

# COVID-19 and small businesses performance and innovation

**Dr. Ronen Harel**

Economics and business development, Isreal

## Abstract

This study looked at the impact of the COVID-19 pandemic on the revenues of small businesses operating in industrial sectors, and at the extent to which these businesses changed or adjusted their business activity, or changed the extent to which they utilize open innovation tools and implement innovation promotion processes. The findings show that, despite COVID-19's far-reaching impact in all areas of life, the revenues of most small businesses in industrial sectors were not adversely affected, and most of them did not adjust their business activities or the extent to which they employ open innovation tools and engage in innovation promotion processes. The findings also indicate that small businesses, most of whose revenues derive from subcontracting work are likely to cope better under conditions of economic uncertainty. The findings also show that businesses that are active in international markets succeeded in adapting their activity to the changing demands and various trade restrictions. This study's contribution lies in its focus on small businesses, and its examination of how subcontracting strategy and international operations help them contend with problems and conditions of economic uncertainty and suggest that policymakers should foster programs that assist small businesses with these work strategies. policymakers should foster programs that assist small businesses with these work strategies.

## Biography

Dr. Ronen Harel is a staff member of the Business Administration School in Peres Academic Center. Dr. Harel's main research fields are entrepreneurship and innovation in small businesses in the industrial field. Dr. Harel has a diverse management and business experience of over two decades in the management of operational companies (management of companies in crisis, leading reorganization

processes, and subsequent sale), in the management of real investment companies in the fields of media and technology (including consolidations, acquisitions, and company issuance) and as a chair and board member in a broad variety of companies in the Israeli market. His research focuses on an important and unique field in Israel and around the world – management processes and tools for the promotion of innovation in small businesses.