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Organizational change during crisis

International Rauma during the covid-19 pandemic

INTERNATIONAL BUSINESS

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LIST OF TERMS AND SYMBOLS

BCP – Business Continuity Program

CLI – Composite Leading Indicator

CCI – Consumer Confidence Indicator

BMC – Business Model Canvas

NABC – Need, Approach, Benefits, Competition model

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Abstract <p>The objective of this thesis is to discover what organizational change the organization International Rauma has to undergo in order to survive the covid-19 pandemic crisis, where internationalization is being challenged.</p> <p>Firstly, the history and background of International Rauma is explored; thereafter the thesis analyzes the theories of organizational change and how to deal with such during troublesome times and how an organization can prepare itself and plan for how crisis and hazards should be handled in order to steer the organization through such an unpredictable situation. Thereafter, the circumstances and impact of the current covid-19 crisis is analyzed in order to understand the environment in which International Rauma is undergoing the re-structuring.</p> <p>International Rauma chose to take a fully online approach, as physical gatherings were limited by the restrictions which were in place at the time of when the research took place. The online strategy may reach beyond Rauma and even beyond Finland, increasing the possibilities of the services International Rauma offers. The new approach and structure of the organization will be supporting the future development of the organization post-pandemic.</p> <p>Through the thesis it was also concluded that preparedness to crisis of various sorts is important in order for an organization to handle the crisis fast and securely. As change during crisis is of a fast and chaotic manner there is little time to analyze the variables and make decisions on change.</p>		
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1 INTRODUCTION

Organizational change is inevitable to take place in an organization at some point, either as a slow, nearly unnoticed change in strategies, culture or structure of the organization, or as a fast and chaotic change to essential parts of the structure and function.

In the early spring of 2020, the world was struck by the global covid-19 pandemic; as a response to limit the spread of the SARS-CoV2 virus that causes the illness covid-19, a considerable amount of countries enforced lockdowns. Finland imposed their first lockdown on March 16th, 2020 and limited the sizes of gatherings. Finnish businesses had to either close down their operations completely or implement organizational changes which would keep the business open and afloat.

This research will explore how organizational change is carried out and why it is important for the survival of organizations during crisis with emphasis on the circumstances of the covid-19 pandemic and its impact on economy and business both globally and in Finland. The main goal of the research is to establish what the case company International Rauma must change in order to survive the chaotic circumstances and limitations brought on as a result of the restrictions to limit the spread of the SARS-CoV2 virus.

2 PROBLEM

2.1 Research Problem and Objectives

In the spring of 2020, the coronavirus reached Finland and as a reaction the government implemented actions to limit the spread of the virus. One of the limitations were the size of gatherings, which should be limited to no more than 50 people. Companies, conferences, and festival organizers were cancelling or re-structuring events to suit the restrictions. Amongst these was International Rauma, which had been planning a business forum named “Thonkathon” since the autumn of 2019. The forum had yielded 63 participants and therefore had to decide on what should be done. At first it was decided to postpone the event, but in late August it was determined that it would be best to cancel the entire event.

International Rauma was a young start-up which only had the goal of creating and establish the Thonkathon forum. As the founder of the company, the author decided to change the entire organizational structure to be able to continue the work in which the author had found a passion and a need; the main problem of this research thesis stems from this determination.

The main problem of the research is:

What does International Rauma have to change to survive the pandemic?

From this main problem the following main objectives have been created:

1. How can a company dealing with internationalization re-structure to become successful during a crisis that limits internationalization?
2. Which tools are effective when going through change during crisis?
3. How can International Rauma prepare itself for future crisis?
4. What are the opportunities arising for companies during crisis?
5. How does change during crisis effect company strategies going forward?

2.2 Limitations

The first limitation of the research is that the case company is a small local start-up company which is in its early development, therefore this research and its findings may not be ideal for bigger and more established organizations.

Furthermore, as the pandemic is still underway, there is also the risk of new political actions which may impact the internationalization and economic health. Such may also have an effect on the proposed action plan and the services for International Rauma, thus limiting the organization and development for some time.

2.3 Conceptual Frame of reference

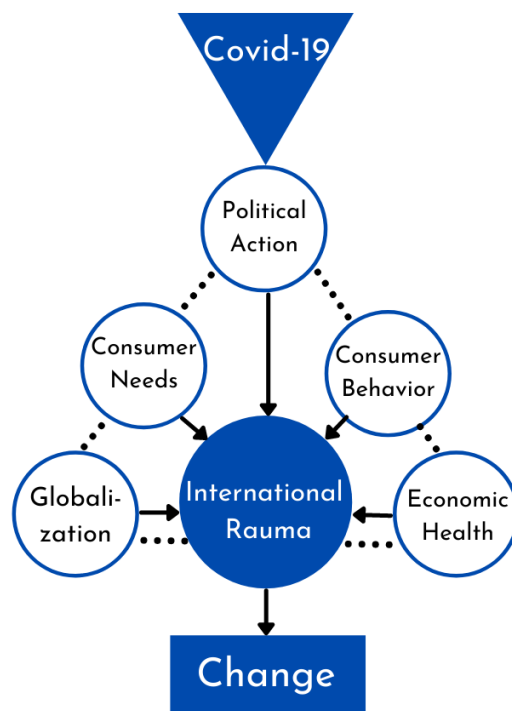


Figure 1 Conceptual Framework (Mona Elo, 2021)

The conceptual framework as seen above illustrates the scope of the research and the surroundings that impact the research. Covid-19 put pressure on the government to take political action, such as lockdowns, closing stores and restricting travel to and from Finland. The Political action has an influence on consumer needs, consumer behavior, globalization and economic health, while these also influence each other

as well. For example, if economic health changes it has an impact on consumer behavior and needs, which likely also changes the need or expansion of globalization.

All of these outside factors pressure International Rauma into having to change the organization as these limits the probability of the forum for which it was first created to host. As the forum was cancelled due to the restrictions and lockdown enforced in the early spring of 2020, the company had to change or stop its activities, therefore change and planning how to re-organize International Rauma was thus set forth.

3 INTERNATIONAL RAUMA

In September of 2019, the idea of a networking forum for international students and local businesses was discussed between Mona Elo (the author) and three other students from the degree in international business at Satakunta University of Applied Science (SAMK). The idea was sparked by noticing the lack of networking between the local businesses and the international students at SAMK. The project was also heavily inspired by the Nordic Business Forum which had been a live stream event for students, businesses, and city officials.

It was decided to create an organization to support the forum and it was then that the name International Rauma was chosen; the organizations only first goal was to create and run the networking forum as an annual event. The forum was named “Thonkathon”. The name was inspired by the word thonk, which is mainly associated with the thinking emoji and is derived from the word think. The forum was scheduled to be launched the 20th of March 2020. The networking forum was centered around breaking the ice between the international students and the local companies, as well as sharing ideas on how to support Rauma’s international and general business growth. Four speakers were arranged for the forum, three of the speakers were prominent business representatives from local businesses. The fourth speaker was selected from a speech contest International Rauma ran, both on social media and on the

SAMK campus. The forum and International Rauma gained support from SAMK, The City of Rauma and Rauma Chamber of Commerce.

As the date of the forum approached the news of the novel coronavirus surfaced in Finland and the concerns grew. The 12th of March it was decided to postpone the Thonkathon to the 18th of September. Finland imposed stronger recommendations on the limitation of gatherings to 50 people in the beginning of August. Due to this governmental action the Thonkathon was cancelled the 15th of August, and three of the original project members left, only the author remained. In an effort to continue the networking project, despite the challenges of the pandemic, it was therefore decided to change the entire structure of International Rauma, in order for the organization to withstand the crisis.

4 ORGANIZATIONAL CHANGE

4.1 What is organizational change?

The definition of the term organizational change is to change the way things are done (Appannaiah et al., p. 243, 2009). In the modern business world leaders deal with change frequently, the changes encountered may not all be big change, but if the changes are not handled at all the organization will suffer, as markets change and competitors adapt. Some change occurs as markets evolve naturally and sometimes the change is chosen by the organization's direction. It is oftentimes changes in relation to the work performed, which instills a concern in the employees, this concern might make the employees resort to resisting against the change proposed, in order to block the change from being implemented (Appannaiah et al., p. 251, 2009). Being able to foresee potential resistance and preparing the employees ahead of time may soften the experience of the change and thereby decrease or eliminate the resistance to change (Rush & Bunker, p 3, 2012).

Change can be divided into two main groups which are the proactive- or reactive change. These can be paired with either incremental- or quantum change (Appannaiah et al., p. 244, 2009). The proactive change is aiming to make processes or workers more effective, and the change is coming from the management. The reactive change is happening due to environmental influences, such as market change or global crisis which has an impact on multiple sectors of the business world. The change happens in order to survive and adapt to the environment and the shift imposed is one that comes from the environment outside of the company. Incremental change means small changes are happening, at a slow rate. Often this type of change is not questioned, they just occur over time. Although these small changes do not alter the big picture of the organization right away, over time they do have a noticeable impact on the structure. Change by quantum is change which is chaotic, fast-paced and oftentimes short-lived. This type of change is often prompted by a radical change in how the organization or those working within it view themselves, though it is not always the reason (Appannaiah et al., p. 244, 2009).

The crisis which prompts change may come from the environment in which the organization has roots, it could be a natural disaster, economic decline or, as experienced in 2020, a global pandemic. These situations are serious, and the change has to happen quickly. The change may happen even without giving proper notice to the organization's workforce. An example could be the companies who changed their production from alcohol production to producing hand sanitizers during the pandemic or a plastic parts company changing its production into making face shields for frontline workers in hospitals and care homes.

4.2 The three-step change model

The Polish psychologist Kurt Lewin created the three-step change model, the model functions in the three phases, unfreezing, moving and refreezing (Appannaiah et al., pp. 249-250, 2009). The unfreezing phase is where companies prepare their employees to change, and resistance is often discovered and handled in this step. Possible restrictive factors are also decreased in this phase, while driving factors to bring about change is increased. In the next phase, moving, the employees have become familiar

with the arising change and the organization can move on with implementing the actual change. In the third and last phase the change has been adapted and the change has to be reinforced and stabilized, making the change sustainable for a longer or shorter period of time (Appannaiah et al., pp. 249-250, 2009).

Kurt Lewin's Three-step change model

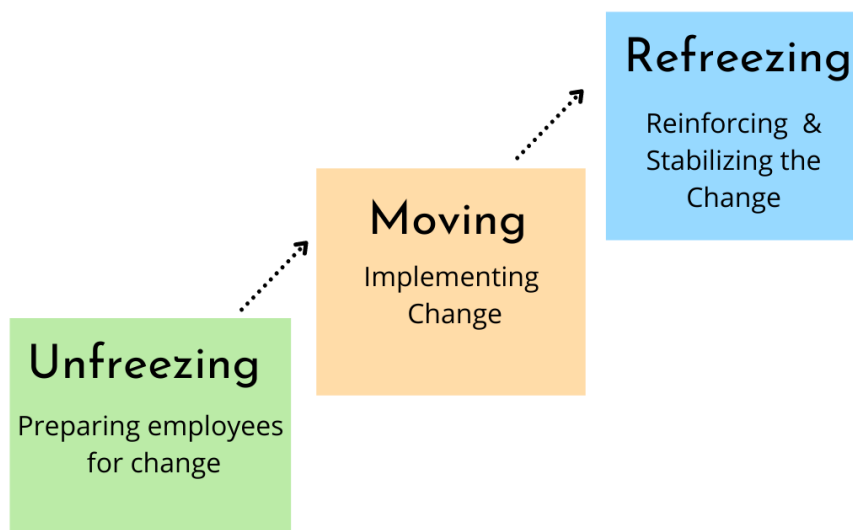


Figure 2 Kurt Lewin's Three-step model (Appannaiah et al., p. 249, 2009)

4.3 Resistance to change

Resistance to change is when the employees are unsatisfied with making change. The resistance may temporarily hinder the motion to move forward with into the moving phase of change. The resistance to change can be solved in the unfreezing phase and there after continuing the motion to go onwards into the moving phase of the change.

The resistance to change can both arise as an individual motion or a collective motion, collective resistance is also called, organizational resistance (Appannaiah et al., p. 251, 2009). The change is largely sparked by the workers own insecurity in the change, which is about to happen. They might feel like the security of their position

is threatened due to the change occurring, this can decrease the encouragement to perform one's tasks and at the same time increase mistakes (Appannaiah et al., p. 251, 2009).

The collective Organizational Resistance is ignited by complex factors of which there is four (Appannaiah et al., p. 251, 2009).

1. Structural Inertia

The procedures within the organization are clear and well implemented into the work process. If change is introduced it brings about disruption to the usual norms of the work process, which may create resistance.

2. Interdependence of Sub-systems

The organization has linked departments which interchangeable depend on each other to carry out the work process. If change is implemented to only one of these departments, change will also occur within the linked departments. This may cause frustration and ignite resistance to the change and its implementation.

3. Group Inertia

A larger group of employees has created a census of resistance to the change implemented. This census is not an individual idea, it is more of a collective understanding.

4. Threat to Expertise and Established Resource Allocations

Change brought about to specialized workforces often create a sense of immediate intimidation as their field of specialty is already small.

(Appannaiah et al., pp. 251-252, 2009)

4.3.1 Overcoming resistance

Resistance does not have to put a stop to proper change, it can be solved and managed; managing change while minimizing the risk of resistance to arise is simply to include the employees with the planning of change. This will give the employees the chance to get used to the idea of the change which is about to happen. The employees will be more convinced about the need for change and will be more accepting towards it (Appannaiah et al., p. 252, 2009). Thereby resistance will be less likely and if any resistance occurs it would likely be minimal, as a sense of shared ownership is developed.

According to Palmer (2003, p. 23), there are two desired outcomes when it comes to involving the employees in the planning and reason for the necessary change. Palmer goes on to explain that if this step is overlooked the outcome will not be successful.

The two desired outcomes are:

- A Shared understanding by both the workforce and key leadership of the need for implementing change and the logic thereof.
- An understanding between all the involved that the displeasure with status quo is outpacing the cost, effort, profit, and disruption of the change.

(Palmer, 2003, p. 21)

Clear leadership is also important in diminishing resistance to change, as there is a need for accountability, leaders are those who are responsible for the communication to the employees and transparent communication from the leadership is an important part of securing a safe transition to change (Palmer, 2003, p 11).

Due to the swift change brought on by the novel coronavirus pandemic, long-sighted planning and permanent change was not possible, the changes made in business had to happen fast as the government-imposed actions on events and work structure was put in effect at a fast pace. Working from home became the new norm with a short

notice and there was no opportunity to brief the organizations workforces on the matter before the changes were put into effect. This may have caused for some resistance to the change, though the resistance did not have the opportunity to halt the change, due to the characteristic of the reason behind the immediate changes that swept not only Finnish organizations but organizations globally.

4.4 Change during crisis

There are many types of crisis which impact business, the crisis can be local or global, it can be a natural disaster, economic decline, political turbulence, or a pandemic that has an effect on the way business is conducted. These types of external crisis push organizations to adapt to the situation either long term or short term.

Adaptability is important during crisis, be it local or global. During crisis it is a turbulent and uncertain environment for companies and their survival. Innovation is generally the best resource available to the organization, in order to develop a response to the rising threat and to be able to take hold of opportunities that may arise (Yukl & Lepsinger, 2012, p.1).

4.4.1 Business Continuity Program

Identifying and accessing risks before they occur is an important task do, to be prepared for incoming threats or crisis that can impact the organization. The BCP (Business Continuity Program) does just that as well as planning the response and recovery from the threat. BCP is a continuous strategy which ensures that the business will continue no matter the size or type of the threat it is faced with. (Hayes et al., 2013, p. 1)

The BCP is giving the organization important tools to handle external and internal crisis, risks and threats, in a fast and effective manner, for all of the implicated parties. Therefore, it is important to assess the organizations readiness and need for a BCP (Hayes et al., 2013, p. 1-2).

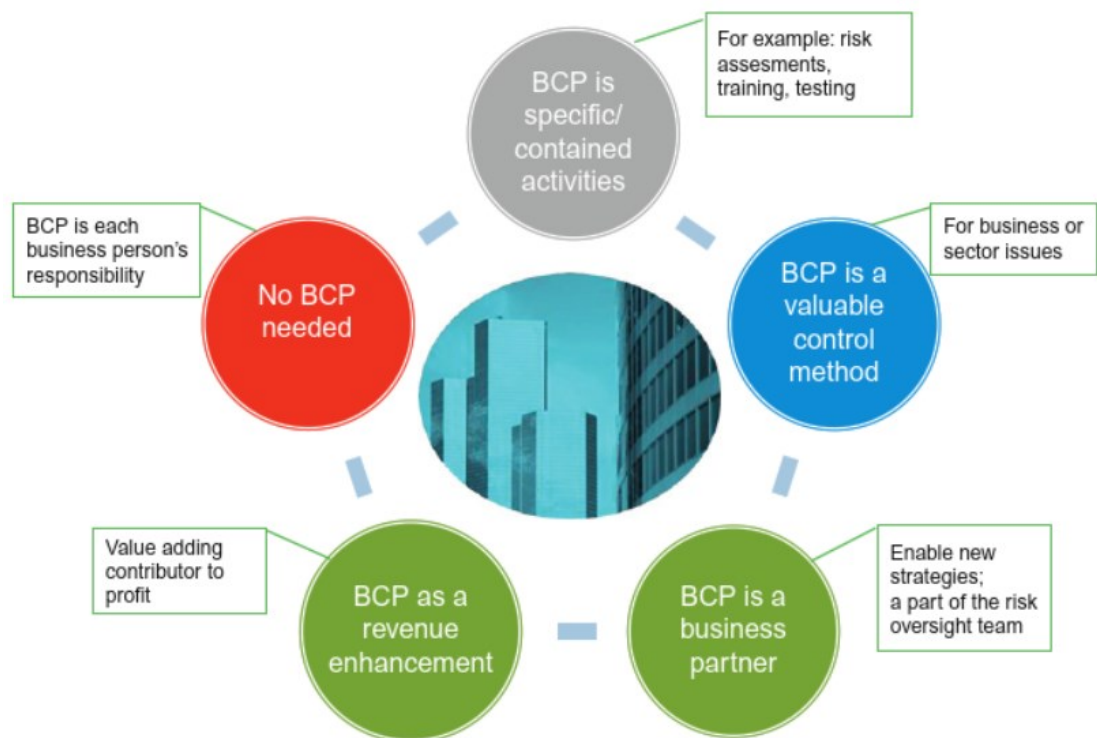


Figure 3 BCP Assessment (Hayes et al., 2013, p 2)

When the readiness and need for a BCP has been evaluated by the organization, there are three important questions that should be asked and answered.

1. What role does business continuity have in my organization today?
2. Does this role match the current needs of the business?
3. What is needed to bridge the gap between the current role of business continuity and the needs of the business?

(Hayes et al., 2013, p 3)

As these three questions have been asked and answered it is time to deal with the what if scenarios of risks and threats to the flow of production or services. It could be "What if the area is flooded?" or "What if a power failure occurs?"; then it is important to ask what could be done to survive such threats to the flow. The main purpose of asking and answering these questions and using a BCP is simply to protect the employees and the company during crisis (Hayes et al., 2013, p 7).

There are four principles to the BCP, these ensure a successful and effective implementation of a BCP. Creating a successful environment for the BCP before implementation is important as it secures a smooth transition.

The four principles of a BCP:

1. People Commitment

The wellbeing and safety of the employees, they are essential for gathering information and their dedication is important for the company's survival.

2. Total Quality

Improvement of processes and management of these, to be able to create quick and efficient solutions to keep the quality afloat during crisis.

3. Growth and Innovation

Innovation and cost planning, the growth of revenue can be preserved and properly protected.

4. Customer Satisfaction

The reputation of the company is protected by securing the standard of services and the inventory of products, no matter the crisis situation and circumstances thereof.

(Hayes et al., 2013, pp. 7 – 8)

The goal for the company by doing a BCP is to not lose reputation, customer base and financial power. While also aiming to protect the workforce, vendors and their customer base. In some cases it is also serving to protect the community in which the company is located. The planning and implementation involves every party involved with the company everyone from employees to top management and suppliers (Hayes et al., 2013, p. 8).

The BCP itself is created through a model of four pillars, which deals with the risk assessment, readiness, response and the recovery of the organization when the crisis has subsided. These four pillars have to be maintained in a continuous running or annual manner in order to have a successful long-term BCP (Hayes et al., 2013, p. 8).

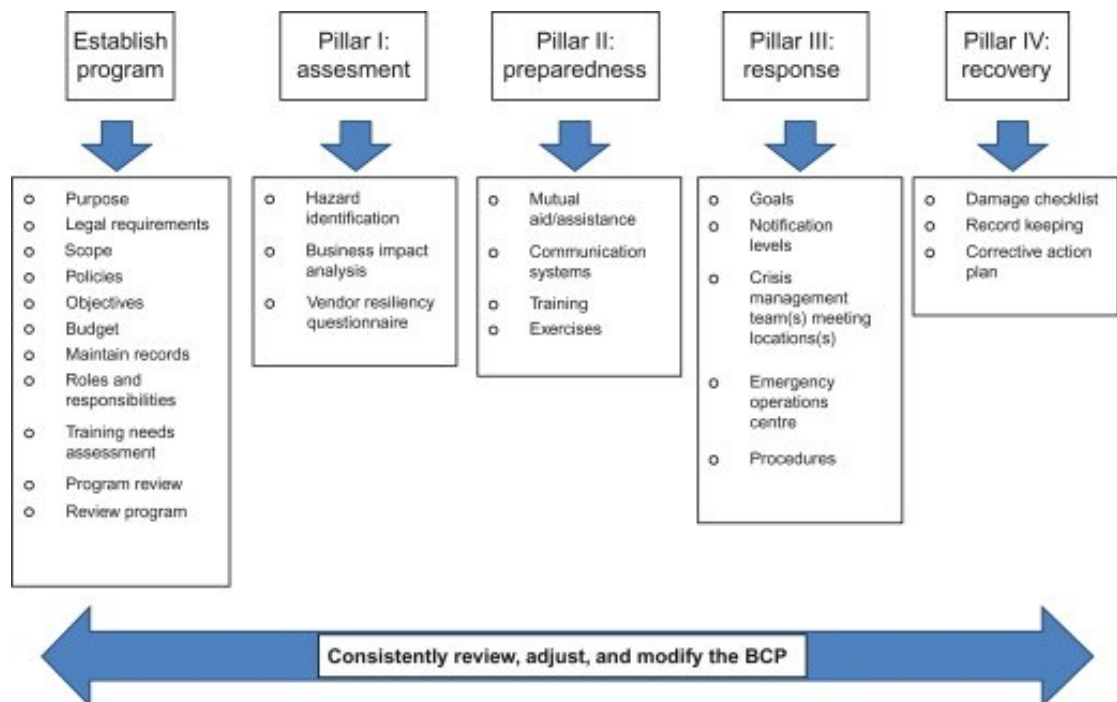


Figure 4 The four pillars of the BCP (Hayes et al., 2013, p. 13)

The figure above shows the four pillars visualised and it can be used as a template and reminder of what the company is lacking and what the company already has in place, it might also help reveal processes and tasks which are missing or impractical. The assessment of the four pillars has to be reviewed consistently and modified as new risks or threats that might arise (Hayes et al., 2013, p. 13).

The review of an organizations BCP can be part of the companys annual strategic planning, in this manner the BMC will be a connected part of the organizations over-all strategy. The pillars can be worked with either seperately or simultaneously, they are not seperate pieces but connected to each other, and therefore no pillar is more important than another (Hayes et al., 2013, p. 13).

4.5 Resilience

Resilience is a way of surviving and all living things exhibit this skill, the ability to adapt to the disruptions in the environment. Clusters or groups of living organisms are often the most skilled and successful as resilience than organisms that are singular. Clusters have only the weakened position and real threat of total failure is from disease at an epidemic scale (Fiksel, 2015, p. 51).

Organizations are much like clusters of living organisms and mimic the same behaviors, though the systems created within organizations are not natural, they are engineered systems. Such systems tend to be weak because they must be maintained constantly for them to keep functioning correctly and they are built to function in a certain environment (Fiksel, 2015, p. 52). Thus, resilience to an outside threat is not entirely possible, as the engineered system will break or become disrupted under fast changing circumstances.

Some companies and scientists are trying to mimic nature in order to create natural systems and products as opposed to engineered ones, paving the way for more resilience in products and organizational structures; this practice is called “biomimicry” (Fiksel, 2015, p. 53). The institute for biomimicry has created a list called the principles of life, which is meant to make organizations take inspiration from the resilience in nature (Appendix 1). Though mimicking nature is a step in the right direction to organizational resilience, it is also important for organizations to be aware of how they have an influence on the environment they are present in. Nature is resilient but it does not mean, that the resilience is abundant. As of this moment humankind is overusing the resources available, which is damaging to the nature in such a way that it is hindering the natural resilience to thrive.

If diversity is limited or cut in nature, the ecosystem crumbles. The same is true for organizations, that lack diversity in management and workforce (Fiksel, 2015, p. 53-54). Diversity in organizations has many benefits and strengthens the survival of the organization during external threats and crisis, as only those who have the best abilities to adapt will survive.

According to Fiksel (2015, p. 55), the best solution to strengthen the resilience of organizations would be to combine the natural resilience of living organisms and the precision of engineered organizational systems. Fiksel also urges organizations to abandon the very ridged idea of organizations as being a fully controllable entity, and instead view the dynamic of the organization as a living system with a flow and as a network of systems working together.

The essence is that a resilient organization is defined as one that grows and changes, in order to meet the demands and changing expectations of its shareholders and stakeholders. It is an organization which has the ability to adapt during turbulent moments, by being aware of the threats and possible crisis. It is also an organization which seizes and recognize opportunities in change (Fiksel, 2015, p. 58).

4.6 Leadership post crisis

When a crisis has been overcome, it is important to handle the aftermath of what happened and realize that going back to the time before the crisis is not always the best decision. Instead, it is important to look at what was learned and how to use that knowledge to better the organization and secure it against the next possible threat. As Klann (2012, p. 107) explains, the focus and goal for leaders should be to rebuild and learn from the situation to better prepare for similar situations in the future.

To begin the recovery, it is key to determine whether the crisis has subsided, which in some circumstances can be difficult to verify, but there are some variables that can indicate the ease of a crisis.

Signs of a subsiding crisis:

- The news media have dropped coverage of the story or are no longer giving it high visibility.
- The organization and its employees are slowly returning to something approaching normalcy.

- The number of inquiries about the crisis from outside the organization — from customers, suppliers, shareholders, the community, and employees' families, for instance — has dropped considerably.
- Internal rumors and employees' anxiety levels have returned to normal.

(Klan, 2012, p. 108)

Once the crisis has gone, it is important that the leaders take care of their employees' angst and fears of similar situations occurring, by explaining the low probability of a similar crisis to happen. This should preferably be done by talking with the employees about what happened during this time and why it is less likely to repeat itself (Klan, 2012, p 109).

It is important to note that scenarios of external crisis such as a pandemic are difficult to predict, both in terms of severity, but also when and how it will occur. It is therefore a difficult scenario to predict the probability of it not occurring again in some form. Therefore, the strategy would be better handled if the leadership confirms that the organization will prepare better and broader for future threats in order to diminish the escalation of the threat within the organization. Taking care of the workforce post crisis is particularly important as the reaction to the crisis may come at a later time, long after the threat has subsided (Klan, 2012, p. 109). This could be handled either by talking with the employees about the experiences and the impact it had on their lives, not only in the work setting but also privately. Another way to handle the mental well-being of the workforce is to hire a professional psychologist or crisis counselor that the employees can confide in without the leadership or colleagues listening in (Klan, 2012, p. 109).

When the initial commotion has settled in the immediate wakening of the crisis, the company must look at how the company responded to the situation and the results of the reaction. This review of the organization's performance should not be handled as a one-time procedure, according to Klan this should be an ongoing process within the company in which the organization practices and improve the company's response to future crisis that might arise (2012, p.110). This ensures that the company

is not abandoning the importance of preparedness, such a annual procedure could be the maintenance of a BCP.

When the assessment has been completed, and a crisis preparation plan has been created, the leadership should inform their employees of the action plan, how it works and how it will handle future crisis both internally and externally. This should be communicated in writing and/or directly by the spoken word. Doing so will increase the employees' sense of safety and their trust in the leadership within the organization (Klan, 2012, p. 111).

5 GLOBAL IMPACT

The coronavirus has impacted all countries on the planet to some degree, no matter the country's political view or level of health care. It has impacted everything from the world economy, business, politics, and the daily lives of billions of people across the globe. Understanding the initial impact and the long-term effects are important, as it will teach us how to deal with similar crisis in the future and how to rebuild a new and more flexible, resilient systems that, could soften the impact in a future scenario.

5.1 Economy

The health of economies is essential, as it finance governments and businesses on both the global and local markets, both markets are important players during a pandemic and they require more financial resources to keep not only themselves afloat, but also keeping the countries, the citizens, and a healthy workforce afloat (Marinov & Marinova, 2020, p. 11).

According to the OECD, the Covid-19 pandemic plunged the world economy into the deepest economic recession experienced in centuries (Website of OECD, 2021). The recession is not only threatening the economic activities, but it is also having a huge impact on unemployment and wellbeing.

Taking a look at the OECD's chart of the Composite leading indicator or CLI (Figure 5), which is used for early predicting of economic turning points in business cycles, is revealing the continuous economic change. It is evident that the Covid-19 pandemic has had an immediate and negative effect on the economic stability. Though as seen on the chart, the fluctuation has improved shortly after, the impact of this downturn is still roaming.

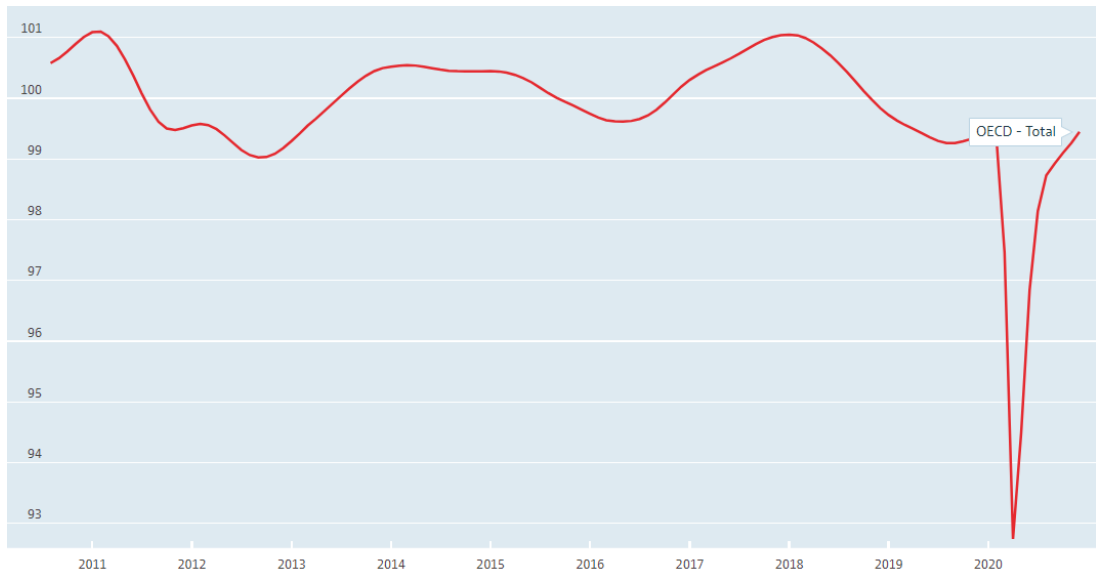


Figure 5 OECD, Composite Leading Indicator (Website of OECD, 2021)

Another important indicator of the economic health is the confidence of the consumers, as this paints a picture of the financial status and willingness to purchase non-essential products and services. The Consumer Confidence Indicator (CCI) shows the confidence of the consumers. If the indicator (Figure 6) is above 100 the consumer is noticeably confident in the financial situation and is likely to spend more than they are saving. If the indicator dips below 100 the consumer is critical and uncertain of the economic situation and is more likely to save more money than spending (Website of the OECD, 2021).

According to the CCI the consumer confidence was well above 100 points before the worldwide pandemic, as the pandemic spread and lockdowns were enforced in large parts of the world the confidence takes a steep drop, down to 97,5 points. As seen on the chart the consumer confidence is at an all-time low since 2014 and even as the confidence take a modest upward trend during the summer months of 2020, it begins

to plunge down again as the autumn and winter of 2020 approaches and a new wave hits the world once more.

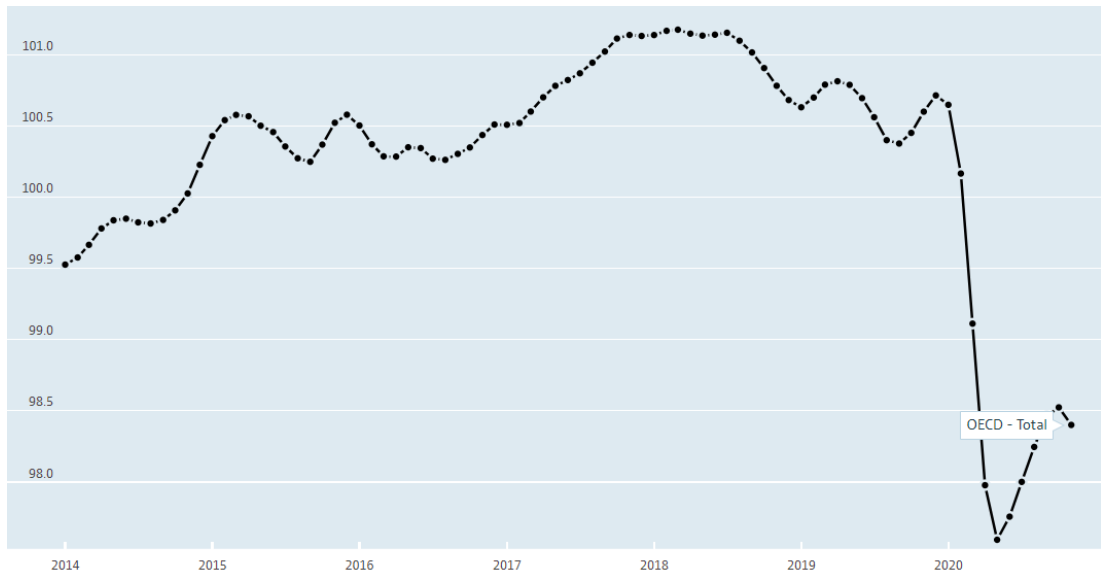


Figure 6 OECD, Consumer Confidence Indicator (Website of OECD, 2021)

Comparing and contrasting this data makes it clear that the global economy and consumer confidence has taken a hard downward turn, which may take a long time to recover from.

Long-term responses play an important role in future possible pandemic scenarios, investment in health care and especially public health care in less developed countries in which such pandemic prone diseases originate could help prevent similar pandemic scenarios, in which the health of many people is put at risk and where the world economic is plunged into a recession or slow halt (Baldwin & Mauro, 2020, p. 50). It also became evident during the SARS-CoV2 outbreak that only focusing on one's own country is not enough to halt or hinder the spread. McKibbin and Fernando (Baldwin & Mauro, 2020, p. 50) explain that better corporation on a global plan in regard to public health and economic development is of the up most importance, as it is too late to do so when a disease has already entered numerous countries. If one link is weak in regard to health care in one country, it is a weak link to the rest of the world and therefore also a risk to the world economics.

5.2 International Business

Businesses did not only have to deal with the economic impact of the pandemic, but they also have to deal with the human aspects such as health and wellbeing during the exceptional health crisis the pandemic has brought on. Then there is also the impact on supply chains and restricted travel which has an impact on the functionality of production and trade.

The first impact experienced where in the supply and demand, which happened to drop at a rapid pace. The impact on both demand and supply caused foreign investment to drop as a reaction (Marinov & Marinova, 2020, p. 26). In return investments were boosted in re-shoring and near-shoring, which means that production is either brought back to the home country of companies, essentially the opposite of outsourcing or that the production is relocated to a country with a stronger and more stable economy.

International Business and globalization were already challenged by the separation between Great Britain and the European Union, which changed trade between the two dramatically as well as the trade war between the United States and China further compromising trade. The outbreak of SARS-CoV2 only added to the change already taking place in international business.

Previously outsourcing production across borders was widely used and depended on, this arose from the hyper globalization of the 1990's, which created Global Value Chains (GVC). The relocation of production was predominantly moved to low-cost countries. (Marinov & Marinova, 2020, p. 27) the age of hyper globalization spanned from 1990 to 2008, when the global financial crisis of 2008 – 2009 struck and halted the progress of globalization and GVC's. The situation is remarkably similar to what was been experienced during the beginning of the pandemic, though it is evident that, supply chains are more fragile and expensive during long term crisis which physical obstacles, such as lockdowns, increased boarder security and quarantine measures. Meanwhile the unemployment rates have risen sharply across the world, as fewer jobs are available due to companies either going bankrupt, down scaling their operations, or moving production elsewhere.

5.3 Political Action

A situation of crisis in which political interference is taken, when a harmful situation threatens the health and wellbeing of the population or if the values of society is compromised greatly (Lipsy, 2020, p. 2).

The first action taken political in Wuhan, China in the early spring of 2020 was to enforce a strict lockdown on the enormous city and ban flights to and from the affected area. As the virus reached Italy the first measures taken were a large-scale lockdown of the society and later strict curfews were put in place to ward off the spread of the virus, along with safety guidelines such as social distancing, keeping hands clean and wearing facemasks to diminish the spread of the virus. These political actions were implemented in a large number of countries around the world as the virus spread around the globe.

6 FINNISH IMPACT

The first recorded case of the disease was diagnosed in a tourist from China who was on holiday in Lapland. The diagnosis was announced the 29th of January 2020. The disease COVID-19 caused by the novel coronavirus (SARS CoV2) was added to the list of hazardous communicable diseases. It is generally understood that the pandemic began to take a hold of Finland in mid-March 2020. This chapter will explore how Finland has dealt with the pandemic during the spring of 2020 and the second wave during the winter of 2020-2021 and how it has impacted the country's business and financial situation.

6.1 Economy

The Finnish economy was hit hard by the pandemic, in fact analysts compare the impact to the devastating recession in the early 1990's, in which Finland lost a major amount of its export. (Tiirinki et al., 2020, p. 10). Finland was initially impacted by the crisis with a decrease in consumption and investments, then the lockdown took

place in March of 2020, which halted a lot of economic exchange and activity, this impacted Finland's international trade deeply. The export of Finnish goods decreased by 17% from January to May of 2020 (Tiirinki et al., 2020, p 10).

Finland's economy took serious damage as the GDP fell drastically with 5,4%, at the same time unemployment began to increase, though the increase seemed to stagnate shortly after (Website of the Finnish government, 2020). According to a financial analysis from October 2020 by the Ministry of Finance, it is forecasted that the GDP would begin to regain growth in 2021 by about 2,6% and 1.7% in 2022. It is also predicted that private consumption will recover the fastest (Website of the Finnish government, 2020).

6.2 Business

The Confederation of Finnish Industries conducted a survey in April of 2020 to assess how Finnish businesses were doing after the first lockdown in the spring; 1.361 entrepreneurs and organizations participated in the survey. The survey revealed that turnover had dwindled by about 50% and in some instances, collapsed completely in service industries and small businesses. 50% of the companies stated that they were in dire need of Financial support from the state, while two out of five companies were in need of economic relief to be able to pay rent and loans (Website of The Confederation of Finnish Industries, 2020).

73% of the organizations estimated that they could be back to normal capacity within 3 weeks, whereas 16% estimated that their organization was in danger of going bankrupt. The restrictive measures imposed by the government to halt the spread of the coronavirus impacted businesses extensively, 73% reported that the gathering restrictions hindered them the most, 30% estimated that the restrictions on gatherings inflicted were harmful to their business (Website of The confederation of Finnish industries, 2020).

The Confederation of Finnish industries also carried out a Business Tendency Survey in the early days of 2021. Which reflected that the decline in business has been constant, though signs of improvement are beginning to appear. Particularly businesses in manufacturing have seen great improvement and businesses in service industries have also experienced a minor positive comeback during the winter (Website of The confederation of Finnish industries, 2021).

6.3 Political Action

The Finnish government observed the movement of the pandemic for months before it reached the Finnish shores and took note of how the virus outbreak was handled by other governments impacted by the virus.

When it was clear that the virus was going to have serious consequences to the country's economy and the health of its citizens, the Finnish government announced a state of emergency the 16th of March 2020 until the 13th of April 2020 under the Emergency Powers Act (Website of the Finnish government, 2020). Schools and other educational institutions were to suspend contact teaching and approach the duty to teach virtually, though classes 1-3 were exempted as well as early childhood care, in order to secure the working parents' possibilities to work. Public gatherings were at this moment limited to 10 people attending and all hobby and after school activities were suspended (website of the Finnish Government, 2020). Shortly thereafter both 1-3 grade students and daycares closed, restaurants, bars and other eateries were closed as well unless they could accommodate a take-away option.

On the 8th of March 2021, Finland declared a state of emergency for the second time and enforces a three week lockdown of areas in which the spread of coronavirus was significant (Website of the Finnish Government, 2021). Satakunta was one of the municipalities to undergo the three-week lockdown as there had been a significant rise in the corona cases in February and early March (Laakso, 2021).

7 INTERNATIONAL RAUMA DURING THE PANDEMIC

7.1 Opportunities Lost

In the beginning of the pandemic, the Thonkathon was first postponed a couple of months ahead to the 18th of September; as the day grew closer it was evident that it was best to cancel the forum all together. This was the first loss of opportunity to International Rauma as social gatherings were strictly limited and a virtual solution would not be able to make up for what it was supposed to be since interaction would be greatly challenged in a virtual scenery.

When the SAMK campus and local businesses changed to work from home and study remotely, it made it even more difficult to implement new changes where seminars would be one of the pillars of the company. The local companies naturally changed their focus from improvement to survival in such an environment, providing courses that aim to improve any part of an organization becomes difficult and obsolete. Therefore, the environment and circumstances made it difficult to proceed as planned and change had to be done if International Rauma was to continue.

7.2 Opportunities gained

In the summer of 2020, International Rauma launched a survey with the purpose to analyze what could be improved in Rauma to make international talent stay in Rauma and their overall experience of what Rauma had to offer them. This yielded attention from the Chamber of Commerce, the City of Rauma and the local media. This was certainly an opportunity to build on, as it generated a great insight for authorities so find out where improvement could be made.

Virtual opportunities could be used to kick off the business as new technologies and various organizations began to develop different virtual tools to have meetings, conferences, and classes. The opportunity to keep the business online would also minimize the costs as rent of facilities would not be necessary and physical attendance

would not be necessary which could make it easier for people to use the services provided by International Rauma in the future.

8 TOOLS & ACTION PLAN

8.1 Business Model Canvas

A Business Model Canvas or BMC is a tool that is great to use when going forward with organizational change or when building a new company. The BMC is a great way to visualize the business structure (Duening et al., 2015, p. 26).

The Business canvas consists of nine segments:

1. Customer Segments
 - a. For whom are we creating value?
 - b. Who are the most important customers?
2. Customer Relationship
 - a. Which relationships have we established?
 - b. How costly are the relationships?
 - c. How are they integrated with the rest of the BMC?
3. Channels
 - a. Which channels is used to reach customers?
 - b. How can channels be integrated?
 - c. Which ones works best?
 - d. Which is most cost effective?
4. Value Proposition
 - a. What value do we deliver to the customer?
 - b. Which customer problem so we solve?
 - c. Which customer needs are satisfied?
5. Revenue Streams
 - a. What are the customers willing to pay for?
 - b. How would the customers like to pay?
6. Cost Structure

- a. Which resources are the most expensive?
 - b. Which are low cost?
7. Key partners
- a. Who are they?
 - b. Who are key suppliers?
8. Key activities
9. Key recourses
- (Duening et al., 2015, p. 28 – 29)

All nine segments must be considered by the creator in order to create a stern business model. This way of creating a business model is an advantage as all possible questions to be answered are easily addressed and categorized (Duening et al., 2015, p. 29). This model also allows room for change and enhancements along the development of the organization. As the first way of handling a segment may not be the most effective in the end.










Business Model Canvas		Designed for:	Designed by:	Date:	Version:
		Startup Name	Name1, Name2, ...	DD/MM/YYYY	X.Y
Key Partners  <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p>MOTIVATIONS FOR PARTNERSHIPS: Optimization and economy, Reduction of risk and uncertainty, Acquisition of particular resources and activities</p>	Key Activities  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams?</p> <p>CATEGORIES: Production, Problem Solving, Platform/Network</p>	Value Propositions  <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p>CHARACTERISTICS: Newness, Performance, Customization, "Getting the Job Done", Design, Brand/Status, Price, Cost Reduction, Risk Reduction, Accessibility, Convenience/Usability</p>	Customer Relationships  <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p>	Customer Segments  <p>For whom are we creating value? Who are our most important customers? Is our customer base a Mass Market, Niche Market, Segmented, Diversified, Multi-sided Platform</p>	
	Key Resources  <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES: Physical, Intellectual (brand patents, copyrights, data), Human, Financial</p>		Channels  <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?</p>		
Cost Structure  <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p>IS YOUR BUSINESS MORE: Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing), Value Driven (focused on value creation, premium value proposition).</p> <p>SAMPLE CHARACTERISTICS: Fixed Costs (salaries, rents, utilities), Variable costs, Economies of scale, Economies of scope</p>		Revenue Streams  <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <p>TYPES: Asset sale, Usage fee, Subscription Fees, Lending/Renting/Leasing, Licensing, Brokerage fees, Advertising</p> <p>FIXED PRICING: List Price, Product feature dependent, Customer segment dependent, Volume dependent</p> <p>DYNAMIC PRICING: Negotiation (bargaining), Yield Management, Real-time-Market</p>			

Figure 7 Business Model Canvas (Website of Neoschronos, 2020)

8.2 International Rauma BMC

8.2.1 Customer Relationship & Customer Segments

The customer relationship is maintained through the website of International Rauma, by e-mail correspondence, virtual meetings, and regular meetings when the pandemic allows for physical interaction again. In this segment communication through podcasts and video material is also considered maintenance of the customer relationship. The customer segments of International Rauma are large and does also repeat some of the key partners which was listed in the Key Partner segment of this BMC, as they also use some of the services provided and created by International Rauma.

Customer Segments of International Rauma:

- SAMK Rauma
- Rauma Chamber of Commerce
- Students
- Local companies
- International community
- City of Rauma
- Unemployed internationals
- Finnish business owners
- Leaders
 - who would like to improve their skills in leading international work groups
- Entrepreneurs
 - Both Finnish & international
- Future entrepreneurs
- SAMK Pori

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

8.2.2 Value Propositions

Examining the value propositions, is the third segment and in this segment, the focus is on what value the organization brings to the customers. The value propositions of international Rauma were determined to be the following ten:

- **Job search support**
 - Help and learning how the Finnish job search system work and help with writing a CV.
- **Student summer job info**
 - Helping students navigate the hunt for summer jobs and how to search for jobs in Finland and what to look for.
- **Recommendation for companies**
 - on expansion in the Nordic countries and how to draw the needed talent with knowledge to the expansion.
- **A Foreigner's experience of Rauma**
 - The survey and the data from the survey is mainly to give companies, SAMK and the city of Rauma a pin-point on how the international community of Rauma is doing and what the community could need of.
- **Private consulting for job search**
 - Private consulting for job seekers to help them build their CV, find their strengths and personal recommendation for positions that would fit the individual.
- **Thonkathon**
 - A big ice breaking forum to connect the international students at SAMK with the local companies in Rauma as well as other international talent who wants to network.
- **Essential new resident information**
 - Information on Rauma and the possibilities for international talent in Rauma not only for work, but also for authorities to contact, how to get a phone number, Finnish tax, how to apply for SAMK ect.
- **Articles (website)**

- Views on the international community and experiences of how Rauma is growing as an international hot spot.

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

8.2.3 Key Resources & Channels

The key resources of International Rauma are mainly online and products for creating online content and connect with the customer segment virtually. These resources are the Wix account on which the entire International Rauma website is hosted, the social media channels (Instagram and Facebook), a stable internet connection, a laptop which is essential for work to be done and new content to be created. A Canva account on which marketing material is created, business E-mail and a mobile phone that connects to the internet. The channels of International Rauma are predominantly online, due to the pandemic still being a factor of society when the canvas was created. International Rauma has the seven following channels of communication.

- **Social media (SoMe)**
 - The customer will at large be reached by advertisements on Facebook and Instagram. The marketing through SoMe is cheap, and by using Instagram and Facebook a large segmentation is reached of both the young and middle-aged.
- **E-mail**
 - Companies and corporate customers will be reached by E-mail. Customers will be in contact through e-mail for customer service, bookings and information Cheap and effective more personal communication.
- **In person**
 - Personal meetings
- **Phone**
 - Phone contact is more direct and important in contact especially with businesses.
- **Chat**
 - Easy and fast channel to be in contact with the private customer.

- **Podcasts**
- **Video**

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

8.2.4 The Key Partners

First, the possible key partners were analyzed. International Rauma had already collaborated with a few different organizations both private and public. Though there may be more opportunities later, it was concluded that International Rauma has six key partners:

- SAMK Rauma
- SAMK HQ
- Rauma Chamber of Commerce
- City of Rauma
- Local companies
- Pori Entrepreneurship Society

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

All six key partners have been important to the development of International Rauma both during and before the outbreak of the pandemic. These partnerships are important for the organization to move forward and to gain recognition in the future.

In the next segment, the key activities of International Rauma had to be visualized. These are activities which are both already implemented ones and activities which are to be implemented in the future. Already implemented activities are such as marketing, website maintenance, maintaining partnership contacts, A Foreigner's Experience of Rauma Annual Survey, and the organizations online presence. The activities which will be implemented later are moderation of a Facebook community, podcasts and video creation.

8.2.5 Cost Structure & Revenue Streams

The costs for International Rauma are currently low due to the operations being online and the services created does not need any storage facility at the moment, though digital storage may be needed in the future of operations. The current cost structure is as follows:

- **Website account**
 - The website runs on a Wix subscription. 130 €/year
- **Business E-mail**
 - Purchased from Google; costs 79€/year
- **Laptop**
- **Internet connection**
- **Work phone Telia-DOT subscription**
- **Accountant**
 - For bookkeeping, Econia Rauma office 60 €
- **Insurance computer**
 - A part of home insurance
- **Canva**
 - 11 €/month
- **Phone Insurance**
 - 13 € /3rd month

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

International Rauma is estimated to have five possible revenue streams, some of the listed streams may not become true as they are dependent on the course of the pandemic which is still ongoing.

Revenue Streams of International Rauma:

- Seminars / Webinars
- One on one support/coach sessions
- Partnership campaigns
- Thonkathon ticket sales

- Podcasts / Video Recordings

(International Rauma Business Model Canvas, Mona Elo, 2021, Appendix 2)

8.3 NABC

The NABC method was developed in the United States by the Stanford Research Institute. This method was developed to make it easier for innovators to visualize and explain their ideas to recipients who had not been a part of the developmental idea phase.

The NABC has four segments:

- **Need**
 - What is the important customer and market need?
- **Approach**
 - What is the approach to solve that need?
- **Benefits**
 - What are the benefits of this idea and approach?
- **Competition**
 - Who are the competitors, what are the alternatives?

8.4 International Rauma NABC

Need:

- There is a need for support to the international community in regard to networking and job seeking.
- There is a need for connecting international students and local companies, as well as for more international students to stay in Rauma.

Approach:

- International Rauma will approach the needs with seminars, podcast and videos aimed at students, international talent, and companies to start the networking process.
- International Rauma will in the future host the Thonkathon forum as a yearly event, which will gather people from the international environment and companies to share ideas about the future of Rauma, the international talent and business life, as well as networking opportunities.
- International Rauma will have one-on-one support coaching sessions to provide support on a personal level – be it in regards of work, entrepreneurship or settling in Rauma as a new international resident.
- Blog pieces that explore the many facets of international life in Rauma from international students to local businesses that has or has not yet experienced to work with an international work force. Shedding light on the topics that influences the working environment of Rauma and the int. Community's struggles and successes.
- Small booklets that support the seminars, podcasts and videos, though they can also be read and used on their own.

Benefits:

- Support to the international community that was not available before
- Opportunity for Rauma to grow as an international city
- More employed international talent
- Bigger possibility of internationals staying in Rauma
- Growth of international entrepreneurs

Competition:

- Kauppakamari
- Kansalaisopisto

8.5 Action plan

The action plan for International Rauma is built on the information from the BMC and the NABC. It is structured firstly by objectives needed to be done, followed by the actions to be taken for the objective to come true, thereafter the resources used to make it possible, and lastly by which deadline the objective has had to be reached. The action plan spans from March of 2021 until April of 2021. The effectiveness of the action plan will be evaluated in the research findings.

INTERNATIONAL RAUMA

ACTION PLAN 2021

Duration: March 2021 - May 2021

Objective	Activity	Resource	Deadline
1. Find out how and where to make pod-casts	Research how to publish podcasts and where	Internet	9. March 2021
2. Research & Practice Video editing	Learning how to edit video's	Internet & Video editing software	10. April 2021
3. Create 1 st video/pod-cast	Make the first video	Video editing soft-ware + camera	20. April 2021
4. Launch 1 st podcasts & videos	Putting the pod-casts and video online	Internet & software to publish video or podcasts	25. April 2021
5. Get new writers for articles	Contact people personally and ask if they would like to write an article.	E-mail / Facebook /Instagram / phone	Continuos
6. Update website with the new podcast & video options	Creating page with links to the videos & podcasts	Wix	15. April 2021
7. Upscale social media presence	create new cam-paigns integrate with Tiktok/Reel videos	Instagram, Face-book, Tiktok, Canva	Continuos
8. Write booklets (digi-tal)	Write & complete booklets on the CV writing topic	Word	1. May 2021
9. Launch 1 st booklet for sale	Put the booklet for sale online	Unknown yet	25. May 2021

(Figure 8, International Rauma Action plan, Mona Elo, 2021)

9 METHODOLOGY

Research methodology is the collective and fundamental philosophy and science backing the conducted research (Adams et al., 2014, p. 5). It is the core of how one has the knowledge they possess, and it aids the understanding of what knowledge really means as it enables one to view the presented knowledge critically and with an analytical approach (Adams et al., 2014, p 5).

The understanding and knowledge of how organizational change during crisis functions in theory and implemented in reality through the organization International Rauma is analyzed critically through the methodology chapter.

9.1 Research Design

The research design is the plan for how to achieve the objectives of the research and responding to the research questions (Adams et al., 2016, p. 64). Research design options are based on four main methods, exploratory, descriptive, explanatory, or evaluative or though it can also be a combination of these (Saunders, 2019, p. 174)

The exploratory research method seeks so discover what is occurring and thereby achieve an understanding, therefore method is used to explore a phenomenon or an issue. A descriptive research is to obtain an accurate analysis of events or people, it can also be an extension of an explanatory research (Saunders, 2019, p. 186-187). An explanatory approach aims to study a situation or a problem to explain the relationship between variables. Evaluative research is trying to discover how good something functions (Saunders, 2019, p. 188).

This research is based in a combination of descriptive and evaluative research design, as it is trying to analyze the coronavirus pandemic crisis and the impact of the crisis on the world and Finland in terms of business and economy, while also evaluating how well the action plan for the organization International Rauma works.

9.2 Research Method

There are two main methods of research used in literature these are, quantitative research and qualitative research (Adams et al., 2014, p. 6). Quantitative research is looking at the relationships between variables, these are then measured numerically and thereafter analyzed by the use of statistical and graphical tools, whereas qualitative research examines meanings and data which is non-numerical (Saunders, 2019, p. 179).

This research is a combination of qualitative and quantitative research, as it is both analyzing the meanings of the coronavirus pandemic crisis in non-numerical data, while at the same time also analysing the change in the global- and finnish economy which is comparative my numerical data.

9.3 Data Collection

The data collection for the theory of this thesis has been reliant on secondary, primary, and firsthand sources. The secondary data has been gathered from sources in books, the primary sources were journals and articles from both news outlets and governmental in nature. Due to the pandemic still being and ongoing affair, the majority of the data is found through online primary sources. The use of online sources has been the most attainable as there has been limitations on being able to visit libraries during the writing process and it provides an opportunity to gather information very close to real time of the developing crisis.

The firsthand data comes from the author and the data is concerning the information about the organization International Rauma and in part the tools created for the organization in order to begin the organizational change.

9.4 Validity and Reliability

The theory aspects in the beginning of the thesis seeks to explore the characteristics of organizational change and how it can be done during a crisis and a wide range of aspects were taken into consideration, as the material was written before the pandemic outbreak and the sources does not take such an event into consideration. Though, there are a significant amount of information that can still be utilized when preparing one's organization to withstand major crisis and it can be incorporated into the different strategies mentioned.

As the situation is still unfolding and a lot of data regarding the pandemic is still being analyzed, especially in regard to the economic impact of the pandemic, as a portion of the data was only predictors of what impact it may cause on the economy, the full picture may be clearer in the coming months or perhaps even years after the crisis has subsided.

10 RESEARCH FINDINGS

10.1 Organizational crisis prevention & preparedness

The covid-19 pandemic made it clear that it is important for companies to assess their preparedness to encountering both local and global crisis and hazards, as it can secure the organization's survival which is also important for the economy and society.

Though some companies have no preparedness plans or only a limited plan which is only taking local or internal risks into account. This might put the organization at risk if uncalculated hazards arise, meaning that the organization will have to be willing to change their strategies on the spot which might save the organization, though such rash decisions also pose a danger for the organization, as resistance and poor decision making can damage the process and health of the organization.

Therefore, prevention and preparedness to both internal and external risks and hazards is of important to any organization. The BCP is an excellent tool at both assessing the need and risks as well as securing the preparedness to various risks.

10.2 Change amidst crisis

Organizational change during crisis is reactive change which is fast and has a major impact on the organization's economy, function and employees. When major and chaotic quantum change impact organizations, it is important to swiftly communicate throughout the organization which measures are taken and how the organization intends to protect and guide their employees through the crisis. This type of change is often passing, much of the major change experienced from the pandemic will most likely subside to make way for either an adaptation of the change which has become the norm, or the organization may go back to the old structures and values it held prior to the pandemic.

The pandemic made it obvious how fragile supply chains are in global crisis, which impacted import and export early in the pandemic as many countries enforced lockdowns and curfews some chains came to a complete halt, throwing organizations and countries into great economic loss. The fragility and importance of supply chains became one of the first lessons learned during the pandemic. It could be beneficial to study how supply chains could become more resilient to crisis in order to strengthen and secure export, import and the health of the global economy through crisis.

The willingness to change, learn and make creative solutions to the limitations organizations has been put before has been on the rise during the pandemic, for example using Zoom, working from home, moving the business online and changing production to make important products to fight the pandemic. Especially the online possibilities have been in focus and there has been more willingness to use digital and virtual solutions.

10.3 International Rauma's Change

International Rauma took to a solely online strategy as physical options are not viable for the time being. The online strategy may also reach further than what would be plausible by simply hosting a forum with a limited demographic participating. And as the financial situation may be limiting the purchase of services as offered by International Rauma, the choice to use free-to-access platforms will also increase the availability to anyone regardless of their financial capabilities, whereabouts, or time limitations.

The organization plan to use a variety of online platforms to reach a diverse audience of citizens from Rauma, such as Tiktok, Instagram, YouTube and Facebook, all of which are free to use and caters to different demographics of people. Though the direct aim is to capture the community of Rauma, this strategy may reach further out into Satakunta or other neighboring municipalities which would increase the visibility and use of the services provided by International Rauma. Going online may also reach people who are in the process of moving to Rauma from another country or individuals who are considering doing so. The free-to-use platform material will gradually be used as samples to what kind of seminars and webinars International Rauma will be offering and which value they hold, making it more likely for people to purchase such services when or if they have the financial capabilities to do so.

The forward marketing strategy is also based on online visibility as many are bound by studying or working from home, they are more likely to discover the organization through online presence and advertisement. The online marketing strategy is also a more financially stable option for the organization during this time. Digital marketing may also reach further than the demographic of Rauma.

10.4 International Rauma post-pandemic

When the pandemic has subsided, International Rauma will have to undergo a new process of assessing the change and risks arising from the change in society post pandemic. International Rauma will also have to re-assess the Business Model as

well as the NABC, in order to securing a planned course post pandemic. Though much of the online strategies would still be a part of the business strategy, physical opportunities will also have to be evaluated as well as the possibility to create the Thinkathon forum as it was intended initially before the pandemic arose.

It will also be important for the organization to create a preparedness plan for future risks and crisis that could impact the functionality of International Rauma. To do so, the BCP (Business Continuity Program) would be used to analyze and create a preparedness plan for various risks that could impact the organizations profits or image. The resilience of the organization should be monitored and considered annually to ensure the organization will be able to manage crisis and flexible in order to overcome challenges brought on by any form of crisis.

11 RECOMMENDATIONS

11.1 Young Organizations

The recommendation for the organizations which are young or under creation would be to consider the plausible risks which could impact the success of the company and create a preparedness plan in order to avoid dire financial, manufacturing, or logistical challenges, which may destroy the health and survival of the organization. When analyzing these factors, the organization should take their financial, intellectual, and materialistic resources into account.

For young organizations it may not be necessary to create a BCP plan, though it should still consider the simple risks such as competition and risks which has a local impact. These could be analyzed through the BMC as it considers most variables of the organizations structure. Though risks assessment is not a direct part of the BMC, it can contribute to the understanding of how and where risks and crisis can impact the organization and where change may have to be done in case of a crisis that threatens the organization arises.

If crisis arises the organizational change which may have to take place should be less intervening and create less resistance if the organization has already taken the steps to prepare themselves and their employees in the event of reactive change, and thus there is a greater chance for the organization to withstand the turbulent period.

11.2 Established Enterprises

The established enterprise should review its preparedness to high-, low-, local- and global risks and should do so yearly in order to make sure they have an up to date overview of the risks and their impact as well as the possible organizational change risks may impose on the organization.

Thereafter, it would be recommendable to map out which scenarios of change would have to be put in place in the event that a crisis may occur. During this assessment, it is also important to ensure that the employees would be informed in a proper and timely manner in order to minimize the opportunity for resistance and an internal crisis to occur. Communication in a large established organization is important in order to make the employees feel secure and for the change to take place effectively and smoothly.

12 SUMMARY & CONCLUSION

This research had the main purpose of answering what International Rauma had to do in order to survive the covid-19 pandemic. International Rauma is a small start-up organization which began its operations in late 2018 with the aim to connect the international students of SAMK to the local businesses of Rauma; as a part of this, an annual forum was planned and the first event was set to take place in the early spring of 2019. As Finland's cases of the virus rose and restrictions were put into force, the forum was first postponed and later cancelled entirely. Consequently, International Rauma would either have to change its entire structure or shut down its operations. It was decided that the purpose of International Rauma was important and therefore the author decided to undergo organizational change. To understand which

environment the organization was proceeding its organization the research went forward to investigate which forms of change and environment was prevalent during crisis and how to deal with such change while in a global crisis.

There is a wide amount of knowledge and theories of how organizational change behaves. It can be natural, small and slow, or large, chaotic and fast, the latter being referred to as quantum change, which is the type of change most organizations experienced midst the pandemic. The quantum change is often paired with reactive change this type of change has one main goal: Survival. Reactive change occurs due to external pressure from either the government, economy, or environment. Organizations were highly influenced by the governmental restrictions and the economic impact the restrictions generated, which means that the change experienced by a large number of organizations was Quantum-reactive change where decisions have to be made fast.

In order to minimize rash and dangerous decision during turbulent times, an organization can prepare itself for various scenarios of crisis in order to have a plan which also lists the roles and actions which should be followed. Though some dangers are difficult to forecast it may still be an advantage to have preparedness in place as they may still help guide the organizations management, directors and employees securely through crisis.

The global economy was impacted in a negative direction as many nations face deep recession due to lack or limited active trade and the consumer demand. As many companies faced closure or downscaling the unemployment rose in many countries, further limiting the consumers financial capabilities. The largest impacts on Finland were on exports which decreased by 17 %, and a 5% dwindle in the GDP. Business life in Finland suffered financially as a survey conducted by the confederation of Finnish industries revealed that 50% of the participating businesses experienced a remarkable turnover decrease and 50% were also in dire need of financial support from the government.

The organization International Rauma had to restructure itself completely in order to match with the circumstances of the crisis. Therefore, a new Business Process Model canvas was created in order to map out the new structure and to clarify the goal of

the organization a NABC model mapping was also used. It was evident that the only viable solution to the organization's survival was to use digital and virtual solutions, both in regard to its services and its forward marketing strategy. The online alternative opens up to new demographics who lives beyond Rauma and even Finland, thereby making it possible to upkeep and strengthen the internationalization of Rauma.

13 FINAL WORDS

The thesis was important to the author herself as the aim of the thesis was, what change in structure the author had to do in order for her own organization International Rauma to survive through the pandemic crisis. During the research, a deeper understanding of how organizational change functions and in which ways such may be handled during challenging times, and how preparedness to crisis and hazards is important to analyze and organize as it may prevent unfortunate decision making.

Knowledge of the impact the covid-19 crisis made it clear to the author how and why the crisis is having large consequences beyond those influenced directly by the virus. As a rough economic situation may be a challenge for many years to come as the pandemic will diminish the economic, cultural and social impact will become more visible.

Gathering information for this research was overwhelming as there were scarce in depth information about how companies have handled the crisis as the pandemic was still on going and the topic of organizational change as a response to global crisis was scarce. Though information on most everything else was available either by authorities, journals or articles about the ongoing situation.

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APPENDIX

Appendix 1

Life's Principles list:

Evolve to survive.

- Replicate strategies that work
- Integrate the unexpected
- Reshuffle information

Be Resource Efficient

- Use multifunctional designs
- Recycle ALL materials
- Fit the form to function

Adapt to Changing Conditions

- Maintain integrity through self-renewal
- Embody resilience through variation, redundancy, and decentralization
- Incorporate diversity

Integrate Development with Growth

- • Combine modular and nested components.
- • Build from the bottom up.
- • Self-organize.

Be Locally Attuned and Responsive

- Use readily available materials and energy.
- Cultivate cooperative relationships.
- Leverage cyclic processes.
- Use feedback loops.

Use Life-Friendly Chemistry

- Build selectively with a small subset of elements.
- Break down products into benign constituents.
- Do chemistry in water.

(Fiksel, 2015, pp. 53-54)

Appendix 2

International Rauma BMC

1. Key Partners

- SAMK Rauma
- SAMK HQ
- Rauma Chamber of Commerce
- City of Rauma
- Local Companies
- Pori Entrepreneurship Society

2. Key Activities

- **Marketing**
 - To be seen by customers and partners. Also to spread awareness of the services International Rauma offer.
- **Website Maintenance**
 - To keep the information updated making it easy for customers and partners finding the information they need.
- **Being in contact with key partners**
 - To be able to get good communication and new ideas and projects.
- **Survey**
 - The yearly survey is important for getting the data on what the community needs and if/how International Rauma or a partner can solve the need.
- **Online presence**
 - Being present is important, it creates a sense of community and contact. as well as great marketing and can strengthening collaboration possibilities.
- **Facebook Community moderation/care**
 - Moderation of the Facebook community page is important to engage the members and contributors.

- **Podcast**
- **Videos**

3. Value Proposition

- **Job search support**
 - Help and learning how the Finnish job search system work and help with writing a CV.
- **Student Summer job info**
 - Helping students navigate the hunt for summer jobs and how to search for jobs in Finland and what to look for. As well as the guidelines set by SAMK on the rules for First and second training.
- **Recommendation for companies**
 - on expansion in the Nordic countries and how to draw the needed talent with knowledge to the expansion.
- **A Foreigners experience of Rauma**
 - The survey and the data from the survey is mainly to give companies, SAMK and the city of Rauma a pin point on how the international community of Rauma is doing and what the community could need from companies, SAMK and the city.
- **Private consulting for job search**
 - Private consulting for job seekers are to help them build their CV, find their strengths and personal recommendation for positions that would fit the individual.
- **Thonkathon**
 - A big ice breaking forum to connect the international Students at SAMK with the local companies in Rauma as well as other international talent who wants to network.
- **Essential New Resident information**
 - Information on Rauma and the possibilities for international talent in Rauma not only for work, but also for authorities to contact, how to get a phone number, Finnish tax, how to apply for SAMK ect.
- **Articles (website)**

- Views on the international community and experiences of how Rauma is growing as an international hot spot.
- **Cultural education**
 - Education for companies in cultural differences and how to learn from the different cultures and how to deal with clashes between the Finnish culture and other cultures in the work environment.
- **Virtual Hang Out**
 - A free virtual Networking and Socializing Community.

4. Customer Relationships

- **Website**
 - The customer can get in contact with international through the website and get familiar with the services offered.
- **Social Media**
 - SoMe will be a big part of the relationship and communication. International Rauma focuses on Facebook & Instagram
- **Virtual meetings**
 - Until Covid-19 eases up the private meetings will be carried out through virtual means (Zoom, Microsoft Teams).
- **Meetings**
 - When time and the pandemic allows it there will be seminars & personal coaching.
- **E-mail**
 - International Rauma will be in contact with customers of all sorts through E-mail.
- **Podcast / Video**
 - Podcasts and videos on the different topics in small 15 - 25 min bites.

5. Customer Segments

- SAMK Rauma
- Rauma Chamber of Commerce
- Students

- Local Companies
- International community
- City of Rauma
- Unemployed Internationals
- Finnish business owners
- Leaders
 - who would like to improve their skills in leading international work groups
- Entrepreneurs
 - Both Finnish & International
- Future entrepreneurs
- SAMK Pori

6. Key Resources

- **Wix account**
 - The website is hosted through wix and the website is built on a paid subscription.
- **Social Media**
 - Both for marketing and connections
- **Internet**
- **Laptop**
 - Most services are online for the time being making a laptop valuable.
- **Canva**
 - Canva is the graphics software used for the moment, in regards to creating content for SoMe and marketing in general.
- **Phone**
 - A phone with good internet connection, to be able to handle business on the road.
- **Business Email**
 - Purchased through Google Suite
- **Insurance**

7. Channels

- **Social Media**
 - The customer will in large be reached by advertisements on Facebook and Instagram. The marketing through SoMe is cheap and by using Instagram and Facebook, a large segmentation is reached of both the young and middle-aged.
- **E-mail**
 - Companies and corporate customers will be reached by E-mail. Customers will be in contact through e-mail for customer service, bookings and information Cheap and effective more personal communication.
- **In person**
 - Personal meetings and seminars
- **Phone**
 - Phone contact is more direct and important in contact with especially businesses.
- **Chat**
 - Easy and fast channel to be in contact with the private customer.
- **Podcast**
- **Video**

8. Cost Structure

- **Website Account**
 - The website runs on a wix subscription. 130 €/Year
- **Business E-mail**
 - Purchased from Google info@international-rauma.com Cost 79€/Year
- **Laptop**
 - Cost 350 €
- **Internet connection**
 - 50 €

- **Work phone DOT subscription**
 - 0 – 25 €
- **Accountant**
 - For bookkeeping, Econia Rauma office 60 €
- **Insurance Computer**
 - A part of home insurance
- **Canva**
 - 11 €/Month
- **Phone Insurance**
 - 13 € /3rd month

9. Revenue Streams

- Seminars / Webinars
- One on one support/coach sessions
- Partnership campaigns
- Thonkathon ticket sales
- Podcasts / Video Recordings