insights from the literature, we can draw important conclusions. The findings indicate that transitioning from Waterfall to project management brings about increased project efficiency, cost savings, stakeholder satisfaction and overall project quality. These outcomes align with our research objective of studying the impact of innovation, creativity, and leadership on change. Innovation and creativity have emerged as drivers for successfully overcoming challenges during changes. Similarly, proactive leadership plays a role in guiding organizations toward embracing agile methodologies.

The practical implications of our research for organizations are quite significant as the findings offer guidance for companies looking to adopt

Agile methodologies. They highlight the importance of leadership and a culture that embraces change and innovation while facilitating adaptation. These results can serve as a measure for project management strategies that align with the changing business landscape. In project management and leadership, these aspects underscore the adaptability and responsiveness of methodologies. The fundamental principles of approaches rooted in innovation, creativity and effective leadership are increasingly crucial in today's project management environment, where agility is key to success. However, it is also important to recognize constraints and potential biases in analysis. Although the research is comprehensive, it may only encompass some nuances of practices. Transformation and the nature of the research may lead to inherent themes. Recognition of these limitations is important for a balanced interpretation of findings and future research efforts.

Conclusion

In conclusion, this research proposal sets out on a journey to explore the shift from Waterfall to project management practices in multiple dimensions. It focuses on the roles of innovation, creativity, and leadership, particularly as organizations strive to adapt and thrive in an ever-changing business environment.

Our research aims to quantify the advantages of the methods, examine the challenges faced during the transition process, and investigate how innovation, creativity and leadership impact Agile environments. We intend to provide insights through case studies that involve in-depth and comparative analysis. This overview aims to shed light on the complexity of change and highlight the benefits, challenges and impacts that drive such transformations. The findings will not only enhance academic understanding of Agile project management but also offer practical guidance for organizations looking to optimize their project management practices.

Our research aligns with today's dynamic business management requirements, where agility, innovation, creativity, and effective leadership are critical success factors. While acknowledging considerations and priorities throughout our study, we provide a strong foundation for organizations seeking a change process from waterfall project management methods to agile project management methodologies. ■

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Challenges of International Education

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Abstract: Abstract: This article presents that cultural differences are often only one of the main challenges international students and teachers face in international education. It indicates the impact of students' mental health, financial difficulties, peer exclusion, disorders, and learning disabilities on their academic performance. Furthermore, it shows how their learning style and culture may affect their understanding of course objectives. It also demonstrates how a teacher's cultural background and formative years may influence their teaching methods and effectiveness in an international setting.

Challenges of International Education

Nowadays, international education is experiencing rapid growth due to globalization. As a result, many obstacles and challenges arise along the way. Namely, students and teachers experience problems with communication. Nevertheless, not all the obstacles educators and learners face come from cultural differences. Some are formed due to financial issues, learning disabilities, or mental health. This article aims to present factors that influence international education beyond cultural differences and show how an educator's background, formative years, and culture may negatively affect their work in an international setting.

Common Factors That Affect International Education and Teaching Pedagogy

Although international education opens doors to new possibilities, it faces many challenges, and cultural differences do not always drive them. For instance, language barriers, mental health issues, and learning disabilities disappear under the label of cultural differences, leaving international students without proper help.

Students' Language Proficiency

However, it is easy to assume that all international students speak the language of the country they decided to study in. It should be noted that not every student could test their language skills in practice. According to statistical data presented by Andrew Norton (2016), almost 10% of international students claimed they did not speak English well. Moreover, 30% of international students obtaining their education at Melbourn University rated their English language skills as moderate or low.

It is known that a lack of proficiency in language causes much stress for international students (Mori, 2000; Ali et al., 2020) and results in students' low motivation and withdrawal from classroom participation (Natowitz, 1995; Ali et al., 2020). Furthermore, students' limited language skills create difficulties for students to effectively communicate with educators, peers, or university staff members (Hiratsuka et al., 2016).

Financial Inequality among Students in Classrooms

International education is, for many, a dream come true that was not easy to attain. Statistics show that financial difficulties rate second on the list of struggles for international students (Shih & Brown, 2000; Banjong, 2015). Such outcomes may be because students from third-world countries or families with lower incomes must rely upon university funding and scholarships, which is not always enough. A study by Iorio Pereira (2018) shows that Brazilian students are the biggest group of international students in Portugal. Furthermore, these students come from different social classes; 57% declared they were self-funded. Moreover, students from families with limited financial resources claimed they could not visit their country because they did not have the financial resources. Others mentioned they were willing to find a job to complete their education (2018).

Financial struggles cause many students to seek a job and often prevent them from focusing on university courses because they need to support themselves financially.

Students Mental Health

Furthermore, moving abroad and being surrounded by a new language, culture, and academic requirements can overwhelm students, causing them to withdraw from social interaction. Unfortunately, a lack of social networks may cause mental health issues (Razgulin et al., 2023).

Statistics presented by Razgulin (2023) show very worrying results, where 59% of international students showed signs of depression, and 20% struggled with anxiety.

Students' mental health is undeniably fundamental for their academic performance and well-being. That is why creating social networks and helping students adjust to the new environment should be prioritized.

Disorders And Learning Disabilities

It is crucial to understand that not every behavior of an international student can be explained by their cultural background. When students do not respond to educational techniques, many factors should be considered, such as learning difficulties like Dyslexia. According to Williams (2022), many students experience difficulty writing or reading assigned materials. Moreover, a student's character or developmental disability, such as ADHD or Autism spectrum disorder, could influence student responsiveness and interactions with others. What is more, educators should acknowledge students' individuality rather than looking at them solely through a cultural lens.

In the article for ADHD Center, Nadya Koseva (2023) mentioned that students with ADHD decide to stop their education and withdraw from courses at the university. Additionally, such students often struggle with receiving criticism (The ADHD Centre, 2023). Similar results have been observed among Autistic university students who experience exclusion from social groups. Because of limited accommodations for autistic students, they are more likely to withdraw from the courses (Reidy, 2019).

Universal Challenges in International Education that Need a Different Approach According to Culture

Students Performance and Participation in Class

Every student experiences lower motivation or a slight decrease in performance at some point in their education. Many factors can cause poor academic performance, such as stress, home issues, learning difficulties, various health problems, or environmental causes (Karande & Kulkarni, 2005).

Nevertheless, the root of low performance among international students may be related to their cultural approach to learning or the teaching styles they are accustomed to. That is why it is important to identify students learning preferences and understand which teaching methods would be the most beneficial. According to Liang et al. (2021), Chinese students prefer educators' instructions rather than presenting their opinions without having background knowledge on the discussed matter. In comparison, students from the USA are used to expressing their opinions and problems because they take a central place in class (2021).

Because educational techniques are part of the culture, students from the USA may struggle with fully benefiting from Chinese teaching methods, the same way Chinese students would find it problematic to learn following the teaching style used in the U.S. That is why cultural approaches should be taken into consideration while monitoring students' low performance.

Peer Exclusion

Although peer exclusion happens to many students regardless of their cultural or social background, international students mention loneliness as one of the factors that strongly affects them (Shih & Brown, 2000; Banjong, 2015). Unfortunately, this issue has become more and more severe due to the growing negative approach toward immigrants (Gönültaş & Mulvey, 2019; Palmer et al., 2022). Furthermore, international students experience peer exclusion intensely as they are not only excluded from one social group, but as foreigners, they are often far from their families and close friends, which prevents them from feeling safe or asking for help.

That is why this issue requires a cultural approach. To help international students feel welcome, local students should be taught to show empathy and respect; breaking the ice can benefit both international and local students.

Establishing Student-Teacher Communication

Each culture views educational and student communication differently. Some cultures are more reserved, and there is a distance between teachers and students, where students always address educators using appropriate titles, like in Germany, France, and Poland. On the other hand, many cultures try to build friendly relationships between educators and learners by seeing both groups as equal, and academic titles have little to no significance in conversation. The Netherlands, Australia, and Brazil are good examples of such approaches (Moore, 2019). Students from Sweden address teachers and school officials by their first names without using academic titles (Uusimaki & Garvis, 2020).

When students from a more open culture go to a country requiring formal interactions, their directness could be perceived negatively. On the other hand, students from a culture that advises using academic titles may be distressed when referring to professors using their first name, and they would prefer to use titles, subconsciously building distance between them. Both situations require a cultural approach that could help each culture understand what is expected for successful communication.

Presentation of School Principles and Course Objectives

Changing educational facilities or entering university is a significant change for all students. New rules and requirements can be overwhelming. Nevertheless, these problems are easier to overcome for the local students as they understand how the educational system in the country works. On the other hand, International students often find themselves struggling with understanding academic rules and grading systems. Moreover, some international students perceive counseling as something negative (Onabue & Boes, 2013; Banjong, 2015). Consequently, they refrain from it, trying to solve their problems independently (Misra & Castillo, 2004; Banjong, 2015).

Although international students are often provided with all the necessary information and course requirements, they still filter the information via their cultural background and their understanding of the rules.

Factors that Unfavorably Influence Educators' Teaching in an International Educational Setting

Even though international teachers travel, live, and work in many different countries, their approach to learning comes from their cultural background, values, and formative years, which may negatively impact their work in an international setting.

How Culture Can Negatively Shape Educator's Approach to Teaching

Education in every country is affected by cultural approaches and values. In the same way, students are used to learning using techniques characteristic of their culture. Teachers who obtained their education in a specific culture will model their teaching styles according to the socially accepted standards of the country in which they were educated. As Yang (2001 Yang et al., 2006) have established, learning and teaching are inseparably linked with culture (Yang et al., 2006). Therefore, teachers' culture and background immensely impact their way of teaching and perceiving education.

Song (2023) presented that teachers in China are expected to have authority in class and be able to show that they know how to maintain order during the lessons (2023). East Asian teaching methods suggest that teachers possess the necessary knowledge and transmit it to students. That is why, students prefer listening rather than actively participating in class (Liang et al., 2021). Such teaching methods would not be positively received in a country of a different cultural setting. For example, in Spain, teachers perceive students' opinions as valued in class, and projects during lessons are often implemented (Salisbury, 2017). Such students would not fully benefit from Chinese teaching techniques. As a result, Chinese teachers may experience their teaching methods to be less effective and cause stress and frustration for learners. Thus, the teacher's beliefs of what is right and wrong among students' behaviors and their responsiveness to teaching techniques are dictated by their cultural background.

How Teacher's Background Negatively Influences Their Work in International Setting

A teacher's background influences the teacher's views on education and other cultures. Everything we learn about other cultures we learn through our own until we go abroad and test our knowledge in practice; everything is theoretical. Houghton (2014) observed that nowadays, language teaching faces a problem of transmitting incomplete or stereotypical information about different cultures by educators in international settings (Houghton, 2014 in Linares, 2016). Consequently, teachers may not know much about different cultures or teaching practices in different countries. Thus, foreign language teachers from different cultural backgrounds face problems teaching about the cultures of the target language (Clark, 2008 in Fichtner & Chapman, 2011).

Moreover, Moncada Linares (2016) pointed out that dividing cultures into two groups, such as "Us" and "Them," has negative connotations and creates distance between them, allowing stereotypes and prejudice to thrive (2016). It is challenging in foreign language teaching because the teacher who enhances this type of distance building and stereotyping of other cultures strengthens these ideas in the learners' minds. That is why awareness of cultural patterns is crucial to building cultural competence and seeing all cultures as equal (Viafara González & Ariza Ariza, 2015). Nevertheless, it is not an easy process, as many teachers working in international settings openly admit that it is challenging for them to agree with foreign cultures' opinions or ideas, subconsciously favoring their own culture (Morales et al., 2017).

Teacher's Formative Years and Its Negative Influence on Teaching in an International Setting

According to Singh (2014), the effects of formative years in children influence all aspects of adult lives. Namely, from education to romantic relationships, a lot of things are directed by childhood experiences (Singh, 2014). What is more, Chakraborty (2018) suggested that adults who experience financial difficulties during their formative years are more eager to help and show empathy as they understand the struggles of others (2018). This personality trait is critical in education, as more understanding teachers can support students and be more aware of their needs.

An example provided by a teacher in training, Nora (2014), who was a teacher trainee in Uganda, shows that many educators coming to teach in African countries do not try to understand the regional cultures but instead do their job and spend their free time in isolation and then depart. On the other hand, Nora, who experienced hardship and difficulties as a child, was more open to learning about other cultures and customs. Even though she saw many differences between cultures, she described her experience as positive and was more empathetic towards others (Personal communication, February 2014, in Shedrow, 2017).

Nevertheless, Nora's empathy did not prevent her from subconsciously trying to show her students Western critical thinking and challenging her students' points of view (Shedrow, 2017). Furthermore, educators who have lived in privileged environments their entire lives may have problems accepting living conditions in poorer areas or see other cultures and education as equally valued, trying to implement their own teaching methods and way of thinking (Shedrow, 2017).

Unfortunately, what works well in one cultural setting does not always work in another. Burbank, Ramirez, and Bates (2012) mentioned that new teachers do not receive the necessary training before teaching in a different cultural setting. Therefore, they are unprepared to deal with classrooms with diverse cultural backgrounds (Burbank et al., 2012 in Shedrow, 2017).

Conclusions

In conclusion, international education faces a long list of issues and challenges that go beyond cultural differences in classrooms.

International students' mental health and learning disabilities often disappear under the mask of cultural traits. As follows, financial inequality or learning proficiency are everyday ongoing struggles for students seeking their education in a different country, often preventing them from achieving high academic results.

On the other hand, teachers' backgrounds, culture, and formative years may negatively impact students' education. Namely, all educators have cultural rules and beliefs shaping their views on education and other cultures. Unfortunately, not all the methods and cultural values are universal for every culture. However, teachers often have good intentions, and they may not always fully understand the host culture and try to consciously or subconsciously implement their cultural values on students. ■

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Adaptation of Charismatic Leaders During Pandemic Crises

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Abstract: This study was conducted to investigate how charismatic leaders managed their teams during Covid-19, mainly within engineering firms, and considering the communications difficulty because of remote work. This study collected the data through 10 interviews with leaders as primary resources in addition to 206 responses for the questionnaire of Conger and Kanungo (1998) which 103 participants answered each question twice, before and during Covid-19. The purpose of answering the questions twice was mainly to assess how charismatic attributes of the 10 interviewees impacted by Covid-19 from the perspectives of their followers.

The analysis of the data, qualitative and quantitative, has been conducted to verify two main hypotheses, whether charismatic leadership communications have been affected by Covid-19 and remote work and whether charismatic leaders had to adapt their leadership style during Covid-19 which both have been supported. This research highlighted the flexibility of charismatic leaders to adapt to the surrounding conditions during crises.

Introduction

Remote team environment started a long time ago because of the developed technologies of online communications as highlighted by Palmer and Speier (1998) who referred to the advantage of these technologies to facilitate working without being physically working at the same place.

When coronavirus disease spread and turned into a pandemic as classified by World Health Organization on March 11, 2020, WHO (2020), numerous governments advised their organizations to encourage their employees to work from home, or even forced them as done by other organizations which was highlighted by numerous studies such as Dockery and Bawa (2020). Some firms called working from home as "smart working" as highlighted by Bolisani et al. (2020, p. 459) who referred to the considerable number of the employees who worked from home, referring to Italy as an example that the number of employees worked from home during the beginning of Covid-19 was twice the previous years and then increased significantly. In the UK, and according to Parry et al. (2020), 30% of the employees worked from home during Covid-19 while in the US, the percentage reached almost 33% according to Silver (2023). In the developing countries, the percentages were different since Saltiel (2020) referred to only 5 to 20% of the labor force who worked from home.

Accordingly, the Covid-19 pandemic along with the lockdown was associated with working from home remotely. Despite the advanced technologies of online communications, managing a remote team is a challenge by itself due to the lack of face-to-face communications as referred to by Nikoloski (2015). The communications within engineering firms are associated with technical discussions that are not easy to take place online and which is another challenge for charismatic leaders. This study investigates how charismatic leaders managed these challenges and adapted their leadership style when dealing with remote teams. This adaptation is expected to occur because of the lack of face-to-face communication, which is considered as one of the important tools that charismatic leaders rely on in the first place to convey their message and vision as referred to earlier and stated by numerous researchers including Weber (1946) and House (1976). Moreover, non-verbal communication, which is another important tool of charismatic leaders, as highlighted by Nikoloski (2015), was also limited during the Covid-19 pandemic along with the associated working from home environment and.

Research Hypotheses

As stated earlier, charismatic leaders rely heavily on their communication skills to inspire followers and convey their vision according to House (1976). Face-to-face communications along with observing others' facial expressions and emotions are the most important capabilities according to prior research including Conger and Kanungo (1998) and Nikoloski (2015) and which was limited during Covid-19. Accordingly, charismatic leaders are expected to miss one of their main powerful tools during Covid-19 which is the first hypothesis of this study.

Hypothesis 1: Charismatic leaders lose their powerful tool which is communication skill during remote work environment associated with pandemic.

According to the above-mentioned barrier, charismatic leaders are expected to try other approaches to manage their teams. It is expected that such trials will let charismatic leaders make some adaptations in their leadership style. Accordingly, charismatic leaders are expected to adapt their leadership style during Covid-19 which is the second hypothesis.

Hypothesis 2: Charismatic leaders adapted their leadership style when managing remote teams during the Covid-19 pandemic.

Literature Review

Charismatic leadership has been introduced by Weber (1946) as a leadership style that emerged from the charisma that some leaders have and utilize when they manage their followers. This concept was referred to by House (1976) who defined the charismatic leaders as a person who has special traits that he utilizes to inspire his followers to accomplish a common goal that encompasses the goals of the followers, leader, and the organization. House (1976) and other researchers discussed also the power of charismatic leaders to increase their followers' satisfaction with their jobs, which ultimately contributes to improving the overall performance of the organizations.

Since House's research, numerous studies have been published to discuss several aspects of charismatic leadership. The study of Nikoloski (2015) started by presenting the different definitions of a leader's charisma which are all about the unique character of a leader that influences and inspires others along with building high commitment from his team. Nikoloski (2015) referred to emotional intelligence as one of the characteristics of charismatic leaders. One of the important points that was discussed by Nikoloski (2015) is the reference to the nonverbal communication as an essential part of the communication skills of charismatic leaders that is connected to the follower's emotional inspiration and strengthen their attraction to charismatic leaders. He referred also to the efficiency, productivity and overall performance improvement that are associated with charismatic leadership.

Other sides of the positive impacts that are associated with charismatic leadership are highlighted by numerous researchers such as Bazawi, Syah, Indradewa, and Pusaka (2019). Bazawi et al. (2019) referred to the contribution of the charismatic leaders to reducing the turnover issue through improving the individuals' job satisfaction in addition to increasing the commitment towards their organizations. Bazawi et al. (2019) referred to the direct and positive relationships between charismatic leadership and these variables. The six dimensions specified by Conger and Kanungo (1998) had 25 attributes as demonstrated in the next chapters including communications, presentation skills, sensing followers' needs, understanding the abilities of the team members, unconventional behavior, influencing with respect, self-sacrifices, barriers acknowledgment, and visioning the future. According to Conger and Kanungo (1998), these attributes are part of charismatic leadership evaluation.

In general, communications skills are important for leaders and firms because of several aspects. One of these aspects was the role of communications to resolve conflicts. Another aspect was concerning communication as a source of conflict. Both were highlighted by Harary and Batell (1981) who distinguished between negative and successful communications as reasons for conflict prevalence or resolution, respectively. Radovic Markovic and Salamzadeh (2018) called these two types of communications as poor or effective communications, respectively. Radovic Markovic and Salamzadeh (2018) referred to the importance of effective communications for managers to convey their messages effectively which could be related to assigning tasks, conveying organizational goals, inspiring their followers, and dealing with challenging situations. The importance of communications were highlighted by other researchers such as Jamal and Abu Bakar (2017) who went beyond the importance of communications skills in the normal situations and referred to the ability of the charismatic leaders to utilizes their communication skills in the crises focusing on the speeches they may give during these circumstances, and which will be discussed separately concerning the prior research that addressed the relationship between charismatic behavior emergence and crises. Jamal and Abu Bakar (2017) highlighted that the charismatic leader's communications could reduce the panic that the individuals could have during the crises. According to Jamal and Abu Bakar (2017), reducing the employees' worries in such situations could ultimately maintain the organization's reputation.

As referred to earlier, the exitance of remote teams may appear because of working from home whether with reference to pandemic or in other situations. Numerous researchers discussed working from home which the focus here is on pandemic era. Birimoglu Okuyan and Begen (2022) highlighted the advantage of providing a similar environment to the workplace when a team is working from home. Birimoglu et al. (2022) also highlighted the importance of utilizing suitable equipment at home. There were advantages associated with working from home such as the flexibility of working hours, but some challenges were highlighted by Birimoglu et al. (2022) including mental health and balance between life and working. Galanti et al. (2021) also referred to the issues of work-life balance that leaders should consider when managing remote teams working from home. Same issues regarding work-life balance for working from home was highlighted by Galanti et al. (2023). Both previous articles included also the stresses associated with Covid-19. The issues associated with pandemic, whether related to demotivation or stress are addressed within the next lines.

Anisah and Wisesa (2021) discussed the impact of the Covid-19 pandemic on the demotivation of the employees in Indonesia. Anisah and Wisesa (2021) utilized a case study for a small developing business and reviewed whether the organization along with their team members met the objectives during Covid-19. Based on the investigation of Anisah and Wisesa (2021), the main reason for such performance decline was the demotivation associated with the Covid-19 pandemic. According to

Anisah and Wisesa (2021), such demotivation was a result of the panic of getting infected, and the lack of face-to-face communications.

Jannah and Faruk (2022) also addressed the demotivation associated with Covid-19. However, Jannah and Faruk (2022) addressed demotivation from another point of view which is the job insecurity associated with the Covid-19 pandemic. The study of Jannah and Faruk (2022) utilized a quantitative analysis, targeting employees working in an industry firm. Based on the results of the study, the job insecurity was directly related to employees' demotivation during Covid-19 taking into consideration the stress resulting from the fear of getting another job easily during the pandemic.

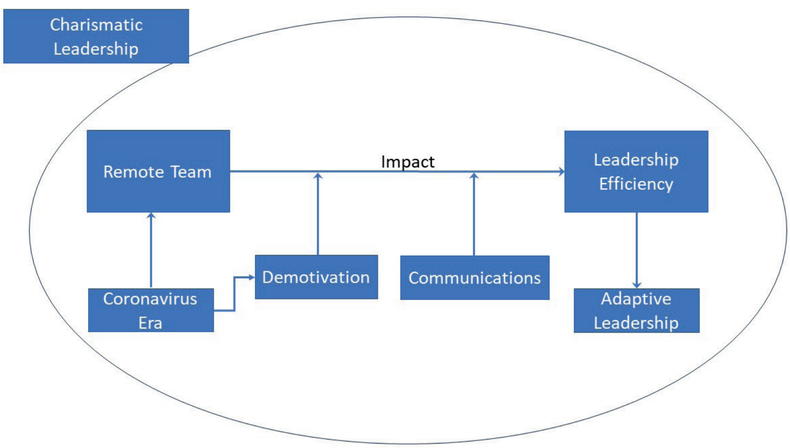
This research assumes that charismatic leaders adapted their leadership style during the Covid-19 pandemic. Accordingly, it is important to review prior research that addressed the relationship between charismatic leadership and adaptation. Den Hartog and Verburg (1997) highlighted such adaptation but was limited to adapting the language style of charismatic leaders according to the culture of the audience. Qardaku (2019) highlighted another limited type of adaptation which is related to charismatic teachers and how they are capable of adapting the lessons to the needs of their students. The relationship between charismatic leadership and adaptation has not been widely addressed in prior research. This research addresses the adaptation of charismatic leadership behavior during pandemic, and particularly during coronavirus era which is considered a unique situation.

Research Method and Data Collection Approach

Mixed research method has been utilized in this study because of the nature of the data that is required to be collected. In order to understand how charismatic leaders managed teams during Covid-19, it was essential to interview charismatic leaders under the umbrella of qualitative research method. To identify the charismatic leaders, it was mandatory to search for these charismatic leaders which it was decided to distribute a verified scale to measure the attributes of charismatic leaders which is considered quantitative analysis. This verified scale was adapted from Conger and Kanungo (1998). In order also to investigate how charismatic leaders behaved before and during Covid-19 from the perspectives of their followers, the survey participants are requested to answer each of question of the scale of Conger and Kanungo (1998) twice, before and during Covid-19.

According to Imenda (2014), the conceptual framework involves the variables of the research into a model showing the relationships between these variables in order to simplify the dilemma of the research. Accordingly, the graphical model of this research has been built involving the context, variables, and constraints of this research along with their correlations as shown per Figure 3.1 that was adapted from Latham (2018). The remote team in this research is the independent variable while leadership efficiency is the dependent variable which Walliman (2017) defined these variables as major variables.

Figure 3.1 - Research Graphic Model (adapted from Latham 2018)



Other variables, which are known as moderating variables as referred to by Latham (2018), are communications and demotivation that are expected to affect and being affected by Covid-19. Since the research aimed to investigate the impact of Covid-19 on charismatic leaders and how they adapted their charismatic leadership style, the overall context in the graphic model is charismatic leadership.

The data will be collected in two sequential stages. Hence, mixed research method with sequential strategy will be utilized as defined by Creswell (2003) and which has an advantage of facilitating sightseeing the collecting data as referred by Kelle (2006). The first process of collecting the data in this research will start by identifying the charismatic leaders and the perception of the individuals through answering the questions twice as referred to earlier. Since this research does not aim mainly to identify the charismatic leader, but to assess their challenges when they manage remote teams, identifying the charismatic leader will not be conducted by creating a questionnaire but with utilizing a recognized questionnaire that was generated by Conger and Kanungo (1998). The questionnaire of Conger and Kanungo (1998) investigates certain characteristics of charismatic leaders such as their ability of influencing others, engaging the employees in nontraditional behavior towards achieving the organization goals, their sensitive reactions with respect to his colleagues of followers' needs, their capabilities in motivating the individuals, being good speakers, and being risk takers in the process of achieving the organizations goals.

The second phase of the research is conducting interviews with those leaders who are identified during the first phase. The main goal of the interviews is understanding the challenges that the charismatic leaders face when they manage remote teams. As highlighted by Kielhofner (2006), the main advantage of open-ended questions is getting a thorough understanding of a particular subject which is required in this research.

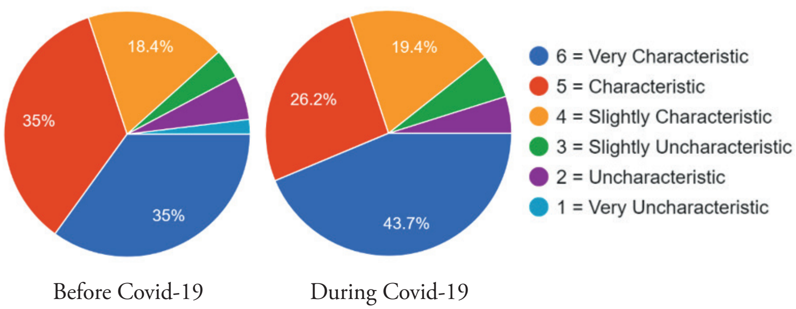
The stakeholders for this research are the leaders, individuals, and HR. Individuals were asked to answer the survey of Conger and Kanungo (1998) through an online platform. Management, leaders, and the human resources department of the organizations that their employees will be contacted for the survey to get the required approvals before proceeding with sending the survey. Leaders will be contacted face-to-face or online for the interviews.

Findings and Discussion

103 responses were received, answering the questions twice before and during coronavirus era which involved 206 responses in total within engineering firms. Despite that this number is just above minimum, and sine the focus is on limited number of leaders, the structure of the responses showed a significant percentage of each leader's followers answered the questionnaire which gives confidence in the results. The survey was anonymous for the participants, but they have been requested to mention the supervisor's name in order to identify him or her for the interviews.

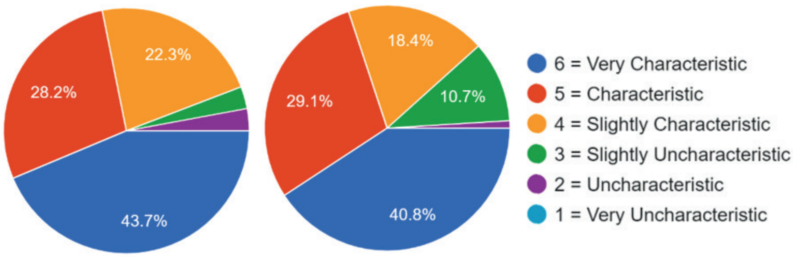
Figure 4.1 shows that leaders have spent more self-sacrifices during Covid-19 than before to achieve the goals of the organization in which "Very Characteristic" has increased by more than 8%. Figure 4.2 shows the public speaking skills as an example of communication skills reduced significantly during Covid-19. More details are outlined in Table 4-1.

Figure 4.1 - 7-Engaging in Activities Involving Self-Sacrifices



*The questionnaire is adapted from Conger and Kanungo (1998)

Figure 4.2 - 15-Exciting Public Speaker



Before Covid-19 During Covid-19

*The questionnaire is adapted from Conger and Kanungo (1998)

Table 4.1 - Questionnaire Average Scores for All Attributes

	Before Covid-19		During Covid-19		Variance
	M	CV	M	CV	
1- Influencing others through respect	5.34	0.15	5.35	0.15	0.01
2- Recognizing the barriers	5.14	0.19	5.20	0.18	0.06
3- Following nontraditional behavior	4.73	0.29	4.85	0.27	0.12
4- Seizing new occasions	5.19	0.18	5.17	0.18	(0.02)
5- Sensing followers' emotions and needs	5.10	0.21	5.17	0.20	0.07
6- Using exceptional means	4.84	0.24	4.89	0.24	0.05
7- Being altruism during teamwork	4.83	0.25	4.98	0.23	0.15
8- Recognizing constraints in context	5.16	0.17	5.21	0.18	0.05
10- Providing motivational goals	5.14	0.2	5.01	0.22	(0.13)
11- Recognizing culture constraints	5.12	0.17	5.12	0.18	0.00
12- Personal risk taker	4.91	0.21	4.81	0.23	(0.1)
13- Inspiring by purpose	5.22	0.17	5.26	0.16	0.04
14- Creating new thoughts	5.06	0.21	4.98	0.21	(0.08)
15- Being a public speaker	5.07	0.20	4.98	0.21	(0.09)
16- Emotional intelligence	4.94	0.21	4.96	0.23	0.02
18- Unique behavior	4.83	0.23	4.83	0.23	0.00
19- Understanding others' abilities	5.30	0.18	5.22	0.18	(0.08)

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	Before Covid-19		During Covid-19		Variance
	M	CV	M	CV	
20- Spending personal cost	4.72	0.24	4.78	0.24	0.06
21- High presentation skills	5.40	0.14	5.27	0.17	(0.13)
22- Visioning the future	5.14	0.19	5.16	0.18	0.02
23- Spotting new chances	5.12	0.19	5.12	0.19	0.00
24- Understanding others' limitations	5.17	0.16	5.19	0.17	0.02
25- Engaging activities with personal risks	4.91	0.20	4.88	0.22	(0.03)

In general, the attributes that their average scores have increased clearly during Covid-19 are the nontraditional behavior, being sensitive towards others' needs and emotions, and spending self-scarifies (altruism) when working with others. On the other hand, there are other attributes that have decreased clearly during Covid-19 such as providing motivational and strategic goals, being innovative, being public speakers, presentation skills as referred earlier, and surprising understanding others' abilities. Self-scarifies attribute had the most increase during Covid-19 as an average score by 0.15 or as a considerable increase in the response "Very Characteristic". However, it is worth mentioning that there was a clear decrease in taking high personal risks during Covid-19 while both attributes, self-sacrifices and taking personal risks fall under one subscale or dimension which is called "Personal Risks, PR", (Conger et al., 1997, p. 293). Such inconsistency during Covid-19 is justified especially taking personal risks during pandemic is considered natural to be avoided as highlighted by Yıldırım and Güler (2022). On the other hand, leaders focused on self-sacrifices that are not related to personal risk to compensate such avoidance of personal risks. Kirchner, Ipsen, and Hansen (2021) highlighted that during Covid-19 leaders spent longer working hours than individuals and which supports spending self-sacrifices that are not related to personal risks as highlighted. A similar case has been identified for the dimension "Environmental Sensitivity, ES" as referred to by (Conger et al., 1997, p. 293). The attribute of recognizing the barriers has increased during Covid-19 while the attribute of recognizing the abilities has clearly decreased which is another dimension that has inconsistency within its attributes. Kirchner, Ipsen, and Hansen (2021) and Mousa and Abdelgaffar (2021) highlighted that working from home was associated with some difficulties including equipment and internet speed that affect the individuals' abilities which could not be realized by charismatic leaders as per the findings of this research. With respect to other dimensions, the case of inconsistency was not there. Unconventional Behavior (UB) and Sensitivity to Member Needs had a general increase during Covid-19 while Vision and Articulation (VA) dimension had a general decrease noting that the lack of non-verbal communications and observing the facial expressions could explain such decease considering that such characteristics play an important role in the communications of charismatic leaders as highlighted by Nikoloski (2015). The results of the target leaders have been summarized in Table 4.2 Leaders have numbered from L01 to L10. Table 4.2 provides the average score of the 23 questions with both cases, before and after Covid-19.

Table 4.2 - Leaders Average Scores

Leader	Before Covid	During Covid	Variance
L01	4.30	4.23	(0.06)
L02	4.70	4.64	(0.06)
L03	4.66	4.72	0.06
L04	5.23	5.28	0.05
L05	5.11	5.09	(0.02)
L06	5.74	5.76	0.02
L07	5.30	5.32	0.02
L08	5.15	5.28	0.13
L09	4.85	4.91	0.06
L10	5.58	5.63	0.05

One of the clear observations from the above table is that leaders with the low average score of charismatic attributes before Covid-19, leaders

L01 and L02, are perceived are even less charismatic during Covid-19. On the other hand, the two leaders with the highest average score, leaders L06 and L10 had an increase in their charismatic attributes during Covid-19. Table 4.3 shows that leaders L01 and L02 had lower scores in the attributes related to unconventional behavior including questions number 3, 6, and 18 than leaders L06, L08, and L10. In addition, self-sacrifices associated with question 7 also showed high scores for leaders L06, L08, and L10 than leaders L01 and L02.

Table 4.3 - Special Leaders Average Scores

	L01		L02		L06		L08		L10	
	B*	D**	B*	D**	B*	D**	B*	D**	B*	D**
1- Influencing others	4.80	4.20	5.33	5.33	5.92	5.92	5.33	5.67	5.50	5.50
2- Recognizing barriers	4.40	4.40	5.17	4.83	5.92	5.92	5.50	5.67	5.50	5.50
3- Nontraditional behavior	4.40	4.20	4.67	4.67	5.54	5.46	5.00	5.17	5.75	5.50
4- Seizing new occasions	4.20	4.00	5.00	5.33	5.77	5.69	5.17	5.50	5.75	6.00
5- Sensing follower	3.80	3.80	4.50	5.17	5.92	6.00	5.50	5.50	5.75	5.25
6- Using exceptional means	3.80	4.00	4.33	4.50	5.69	5.77	4.83	4.83	5.75	6.00
7- Being altruism	4.20	4.40	4.17	4.33	5.31	5.69	4.50	4.67	5.00	5.50
8- Recognizing constraints	4.60	4.60	4.83	4.50	5.77	5.85	5.50	5.67	5.75	6.00
10- Providing motivational	3.80	4.00	4.33	4.00	5.85	5.85	5.50	5.50	5.50	6.00
11- Recognizing culture issues constraints	4.80	4.60	4.33	4.17	5.77	5.85	5.33	5.67	5.50	5.75
12- Personal risk taker	4.20	4.20	4.50	4.83	5.69	5.69	4.83	4.83	5.50	5.25
13- Inspiring by purpose	4.40	4.40	5.00	4.83	5.77	5.69	5.83	6.00	5.25	5.75
14- Creating new thoughts	4.60	4.60	4.00	3.83	5.62	5.69	4.67	4.67	6.00	6.00
15- Being a public speaker	4.60	4.60	5.50	5.17	5.62	5.62	4.83	5.00	5.50	5.50
16- Emotional intelligence	4.00	3.60	4.67	4.33	5.85	5.85	5.50	5.67	5.50	5.75
18- Unique behavior	4.20	4.20	5.17	5.17	5.69	5.69	4.33	4.33	5.00	4.50
19- Understanding abilities	4.20	3.60	4.83	4.67	6.00	6.00	5.50	5.50	6.00	5.75
20- Spending personal cost	4.00	4.20	4.17	4.00	5.62	5.62	5.33	5.50	5.50	5.50
21- High presentation skills	5.00	5.00	5.33	5.00	5.69	5.69	5.67	5.67	6.00	6.00

	L01		L02		L06		L08		L10	
	B*	**D****	**B***	**D****	**B***	**D****	**B***	**D****	**B***	**D****
22- Visioning the future	4.40	4.40	5.00	4.50	5.77	5.77	5.17	5.00	5.50	5.75
23- Spotting new chances	4.20	4.00	4.50	4.67	5.77	5.69	5.17	5.50	5.25	5.75
24- Understanding limitations	4.20	4.40	4.67	4.67	5.85	5.85	5.17	5.33	5.75	5.50
25- Engaging in risk activities	4.00	4.00	4.17	4.33	5.69	5.62	4.33	4.50	5.75	5.50

B* is for Before Covid-19 while D** is for During Covid-19

Table 4.4 lists the average score of each dimension of Conger et al. (1997) in a form of presenting these average scores for the cases of before and during Covid-19 and the variance for each. Table 4.4 shows a general average increase in the dimension "Unconventional Behavior" and general average decrease in the dimension "Vision and Articulation" as both defined (Conger et al., 1997, p. 293). Other dimensions had minor or negligible variance as listed in Table 4.4

Table 4.4 - Dimension Scores

Dimension according to Conger et al. (1997).	**Before Covid-19 19Covid-19**	**During Covid-19 19Covid-19**	
	M	**M**	**Variance**
1- ES	5.17	5.17	0.00
2- PR	4.84	4.86	0.02
3- SM	5.13	5.16	0.03
5- UB	4.80	4.86	0.06
6- VA	5.17	5.11	(0.06)

Interviews Results Findings and Discussions

The difficulty of technical discussions through online meetings was highlighted by four leaders which was highlighted in prior research such as Hartmann et al. (2021) who mainly addressed this point during Covid-19. Hartmann et al. (2021) highlighted that one of the steps to overcome the difficulty of technical discussion is to prepare in advance. Such preparation was highlighted by leader L01 who used to prepare sketches before online meetings. However, there are other steps that have been recommended by Hartmann et al. (2021) but not mentioned by our leaders such as engaging the participants in the discussion to assure that they are concentrated which was mentioned by one of the leaders that he suffered from the lack of concentration by individuals. Hartmann et al. (2021) highlighted the importance of building relationships with individuals since the lack of visual contacts is deemed to impact the relationship which was highlighted by leader L08 as he was fortunate that he worked with a team that he had a strong and close relationship with, and which helped him while working from home. Hartmann et al. (2021) also recommended other procedures that could facilitate the technical discussion such as limiting the kind of discussions to a limited number of the concerned employees to focus and create a virtual room with background and logos which could help the team to focus which was stated also by Doumanis et al. (2019) as a tool to enhance discussions through online meetings.

The lack of seeing facial expressions and reactions were mentioned as a challenge by three leaders. This was also iterated by Galanti et al. (2021) as an issue not only for leaders, but also for employees who need to have visual contact and face-to-face interaction. This highlights the importance of video calls in the remote work as referred to by Galanti et al. (2023), however, it is worth mentioning that forcing people to use video calls is associated with ethical issues as highlighted by Gerke et al. (2020) regarding the privacy of people and issues with home monitoring.

The other three leaders highlighted that their main challenge was to follow up and ensure that the team got clear instructions, which again is because of the lack of visual contact. Leader L02 added another difficulty which is reaching an agreement through online meetings. The difficulty of the follow up was raised by most of the interviewees as highlighted by Neeley (2020), regarding losing the advantage of just walking to the employees' desk and making the necessary follow up. However, Neeley (2020) raised a concern regarding how the follow-up should be done in order to avoid acting as an inspector which could bring negative emotions.

Although there is only one leader who expressed the challenge of reaching an agreement through online meetings, this issue has been highlighted by numerous researchers. Kahlow, Klecka, and Ruppel (2020) did not only refer to the higher conflicts associated with online discussions, but also highlighted the decision making is more difficult in online meetings than face-to-face meetings. However, Kahlow, Klecka, and Ruppel (2020) stated that such conflicts associated with online meetings are now less than how they were 10 years ago since remote teams became more popular than before.

Eight interviewees stated that they had to adapt their leadership style during Covid-19. Two leaders believed that the strong relationship with the team members and the mutual understanding limited the adaptation. Most of the answers to this question were related to additional follow-ups. Follow-ups were found in the interview's responses not only within the answer to whether and how you adapted your leadership style, but it was captured in the answers how leaders faced the challenges to remote environment and Covid-19 circumstances. On the other hand, there were two answers were related to being clearer and more transparent during Covid-19. There were three answers related to realizing the stresses that employees had and how work-life balance had to shift more towards life, health, and safety as a natural response to pandemic conditions, some of the interviewees described this adaptation by an increase in emotional intelligence.

According to the responses of the interviews, the three leaders who had the least score of charismatic leadership did not spend extra effort to motivate their teams during Covid-19 noting the two of them did not observe that his team got demotivated. Two of the three leaders with high charismatic leadership attributes did not observe full demotivation during Covid-19 but they explained that they had close relationship with their followers which allowed them to communicate with them to assure them that their firm is constant during the Covid-19 period and which reduced their worries and demotivation. The above is consistent with the score of those leaders in this study with respect to the dimension of SM.

One of the aspects that was stated by most of the interviewees is the need for trainings for the online communication tools. Some of them referred to the need to have online training on the technical aspect of engineering. This point needs to be discussed in further research especially with respect to the technical discussions, mainly the ones related to proposals, through the online meetings that were highlighted by the interviewees as challenges they faced.

The flexible hours strategy for working from home during Covid-19 has been highlighted by almost all the interviewees. Most of them highlighted that this strategy allowed for efficient production. Most of the articles that were issued during Covid-19 supported the former statement and highlighted the higher efficiency of working from home such as the articles of Forbes et al. (2020) who highlighted the former observation in addition to clarifying that working from home is not suitable to all employees. One of the leaders highlighted an important aspect which is the misuse of the flexible hours policy during working from home that led to extensive working hours and accordingly a decline in production with the time. This was consistent with the study of Schmitt, Breuer, and Wulf (2021) who highlighted that the overload caused tension and worries that affected the performance of the team. The study of Yeves, Bargsted, and Torres-Ochoa (2022) had the same point of view regarding that flexible working hours lead to long hours and consequently less production, but they added that this effect is less in the case of working from home.

Hypotheses

This section addresses the hypotheses testing of this study. Despite it is discussed in the context of the previous discussion but it is demonstrated separately in this section based on the different collected data.

Hypothesis 1: *Charismatic leaders lose their powerful tool which is communication skill during remote work environment associated with pandemic.*

The questionnaire of this study as highlighted earlier showed a clear decline in perceiving all attributes related to communications and presentation during Covid-19. The average score of being a good public speaker decreased from 5.07 to 4.98 while the average score of the presentation skills decreased from 5.40 to 5.27 during coronavirus era. Moreover, the average score of providing motivation goals, which typically take place by communications, decreased from 5.14 to 5.01. In general, VA dimension that includes communication and presentation skills decreased from 5.17 to 5.11 during Covid-19 as shown in Table 4.4. Accordingly, hypothesis 1 is supported from the perception of charismatic leaders' followers.

With reference to the interviews, all interviewees concerned the communications limitations in various perspectives. Some leaders highlighted the lack of ensuring that they conveyed their message properly which in some cases leaders stated that they had to repeat their direction several times, while other referred to the difficulties associated with online communications such as reaching an agreement through the online discussion as raised by one of the interviewees. Moreover, the difficulty of communicating technical aspects though virtual teams, was highlighted in the interviews. Accordingly, the first hypothesis is supported also from charismatic leaders' perspectives.

Hypothesis 2: *Charismatic leaders adapted their leadership style when managing remote teams during the Covid-19 pandemic.*

As referred to earlier, the questionnaire showed a general decline in the dimension of VA during Covid-19, mainly for communications and presentation skills, which are the most powerful tools of charismatic leadership. Also, there was an increase in self-sacrifices and unconventional behavior during Covid 19. Unconventional behavior is very connected to charismatic leadership as per most of the prior research including the scale of the charismatic behavior utilized in this research as introduced by Conger and Kanungo (1998). However, self-sacrifices which is already part of charismatic attributes, it has more connection to transactional leadership style as Ruggieri and Abbate (2013) than other leadership styles such as transformational and charismatic. Other scholars connected the self-sacrifices to other leadership styles such as servant leadership or self-sacrificial leadership as highlighted by Urick (2021), Patterson (2003), and Matteson and Irving (2006). Whether self-sacrifices are connected to transactional or other leadership styles and taking into considerations the decline in the attributes related to communications and vision along with the increase in unconventional behavior, it is an indication for an adaptation in the charismatic leadership style from the perspectives of the followers which support the second hypothesis of this research.

With referenced to the interviews, the direct question regarding how you adapted your leadership style during Covid-19 had answers related to various aspects such as being clearer and more transparent than before which are connected more to transactional leadership as per the study of Miller and Miller (2007) who compared between different leadership styles including charismatic, contingency, traditional, transformational, servant, and transactional leadership. Several other researchers such as Anderson and Sun (2017) referred to the strong connection between transparency and authentic leadership style. Other responses highlighted the need of more understanding of emotions and stresses on team members, being closer to the team, and innovation. More frequent follow ups were highlighted in most of the responses either for the adaptation question or in the question related to the challenges that the leaders faced during Covid-19. More follow-ups during Covid-19 were expected because of the lack of physical contact with the team members. Such frequent follow-ups are connected mainly to transactional leadership as referred to by numerous researchers including Weber (1947) who came with the theory of transactional leadership and referred to maintaining the policies and focusing on the short-term goals as characteristics of transactional leaders. Moreover, the comparison between transformational and transactional leaderships as conducted by Hamstra et al. (2014) showed that the closer monitoring and follow-up, the more tendency towards the transactional leadership. Based on the above, there is an adaptation in the leadership style, showing shift to transactions, authentic, self-sacrificial, and even more utilization of charismatic leadership especially with respect to unconventional behavior and emotional intelligence. The above indicates a mixed leadership style that was adopted during Covid-19. Accordingly, hypothesis 2 was supported with reference to the interviews.

Conclusion

This study was conducted to investigate how charismatic leaders managed remote teams during Covid-19 pandemic. Two hypotheses were set to be verified as highlighted earlier. This part of the research will summarize the verifications to these hypotheses in addition to presenting recommended tips for managing remote teams during any future pandemic.

The first hypothesis was supported. This hypothesis is that charismatic leaders miss their most efficient capability which is communications during remote work associated with pandemic. According to the questionnaire, employees perceived their leaders to be less charismatic during Covid-19 with respect to the attributes of communications and presentation skills. According to the interviews, most leaders complained about the lack of face-to-face and nonverbal communications. The second hypothesis was also supported. The second hypothesis is that charismatic leaders adapt their leadership style during pandemic. The questionnaire of this study indicated that the dimension, VA, decreased during pandemic while self-sacrifices and unconventional behavior increased during Covid-19. Emotional intelligence has increased based on the interviews. The interviews also showed that most of the leaders focused more on follow-ups and monitoring during this period in addition to transparency. As highlighted in the previous section, the above indicated an adaptation in the leadership style that charismatic leaders did during Covid-19 including a mix of adaption that has more follows-up, monitoring, self-sacrifices, and transparency that are more connected to other leadership style while they have more utilization of unconventional behavior and emotional intelligence which are connected to charismatic leadership.

An interesting conclusion emerges when read three aspects together. Firstly, there was adaptation perceived with respect to unconventional behavior, self-sacrifice, and emotional intelligence. Secondly, the charismatic leaders who were perceived as more charismatic had higher scores in these categories than those who had least charismatic scores. Thirdly, the charismatic leaders with high average scores before Covid-19 had an increase in their overall charismatic attributes during Covid-19 while the leaders with less charismatic scores before Covid-19 had a decrease in their overall charismatic attributes during Covid-19. Reading such these three aspects together indicates the authentic charismatic leaders have more flexibility and willingness to adapt according to the situations than other leaders who are perceived less charismatic.

Another conclusion is the dimensions, PR and ES, as defined by Conger et al. (1997), are not valid during Covid-19 in terms of its associated attributes. This is because not all attributes either increased or decreased together during Covid-19. For the PR dimension, it is found that leaders were not willing to take personal risks during Covid-19 because of the health issues but they were able to spend more self-sacrifices as long as they are not related to health and safety. For the ES dimension, not all leaders recognized the employees' limited capabilities associated with the difficulty of working from home with respect to the equipment and tools.

On the other hand, some recommendations have been observed based on the interviews with leaders so they could be implemented for future pandemic if any. Firstly, firms need to work on training for using online communication tools especially with respect to the technical discussions. Interactive training including real experiment as highlighted earlier along with training on using video conferencing is recommended for leaders and charismatic leaders particularly. Charismatic leaders also need to have self-awareness of recognizing the abilities during pandemic as highlighted in this research. Lack of concentration during online meeting that was highlighted in this research need to be resolved by engaging all the participants in online meetings in the discussions as highlighted by Hartmann et al. (2021) who also recommended to include small groups of team members in one meeting which both approaches are recommended in this research because of the concentration concerns raised by the interviewees.

Building a close relationship with individuals was highlighted by the most charismatic leaders of this research as an advantage that facilitated working from home which was highlighted by the interviewees oof this research and also by Hartmann et al. (2021). Since frequent follow-up is not part of charismatic leaders' behavior and its need during pandemic and online environment was highlighted by most of the interviewees, it is recommended to be done through injecting some funs as highlighted by Neeley (2020) such as having coffee break and lunch together even each from everyone's place. On the other hand, the policy of flexible hours and working from home needs to be revisited to ensure that it will not lead to extensive working hours which could affect the productivity of people.

Limitations and Future Research

Despite the fact that the sample of the participants who answered the questionnaire satisfied the minimum number of responses especially it included high percentage of each leader's followers, larger sample size could have contributed to more significant results. The lack of prior research regarding managing engineering teams during Covid-19 or other pandemics was also another limitation. Most of the prior research addressed Covid-19 for distance learning while other research articles addressed the medical field during Covid-19. Accordingly, the lack of research concerning managing remote engineering teams during pandemic is a limitation and an area for future research especially with respect of technical online discussion that has been raised by several leaders during the interviews. Another recommended future research could be related to flexible hours and working from home during pandemic since long working hours was raised in this research as a result of misusing the flexible working hours strategy. There were differences observed between managing remote teams in international firms and local and small firms. However, this research did not intend to make a comparison between these types of firms. As a suggestion, a comparison between different types of firms with respect to managing remote teams during pandemic could be another topic for future research. ■

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The Impact of Syrian Refugees on Global Business: Opportunities and Challenge

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Abstract: *This research discusses the strategic considerations related to refugee employment, by concentrating on the roles that governments, companies, and educational systems can play in simplifying the integration of refugees into the workforce. By discovering several policy recommendations, like providing stimulus for companies to hire refugees, rationalizing the identification of foreign credentials, and executing targeted language and skill training programs, this study sheds light on the potential for creating more comprehensive and sustainable labor markets. By relying on case studies and existing research, the paper highlights the importance of harmonization efforts among both public and private sectors to eliminate employment obstacles and empower refugees as contributors to the economies of their host countries. The findings propose that a multi-faceted approach is important for optimizing the social and economic advantages of refugee employment, assuring long-term integration and community development. Through these efforts, both refugees and host countries stand to win, by the creation of a route for mutual growth and prosperity.*

Introduction

Background

Global business can be affected in several ways, one of these ways is refugees flying all over the world from a certain country, the best way to put this so it can make sense is to imagine a family that gets a newborn, how this newborn can affect the family's business, expenses, economic status and more. So, by applying this concept on an international scale, having refugees fly from a certain country and being distributed internationally in enormous numbers, the impact of these refugees on global business, the challenges that will arise, and the opportunities that will be born. That is exactly what the main civil war in Syria main outcome was, over 6.7 million Syrians have left their country looking for a better life or in the hope of surviving. Neighboring countries like Turkey, Jordan, and Lebanon, and countries in Europe and North America welcomed refugees, which also meant they welcomed new challenges and opportunities for the host countries, (UNHCR, 2023).

This refugee displacement in enormous numbers has played an important role in placing serious pressure on host countries' infrastructure, public services, and labor markets. Nevertheless, it also led to economic and social transformation. Refugees participate in their host economies by assisting in filling labor gaps, introducing new skills, and reinforcing innovation. For example, certain studies show that refugee populations have played a crucial role in activating aging labor markets in Europe, by handling demographic imbalances and skill shortages in certain industries especially ones related to healthcare, construction, and agriculture (Ruiz & Vargas-Silva, 2022). This duality presents challenges and opportunities, and points out the necessity of targeted strategies that help in integrating refugees into local and international economies effectively.

There is a significant impact of the crisis globally. Companies that operate in regions that have enormous numbers of refugees are facing various challenges and opportunities as well. On one side, they might be facing logistical barriers such as cultural integration, language challenges, and resource allocation for both training and support programs. On the other side, according to the World Economic Forum, (2022), companies benefit from access to untapped labor pools, and improve their corporate social responsibility (CSR) profiles, which increases the call for socially conscious consumers.

Relevance to International Business

The integration of refugees into labor markets had a large effect on global business. Refugees represent a huge untapped workforce that has the capability of filling labor shortages in several sectors and fostering diversity and innovation as well. Nevertheless, companies that integrate refugees into their workforce pose unique challenges and obstacles, which require them to apply certain adjustments in operational models and policy frameworks.

Hiring refugees helps firms solve the issue of instant workforce shortages and also helps them participate in long-term social sustainability as well. Research by the Migration Policy Institute (2022) underlines that labor integration of refugees has played a crucial role in raising productivity in certain industries like manufacturing and agriculture, where local and skilled workers are usually hard to find. Furthermore, the existence of refugees in diverse teams has assisted in improving creativity and problem-solving abilities, since various viewpoints often lead to innovative approaches to business challenges.

However, companies also have their sufferings and face a lot of critical obstacles when it comes to hiring refugees. Language differences, legal restrictions, and social stigmas play a huge role in making the hiring and onboarding process much more complicated. Moreover, high financial costs of training programs and support services might discourage firms from hiring refugees, (Ruiz & Vargas-Silva, 2022). A strategic collaboration between businesses is required to overcome these barriers, by governments, and non-governmental organizations (NGOs). For instance, public-private partnerships that offer aid for training and legal assistance can play a role in simplifying the overhang on firms while promoting refugee integration into the labor force.

The role of companies in reinforcing social cohesion is considered another critical aspect. In other words, hiring refugees significantly impacts empowering community relationships and minimizing social tensions. The International Organization for Migration (IOM, 2022) highlights that companies hiring refugees in their workplace usually experience an improved public image since consumers increasingly value businesses that prove ethical and socially responsible practices. This matches the global trends in CSR, as companies are expected to be aware of societal challenges in addition to their economic goals.

Purpose Statement

Businesses play a fundamental role in fostering the integration of Syrian refugees into the economies of host countries. This paper sheds light on this essential role by stressing how these companies deal with challenges that pop up along the way. However, the study concentrates on the advantages and opportunities offered by this diverse and dynamic workforce. By exploring case studies that align with businesses having successful experiences with integrating Syrian refugees into their workforce, this research will reveal the ideal practices and strategies that can inform wider policy and business decisions.

Not only refugees benefit from this integration into businesses, but also companies that operate in global economies do. Benefiting from the unique skills and perspectives that refugees have is considered a vital advantage that companies tend to gain. This concept also matches with the United Nation's Sustainable Development Goals (SDG), specifically the 8th and 10th goals about decent work and economic growth, and reduced inequalities. These important goals point out the role that inclusive businesses play in solving global problems, (United Nations Development Programme [UNDP], 2021).

Significance

The importance of this study lies in adding more value to existing discussions concerning migration, jobs, and corporate social responsibility. By exploring and analyzing deeply the integration of Syrian refugees into the global business, the research highlights, the advantages that companies can potentially gain by being more open and inclusive.

Refugee integration into businesses all over the world is beneficial for both businesses and society. Concerning businesses, hiring refugees can help in improving efficiency and creativity. Firms that are usually involved in hiring refugees, witness better teamwork and satisfaction among their workers due to shared commitment to social responsibility, (Bozorgmehr et al., 2021). Furthermore, hiring refugees plays a big role and filling job gaps and keeping labor markets stable.

Socially, refugees have a great impact on improving community bonds. The United Nations Development Programme (UNDP, 2021), highlights how businesses can minimize poverty by offering good job opportunities for refugees. This not only has a good influence on the lives of refugees but also on making high countries more stable and sustainable.

This study also underscores that businesses alone are not capable of doing the job of integrating refugees into the communities. The governments and NGOs also play a fundamental role in supporting businesses through helpful policies. To reduce barriers, and create good opportunities for refugees in society, businesses, policymakers, and NGO's must work together to reach this aim.

To sum up, looking at the refugee integration process from several angles and perspectives is a must, which is the soul of this research. Economic, social, and business perspectives are crucial to be taken into consideration. The goal is to provide businesses, government, and others, with useful ideas that might help them create sustainable growth, where all sides benefit.

Research Justification

Economic Impacts

Hiring refugees and integrating them into the workforce, not only holds opportunities but also challenges as well, especially job shortage concerns. The skills and experiences that refugees have play a big role in providing support to local workers and the overall economy. Rother (2023), points out that certain regions have aging populations and lack local workers, mostly benefit from refugees. As an example, some sectors usually need more labor than others, such as farming, construction, and healthcare, and refugees are a great fit to fill the gap in such sectors. This leads to helping refugees reach financial independence, and become a fundamental part of society, in addition to the advantages that reach the overall economy.

On the other hand, the process of integrating refugees into the workforce is complicated and includes several challenges to overcome. Governments and firms are obliged to handle costs related to training, language lessons, and assisting refugees in adapting to the new culture. Nevertheless, recent studies display that this kind of effort pays off in the long term. Rother (2023), reinforces that the efforts done by businesses and governments are just a matter of time because once refugees are fully included, they will be an important part of helping the economy grow, by paying taxes, spending money, and opening new businesses.

Furthermore, work teams with different backgrounds and cultures, including refugees, usually have better problem-solving skills, and they adapt faster to market changes. In other words, hiring refugees, help companies in being more innovative. According to the Migration Policy Institute (2022), hiring refugees and integrating them to the work teams lead to creativity and coming up with fresh ideas. Nowadays, hiring refugees is considered a competitive advantage, especially because many companies are operating globally.

Social Impacts

Beyond the economic benefits, refugee integration has many vital social advantages. The diversity that occurs in the workplace creates an open environment and minimizes social problems. Firms that integrate refugees into their work teams usually witness better teamwork, and employees are more satisfied (UNDP, 2021). The cause behind these benefits is that the refugee integration concept provides employees with a common sense of purpose and values.

Moreover, refugee integration plays a crucial role in preventing poverty and isolation. By benefiting from good job opportunities, refugees will be capable of starting a new chapter and becoming a part of a new community. That's the case that helps the society to become more stable. For instance, recent studies displayed the fact that inclusive job policies play an important role in helping refugees feel that they are a fundamental and effective factor in the new environment they came to, (UNDP, 2021).

Additionally, Corporate Social Responsibility (CSR) programs have a great impact on maximizing the benefits of hiring refugees. Companies that hire refugees, enhance their public image and gain the trust of customers that care about such social conflicts. Firms that integrate refugees into their workforce are considered ethical leaders in their industries according to the International Organization of Migration (IOM, 2022). This ethical image delivered to the society leads to customer loyalty, and a valuable brand, which, in return, has a great influence on both the society and economy.

Despite all these advantages that lay behind hiring refugees, there are still a bunch of challenges that must be taken into consideration. In some cases, negative reputation and stereotypes about refugees can have a bad impact on them, especially when it comes to finding a good job opportunity. Overcoming such conflicts requires from businesses and government to be setting supportive policies and running campaigns that spread awareness about the benefits of hiring refugees in workplaces.

Why this Research is Needed

Many literatures have already covered a lot about the impact of refugee integration from both economic and social perspectives, but there are still some areas that need more research to cover. The concentration of the most existing literature lies in shedding light on the refugee crisis from a humanitarian point of view, overlooking the role of businesses. The goal of this study is to focus on how businesses are capable of dealing with all challenges that align with hiring refugees, where all parties are benefiting.

Achieving long-term changes is the most important, and that's why studying how businesses help in integrating refugees is a must. Firms own a crucial power, which is the ability to adjust policies and practices that lead to more inclusive and sustainable workplaces. Companies are capable of reinforcing successful strategies and processes with the help of the resources and connections they have. This not only plays a role in nourishing their own business but also in nourishing all sectors and economies as well.

Moreover, the aim of this paper is also to help refugees find jobs by sharing the best ways that lead to that. It also sheds light on real-life examples of training programs, language support, and mentorship that businesses relied on to help refugees adjust and integrate into the workplace. When these existing real-life examples are discussed, it can help in guiding other businesses that would like to do the same. Stating successful strategies used by companies, and then other companies applying them, might be key to addressing and solving problems and challenges that align with hiring refugees.

Furthermore, the study underscores how important it is to reinforce teamwork among different groups. Businesses, governments, and NGOs need to work together to simplify integration into society and workplaces with respect to refugees. This study suggests policies that might help in minimizing barriers, such as legal restrictions, and funding limitations, which often slow down progress.

By addressing these knowledge gaps, this research mainly focuses on helping better understand the role of businesses in supporting refugee integration. It aims to figure out solutions that can be practical to strengthen the overall economy, build powerful communities, and promote responsible leadership in the world of international business.

Research Questions

The Syrian refugee integration into both local and global business landscapes, points out critical questions, concerning how migration, job markets, and company strategies, interplay. This section displays the main and supporting research questions that identified the shape of the study. It concentrated on the impact of hiring refugees on the economy and society, as well as the role of businesses and creating suitable workplaces that are inclusive.

Primary Question

How do Syrian refugees impact local and global business environments?

This question specifically aims to dive deeply into the refugee integration impacts locally, and internationally. This research explored more about the influence of migration on shaping the world of business, by highlighting the integration of Syrian refugees into businesses, workplace culture, and industry trends. It determined direct positive effects, like filling job shortages and acquiring new skills. However, it also identified indirect impacts, such as enhancing innovation and empowering relationships among the overall community. Learning more about these impacts is fundamental since it leads to coming up with strategies that are designed to increase the benefits of refugee integration, and deal with any challenges that come out during the journey as well, (Ruiz & Vargas-Silva, 2022; Rother, 2023).

Secondary Questions

What are the opportunities and challenges for firms hiring refugees?

This question overviews the advantages and difficulties of refugee integration. According to the advantages, it is important to take into consideration that businesses benefit a lot from refugees when it comes to filling job shortages in sectors that lack labor and creating more diverse and inclusive workplaces. Studies proved that refugees are usually characterized by their unique skills and perspectives, which are capable of enhancing creativity and innovation in any company they work at, (Ruiz & Vargas-Silva, 2022). On the other hand, a lot of challenges exist when it comes to hiring refugees, such as language barriers, legal issues, and high training costs. For instance, companies should try to overcome complicated regulations and policies, and at the same time deal with the stereotypes and the mutual misunderstanding concerning refugees in the workplace, (Rother, 2023). The goal of this question is to find suitable solutions that help in overcoming such challenges, meanwhile, taking advantage of hiring refugees.

How do businesses contribute to refugee integration into local economies?

Businesses play a crucial role in helping refugees contribute to local economies in many ways beyond offering good job opportunities. They can provide social and economic inclusion support by inventing training programs, offering mentorship, and dealing with governments and

NGOs. As an example, according to the International Organization for Migration (IOM, 2022), businesses that focus on programs related to refugees, have a great influence on the lives of refugees and the overall economic growth as well. Businesses can contribute to long-term success and development by encouraging the community's participation and overcoming legal and financial complications, eventually leading to improving their corporate social responsibility (CSR). This question explores the importance of businesses in creating environments that are extremely supportive concerning refugees, highlighting the efforts that lead to community engagement and long-term sustainability, (UNDP, 2021).

Rationale

Covering these questions and reaching answers was crucial to deeply understanding the challenges that faced refugee integration and the role of businesses in creating inclusive economies. This study explored the advantages and disadvantages of refugee integration and provided beneficial recommendations that helped companies, policymakers, and other concerned groups. The results helped in coming up with practical strategies that support economic stability, empower social connections, and enhance responsible business practices.

Studies proved the concept that hiring refugees had a positive influence on both companies and societies. According to Ruiz and Vargas-Silva (2022), firms that hired refugees witnessed better job performance and more creativity and innovation. Meanwhile, Rother (2023) pointed out that to maintain a successful refugee integration journey, there had to be an interplay among businesses, governments, and NGOs. The goal of the study was to develop a guide that helps companies deal with difficulties and challenges that align with hiring refugees, and at the same time, take advantage of refugee integration economically and socially.

Proposed Methodology

In this section, the research method used to explore the impact of Syrian refugees on global businesses will be discussed. The research follows a case study approach based on Yin's (2018) method, which helps display the interaction between businesses and refugees by stating real-life examples. This approach leads to a comprehensive overview of the strategies, benefits, and challenges that businesses set, gain, and face when they are involved in refugee integration.

Case Study Approach

The case study method by Yin (2018), is considered very beneficial for exploring complicated social conflicts in real-life situations. It plays a big role in helping researchers deeply understand how companies set strategies that align with hiring refugees while addressing economic and social difficulties. This approach offers an overall overview from several perspectives, like business owners, CEOs, and refugees' viewpoints.

Eventually, according to this conflict specifically, covering a lot of critical questions and answers, and providing a detailed overview is needed, that's why the most suitable method to be used in this research is the case study research method. The research aims to shed light on useful strategies and key lessons based on real-life examples of companies having a successful experience with hiring refugees. Such insights are critical since they can help in enhancing future business approaches and guiding policy-making.

Case Study Selection Criteria

It is extremely important to choose suitable case studies so that the findings that will be reached are beneficial, accurate, and relevant. In this research, the focus was on the companies that have successful experience with refugee integration into the workplace, companies that operate in multiple industries, involving manufacturing, healthcare, and technology, and last, but not least companies that are based in regions that are highly impacted by Syrian refugees, such as Europe, Middle East, and North America. Due to the selection of case studies of companies from diverse industries and regions, a broad overview of the advantages and challenges of hiring refugees was detected. Moreover, after exploring businesses that operate in several industries and regions, unique ways of handling workforce diversity and social responsibility were revealed.

Data Collection

In this research, a combined method approach was employed. Data was collected by both qualitative and quantitative methods together to offer a more comprehensive understanding of the studied topic.

Qualitative Data Collection

The qualitative data were collected via in-depth interviews with key stakeholders, involving business, owners, managers, and refugee employees. The interviews explored the motivation behind hiring refugees, the challenges faced during this journey, and the advantages gained by businesses due to this integration. The interviews were semi-structured, to allow flexibility in exploring emerging themes, and at the same time, ensure consistency, among diverse case studies, (Creswell & Poth, 2018).

Quantitative Data Collection

Quantitative data were collected to be capable of estimating the effect of refugee integration on businesses. This data involved employment rates of refugees among firms, indicators relevant to business growth like revenue and market share, and metrics related to hiring refugees like training costs and employee retention rates. This combination of both quantitative and qualitative data led to a strong analysis of the stated research questions and eventually offered a deep understanding of the overall study.

Data Analysis

After collecting the data, the analysis was a combination of thematic analysis with respect to qualitative data, and statistical methods with respect to quantitative data.

Qualitative Data Analysis

Thematic analysis was applied in this research to determine patterns and themes relevant to the data collected from interviews. This method was about coding the data to reveal recurring themes, like challenges of cultural integration, or the advantages of increased workforce diversity, (Creswell & Poth, 2018).

Quantitative Data Analysis

The analysis of quantitative data was done via statistical techniques to determine trends and relationships. For instance, to examine the relationship between refugee employment and business growth, aggression analysis was conducted. Meanwhile, to offer insights into the overall influence of refugee integration on businesses, descriptive statistics were used. The combination of both analysis techniques, qualitative and quantitative perfectly matched with Yin's (2018) case study methodology, leading to a holistic overview of the research topic.

Findings and Discussion

In-depth case studies of firms that already have successful experience hiring refugees in their workplace play a big role in deriving the study's findings. This part analyzes all the data to determine crucial insights, explore recurring themes, compare practices among diverse sectors and regions, and offer companies and governments recommendations related to policy and so on.

Case Study Results

The case studies align with the concept that refugee integration into businesses has many benefits and challenges. Businesses that operate in manufacturing, healthcare, and technology sectors, adopt unique techniques to overcome the obstacles that align with refugee integration, and meanwhile, take advantage of the multiple talents and unique skills that refugees are characterized by. Bosch, which is a German manufacturing firm, invested in targeted training programs to fill skill gaps, assisting Syrian refugees to capture job opportunities that need technical skills, (Bosch, 2022). Likely, another organization in the healthcare industry, the Alliance of International Doctors (AID), based in Turkey, which was involved in several practices, such as health screening, hygiene kit distributions, and vaccinations for Syrian refugees, has integrated Syrian refugees into its workforce, and implemented language support to enhance the communication skills of these refugees in the workplace, (AID, 2021).

Quantitative data display the benefits that businesses involved in refugee integration gain, accurately, where they witnessed an average 15% increase in their productivity and higher employee satisfaction, (ILO, 2023). These results were specifically significant in industries that suffer from labor shortages, showing the advantages and results of integrating refugees into the workforce. These findings match with previous research underscoring the refugee workforce integration's economic potential, (Ferris & Kirişci, 2016).

Themes Identified

This study shed light on the main challenges and difficulties relevant to refugee integration, especially language barriers, cultural adaptation, and skill mismatches. Firms have come up with effective strategies that help overcome these obstacles. For instance, Coding Dojo, which is a coding boot camp in the US, developed a pilot program that provides free tech training to refugees. This program played a crucial role in allowing participants even with minimal prior experience to transition into technology roles. Moreover, it reinforced knowledge–sharing among students- refugees, and non-refugees, leading to an inclusive learning environment. Another company that has a similar experience, is Stellantis Sochaux, based in France, the firm that produces Peugeot models, has employed a large number of refugees, including Ukrainians, Afghans, and Syrians. This firm implemented a program special for refugees named HOPE, by which they provided refugees with job training, French language courses, and housing support. This program had a great impact on communication, Teamwork, and workplace cohesion, (OECD, 2021). Furthermore, another fundamental approach was mentorship programs, which helped refugees get paired with employees who have experience.

This program played a significant role in offering refugees guidance on workplace culture and expectations, which led to simplifying the process of their integration, (Betts & Collier, 2017).

Opportunities Realized

This research points out the sustainable benefits provided by refugee integration to the workforce, especially when it comes to enhancing innovation and diversity. Refugee employees are usually characterized by their unique skills and perspectives that play a big role in improving team dynamics, and problem-solving capabilities. For example, IKEA, which is a well-known multinational furniture and home goods firm, has collaborated with Yalla Trappan, A women's cooperative in Malmö Sweden, to hire Syrian refugees specifically. This mentioned partnership has offered refugees economic independence, and at the same time benefited from these refugees in presenting traditional handicraft skills into IKEA's product offerings, which eventually led to enriching the diversity of their design, (UNHCR, 2022). Also, Sweden, oldest furniture, factory, Gemla Möbler, has hired Syrian craftsmen and integrated them into their workforce, which led to achieving a blend between traditional Syrian woodworking techniques and Scandinavian design. This collaboration was the main reason behind the launch of special products, which attracted broader markets, leading to substantial revenue growth, (Architectural Digest, 2023).

Cross-Case Comparisons

This research displays the most effective strategies relevant to refugee integration among industries that can be taken into consideration. These strategies include a blend of training programs, language support, and inclusive workplace policies. Industries such as healthcare and agriculture, where labor shortages lead to a strong demand for workers, have mostly taken advantage of these strategies. However, the flexibility of implementing such strategies differs from one region to another. In Europe, government subsidies, and supportive policies, encourage businesses to hire refugees. This is not the case in the Middle East, where companies should invest their own resources to create and manage refugee employment programs due to the lack of comprehensive integration policies, (ILO, 2023).

Policy Implications

This conducted research came up with findings that suggest practical recommendations based on successful refugee integration strategies.

For Businesses

Adopting inclusive integrating strategies by developing targeted outreach programs is a must, particularly in sectors known for their labor shortages. The investment and programs relevant to training and development is very essential, because the refugees must be provided with specific skills that help them integrate effectively. To add, to improve the relationships, and smooth the integration process in the workplace, firms should create supportive work environments, via mentorship programs, and cultural sensitivity training.

For Governments

Governments can encourage businesses to hire refugees by providing incentives like tax breaks or subsidies. Making the identification of foreign current credentials easier also plays a vital role in minimizing main obstacles, making sure that the educational and professional skills of refugees are recognized in a convenient way. Also, conducting public-private partnerships to facilitate language and skills training plays a fundamental role in helping refugees get equipped and integrate successfully into the workforce, (ILO, 2023).

Conclusion

As a conclusion, the refugee integration of Syrians into the workforce holds several advantages and difficulties. The language barrier, cultural differences, and skill mismatches are considered the main challenges.

However, by investing in training programs, language, support, and inclusive policies, companies are capable of dealing with these obstacles, and overcoming them, (Creswell & Poth, 2018; Kammer, 2022). Several firms have taken advantage of subsidies, offered by governments specifically in Europe, where the governments in Europe, play a main role in encouraging businesses to hire refugees. On the contrary, companies in the Middle East lack this kind of support, which made them develop their own mentorship programs that help refugees adjust and better integrate into the workforce, (ILO, 2023; UNHCR, 2022).

This study reaffirms the fact that hiring refugees plays an essential role in enhancing innovation, workforce diversity, and economic growth. Employee teams that involve refugees take advantage of diverse perspectives, which eventually leads to better problem-solving capabilities and more creativity, (OECD, 2021). The data also displays a significant increase in productivity and employee satisfaction in companies that hire refugees, particularly in certain sectors, such as healthcare and Agriculture, where they commonly suffer from labor shortages, (Ruiz & Vargas-Silva, 2022). Furthermore, in many cases, refugees bring entrepreneur potential, by which refugee-led initiatives, expanded business offerings, and enabled access to underserved markets, (UNDP, 2021).

Despite the economic effect that integrating refugees has, it also has an important societal impact. Refugee employment reinforces social cohesion, minimizes the risk of marginalization, and aligns with global development efforts, involving the United Nations Sustainable Development Goals (SDGs) 8 and 10 (UNHCR, 2023). Additionally, hiring and supporting refugees strengthens the businesses' corporate social responsibility (CSR) profile, which leads to enhancing their image and reputation in front of customers and investors, (World Economic Forum, 2022). these economic and social effects are considered a powerful dual- impact that makes refugee integration more than just a moral responsibility, but also a critical strategic benefit for companies.

Even though the advantages of refugee integration are obvious, this never neglects the fact that further research is still needed to analyze the long-term impacts. Many questions still exist about the influence of refugee integration on business performance over time, and how multiple sectors adjust their strategies of integration, (Betts & Collier, 2017). Policymakers have a responsibility to evaluate the effect of current incentives concerning refugee integration and explore techniques that streamline the process of identifying qualifications of refugees, (ILO, 2023). Also, research in the future must cover intersectional topics, like, for example, the difficulties that face women refugees, and explore the importance of refugee entrepreneurs in giving a boost to local economies, (Ferris & Kirişci, 2016).

Last, but not least, as Kammer (2022) mentioned, " Businesses that embrace refugees as assets unlock their potential to drive innovation, address labor shortages, and create resilient economies". This study confirms that refugee employment is beyond a humanitarian effort, it is a main element in sustainable development and global economic growth. To achieve a successful integration, a collaboration among companies, governments, and communities is needed to make sure that refugees are not identified as burdens, but as valuable contributors to economic growth and shared prosperity. ■

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