



Institute for
International
Business



Auswirkungen von SARS-CoV-2-Maßnahmen auf die Wirtschaftstätigkeit im Ausland - und auf Arbeitsplätze im Inland

Results of the first wave

Wien, 19/05/2020

Meta data on research project

- Project ([COV20-041](#)) in the context of the WWTF Covid-19 rapid response call (<https://www.wwtf.at/covid/index.php?lang=EN&ID=9811#O9811>)
- Jonas Puck in collaboration with: Thomas Lindner, Jakob Müllner, Michael Wolfesberger (WU Vienna); Andreas König, Universität Passau; Oesterreichische Nationalbank (OeNB); Wirtschaftskammer Österreich (WKO)
- **Abstract**

The SARS-CoV-2 pandemic as well as the measures taken to reduce its human cost represent challenges to most, if not all, firms in Vienna and Austria. Strategy research provides strong evidence that how decision makers in firms perceive and frame a specific situation (e.g., threat vs opportunity; intensity of a threat or an opportunity; time-horizon) has major implications for both short- and longer-term firm strategy and internationalization processes. We therefore propose to analyze how corporate decision makers' perceptions (at different points in time over the next weeks/month) of the SARS-CoV-2-challenge influence firms' future national and international investment strategies. Results will be of relevance to international business theory as they provide evidence on the relationship between the perceptions of the challenge and firm strategy. They will also be of relevance to policy-makers as results will provide recommendations on how policy makers can communicate to firms in order to shape decision makers' perceptions and to minimize detrimental economic consequences. In turn, the economy may be able to minimize losses in the 50% of jobs in Austria that are driven by international business activities.

Survey of investment decision makers initiated

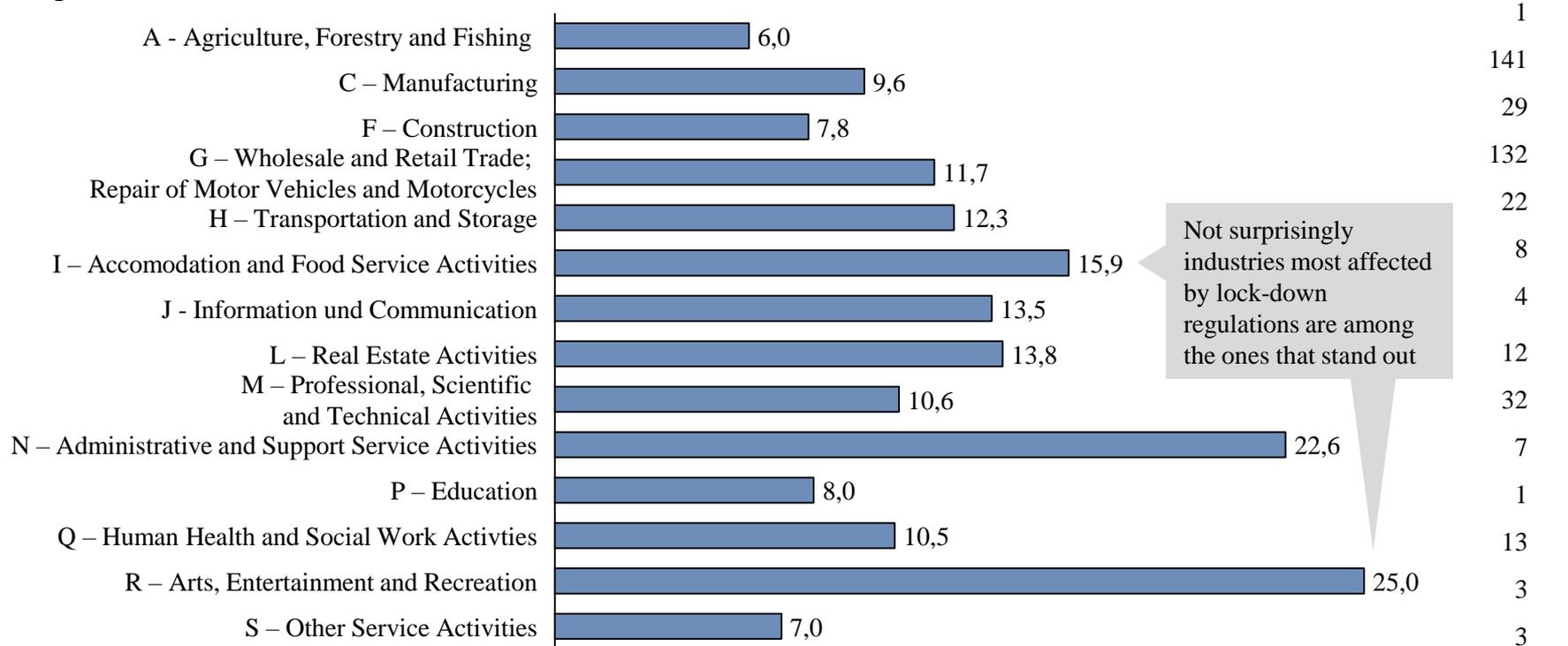
- **Survey questions** focused on threat perception and controllability
 - personal information of the decision maker
 - item battery of 10 questions around the perception of threat & controllability (adapted from Thomas, J. B., Clark, S. M., & Gioia, D. A. (1993))
 - the expected durability, intensity of the crisis and likelihood of applying for official support
- **Primary data collection**
 - 1st wave: 21/04 – 05/05/2020
 - 2nd wave: end of May / beginning of June
 - 3rd wave: t.b.d.
- **Response rates first wave**
 - **408 Austrian companies from all Austrian regions and 14 industries (NACE)**
 - 357 agreed to be contacted again for 2nd & 3rd wave
- This research project has been funded by the Vienna Science and Technology Fund (WWTF) through project COV20-041

Brief summary of results

- Time to recovery from crisis differs strongly by industry [[slide 5](#)]
 - Construction: 7.8 months
 - Accommodation and food services: 15.9 months
- Larger companies tend to expect longer time until recovery for themselves and their supply chains than smaller firms [[slide 6](#)]
- Firms in Vorarlberg expect longest recovery time (15.2 months), firms in Styria expect shortest recovery time (8.8 months) [[slide 7](#)]
- Firms across the country and industries expect the Covid-19 pandemic to affect business stronger than the financial crisis that started in 2007 [[slide 8](#)]
- Two thirds of companies have applied or plan to apply for public support during the Covid-19 pandemic [[slide 9](#)]

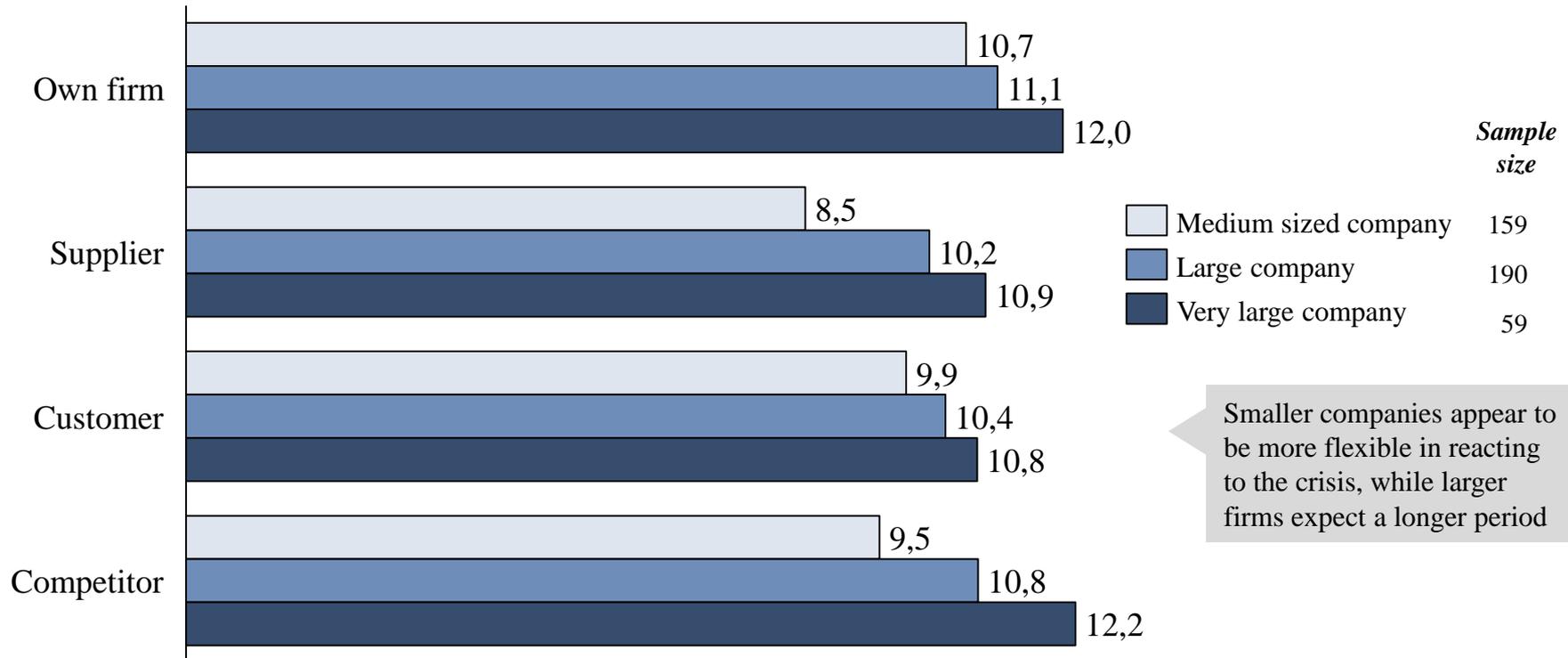
Firms in specific sectors expect a longer recovery time

Managers' perception of how long it will take until their company can act like before the crisis
avg. months – acc. to main NACE code



Larger firm expect on average a longer recovery time

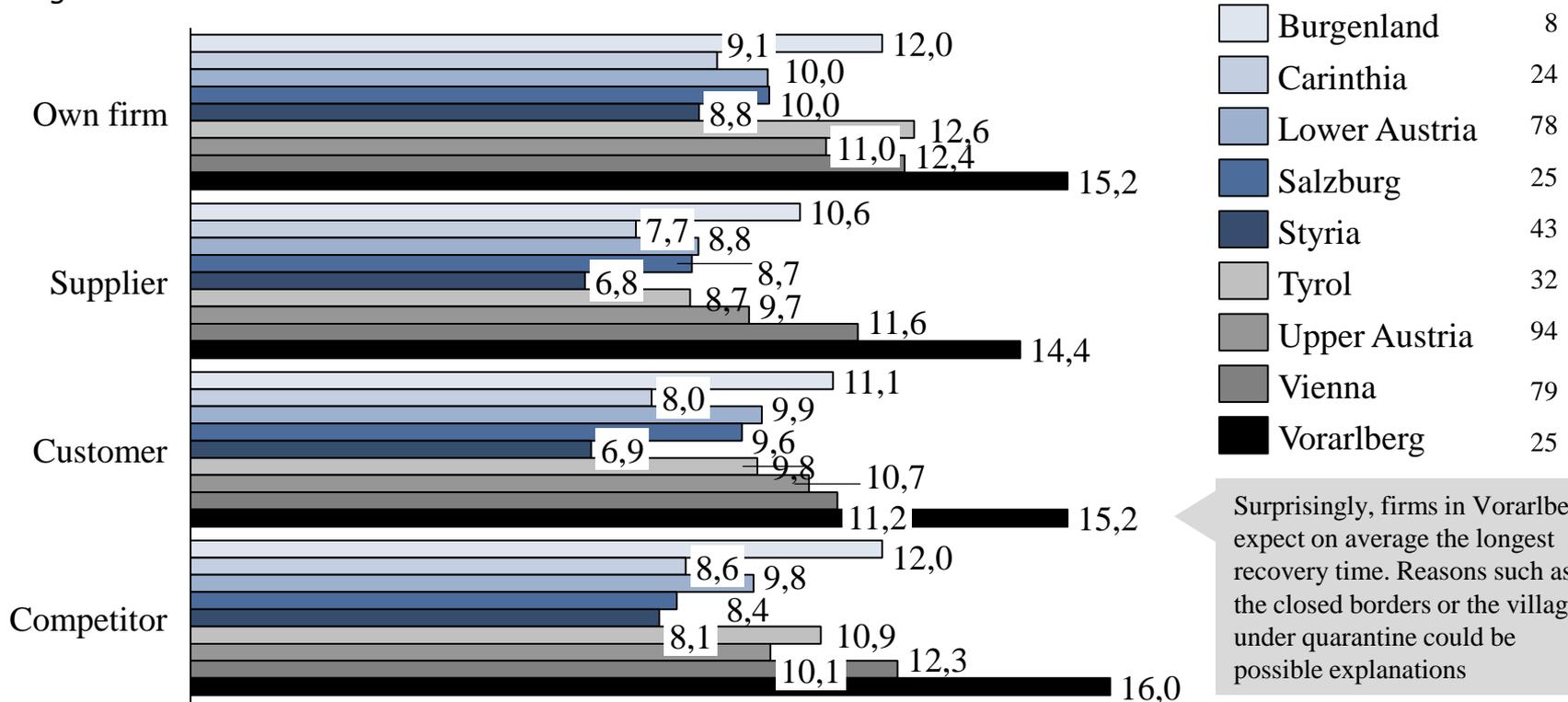
Managers' perception of how long it will take until their ... can act like before the crisis
avg. months



Expected recovery time differs according to region

Managers' perception of how long it will take until their ... can act like before the crisis
avg. months

Sample size



Surprisingly, firms in Vorarlberg expect on average the longest recovery time. Reasons such as the closed borders or the villages under quarantine could be possible explanations

15 Results of the first wave

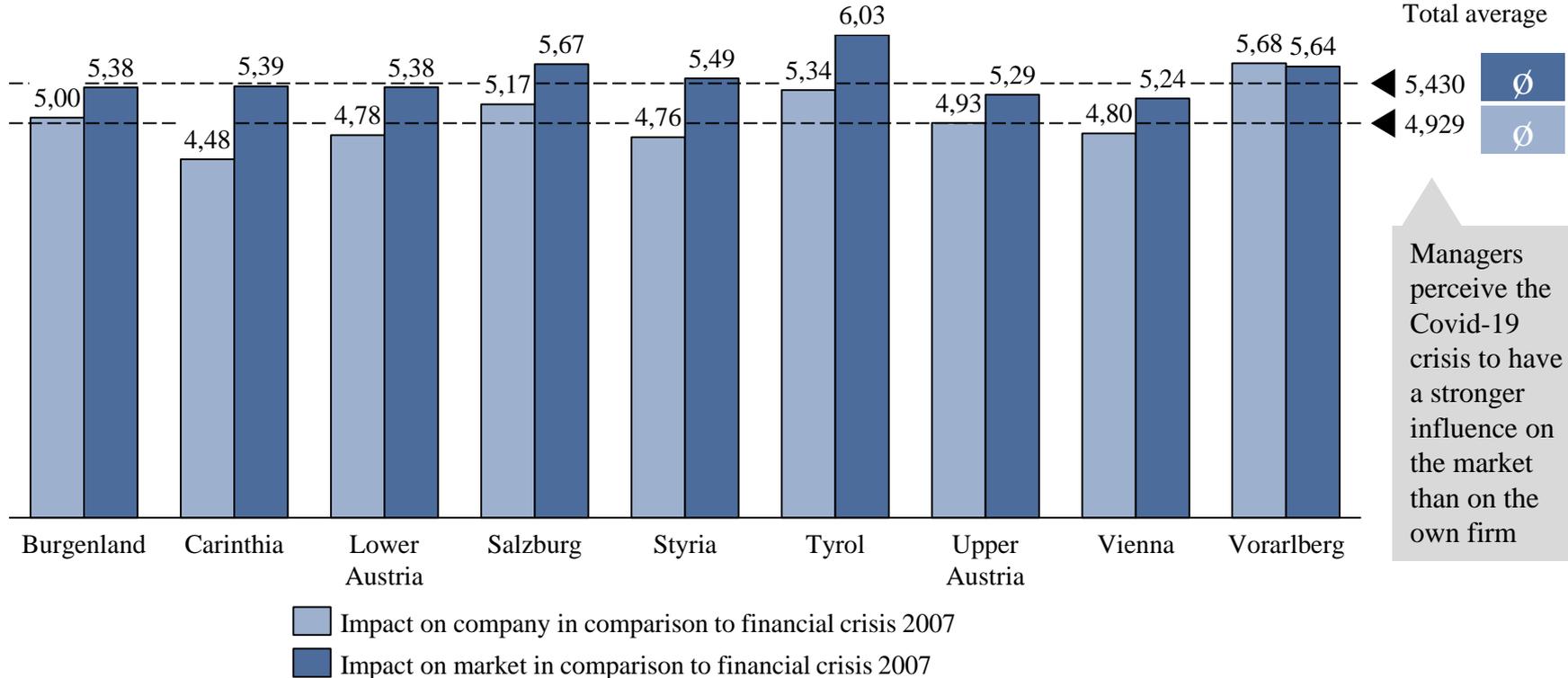
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Firms in Western Austria see a stronger impact of Covid-19 in comparison to the 2007 financial crisis

Companies' perception of the Covid-19 crisis in comparison to the financial crisis 2007
 Perception of impact [7-much stronger | 1-much weaker]



Results of the first wave

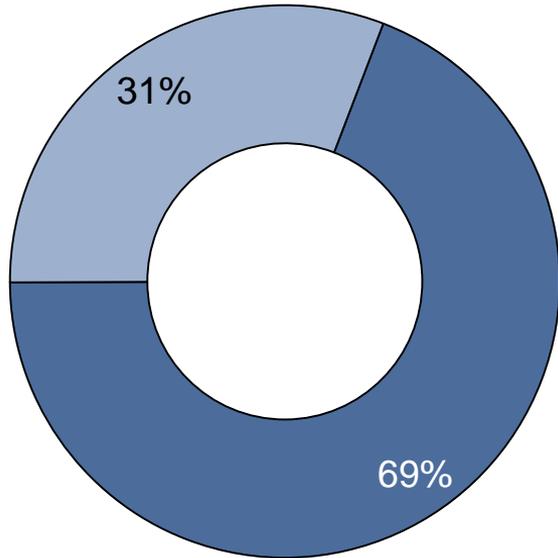


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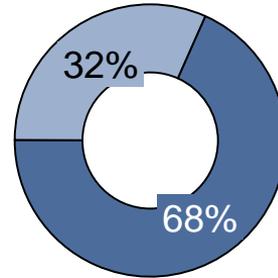


Roughly 2/3 have or will apply for official support

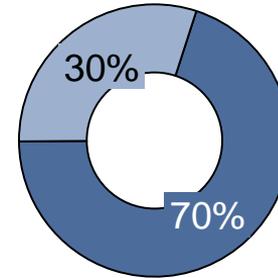
Companies that have applied or have the intention to apply for official support
% of companies in sample (that responded to the question)



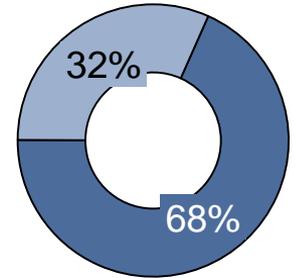
Medium sized companies



Large companies



Very large companies



Interestingly, size does not seem to affect the probability of companies seeking official support

- Have / will apply for official support
- Do not intend to apply for official support



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