Entrepreneurship in the Coronavirus Era: How Has the COVID-19 Crisis Affected Entrepreneurship?

Salim Morched  
PhD in Management Sciences, Department of Management, Faculty of Economics and Management, University of Sfax, Sfax, Tunisia  

Anis Jarboui  
Professor of Finance, Department of Management, Faculty of Economics and Management, University of Sfax, Tunisia

Abstract: In Wuhan, China, and by the end of 2019 until the first half of 2020, the world experienced the proliferation and destruction of the new coronavirus discovery. Many infections and deaths caused by the virus, the collapse of the health care system, and the economic impact have few modern analogs. Many countries present a reaction to the pandemic; however, it arises when a heated debate ensues over which political system’s democracy versus authoritarianism is best suited to reply to the pandemic. As global efforts to contain the virus continue, this article aims to examine how the COVID-19 crisis has had many effects on the cultural lifestyle and social entrepreneurship of every country in the world. This current lack of integration between crisis management, entrepreneurship, and COVID-19 literature are the main points to be discussed. The summary of this analysis is consistently clear in the current literature through the connection of key notions within emergency management and entrepreneurship. Due to COVID-19, a dramatic effect has reached the global society. In fact, and academically speaking, this survey is among the first to study these consequences at different levels, including the cultural, social, and lifestyle entrepreneurship context. As a result, micro, macro, and meso environmental impacts deriving from the COVID-19 crisis can be better understood in the entrepreneurship literature area. At present, the impact of COVID-19 on entrepreneurship has not been studied. That is why this article tries to provide a broader and more comprehensive framework.

Keywords: Coronavirus; COVID-19; entrepreneurship; challenges; Corona and education


Kata Kunci: Virus Corona; COVID-19; kewirausahaan; tantangan; Corona dan pendidikan
INTRODUCTION

This study suggests a crisis management vision of COVID-19 and an entrepreneurial understanding, which is required to show how people’s lifestyle cultures and social interactions have changed significantly. More entrepreneurships will be available mainly after the rapid development of medical technology and new ways of dealing with the crisis (Kuckertz et al., 2020). Hence, entrepreneurs with the ability to respond to crises through adaptability have a growing global impact (Liguori & Winkler, 2020). Because of the general difference in the effects of COVID-19 on entrepreneurship, this article states that it is necessary to add entrepreneurship to COVID-19 research. Many social circumstances, including living standards as well as labor conditions, have led to radical change. The cultural change has also led to a greater need for entrepreneurship and new ways of thinking to adopt the new way of life. Entrepreneurs are known to be more vulnerable, innovative, and enterprising than non-entrepreneurs because of their ability to meet market needs. By this method, entrepreneurs will have certain qualities and skills that will enable them to respond to the needs of COVID-19. Nowadays, the priority is given to how entrepreneurs cope with the crisis of COVID-19 and what success entails concerning entrepreneurship. It is, therefore, arguable that an entrepreneurial work environment must be understood in the context of the COVID-19 crisis since it allows exclusive ways to meet challenges.

He and Harris (2020) considered that the crisis of COVID-19 is a new and persistent context with an unknown period. It is difficult to predict or make any plan for the future. This timeframe seems to be vague. World Health Organisation (2020) contemplates that COVID-19 is not like other crises, limited by a certain duration. As a result, there is a great deal of uncertainty associated with this virus.

Furthermore, several problems have been raised in relation to the geographic location (Alon et al., 2020) said that gloomy feedback towards this crisis existed since it has caused the financial deficiency. That is why this situation is like a double-edged weapon: It constitutes not only an unusual occasion, but it can also be a threat to society according to the reaction of business. To deal with the COVID-19 crisis, the corporation’s need is highly demanded, particularly knowledge sharing (Kirk & Rifkin, 2020). At this level and to support society, both research and scientific institutions must join forces.

Therefore, the rapid development of new medical technologies and different approaches to the pandemic will increase entrepreneurship (Kuckertz et al., 2020). At the beginning of 2020, entrepreneurs discovered that the sales of products and services were difficult. There was a severe shortage of raw materials, especially from China, since many entrepreneurs became export depended. All activities are affected, and the global economy is hugely influenced by the coronavirus pandemic (COVID-19). Strong competition between laboratories establishes to deal with the distribution of vaccines. Most importantly, this matter becomes a subject of clever trade-offs between public health and geopolitics.

However, the geopolitics of vaccines are obviously behind the fierce competition between laboratories. Western countries or federations specifically select laboratories in the United States or Europe. Therefore, Canada and the United States placed orders with AstraZeneca, Pfizer, Moderna, Novavac, Johnson & Johnson, and Sanofi. The most ordered vaccine. There are nine of them: vaccines produced by the AstraZeneca-Oxford University, Pfizer-BioNTech and Sanofi-GSK consortium, vaccines from the German group CureVac, vaccines from Johnson & Johnson, Moderna and Novavax in the United States, Sinovac from China, and one Developed by the Russian research institute Gamaleya, nicknamed Sputnik V.

The best-selling and most successful vaccines globally are those from the Swedish laboratories AstraZeneca and Oxford University. The European Medicines Agency and the UK have approved these vaccines and ordered nearly 2 billion doses alone, more than twice that of its direct competitor, Johnson & Johnson. Although it ranked sixth among the labs that sold the most vaccines in mid-December, the latter now seize a second place on the podium. Indeed, new orders with Chile, Colombia, and the United Kingdom have been validated.

Compared with the orders announced in mid-December, the number of orders received by the US laboratory Novavax has dropped significantly. The reason for this change is the uncertainty of India’s orders. India initially purchased 1 billion doses. The customers of AstraZeneca and Oxford University also include six countries, including South Africa, Malaysia, and Taiwan. Pfizer and BioNTech have...
recorded orders from more than a dozen countries in the past month, including China and Indonesia. Finally, we can mention the example of Germany, which broke the EU’s group buying rules and signed a contract in its name.

This article argues that the international implications of the COVID-19 crisis must be understood in response to digital transformation and the new employment contracts. Few academic studies have been done on the meaning of COVID-19 for business grants and what entrepreneurs need to develop the new company. This article deals with the need to link crisis management to the literature on entrepreneurship in relation to the COVID-19 crisis. The following steps are taken into consideration to organize this article: The first point discusses the COVID-19 literature, crisis management, and entrepreneurship. The article then discusses entrepreneurship’s cultural, social, and lifestyle features in relation to the COVID-19 crisis. This means that a context is placed on the impact of COVID-19 for entrepreneurs and how the international landscape has changed. In this way, a more extensive discussion is built, showing springs from the intersections of literature on crisis management and entrepreneurship. This allows for a better understanding of the ‘COVID-19 entrepreneur.’

Effects of Coronavirus

Since the appearance of COVID-19 at the beginning of 2020, many considerable changes have invaded society worldwide. To diminish the disease’s spread, it is compulsory to follow the new normal embodied in physical and social distancing. This has led to significant cultural changes regarding the way individuals interact and behave in society. As they are opportunity agents in society, entrepreneurs are the sufferers of most of these changes. While entrepreneurs are often seen in problem-solving or providing benefits to society, they may also be pressured to deliver some results (Williams et al., 2017). In other words, those entrepreneurs do not automatically benefit from a change like the one caused by the coronavirus health pandemic. Still, they may need to change the course of the business significantly. This creates a dilemma for policymakers looking to nurture entrepreneurship to help solve societal problems while preserving existing investments.

In December 2019, individuals in Wuhan, China, were infected with a new coronavirus that was highly contagious (Cortez & Johnston, 2020). The virus was originally thought to have emerged from the markets of live animals in Wuhan. However, the exact origins of the disease are still debatable. Regarding this virus spread, the Chinese government ordered to lock down Wuhan and ban houses, leaving if they do not have the necessary needs to be achieved. On January 23, 2020, more than five million people in Wuhan fled the city after the Chinese government announced its closure of the city (Alon et al., 2020). The virus has many social and economic effects. At the social level, a change in the living and working conditions took place. An increased dependence on digital forms of communication and distancing becomes an urgent need. There has recently existed a tendency toward digitalization before the beginning of the virus, which was increased during the transmission mode of the virus. More importantly, speaking about health care, many systems failed to deal with the virus. Unfortunately, this failure reflected many other economic sectors. The virus heavily affected countries such as Spain with a health care system, which is overwhelmed. What worsened the situation and deepened social inequalities is that many casualties suffering from the virus were elderly in care homes. In the UK, for example, a response to the need for healthcare systems to treat virus patients is established in the form of initiatives such as the ‘Clap for Our Carers’ campaign relying on a symbolic act, which is clapping as a form of support. At this level, these initiatives paved the way for the creation of a sense of solidarity amongst individuals in a certain geographic area.

At the economic level, it is worth mentioning that the number of unemployed has doubled. Tunisia reported its first case of COVID-19 on March 2, 2020. Due to the positive response of the Tunisian government, the spread of the virus remained relatively controlled for the next few weeks. In mid-March, a national public health emergency case was declared because of the epidemic, and a series of sanitation and containment measures were taken. The government took strict measures and closed schools and universities. Even group prayers and sporting events were suspended. On March 22, stricter restrictions were implemented to confine travel to work and basic needs (medical services and food). In June 2020, it began an alleviation of containment measures. However, by September 2020, the number of detected cases increased sharply. The execution of new restrictions, such as wearing masks in most public places and trade, took place in November 2020, but the government has avoided further strict containment. The results of the first round of labor force survey conducted by

Salim Morched, Anis Jarboui
the International Labor Organization (ILO) and the Economic Research Forum (ERF) are designed in November 2020 to monitor the impact of COVID-19 on Tunisian family’s businesses, and farmers. The results will be reviewed later in this report, and a more detailed introduction will be given. Between February and October 2020, the unemployment rate of the surveyed population increased by 33% (from 9% to 12%). Under the condition of counting the number of unemployed, 38% of the surveyed are considered unemployed.

In the informal economy, salaried workers are three times affected by unemployment as salaried workers in the formal economy. The unemployment rate of men has risen faster than the unemployment rate of women. The rise in the unemployment rate has affected people at all levels of education. Among them, the unemployment rate for those with higher education degrees rose by 33%. The unemployment rate for those with basic education rose by 36%. The unemployment rate for those without basic education rose by 33%. The least affected ones are secondary school graduates. Working hour’s diminution affected 30% of male employees and 28% of female employees, while wage cuts over the same period affected 22% of male employees and 17% of female employees. So far, the most affected by the reduction in working hours and wages are workers with the lowest education level.

![Figure 1. Unemployment Rates by Sector](image-url)

More than three-quarters of households reported reducing food spending due to rising prices (79%) and falling incomes (75%). To cope with COVID-19, savings at home are used as well as the support of family members has always been the main response strategy for families. This is why a number of economic measures have been formulated, including supplementary welfare payments and suspension of housing loan repayment periods. As the virus spread rapidly around the world, other countries have also followed this policy. Although there are economic policies for the treatment of the virus, many of the economic effects are still unclear. The world economy is very worried about a
serious economic downturn or depression. In the case of Europe, especially Spain, the United Kingdom, and Italy, the impact is more serious. Added to that, in the United States, there are many cases.

![Figure 2. Unemployment Rates for Part-and Full-Time Workers (Seasonally Adjusted Monthly Data, January 2020 to July 2021)](image)

Since there was no pharmaceutical treatment or cure for the disease, non-pharmaceutical strategies were encouraged, including social distance, hand washing, and personal hygiene. These measures facilitated halting the spread of the disease and led to severe social restrictions, including restrictions on movement, closures of playgrounds, schools, and universities. Certain sectors of the global economy have suffered the most from constraints, particularly the tourism and restaurant sectors, which depend on the close connection of individuals as part of their business model. The rapid and steady growth of international tourism came to a halt due to imposed travel restrictions and border closures. This strategy of globalization has led some countries to close their borders to an unprecedented extent. This was in stark contrast to earlier funding for open borders and global freedom of movement. As the increased dependence on international travel that is with people living between many countries, this has had a huge impact.

Another domain has also been hit hard embodied in the sports industry, which was affected by the ban on outdoor sports events and the suspension of live games. Because of the dependence on personal participation in many sports, a huge impact has been especially for those who work in the domain. It was the first time in history that a health pandemic affected sport so badly in the way it has been run, watched, and played. The closure of several sport-training facilities has led to a change in training methods for many athletes. Similarly, industries face supply chain challenges at the industrial level because of the number of employees locked inside their homes (Kraus et al., 2020). As a result, restrictions on some industries led to disruptions in the supply chain. Even essential companies that have remained active are faced with the need to implement new health policies such as personal protective equipment, physical distance, and constant cleanliness. That is why; entrepreneurship offers individuals, companies, and governments a way to deal with the crisis of COVID-19.

**How to Manage with Crisis**

It was claimed that modern societies are progressively confronted with “unknown,” Black Swans, and mega crises (Ansell & Boin, 2019). Then, it is concluded that there are several unanticipated crises, including the current COVID-19 pandemic, which has a major impact on society. In view of the uncertainty associated with these crises, current methods often fail and need a new approach for the business. China is where COVID-19 arose, but there is still great uncertainty about how the virus was transmitted from animal to human. A timely response has to be organized thanks to the interference of
science, government, and society leaders. In the current situation of deep uncertainty, entrepreneurs must be aware of the risks and opportunities that will enable them to realize the crisis by understanding society’s social and business needs. They need to think quickly about the crisis, which means that the consequences of inactivity can be assessed in the short and long term. The involvement of a logical and rational approach identifies the rational approach to the crisis (Liu et al., 2017). However, it is unreasonable with a health crisis that can quickly develop such an approach. To cope with the expected consequences, earlier intuition and gut feeling are needed. This means that rapid responses are more likely to be coordinated in relation to other impacts on society.

For this reason, a faster response is needed instead of a bureaucratic approach since the crisis is dynamic and strong. According to Weick & Sutcliffe (2011), the need for a more direct approach is inevitable to curb the uncertainty that accompanies a crisis. In other words, there is no time for waiting or seeing approaches. However, it is high time to work with the given statistics and events since evolvement is necessary. To achieve these measures, available information and analysis must be used to make the right decision. In short, the situation does need quick action and practical thinking. Inaction at this state will be a catastrophe.

Perrow (1984) considered that crisis is normal event since the environment is full of unpredictable surprises. Organizations use several ways to respond to a crisis ranging from restructuring business practices to reducing production. How an organization responds determines its ability to own a long-term business model that survives the market. This is important to increase resilience but also to avoid environmental barriers. To deal with environmental uncertainty, organizations must be resilient. This implies thinking about potential risks and raising capital to cope with the situation of coronavirus. This fact cannot be achieved only if organizations adapt to changes in the market before, during, and after a crisis. In fact, resiliency enables any organization to adapt to change and recover faster. That is to say; an individual has a space of discretion about when, why, and how the knowledge is used. This can build uncertainty about what is the best time to share information. By withholding this relevant information, some individuals may stay silent in discussions. Therefore, they do not share an opinion and can remain neutral in discussions about the meaning of certain information. In addition, predictive analytics and data-driven decision-making can help managers take a better approach to leverage the spread of coronavirus knowledge.

A priority is given to the prevention and response to major changes (Doern, 2016), and this is the area of interest of crisis management. However, it is equally important in times of crisis to be both responsive and communicate the situation as it occurs. Indeed, crisis management can be a complicated process because it is necessary to find solutions to existing problems and predict new ones. According to Buchanan and Denyer (2013), there is no consistent or correct way to respond to a crisis because of circumstances dependency. Some sections of society, particularly government and large businesses, can respond more effectively to crises because of available resources. However, it is debatable that small businesses can quickly adapt to crises because of their size. To properly manage a crisis, a dedicated team must monitor its progress. This allows for a more efficient and coordinated approach.

There are the four suggested Cs of crisis management: causes, consequences, caution, and copying (Shrivastava, 1993). Causes can sometimes be traced back to certain factors that can occur sporadically or continuously. The specific cause can be an unforeseen event or the result of a specific action. The consequences may be related to the effects of the crisis on the environment. These can vary from small to no impact to significant changes in society. Caution is considered as a sense of uncertainty and risk that proceeds in a certain way. With a particular cause of action, there can always be some fear. How individuals, businesses, and governments deal with the event is what is meant by coping. This may contain certain strategies for managing changes that have occurred that use a business strategy.

**Entrepreneurship and Coronavirus**

To deal with the crisis since COVID-19, it is necessary to be entrepreneur-oriented and to address environmental issues and changes as a goal. Entrepreneurship refers to being engaged in producing market innovation, promoting innovative behavior within the company, engage with companies with certain risks and take the initiative to propose behavioral characteristics at the level of the company of active innovation» (Wang & Altinay, 2012). Innovation, risk-taking, and being practiced in the marketplace are the four required elements of entrepreneurship in coping with the crisis of COVID-19.

Salim Morched, Anis Jarboui
More and more people and businesses want to be seen as entrepreneurs and as cultural and social activities. For that matter, cultural, social, and lifestyle dimensions have to be integrated into a more modern view of business needs. Entrepreneurship is a socially inserted activity because social interactions are highly involved. This means that entrepreneurs identify opportunities relied on their capacity to use social media. Social links refer to the fact that entrepreneurs possess social interaction-based networks. It is an inclusion of in-group solidarity links. Social resources are allowed to be used by these social ties to achieve entrepreneurial aims. In fact, members of social networks afford available business suggestions and free advice. This is the meaning of social entrepreneurship as it brings several paths of development for controlling the COVID-19 crisis.

Environmental perceptions entail the evaluation of the probability of certain events. Because of the long period of continual activity, some environments may be more stable than others may. This can facilitate the assessment of how a company will be affected by environmental events. On the other hand, some political events can make environmental contexts more dynamic and changeable. This means that a certain degree of caution is needed when assessing potential trade routes. Due to uncertainty, the changes can be more profound in turbulent environments. This means that several suggested paths can be deduced in scenario planning on handling COVID-19. This allows for a more cautious approach to the possible implications in terms of procedure.

Entrepreneurship has an indirect practical goal because it requires some action. This conscious decision involved by entrepreneurship is taken in the pursuit of an opportunity in the marketplace. Thus, the purpose of this decision is to evaluate opportunities and recognize the need to find market gaps.

The need to do something innovative is rooted in decisions about entrepreneurship. Lerner, Hunt, and Dimov (2018) considered that entrepreneurial action is central to entrepreneurship study. This means that the causal composition of business behavior stems from the intention to be a producer of change. Therefore, corporate action can be defined as “behavior in response to a judicial decision under conditions of uncertainty about a potential profit opportunity” (McMullen & Shepherd 2006). Thinking about entrepreneurship through the lens of action allows us to highlight the intent that leads to a certain behavior.

An entrepreneur is a person who takes advantage of a business opportunity through an innovative form. This means that they expect a gap in the market that a new business idea could fill. To achieve this, it is necessary to create a product, process, or service that can result in economic benefit. Thus, the entrepreneur is effectively looking for new opportunities and revolving around how they can be involved in innovative and profitable activities. Due to these environmental and social factors, entrepreneurial behavior is powerfully influenced by the mentioned context. In other words, in certain situations, society exerts pressure on family businesses to take certain measures. For entrepreneurs, the environment can help or slow them down in their family business. Thus, attention is given to the role of the environment as a catalyst for entrepreneurship in general. Entrepreneurship implies understanding how to recognize opportunities and new ideas. This often requires some creativity, as different ways of thinking can generate new ideas. To define creativity, it is identified as a means of ‘production of new and useful ideas by an individual or a small group of individuals’ (Amabile, 1996). Creativity is important to deal successfully with the COVID-19 crisis because it can provide the global marketplace with a competitive advantage.

Business ideas that stem from creativity incorporate relative thinking about how they are realized. Getting ideas on the market requires some kind of action on the part of companies that influence COVID-19. This includes the iterative process of ideas as they are refined and further developed. This requires turning the idea into business solutions that stakeholders can accept once they enter the market. It is important that stakeholders provide their input since ideas need the input and suggestions of others. Relying on how others perceive them, initial ideas can be changed. In fact, ideas elaboration is a vital step to enable businesses to develop them easily. This last step requires engagement with others using a discussion process to alleviate further innovations in their shape-taking. However, some ideas may have to be rejected based on comments about COVID-19 effects.

How Corona Virus Affected Education

COVID-19 (coronavirus) has significantly impacted educational communities, particularly due to the massive transition to online education. As a result, the curriculum and learning styles are rapidly transformed to a digital platform. However, this is not clear despite the radical change, especially in the
community of entrepreneurship educators in the higher learning sector who depend on practical, immersive training to meet learning needs.

Providers of higher education play an important role in supporting economies and promoting the well-being of society (Ratten, 2017). Quality of life is often linked to the bonds that people feel in society, and universities contribute to foster the community spirit.

The COVID-19 crisis imposed severe restrictions on international mobility that had never been seen before. As there is no known cure nor treatment for COVID-19, an unheard-of challenge becomes a real fact in society because of the chaos and uncertainty it has caused (Leung et al., 2020). As a result, lockdown or isolation strategies lead to the curtailment of freedom of movement. Many universities closed and were forced to work from home. These extraordinary changes result in different behavior among students and teachers. In addition, the drastic reduction in physical contact has affected social strategies used in the classroom. Simultaneously, innovations have been produced to recreate this social behavior in an online form. Consequently, the same teaching methods can be used online but in a different format; inventive thinking means.

Martin and Turner (2010) suggest that a recipe is highly recommended to derive an entrepreneurial university. This needs to take into consideration what the key ingredients are and then have the formula to get a specific result. This analogy is useful when considering the different characteristics of entrepreneurial universities that differentiate them from their competitors.

In light of this, the COVID-19 crisis has led to a need for more universities to be seen as entrepreneurs. This helps them cope with the economic instability caused by the COVID-19 crisis and leads them to more targeted goals (Gosling et al., 2020).

Because of COVID-19, universities must stay alert and be adaptive. COVID-19 caused uncertainty that posed an imminent threat to the financial sustainability of universities and provided an opportunity for innovation to prosper. It is important for universities to establish different thinking and create new learning, teaching, and participation methods around social distance. In short, universities have immersed themselves in a new digital world, much of which is incomparable territory for adapting to the new environment (Ratten, 2017).

Scott et al. (2019) identify universities as regionally embedded resources that participate in the social fabric of a community. This means that their role is to develop knowledge skills that can be a notably useful source of innovation. Owing to the different goals between stakeholders in a university, it is necessary to agree on the best possible reasons for action. There must be adaptation and coordination between members of the university community to facilitate innovation. This makes it possible to use the main purpose of the university’s knowledge for other purposes that involve university research. Although this has been done through business research, university entrepreneurship education is engaged in technology delivery. Still, there is a particular need to pave the way to alleviate the current COVID-19 crisis.

Universities are held accountable for the type of educational experience they offer (Agarwal et al., 2020). Student associations are also increasingly interested in the student experience and the connection with work outcomes. This means that students need to be prepared for the skills they will need in the job market. To do this, the gap between education and professional skills needs to be narrowed to accommodate new trends in the workplace. More recently, there has been more investment in professional skills, which involve digital technology. This derivation from the digital age is beneficial to cope with the workforce requirements. Added to that, people are eagerly acquiring because of the rapidly changing world. This means promoting lifelong learning to acquire the skills required in the digital age.

**Intensive Lifestyle Change and Work**

The evolution of the workplace is one that should be seen as influencing an entrepreneurial response to COVID-19. The growing economy of contract jobs and the uncertainty of the workforce have changed current work practices. In fact, increased computerization and automation, which represent a part of technological innovations, have reduced the need for manual labor. As a result, more interest is given to artificial intelligence thanks to its transformative impact on entrepreneurship. Now there are more independent and mobile entrepreneurs worldwide who can move quickly based on demand. This has led to more local self-employed contractors and digital pastoralists working from anywhere. This has changed the structures of traditional employment to make it more flexible and need-
Based. However, the scope of this diversification has been hampered by the need to stay in one place due to COVID-19. At this level, it is still unclear how COVID-19 has impacted global entrepreneurship.

Additionally, the sharing economy has led to a shift to the service industry. Ahsan (2020) refers to a new type of entrepreneur based on the economy of odd jobs that can be considered a micro-entrepreneur. This is owing to the flexibility of these entrepreneurs to run small projects.

The new work environment has to develop coping strategies that deal with the recognition of opportunities. Opportunities can be described as a stream of ideas that are constantly developed, guided, and modified at each stage by the action of creative ideas and social interaction (Dimov, 2007). At the level of businesses, it is needed to take advantage of opportunities to succeed in the dynamic global business environment. This means it is important to rely on new social needs that creative people can facilitate to respond to the COVID-19 crisis. According to Dimov (2007), individual creativity cannot be understood without these main factors: (1) personality, (2) intrinsic motivation, (3) knowledge and cognitive abilities. Personality can be identified as the general disposal of a person. Typically, the most creative people have a personality that is linked to being open to new ideas. This allows them to revolve around new ways of thinking and be more tolerant than others in ambiguity.

Most importantly, its curious nature helps creative people deepen their knowledge of emerging fields. This fact allows them to be more prone to innovation and risk research. Intrinsic motivation deals with the causes that make some individuals recognize certain opportunities more than others do. The need to achieve can be a motivational ingredient that drives individuals to pursue creativity. This means that people who identify new ways of working are more likely to be considered creative. Both knowledge and cognitive skills refer to the information embedded in an individual and their ability to use it. In a company, knowledge is an important means of bringing innovative products and services to the market, especially with the COVID-19 cultural change.

**Cultural Entrepreneurship**

Cultural entrepreneurship means innovative entrepreneurship that considers cultural aspects, which is important in the new normal situation created by COVID-19. Lounsbury and Glynn (2019) considered that culture is the norms and value systems that exist in a society, which can change over time in terms of societal progress. The general way of behaving in society is clear from the expectations regarding behavior. Therefore, it is important to understand how culture is embedded in entrepreneurial activities: culture influences individuals’ behavior and their ways of acting collectively. Culture is increasingly seen as a way of understanding systems of shared meaning in terms of how they enable entrepreneurship. Entrepreneurship is often constructed culturally according to how innovative activities are perceived in society. Thus, to understand the culture, we need a functionalist way to deal with how entrepreneurs perceive their role in society. This fact requires the use of cultural identities when it comes to integrating entrepreneurship into companies.

Because entrepreneurship is culturally formed, it means that culture contributes to its development. Relying on a relational approach to entrepreneurship, culture is viewed as being the determinist of business behavior. In other words, entrepreneurs built their identity by relying on cultural conditions. Cultural entrepreneurship underlines the need to take an interpretative approach to entrepreneurship (Gehman & Soubliere, 2017). This is because of a culture that penetrates entrepreneurship as it shapes the way business evolves in society. Traditional entrepreneurship theory has emphasized the economic and self-interest of entrepreneurs at the expense of other important societal factors. A new way of thinking about entrepreneurship is required because the economic theory has integrated more considerations that are social. This helps to divert attention from a purely economic justification for considering alternative motivations, such as cultural ones.

Cultural entrepreneurs are motivated by push and pull factors (Sun & Xu 2017). As for push factors, they are associated with the entrepreneurs’ need to flee from current circumstances and have a better lifestyle for many reasons that can be personal-, work-, or health-related. On the other hand, pull factors are linked to the need for a lifestyle change, environmental reasons, independence, and social networks. Lifestyle reasons may include a desire to live in a specific area where the individual needs support. Some geographic areas can be isolated or quiet and are classified as tourist areas. This means that some business can take place as far as the development of business projects is concerned. Some geographic areas may also have a large number of certain types of people, such as artists or surfers, leading the development of businesses around these topics. To enjoy the local environment means to be

---

Salim Morched, Anis Jarboui
satisfied with clean air and slower speeds, resulting in similar type matching jobs. Climate change is another factor influencing people's living conditions. The climate could be more suitable for certain types of business activities that are similar to the interests of an entrepreneur. It is a reason for cultural entrepreneurs to maintain independence since they are more able to engage in leisure activities. As a result, they have more freedom in choosing the type of business they manage through social networks and/or relocate to a region or engage in relationship-based activities.

Lifestyle Entrepreneurs

Lifestyle entrepreneurship has been studied mainly from the perspective of tourism but less from the perspective of social entrepreneurship. Lifestyle entrepreneurs are identified by a desire to start a business, according to lifestyle values, which is important in the new normal situation resulting from COVID-19. At this level, emphasis is given to social goals more than financial benefits. Because the quality-of-life concern becomes more and more important, the desire to combine lifestyle choices with entrepreneurship emerges as a trend in society. The stereotype of many lifestyle entrepreneurs is that of a socially oriented individual who is willing to contribute to society more holistically. That is why they are considered non-entrepreneurs since they put stress on social reasons rather than strictly financial ones. Added to that, lifestyle entrepreneurs can be seen as amateur producers because some are not interested in large-scale companies. These prospects for lifestyle entrepreneurs are similar to those of social entrepreneurs due to how non-financial goals are presented (Fadda, 2020).

Lifestyle entrepreneurs are characterized by their involvement in a valuable culture in the new normal environment of COVID-19 changes. Lifestyle entrepreneurs are defined as individuals who are likely to worry about their survival and maintain sufficient income to ensure that the company provides them and their families with funds.

The identification of lifestyle entrepreneurs is linked to their cultural interest that is practiced in the new normal environment formed by the changes of COVID-19. To make a clear definition of these lifestyle entrepreneurs, we can mention that they are individuals ‘who are likely to be concerned with survival and maintaining sufficient income to ensure that the business provides them and their family with a satisfactory level of funds to enable enjoyment of their chosen lifestyle’ (Rimmington et al., 1999). While earning a living, lifestyle entrepreneurs’ rationale is concerned about life quality. In other words, their key driver for being an entrepreneur is not confined to profit. It is rather lifestyle oriented (Mottiar, 2007). Owing to their way of encouraging business activity, lifestyle entrepreneurs greatly contribute to the growing economy in any area (Ateljevic & Doome, 2001). If they start in a particular zone, they can stimulate others to stay in the same zone. This fact paves the way for a snowball effect because most entrepreneurs consider identifiable markets as better chances. Economically speaking, many advantages are achieved related to lifestyle entrepreneurship. However, no one can deny its disadvantages, such as the excessive development of an area at the expense. As a result, and to balance economic and social growth, lifestyle entrepreneurs require long-term work (Dewhurst & Horobin, 1998) as they are generally linked to industries of both arts and crafts (Getz & Petersen, 2005).

The motivation of lifestyle entrepreneurs revolves around the quality of life while earning. This means that their key driver for being an entrepreneur is a lifestyle rather than profit (Mottiar, 2007). Lifestyle entrepreneurs intervene in boosting the economic level of an area since they encourage business activity (Ateljevic & Doome, 2001). Once lifestyle entrepreneurs have settled in a region, they can encourage others to live in the same region. This allows a snowball effect since more entrepreneurs can see recognizable markets to enable enjoyment of their chosen lifestyle. Morrison et al. (2001) defined lifestyle proprietors as an individual who has multiple goals associated with their business. In fact, lifestyle entrepreneurs set up their business around their preferred lifestyle if COVID-19 factors influence them. This allows them to use entrepreneurship as a way to maintain a certain way of life. Unfortunately, personal relationships mean that some people
are forced to start a business to finance their lifestyle. In an attempt to increase their quality of life, entrepreneurs place too much faith in lifestyle interests.

Lifestyle entrepreneurs are identified by maintaining leisure and work motivations (Sun & Xu, 2017). They want a better work-life balance than typical entrepreneurs. Lifestyle entrepreneurs usually have a special mobile model when they move to certain areas based on personal preferences shaped by the surrounding environment. Most of the mobility is directed to cities or smaller areas with unique cultural characteristics. This movement is not always constant as they move back or to another region, depending on the success of their business. Lifestyle mobility can be due to consumption or production reasons (Sun & Xu, 2017).

Reasons of consumption refer to the necessity to consume certain resources within an area. For instance, nature parks or beaches can be used for lifestyle aims. Production conditions refer to the use of specific labor or resources found in a region. Thus, lifestyle mobility is characterized by relocations aimed at a better balance between home and work. It can be a one-time event or an ongoing activity that depends on how COVID-19 is progressing in society. The characteristic of a Production oriented movement is embodied in obtaining an economic opportunity at the destination as it is the main orientation (Sun & Xu, 2017). This means that the site that an entrepreneur moves will have special features that make it suitable for commercial activities related to COVID-19. Lifestyle entrepreneurs can seize a market opportunity through area relocation. This is important to assess the degree of competition that is likely to be in the same region as other lifestyle entrepreneurs. Economies of scale stand for a significant number of lifestyle entrepreneurs in the same area in the same area can lead to the sharing of resources from COVID-19 opportunities but can reduce potential gains. This means that the pros and cons of moving to an area should be carefully considered considering the market gains potential. Access to amenities, goods, or services in an area is what makes a consumer-driven lifestyle movement (Sun & Xu, 2017). Facilities can take the form of recreational facilities or buildings, which can accommodate commercial activities. These services may be man-made or natural attractions depending on the geography of COVID-19 and government policy. Another reason why entrepreneurs move to a region is goods in the form of concrete products.

CONCLUSION

Society has drastically changed, and current business practices have altered due to the health pandemic resulted in COVID-19. In fact, new procedures are highly required depending on entrepreneurial thinking to succeed in the global marketplace. This article aims at discussing the crisis generated from COVID-19 and its influence on entrepreneurship. To respond to current cultural changes, a particular emphasis is given to the role of cultural, lifestyle, and social entrepreneurs. This meant that research proposals were developed to be investigated further in future research. To achieve this aim, the crisis management and entrepreneurship literature were analyzed the need for more research embedding as it is of great importance at this level. This has led to a number of research proposals that need to be explored in future research. There is great uncertainty about future economic and social conditions since the COVID-19 crisis still coexists.

Consequently, more research is needed as entrepreneurship is used as a business strategy in times of crisis. Previous studies have examined the financial and environmental crises, but the COVID-19 crisis is different with no start and end dates. In other words, cultural entrepreneurship can be used as a theoretical framework to better understand the way and cause of culture change due to the crisis. This will be useful for understanding how people, consumers, and businesses respond to COVID-19 and how new products or services are introduced to the market because of this change. This makes it possible to place great interest in culture and how the new norms that include social distancing and work from home have affected entrepreneurship.

Although most literature on cultural entrepreneurship prioritizes art, a new line of research focalized on how the health crisis affects cultural activities. This helps understand the evolvement and change of arts, sport, and cultural institutions due to the COVID-19 crisis.

This article also discussed lifestyle entrepreneurship to incorporate the cultural shift resulting from the COVID-19 pandemic. This means that the new standard will need more lifestyle forms of entrepreneurship to address the uncertainty of this market climate. Future research and policy will necessitate a closer link between lifestyle factors and the changes needed to deal with the new normal.
The conduct of business differently becomes an urgent need to respect the health policy. For this reason, entrepreneurs must take into account the political consequences of the COVID-19 pandemic and consider new business opportunities.

As mentioned in this article, there are many opportunities for entrepreneurship that include cultural and lifestyle factors. In fact, no one can deny that new ways of thinking are needed to guarantee the integrity in societal changes caused by the COVID-19 crisis. Therefore, more research and policy must shape new thought processes due to ongoing and uncertainty surrounding the future. This will contribute to a more positive and proactive approach to COVID-19 crisis management that integrates business prospects.

REFERENCES


Article correspondence should be sent to:
Salim Morched
Department of Management, Faculty of Economics and Management, University of Sfax, Sfax, Tunisia (salimmorched.mez@gmail.com)

Salim Morched, Anis Jarboui
Recommended Citation:

This article is available online at:
http://ojs.sampoernauniversity.ac.id (ISSN: 2302-4119 Print, 2685-6255 Online)