



## Effect of COVID-19 and economic crisis on Entrepreneurship

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### Abstract

This article is focused on the impact of COVID-19 and concurrent energy, and economic crises on entrepreneurship. It explores how entrepreneurs exist with these challenges, including increased business costs, job losses, and the need for resilience and adaptability. The paper emphasizes the role of entrepreneurs in economic vitality and outlines measures taken by the European Union to support entrepreneurship. Methodologically, it employs comparative and generic analysis to provide recommendations for stimulating entrepreneurship, such as access to global markets and digital technologies. It also highlights the importance of addressing vulnerability and gender inequality in entrepreneurship. The research underscores the significance of entrepreneurship in economic growth, job creation, and productivity, as well as promoting gender equality to foster innovation and creativity. Despite initial unpreparedness, the government's response and entrepreneurs' resilience have led to the development of new products and services and the expansion of business networks. Finally, the article suggests measures for encouraging entrepreneurship, including educational programs, improved access to finance, networking, and government support, aiming to enhance the resilience of economies globally.

### Keywords

*COVID-19, Entrepreneurship, Economic crisis, Digital technologies, Innovation*

### I. Introduction

Situation with COVID-19, energy problems, and the economic downturn has created big problems worldwide for people who run their own businesses. All these issues together have strongly affected entrepreneurs, shaping their plans, changing industries, and forcing them to adapt to overcome difficulties. This text explores how COVID-19, energy troubles, and the economic crisis have influenced entrepreneurship around the world.

The COVID-19 pandemic, which is a fast-spreading illness, caused big problems not only in health but also in the economy. It deeply impacted all kinds of businesses, from small to large and in all industries. At the same time, issues with energy supply and the general economic downturn created an uncertain environment. Entrepreneurs are facing not only immediate survival questions but also the need to figure out how to navigate in a quickly changing environment.

### Objectives of the Study:

The main goal of this research is to carefully study how COVID-19, energy issues, and economic problems affect entrepreneurship. Using strong scientific methods, the study wants to understand how entrepreneurs survive, what changes happen in different sectors because of these problems, and give good recommendations to help businesses stay strong in the face of big challenges.

### II. Methodology:

In this research, are used two main methodology: comparative methodology and inductive approach in meaning, comparing different things and looking at things in a general way. Focus is to understand how people in and outside the European Union are dealing with the problems caused by COVID-19, energy issues, and economic uncertainties. Special emphasis is on IT entrepreneurs and startups, recognizing their vital role in shaping the future of business during era of rapid technological change.

### Study Focus:

This research goes beyond just listing challenges; it aims to give detailed insights into how entrepreneurs in different sectors are adapting. Using a scientific approach, the study looks at how the crises are changing different sectors and gives recommendations based on evidence to help businesses be more resilient. By emphasizing the importance of IT entrepreneurship, the research aims



to show possible ways for innovation and growth in the changing global business landscape.

The combination of the COVID-19 pandemic, energy challenges, and economic downturn has had a big impact on entrepreneurship all around the world. This article looks into how these factors are affecting entrepreneurs, exploring how they survive, how different sectors are changing, and it gives important recommendations for overcoming business challenges. Drawing insights from inside and outside the European Union (EU), the paper particularly highlights the importance of supporting IT entrepreneurship and startups in this fast-changing landscape.

Globalization influenced women's entrepreneurship during the COVID-19 pandemic, bringing both positive aspects like global market access and technology, and negative aspects including vulnerabilities. The role of digital platforms, the digital divide, and opportunities for business improvement are highlighted. Despite challenges, women entrepreneurs showed resilience and innovation, emphasizing the importance of supporting women's entrepreneurship for economic growth, gender equality, innovation, and social impact. Post-pandemic recommendations for Serbia focus on education, access to finance, networking, government support, and work-life balance policies (Popovic-Pantic & Dejanovic, 2023).

## 2. Survival strategies and sectors transformations

Entrepreneurs have faced a dynamic landscape during the pandemic, necessitating adaptability and innovation. The energy crisis, while raising business costs, also foster innovation and finding alternative energy solutions. The economic downturn led individuals turning to entrepreneurship as a means of income generation, emphasizing the importance of resilience and adaptability for small business owners. The paper explores how entrepreneurs have navigated these challenges and identifies sectoral transformations influenced by the crises.

“That raise of energy prices have a multiplying effect on raises of all other prices , because at first if raising cost of transport, that cause effect on prices supply of resources, production and cost in wholesale and retail trade”(Dejanović, M. 2023).

It is very important to stimulate entrepreneurship because it helps to the vitality of economy and can be used as a generator of the growth.

In their article regarding partial and general equilibrium scenarios, (Baqae & Burstein, 2023) demonstrate that calculation of changes in welfare doesn't necessitate direct knowledge of taste shocks or income elasticities. Instead, it requires information on expenditure shares and elasticity's of substitution at the final allocation.

The article discusses how changes in the industrial structure over time, driven by income effects and demand instability, can affect welfare-relevant total factor productivity. The short-run application examines changes in the welfare-relevant price index compared to the chained index, showing that taste shocks can lead to understated inflation rates in the latter. The business cycle application, focusing on the COVID-19 recession, illustrates the difference between macro and micro notions of welfare, emphasizing the impact of household expenditure shifts on different sectors.

They end by recognizing the limitations of linked indices in accurately measuring well-being, especially in the presence of inconsistencies and changes in taste. The importance of accurately measuring prices and quantities for precise well-being assessments and policy analysis is also emphasized.

Connecting this to the impact of COVID-19, economic crisis, and energy challenges on entrepreneurship, the discussions on macro and micro notions of welfare, the importance of understanding changes in productive capacity, and the role of policy and counterfactual analysis become relevant. Both articles contribute to understanding the complex dynamics and resilience required in the face of economic challenges.

The COVID-19 pandemic crisis is distinct from previous economic downturns, necessitating unique and comprehensive responses. (Borio, C. 2020). There is a recognized need for the coordination of monetary, fiscal, and prudential policies to address the multifaceted challenges posed by the pandemic. The global impact of COVID-19 is emphasized, highlighting economic repercussions that extend beyond national borders and necessitate a coordinated international response. Financial stability is a key concern, requiring measures to stabilize financial markets and ensure the continuous flow of credit to individuals and businesses. Focusing on entrepreneurship, we can explore the impact on survival strategies, sectorial transformations, and particularly emphasizes fostering IT entrepreneurship. In contrast, broader perspective on the overall economic situation, policy responses, and challenges.



Entrepreneurs are faced with long-term challenges, specifically the need to rebuild policy buffers in monetary, fiscal, and prudential domains. This covers areas related to cautious, predictive, or preventive measures, especially in the financial context. It includes rules and regulations applied to ensure the stability of the financial system and prevent potential risks. This indicates a recognition of the long-term implications of the crisis and underscores the importance of sustained efforts to address and mitigate its long-term effects.

### **3. Innovation and entrepreneurial efficiency**

The article underscores the role of innovation in mitigating the impact of crises on entrepreneurial efficiency. The energy crisis, for instance, has driven businesses to explore alternative solutions, contributing to the broader discourse on sustainable practices. The study also looks at how innovation affects entrepreneurs' ability to handle tough economic times. Innovation is a key factor for entrepreneurial success, not just making things more efficient but also as a powerful strategy to handle and lessen the big impacts of crises. This part explores the complex connection between innovation and how well entrepreneurs can do their job, highlighting how, especially in the energy crisis, businesses have had to rethink the usual ways of doing things. It goes beyond just dealing with immediate problems and looks at creating sustainable and forward-thinking solutions. The research also carefully looks at how innovation influences the ability of entrepreneurs to stay strong during economic challenges.

Being able to innovate helps businesses not only adjust quickly to the immediate problems caused by crises but also find new and proactive solutions that put them in a good position in a rapidly changing environment. The role of Industry 4.0 in post-COVID-19 economic recovery, highlighting regional disparities in readiness and the need for support for SMEs. Financial mechanisms, stakeholder collaboration, and technology integration emerge as crucial factors for sustainable implementation of Industry 4.0. (Karanina, et al, 2022).

Use of the AI for further development of entrepreneurship, because Ai can help in efficiency and productivity, to save money and time for entrepreneurs. Potential of Industry 4.0 to enhance sustainability by incorporating efficiency, sufficiency, and consistency strategies in the supply chain, improving the customer interface, and providing new avenues for financial justification. The research agenda proposes investigating the impact of

Industry 4.0 on sustainable value propositions, quantifying the effectiveness of Industry 4.0-enabled sustainability strategies in the supply chain, exploring user-friendly interfaces for sustainable behavior, and examining the economic implications of Industry 4.0-enabled sustainability. Overall, the paper aims to advance understanding of how Industry 4.0 can contribute to sustainable business practices in the manufacturing sector (De Man & Strandhagen, 2017).

The energy crisis, marked by escalating costs and heightened environmental concerns, has become a crucible for innovation within the entrepreneurial ecosystem. Faced with the imperative to reduce dependency on conventional energy sources, businesses have embarked on a journey of exploration and experimentation, seeking alternative, sustainable solutions. The Covid-19 pandemic raise challenges for sustainable development, especially impacting female entrepreneurship fostering them to innovate and find new renewable resources, and use that renewable energy for future growth.

This proactive response is not merely a reactive measure to circumvent economic constraints but an assertive move towards instigating positive change in line with broader sustainability goals (Vukovic & Nevalenyyi, 2021).

The global challenge of sustainable value creation is established and focus is on worldwide awareness. Strategic framework for the Sustainable Manufacturing Community (SMC), emphasize increase in process efficiency and a shift towards selling services instead of products. The integration of modern ICT for knowledge transfer is highlighted to enhance learning and teaching, promote self-help, and stimulate entrepreneurial approaches. The concept of Open Knowledge, focusing on accessibility, is introduced. The SMC aims to address sustainability challenges in manufacturing through a community-driven platform, with a case study on sustainable mobility, particularly bicycles, demonstrating the potential for open innovation and collaboration. (Severengiz et al, 2015).

For example innovation leading to better results and solutions for business development and productivity. Estonia's success in e-government, analyzed through information systems theory, emphasizes the significance of public procurement for innovation. The article underscores the role of local suppliers' competencies, absence of legacy infrastructure, and a supportive environment for ethical hackers, illustrated through a case study on e-



voting. (Kalvet, 2012). We have ongoing discourse on sustainable practices by lightening how entrepreneurs, driven by the urgent needs for energy because of the energy crisis, are steering the conversation towards environmentally conscious and economically viable alternatives. By embracing innovation, businesses are not merely surviving the crisis but are actively participating in shaping a more sustainable future, aligning their practices with the imperatives of environmental responsibility.

“That is why it is necessary to clearly and precisely define the criteria and conditions for measuring CSR in a unique way. This requires the adoption of laws on CSR, the establishment of an international body for CSR control based on the ISO 26000 standard, and the certification of companies that are socially responsible. Successful implementation of CSR is possible, if it is built on solid foundations, with the help of economic diplomacy, and pillars based on compliance with the law, constitution of a body for control and certification of companies in terms of CSR based on compliance with the ISO 26000 standard, (Dejanović 2015).”

Moreover, the study carefully looks at how innovation strongly affects entrepreneurs' ability to handle tough economic times. When things are uncertain, and the economy is not doing well, creative solutions become crucial for businesses. They aren't just a way to survive but also a way to do well even when facing challenges. Being able to think innovatively helps entrepreneurs find new market opportunities, change how they do business, and actively take advantage of emerging chances, turning challenges into strategic benefits.

The detailed examination of how innovation and entrepreneurial resilience work together is a crucial part of the study. It uncovers the complicated dynamics that make businesses efficient and adaptable when dealing with crises. By breaking down and analyzing the different aspects of this relationship, the research aims to offer practical insights for entrepreneurs, policymakers, and scholars who want a better understanding of how innovation doesn't just help survive but thrive in a constantly changing environment shaped by economic and energy challenges.

If we explore the challenges that OECD countries face in using intellectual assets to stimulate their economies, we can observe larger problems. Economic studies are used to understand how intellectual assets impact national accounts. The

research results emphasize that investing in intellectual assets can have a positive effect on overall productivity and economic growth. However, it also highlights issues in how companies report and manage this information. The goal is to better understand the role of intellectual assets, enhance their contribution to economic growth, and improve the way information about them is shared and valued (Bismuth & Tojo, 2008).

#### 4. Policy recommendations and best practices

Employing a methodology of comparative and generic analysis, the paper synthesizes key recommendations for stimulating entrepreneurship. These encompass access to global markets, technologies, knowledge, as well as addressing vulnerabilities and gender inequality. Additionally, the article emphasizes the pivotal role of digital technologies in entrepreneurial development, addressing the digital divide and outlining opportunities for business improvement.

Grounded in a methodology of rigorous comparative and generic analysis, this paper meticulously synthesizes a set of key recommendations aimed at fostering entrepreneurship in the wake of the confluence of the COVID-19 pandemic, energy challenges, and economic downturn. These recommendations, born out of a nuanced understanding of global entrepreneurial landscapes, encompass diverse facets, ranging from fostering access to global markets and technologies to addressing vulnerabilities and gender inequality. The research places a strategic emphasis on the transformative role of digital technologies in the development of entrepreneurship, meticulously addressing the digital divide and delineating opportunities for substantial business improvement.

For development of entrepreneurship is crucial to have access to the global market, technology, knowledge and digital development, and opportunities for business improvement.

1. **Access to global markets:** Facilitating entrepreneurs' access to global markets is crucial. By simplifying international trade procedures, reducing trade barriers, and promoting collaborations, policymakers empower entrepreneurs to seize broader market opportunities. This amplifies the reach and impact of their ventures.

2. **Technological access and knowledge transfer:** Acknowledging technology's pivotal role in entrepreneurial success, the paper advocates for policies supporting technological access and knowledge transfer. This involves creating





innovation-friendly ecosystems, supporting research and development, and ensuring seamless technological know-how transfer. These measures keep entrepreneurs at the forefront of industry advancements.

3. **Addressing vulnerabilities and gender inequality:** There is a pressing need to address vulnerabilities in the entrepreneurial landscape. Policies should provide targeted support to vulnerable groups and mitigate gender inequality in entrepreneurship. Promoting equal access to resources, mentorship programs, and creating an inclusive entrepreneurial environment are essential steps.

4. **Digital Technologies in entrepreneurial development:** Digital technologies play a critical role in entrepreneurial growth. Policymakers must prioritize establishing a conducive digital infrastructure and ensuring widespread access to digital tools. Bridging the digital divide empowers entrepreneurs to leverage technology in areas like e-commerce and data analytics, driving growth.

5. **Opportunities for business improvement:** Beyond addressing challenges, policymakers should identify concrete opportunities for business enhancement. Creating environments conducive to experimentation and risk-taking, along with fostering a culture of continuous learning, enables entrepreneurs to innovate and adapt to market dynamics.

In conclusion, the synthesis of these comprehensive policy recommendations and best practices aims to provide a roadmap for policymakers, industry stakeholders, and entrepreneurs alike. By addressing a spectrum of challenges and opportunities, the research seeks to contribute to the formulation of policies that not only support the immediate survival of businesses but also catalyze their long-term growth, resilience, and contribution to economic development.

## 5. Entrepreneurial Resilience in Serbia

A case study on Serbia's response to the pandemic sheds light on the government's initial challenges and subsequent measures aligned with World Health Organization guidelines. Despite initial unpreparedness, entrepreneurs in Serbia have demonstrated remarkable resilience, adaptability, and innovation in response to the crisis, pivoting business models and harnessing digital platforms. At the beginning of the pandemic, people are faced with a large number of unknowns, which caused an increase in stress. They did not know how to fight the pandemic effectively and how to organize their

private and business life in the new circumstances. So the pandemic did not only affect people's health, but whole life, and during the lock down caused serious problems in family life.

During the lockdown, people had to organize themselves not only in terms of protection against the pandemic, but also to ensure an efficient supply of food, medicine and other necessities, to focus on online schooling and completing all school obligations of their children, and at the same time try to switch to remote work if possible and if the nature of their work allows it. A lot of difficult and complicated requests in extremely difficult circumstances. Imagine all that with the fact that you are also running your own business and that all decisions are solely up to you. It's a really big responsibility and it entails a lot of stress. Their business and private life. It was a big challenge in the context of work-life balance, and for gender roles, with different stress factors. (Ağanoğlu et al. 2023).

Also, after invention vaccines against COVID 19 we have a problem with allocation of vaccines, and regarding that we have a serious debate regarding its fair distribution, as scarce resources. If we are driven by economic principles, paid price is a condition for delivery, and if we have increase in demand it causes an increase in price. But is it fair principle when we speak about global pandemic and saving of people's lives. That put on table important ethic topic about fairness and led to prioritization systems. By incorporating ethical and equity concerns, we have big challenges between prices and priorities, which demand comprehensive framework for designing optimal allocation schemes in the context of public health crises (Akbarpour, et al. 2023)

Against the backdrop of the COVID-19 pandemic, energy challenges, and economic downturn, Serbia's entrepreneurial landscape has undergone a crucible of change, necessitating a closer examination of the factors contributing to entrepreneurial resilience in this unique context.

“The world was unprepared for a fast reaction to the global pandemic of COVID-19, and that made an impact on economic trends and production. COVID-19 caused severe consequences, both for the health of people and its economies. It was a big shock even for the industries that very quickly transfer to remote work. Some sectors suffered great losses, while the pharmaceutical industry, manufacturers of drugs, and vaccines, have achieved



a big increase in profit, and multiplied their wealth several times” (Dejanović 2023).

The key factor for success and ideal conditions are when we have:

1. Governmental Response and support programs such as financial assistance, tax relief, and regulatory adjustments.
2. Adaptability and Innovation which entrepreneurs in Serbia have demonstrated.
3. Access to Finance in role of determining the resilience of entrepreneurs and explain how Serbian entrepreneurs have managed to sustain and grow their businesses despite economic uncertainties.
4. Digital Transformation as a key dimension of resilience in the modern entrepreneurial landscape like use of a new e-commerce solutions, and online platforms to ensure business continuity.
5. Networking in collaborative ecosystems which includes associations, different business networks, and collaborative initiatives in sharing knowledge
6. Economic diversification of business portfolios, exploring whether they have expanded into new sectors, products, or markets to reduce vulnerability to economic shocks.
7. Impact on employment exploring initiatives aimed at retaining and creating jobs.
8. Societal and environmental Impact that contribute to community well-being, social responsibility, and sustainable practices, reflecting a broader understanding of entrepreneurship in the context of crises.

In essence, an in-depth exploration of entrepreneurial resilience in Serbia necessitates a comprehensive examination of both macroeconomic factors and micro-level strategies employed by individual businesses. By analyzing these factors, the research aims to provide nuanced insights into the dynamics that shape the resilience of Serbian entrepreneurs in the face of the multifaceted challenges presented by the COVID-19 pandemic, energy crises, and economic downturn.

Also the optimal allocation of scarce resources, particularly vaccines during the Covid-19 pandemic, through a mechanism-design framework. It considers the trade-off between using prices and priority systems, aiming to address ethical concerns, equity, and externalities. The key insight is that while social considerations may limit the role of prices in the optimal mechanism, they are not always sufficient to rule them out entirely. The paper suggests a hybrid mechanism, combining prices and

priorities, to leverage observable information while screening for unobservable characteristics. The optimal allocation method depends on the correlation between willingness to pay, externalities, and social objectives, highlighting the complex interplay of economic and ethical factors in resource allocation. The comparison with other countries yields particularly intriguing findings, especially when considering post-communist nations.

The examination of post-communist capitalism in Central and Eastern European (CEE11) countries, recent additions to the EU, aims to assess how their institutional structures compare to four Western European capitalism models identified by Bruno Amable in 2003. Each model is associated with a specific Western European country. Utilizing a novel approach known as coefficients of similarity, the study quantifies the degree of resemblance between CEE11 countries and these Western European models. The findings reveal that, on average, CEE11 countries exhibit the highest similarity to the Mediterranean model (represented by Spain and Italy) and also share considerable similarities with the Continental model (represented by Germany). Additionally, there is some similarity to two other models, although these are not explicitly specified. These results suggest a blending of elements from well-established Western European capitalist models in CEE11 economies, forming a diverse pattern that characterizes post-communist capitalism as a distinct research category. This diversity underscores the varied nature of post-communist capitalism in CEE11, influenced by different Western European models and contributing to its overall complexity. In summary, the research underscores the unique characteristics of post-communist capitalism in CEE11, showcasing a combination of features from various Western European models. The application of coefficients of similarity provides a numerical approach to understanding this diversity, enhancing our comprehension of the post-communist economic landscape in Central and Eastern Europe. (Próchniak et al. 2023)

The challenges faced by startups during the COVID-19 pandemic, emphasizing the need for tailored policy measures to support their survival and contribution to economic recovery. Entrepreneurs respond to the crisis using a bricolage approach, showcasing adaptability and creativity in the face of challenges. Challenges include disruptions to in-company and off-company infrastructures, illiquidity



issues, and existential threats, with startups adopting various strategies for resilience and adaptation.

Overall, the findings emphasize the multifaceted nature of challenges faced by startups during the COVID-19 crisis and the diverse strategies they employ to navigate these challenges, including internal adjustments, seeking external support, and adapting to new business conditions. (Kuckertz et al 2020)

Here are the key findings from the GEM Country Report for Germany 2021: The rate of new business formation in Germany, measured by Total Early-stage Entrepreneurial Activity (TEA), reached the second-highest level at 6.9% in 2021, showing an increase from the previous year (2020: 4.8%). This rise suggests overall growth in entrepreneurial activity in the country, rebounding from the initial impact of the COVID-19 pandemic in 2020. Compared to other countries, a small percentage of people in Germany (3.2%) closed, sold, or abandoned their businesses in the last twelve months. Reasons for business closure include lack of profitability and favorable selling opportunities, with the COVID-19 pandemic having a lesser impact.

The pandemic has adversely affected income, leading to changes in food consumption patterns and decreased energy efficiency. The research identifies a significant decline in food diversity and energy consumption during the pandemic, with households resorting to low-diversified food to manage dietary needs. The study highlights the inverse association between increasing monthly income and worsening food diversity and energy efficiency. It emphasizes the need for implementing nutrition-sensitive programs to mitigate the pandemic's impacts on energy consumption, food diversity, and nutritional security, particularly for low-income individuals (Geng et al, 2022).

Because of that we must consider the fact that the even COVID was on 2019 the many entrepreneurs still suffering because the lock down, big business reduction and smaller income in many cases. How to overcome the crisis\_

Education plays a crucial role in developing entrepreneurial skills necessary for initiating and managing successful businesses. Striking a balance between theory and practice is essential to enable students to create startups and grasp the dynamics of the entrepreneurial environment. Regional disparities in supporting entrepreneurial education underscore the need to align national strategies to stimulate entrepreneurship at both local and international levels (Huszak & Jaki 2022).

The entrepreneurial landscape in Germany faces challenges, with the country ranking 23rd among 31 high-income GEM nations in terms of entrepreneurial activity. Despite a decrease in entrepreneurship in 2021, Germany has a notably low business closure rate of 3.2%, compared to higher rates in the United States and Canada. Younger age groups exhibit a stronger inclination toward business establishment, with those aged 18-24 showing nearly three times higher rates than those aged 55-64. Germany ranks 18th in terms of the percentage of entrepreneurs with at least a university degree. Entrepreneurs with a migration background in Germany show a keen interest in establishing businesses, demonstrating ambitious goals for growth, innovation, and internationalization. (Sternberget al 2020).

Regarding establishment rates, the difference between genders has slightly but not significantly decreased during the pandemic and the last two decades. Compared to men, women less often see good opportunities for establishment and less often believe that they possess the necessary entrepreneurial skills. Differences between female and male founders are less related to personal characteristics and more to the characteristics of the businesses they have founded or plan to found. About 44% of experts believe that the conditions for business establishment for women are positive or generally positive in 2021. (Sternberget al 2020).

It is very important to encourage the women entrepreneurship and to stimulate the establishment in order to achieve better and more innovative entrepreneurship ecosystem. Business leaders and aspiring entrepreneurs navigate uncertainty and launch businesses in challenging conditions. Recent global research underscores the pivotal role of personal factors, such as entrepreneurial self-efficacy and resilience, in entrepreneurship, emphasizing the importance of engagement in business development training, networking, mentoring, and active pursuit of entrepreneurial goals with feedback from objective sources. (Bullough & Renko 2013).

The German entrepreneurial scene is live and resilient, especially among the younger generation aged 18–34. Migrants are standing out with higher entrepreneurial rates, showcasing ambition and innovation. The positive effects of COVID-19, along with narrowing gender gaps and a push for support for female entrepreneurs, highlight the vibrant and evolving entrepreneurial landscape in Germany (Sternberg et al., 2020).



### III. Conclusion

In summary, this scientific study aims to uncover the complex connection between the COVID-19 pandemic, energy challenges, economic decline, and how they collectively affect entrepreneurship. By using a thorough approach and considering various experiences, the research strives to significantly contribute to understanding how entrepreneurs deal with and adjust to unprecedented challenges.

This research investigates the impact of COVID-19, energy challenges, and economic downturn on entrepreneurship globally, emphasizing the survival strategies of entrepreneurs, sectoral changes, and transformations. Recommendations are provided for overcoming business challenges, with a focus on good practices within and outside the European Union, particularly in stimulating IT entrepreneurship and startups. The study employs comparative and generic analysis, offering insights into institutional organization, sector-specific impacts, and the role of innovation. It concludes with recommendations to support entrepreneurship in Serbia and the EU, addressing the changed business landscape due to the pandemic. Despite challenges, entrepreneurs have demonstrated resilience, adaptability, and innovation, emphasizing the importance of supporting entrepreneurship for economic growth, gender equality, and innovation.

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