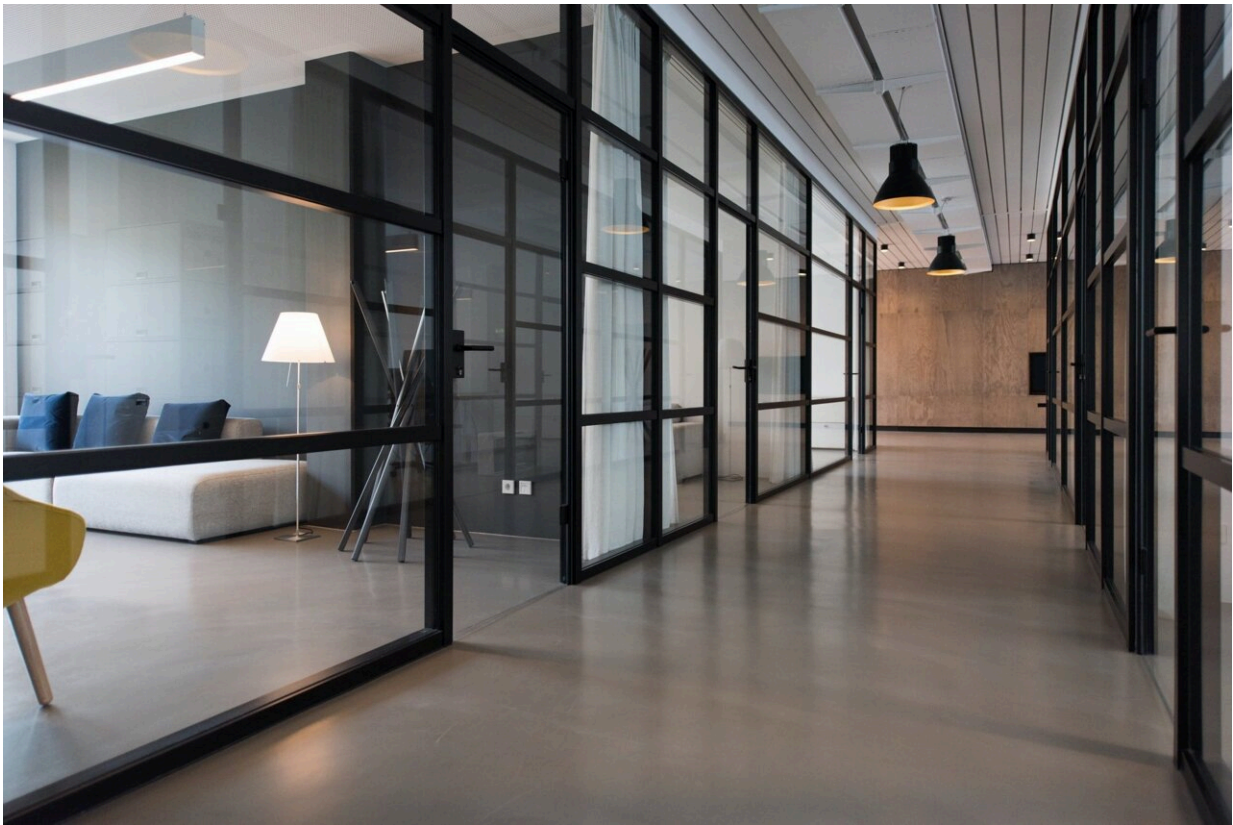


# Long COVID effects on business and education

August 30 2022, by Chris Rutkowski

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The pandemic has affected many aspects of our lives, from health consequences to the collateral damage to restaurants and "mom and pop stores." Supply chain problems have created panic shopping among

consumers and many entertainment venues have seen the number of patrons decimated.

But what about [large corporations](#) such as Wal-Mart, BMO, or Exxon? What has COVID done to them?

Wenlong Yuan is the Stu Clark Chair in Entrepreneurship and Innovation at the UM Asper School of Business. His current research includes the implications of the COVID-19 pandemic for international business strategy and small and medium-sized enterprises (SMEs).

"Every kind of firm was affected by COVID," he says, "so on the macro level we can see a very broad impact of the pandemic. Smaller businesses were hit worse than larger companies, mostly because they had fewer employees, and they couldn't operate when even a few were sick. But nevertheless, larger businesses felt the effects too."

Yuan says that previous to COVID, global markets were linked to one another and increases in one sector usually meant a parallel increase in another, like oil and tech stocks varying together.

But COVID created a situation where decoupling emerged, so that the economies of traditionally linked countries began doing their own thing.

"The decoupling of China and the U.S., for example, should have resulted in more [manufacturing jobs](#) coming back from overseas, but that did not occur. If you restrict imports from one country, manufacturing will move to another country, such as when China moves its manufacturing to other parts of Asia so as to avoid the U.S.."

Another aspect of business affected by COVID-19 is the notion of "[office](#) space." Yuan notes that even before the pandemic hit, many companies were finding that their large office towers and corporate

headquarters were only partially full. That was not because of a lack of employees but because many were already working remotely or were offsite making customer or client visits.

"Some companies were under pressure from their head office to reduce costs, and internal surveys found that one third to one quarter of offices were already underused," he says. "And in-house cafeterias were often empty because staff were eating bag lunches or going out to restaurants, so it was obvious much of the office space was not needed."

"Designated office spaces were not essential," he adds. "Even the CEOs of some companies did not require physical offices."

Yuan notes that companies which shifted to a "hybrid" arrangement where employees were in a physical office a few days a week made much more sense.

"And employees usually prefer that and enjoy the more free work and lifestyle," he says. "This is much like what we are seeing at UM today, and will likely become the norm everywhere in a few years."

He suggests that jobs such as cashiers and office support will disappear, and this is already evident at some businesses such as Costco, Wal-Mart and other retail stores.

But what to do with all that empty office space?

Yuan observes that over the past five years, ecommerce had begun to be more common. Online businesses sprang up, from virtual consultants and time managers to things like "ghost kitchens" that don't have physical restaurants with chairs and tables but operate only with pickup or delivery.

"Businesses will look very different in the future," Yuan explains. "Buildings will not house offices with employees at desks but will be maintained mostly as warehouses and storage to supplement online activity."

Work could look very different as well. Yuan envisions "hybrid entrepreneurs" who will have more than one job, perhaps starting as a "side hustle" but becoming more established as time goes on.

"Working from home allows much more freedom," he says, "but we really don't know what will happen; it's hard to predict the future trends. The new reality allows experimentation, where an entrepreneur can come up with an idea or product and test it without the expense of renting space and setting up a storefront."

Yuan says the most important ability to have as a business operator or entrepreneur is resilience.

"We're going through many changes already, and it's crucial that we are able to deal with uncertainty. Not just in [business](#), but in all aspects of our lives."

He is concerned that students may have lost contact with their networks of friends and colleagues during the pandemic. University students in particular may have been stuck in their apartments and been very isolated not only from other students but from any supports they may have needed.

"In general, we have not done very well in teaching [young people](#) how to be resilient," Yuan notes. "I'm a bit worried about the new cohort of students, who have spent a lot of their time in high school doing mostly distance learning. Some of their necessary learning skills might not have been acquired at the right level."

"It may be that professors will have to adjust their teaching styles to accommodate students who don't have the ability to learn well in a classroom environment."

Yuan adds, "I don't have a crystal ball. We'll see how the next few years progress."

Provided by University of Manitoba

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