

# BUSINESS ACUITIES

**INTERNATIONAL BUSINESS**

**MAY -2020**



## **CONTENTS**

<b>S.NO</b>	<b>TITLE</b>	<b>PAGE NO</b>
<b>1</b>	<b>SIGNIFICANT ATTENTION</b>	<b>4</b>
<b>2</b>	<b>IMPACT OF COVID-19</b>	<b>5</b>
<b>3</b>	<b>ECONOMIC RECOVERY</b>	<b>7</b>
<b>4</b>	<b>SUPPLY CHAIN RESILLIENCE</b>	<b>8</b>
<b>5</b>	<b>GOVERNMENT POLICIES AND STIMULUS MEASURES</b>	<b>10</b>

## **EDITORIAL BOARD**

Dr. A. MUTHUSAMY (Chief Editor)

Dr. S. PRASAD (Executive Editor)

Dr. K .CHITHRADEVI (Executive Editor)

Dr. S. GOPALSAMY (Executive Editor)

V. PARKAVI (Associate Editor)  
K. DHANA SNEHA (Assistant Editor)  
S.DHARANI (Assistant Editor)  
C. ESWARI (Assistant Editor)  
S. MEENAKSHI (Assistant Editor)  
R. SEMMALAR (Assistant Editor)  
N. AMEER KHAN (Assistant Editor)  
S.JEGANATHAN (Assistant Editor)  
S. MUTHUPANDI (Assistant Editor)  
S.NITHISH (Assistant Editor)  
B.SARAVANAN (Assistant Editor)  
B.SANTHOSH KUMAR (Assistant Editor)

## **SIGNIFICANT ATTENTION:**



### **1. Impact of COVID-19:**

The COVID-19 pandemic continued to have a profound impact on businesses worldwide in May 2020. News and updates regarding the virus's spread, government measures, economic stimulus packages, and the effects on various industries were widely covered.

### **2. Economic Recovery Efforts:**



As countries began to cautiously ease lockdown restrictions, discussions around economic recovery and reopening plans gained prominence. News related to phased re-openings, recovery projections, and strategies for supporting businesses and

workers during the recovery phase were common.

### **3. Remote Work and Digital Transformation:**



With widespread remote work arrangements in place, there was increased focus on digital transformation, virtual collaboration tools, and cybersecurity. News regarding the challenges and opportunities of remote work, as well as developments in the technology and software sectors, garnered attention.

### **4. Corporate Earnings:**



Many companies released their quarterly earnings reports in May 2020. Given the impact of the pandemic on businesses, these reports were closely watched to gauge the

financial health and performance of various industries.

### 5. Supply Chain Resilience:

The disruptions in global supply chains caused by the pandemic were a significant topic of discussion. News highlighted efforts to diversify supply chains, enhance resilience, and explore alternative sourcing options.

### 6. Oil Price Volatility:



Although the extreme volatility in oil prices primarily occurred in April 2020, discussions on the aftermath, market stabilization efforts, and the future of the oil industry continued in May.

### 7. Government Policies and Stimulus Measures:

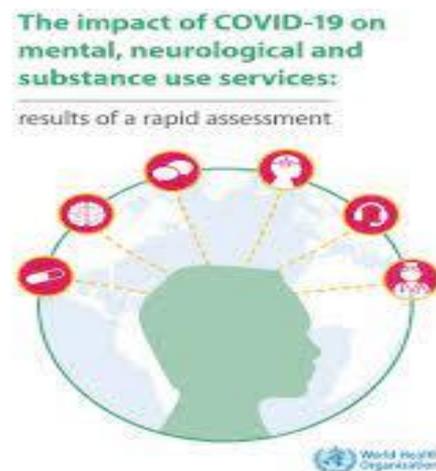


News regarding government policies, regulatory changes, and economic stimulus measures to support businesses and individuals during the pandemic were

widely covered. These included financial assistance programs, loan guarantees, and tax relief initiatives.

Please note that these are general themes that were relevant in May 2020, and specific news stories during that time may have focused on developments within these areas. For detailed and up-to-date information, it is recommended to refer to reliable news sources or archives from that period.

### IMPACT OF COVID-19:



#### 1. Public Health Crisis:

COVID-19 continued to spread globally, and many countries were grappling with high infection rates and fatalities. Governments and health authorities focused on implementing measures to contain the virus, such as social distancing, testing, contact tracing, and the development of vaccines and treatments.

#### 2. Economic Impact:



The pandemic caused severe disruptions to the global economy, with widespread job losses, business closures, and financial market volatility. Many industries, including travel, tourism, hospitality, retail, and manufacturing, were particularly hard hit. Governments implemented various stimulus measures to support businesses, workers, and vulnerable populations.

### 3. Lockdown Measures:



In May 2020, many countries were still implementing or gradually easing lockdown measures. These measures included stay-at-home orders, travel restrictions, closure of non-essential businesses, and restrictions on public gatherings. The restrictions had a significant impact on daily life, affecting employment, education, and social interactions.

### 4. Remote Work and Digital Transformation:

With work-from-home arrangements becoming the norm for many organizations, there was a rapid acceleration of digital transformation. Companies and individuals relied heavily on technology for remote collaboration, communication, and virtual meetings. This shift also highlighted the digital divide and access disparities in various communities.

### 5. Education Disruptions:

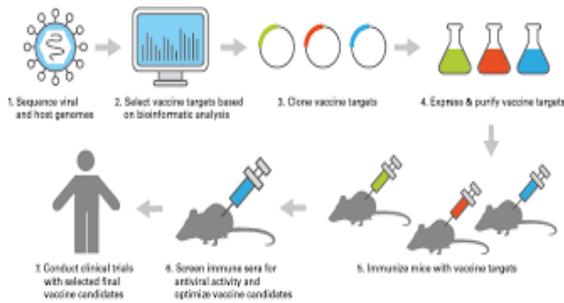
Schools and universities faced challenges in transitioning to online learning platforms. Many educational institutions temporarily closed, leading to the adoption of remote learning methods. The shift to online education highlighted the need for digital infrastructure and equitable access to education.

### 6. Mental Health Concerns:



The pandemic took a toll on people's mental health due to the fear of the virus, social isolation, and economic uncertainties. Mental health services and support became increasingly important as individuals faced heightened stress, anxiety, and depression.

### 7. Research and Vaccine Development:



Scientific research and vaccine development efforts received significant attention. News surrounding vaccine trials, testing methodologies, and potential treatments were widely covered as countries and organizations raced to find solutions to combat the virus.

It's important to note that the specific impact of COVID-19 in May 2020 varied across regions and countries, depending on the stage of the outbreak and the measures implemented. The situation continued to evolve rapidly, and new developments and challenges emerged throughout that time

**ECONOMIC RECOVERY:**



**1. Fiscal Stimulus Packages:**

Governments introduced large-scale fiscal stimulus packages to support businesses, workers, and the economy as a whole. These packages included measures such as direct cash payments to individuals, wage subsidies, grants and loans for businesses,

and increased funding for healthcare systems.

**2. Monetary Policy Measures:**



Central banks implemented various monetary policy measures to support liquidity and stabilize financial markets. These measures included interest rate cuts, quantitative easing programs, and other liquidity injections. The aim was to ensure the smooth functioning of financial systems and provide support to businesses and individuals.

**3. Job Retention and Creation:**

Many governments implemented initiatives to retain existing jobs and promote job creation. This included wage subsidy programs, incentives for businesses to retain employees, and investment in infrastructure projects to generate employment opportunities.

**4. Support for Small and Medium Enterprises (SMEs):**



Recognizing the significant impact on small and medium-sized enterprises, governments launched specific programs to provide financial assistance, grants, and loans to help these businesses weather the crisis. These initiatives aimed to support cash flow, prevent bankruptcies, and promote business continuity.

### **5. Sector-Specific Support:**

Certain industries that were particularly affected by the pandemic, such as tourism, hospitality, and aviation, received targeted support. Governments introduced measures such as loan guarantees, tax relief, and sector-specific bailout packages to assist these industries in their recovery.

### **6. Infrastructure Investment:**

Governments recognized the importance of infrastructure development in stimulating economic growth. In May 2020, some countries announced increased investment in infrastructure projects, such as transportation, energy, and digital infrastructure, to create jobs and drive economic activity.

### **7. International Cooperation:**



Countries and international organizations collaborated on economic recovery efforts. This included sharing best practices, coordinating monetary and fiscal policies,

and providing financial assistance to developing countries. International cooperation aimed to support global economic stability and ensure a synchronized recovery. It's important to note that the specific economic recovery efforts varied by country and were influenced by the severity of the pandemic's impact, the country's economic structure, and the available fiscal and monetary policy tools. The measures implemented in May 2020 were part of broader ongoing efforts to address the economic fallout of the pandemic.

### **SUPPLY CHAIN RESILIENCE:**



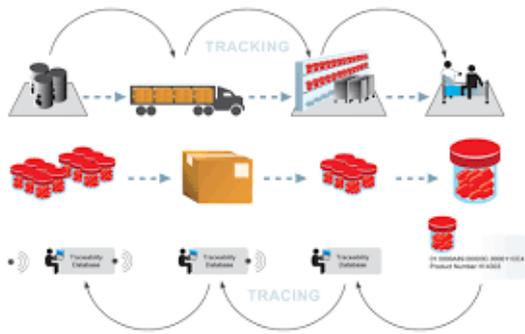
#### **1. Diversification of Suppliers:**

Many organizations recognized the importance of diversifying their supplier base to reduce dependency on a single source or region. They explored alternative suppliers and considered nearshoring or reshoring options to enhance supply chain resilience.

#### **2. Strengthening Supplier Relationships:**

Building strong and collaborative relationships with suppliers became crucial during the pandemic. Organizations worked closely with suppliers to understand their capabilities, assess risks, and establish contingency plans to mitigate disruptions.

#### **3. Supply Chain Visibility and Monitoring:**



Organizations focused on enhancing supply chain visibility to gain real-time insights into inventory levels, transportation, and potential bottlenecks. Technologies such as Internet of Things (IoT), blockchain, and data analytics were utilized to track and monitor supply chain activities.

#### 4. Risk Assessment and Contingency Planning:



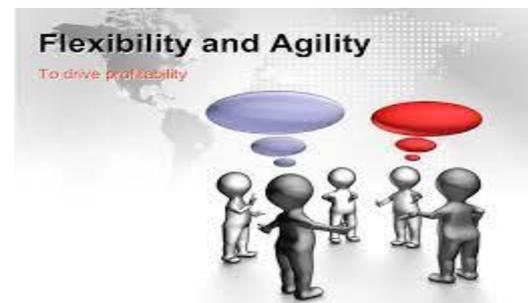
Businesses conducted comprehensive risk assessments to identify vulnerabilities and potential disruptions in their supply chains. They developed contingency plans to address critical areas and minimize the impact of future disruptions.

#### 5. Inventory Optimization:



Organizations sought to strike a balance between maintaining adequate inventory levels and reducing excess stock. Advanced inventory management techniques, such as just-in-time (JIT) and lean practices, were re-evaluated to ensure operational efficiency and resilience.

#### 6. Agility and Flexibility:



The ability to quickly adapt and respond to changing market conditions and disruptions was crucial. Organizations focused on building agile and flexible supply chains that could adjust to demand fluctuations, changes in sourcing, and transportation disruptions.

#### 7. Collaboration and Information Sharing:

Supply chain partners collaborated closely and shared information to better manage disruptions. Collaborative platforms and technologies facilitated real-time communication, coordination, and data exchange between suppliers, manufacturers, and distributors.

#### 8. Sustainable Supply Chains:

Sustainability considerations gained prominence as organizations recognized the

importance of responsible sourcing and reducing environmental impact. Efforts were made to integrate sustainability practices into supply chain operations, such as reducing carbon footprint and promoting ethical sourcing. The challenges posed by the pandemic highlighted the need for resilient supply chains. The focus on supply chain resilience in May 2020 emphasized the importance of proactive planning, flexibility, and collaboration to withstand and recover from disruptions.

### **GOVERNMENT POLICIES AND STIMULUS MEASURES:**



#### **1. Fiscal Stimulus Packages:**

Governments introduced significant fiscal stimulus packages to provide financial support to individuals, businesses, and industries affected by the pandemic. These packages included measures such as direct cash transfers, unemployment benefits, wage subsidies, tax relief, and grants to impacted businesses.

#### **2. Small Business Support:**

Governments recognized the vulnerability of small businesses and implemented specific measures to support them. These measures included loan programs with favorable terms, grants, and business

continuity funds to help small businesses maintain operations and retain employees.

#### **3. Sector-Specific Support:**



Certain sectors heavily impacted by the pandemic, such as tourism, hospitality, and aviation, received targeted support from governments. This support included industry-specific bailout packages, loan guarantees, and financial assistance to help these sectors recover.

#### **4. Job Protection and Retention:**

Governments implemented measures to protect jobs and support workers during the economic downturn. These measures included wage subsidy programs, short-term work schemes, and incentives for businesses to retain their employees.

#### **5. Infrastructure Investment:**



Governments announced infrastructure investment plans to stimulate economic activity and create jobs. These plans included funding for construction projects,

transportation infrastructure, and digital infrastructure development.

### **6. Central Bank Measures:**

Central banks implemented monetary policy measures to support financial stability and ensure liquidity in the economy. These measures included interest rate cuts, quantitative easing programs, and providing liquidity to banks and financial institutions.

infrastructure, increase testing capacity, and support the development and distribution of vaccines and treatments.

It's important to note that the specific policies and stimulus measures varied by country and were influenced by the severity of the pandemic's impact, the country's economic structure, and available fiscal and monetary policy tools. Governments continued to assess and adapt their policies as the situation evolved and new challenges emerged.

### **7. International Cooperation:**



Governments collaborated at the international level to coordinate their responses and share best practices. International organizations, such as the International Monetary Fund (IMF) and the World Bank, provided financial assistance and guidance to member countries.

### **8. Healthcare Funding:**



Governments allocated significant funds for healthcare systems to enhance medical