Since January 2020 Elsevier has created a COVID-19 resource centre with free information in English and Mandarin on the novel coronavirus COVID-19. The COVID-19 resource centre is hosted on Elsevier Connect, the company's public news and information website.

Elsevier hereby grants permission to make all its COVID-19-related research that is available on the COVID-19 resource centre - including this research content - immediately available in PubMed Central and other publicly funded repositories, such as the WHO COVID database with rights for unrestricted research re-use and analyses in any form or by any means with acknowledgement of the original source. These permissions are granted for free by Elsevier for as long as the COVID-19 resource centre remains active.
Business-community relations under COVID-19: A study of micro and small firms

Alessandro Bressan a, Abel Duarte Alonso b,*, Oanh Thi Kim Vu b

a School of Business, The University of Notre Dame Australia, 128-140 Broadway, Chippendale, NSW 2007, Australia
b School of Business and Management, RMIT University Vietnam, 702 Nguyen Van Linh Blvd., District 7, HCMC 700000, Viet Nam

1. Introduction

Businesses play a key role in many communities, for instance, creating or maintaining employment (Miller, Besser, & Malshe, 2007), staff’s wellbeing, engagement in local causes (Madden, Scaife, & Crismans, 2006), and upholding ethical principles (Treviño & Brown, 2004), with further positive ramifications for business, community, and societal relations. Murphy (2007), for instance, refers to communities as civil society organisations that are place-bound, such as neighbourhoods, or areas with ongoing functional relationships based upon socioeconomic interactions, or interest/kinship-based, where affinity, identity, and kinship, among others, are key characteristics.

The COVID-19 crisis has caused significant economic uncertainty (Brown & Rocha, 2020; Patel & Ritveld, 2020). At the same time, the crisis is testing the strength, resilience, and endurance of numerous businesses (Bartik et al., 2020; Giravega & Michailova, 2022; Kuckertz et al., 2020), and, by extension, the very essence of business-community relations. Furthermore, the severity of such an extreme event poses serious challenges and exposes vulnerabilities, including employment and problematic labour models that could inhibit wider social resilience (Brammer, Branicki, & Linnenluecke, 2020). Social resilience is conceptualised as “the ability of social entities or social processes, to anticipate, respond to, and recover from disasters” (Saja et al., 2018, p. 863).

In the highly volatile COVID-19 scenario, there is a critical need for firms to maintain relationships and stay connected with stakeholders (Liguori & Pittz, 2020), and by extension positively influence society (Manuel & Herron, 2020). Alleviating the threat resulting from COVID-19 requires major efforts, support, collaboration, and, as suggested by earlier research (e.g., Sen & Cowley, 2013), civic engagement, in this case, from businesses and their community.

The present study will make various empirical and conceptual contributions associated with current discourses on business-community ties in times of crisis from the perspective of one key stakeholder group: business owners/managers; to this end, the study has a two-pronged objective. First, the study will empirically examine the links between the COVID-19 event and business-community relations. More specifically, the extent to which the COVID-19 crisis has affected the relations between the firm and community stakeholders will be explored. In drawing on the work from Dunham, Freeman, & Liedtka (2006), Di Maddaloni & Davis (2017) discuss the concept of ‘community’ of place’, thereby referring to community stakeholders as those
living closely to an organisation’s operations. Delving into the extant literature, Di Maddaloni and Davis (2017) identify community stakeholders in two groups: primary (e.g., suppliers, customers, sponsors, owners), and secondary (e.g., authorities, unions, competitors, and the media).

Furthermore, given the impact and significance that firms have on their communities and stakeholders (e.g., Bobdanowicz & Zientara, 2009; Miller et al., 2007), the study will also ascertain the perceived significance of firms’ survival for the local community during the ongoing unprecedented crisis.

This study focuses on Italian micro and small firms (hereinafter referred to as ‘small firms’). Small firms are widely recognised for their important contributions to nations’ economies (Campbell & Park, 2017; Eggers, 2020). However, when crises strike, small firms often are critically affected (Bartik et al., 2020; Cowling, Brown, & Rocha, 2020). Therefore, there is merit in learning from the experiences of members of this group, particularly in Italy, which, in 2020, was among the world’s most affected countries by the COVID-19 crisis (Modi et al., 2021). The first COVID-19-related lockdown in Italy started in mid-March (Chirico et al., 2021). The second wave of infections was recorded between September and December 2020, with the Italian government taking a more regional-based intervention approach to managing the lockdowns, using different levels of restrictions and workplace closures (Chirico et al., 2021). This second wave recorded a higher number of infections compared to the first wave and more severe socioeconomic impacts (ISTAT, 2020).

From a practitioner’s perspective, determining the degree to which an extreme event could alter business-community relations would be helpful to different stakeholder groups, for instance, regarding new challenges or needs to reinforce such relations. Similarly, identifying how business owners/managers perceive their role and that of their firms during an unprecedented event could help set apart specific forms of immediate support or contributions, with significant practical implications for their communities. Furthermore, the empirical findings could be considered by government entities, particularly in developing policies that facilitate business-community relationships, including exchanges, mutual support, and reciprocation. Such policies could, for instance, encourage businesses to cater for the needs of local residents while these could increase their involvement in patronising local businesses.

Second, and from a theoretical point of view, the study will consider the theoretical premises of social capital (e.g., Putnam, 1994), and stakeholder theory (Donaldson & Preston, 1995; Freeman, Wicks, & Parmar, 2004) to examine firm-community relationships during the COVID-19 crisis. The strong associations between businesses, their community and associated relations, trust, collaboration, and networks support the use of these theoretical lenses. This decision is also in line with earlier scholarly discourse, including research by Russo and Trompenaard (2009) and Sen and Cowley (2013), which embraced both theories to examine corporate social responsibility (CSR) within small and medium-sized enterprises (SMEs). Furthermore, both the social capital and stakeholder perspectives have been adopted individually to examine crisis scenarios (e.g., Dias, Rodrigues, & Craig, 2016; Iglíci, Rüzer, & Volker, 2020). In addition, and as the following section indicates, both theories have strong connections with business ethics, that is, what is considered morally good/right, as opposed to what is legally/procyclically right (Kamengo, 2001). Finally, by considering the key underpinnings of these theoretical foundations, coupled with the selected inductive paradigm, the study will develop a theoretical framework, which highlights both practical and theoretical implications.

2. Literature review

2.1. Social capital theory

According to Adler and Kwon (2002), social capital can be understood “as the goodwill that is engendered by the fabric of social relations and that can be mobilized to facilitate action” (p. 17). Associated with ethical principles, Spence, Schmidtpeter, and Habisch (2003) posit that social capital emphasises ways of conducting business based on the commitment to ‘doing good’, and “has many points of intersection” (p. 18), including cooperation, community investment, trust, goodwill, and transparency. Social capital implies characteristics of social organisation such as trust, norms, or networks that enable cooperation and coordination for mutual benefit (Putnam, 1994, 1995).

Indeed, there is value in building networks and related norms of reciprocity for people who are involved in them (Putnam, 2001). Not surprisingly, Sander and Putnam (2010) consider social capital a resource, and posit that, without a minimum of social capital, “no society can be healthy” (p. 9).

Putnam (2000) recognises two dimensions within social capital. The first, bonding, refers to as “a kind of sociological superglue” (p. 23), for instance, through the development of “strong in-group loyalty” (p. 23), which is reflected in acts of solidarity and reciprocity. The second dimension, bridging, is more appropriate for information diffusion and for linking to external assets, whereby inclusiveness is a strong characteristic (e.g., the civil rights movement) (Putnam, 2000). However, together, bonding and bridging social capital can lead to powerful social impacts (Putnam, 2000).

Three other dimensions, the structural, cognitive, and relational, enable a more specific understanding of social capital theory (Nahapiet & Ghoshal, 1998). The structural dimension refers to general patterns of linkages between people (Nahapiet & Ghoshal, 1998). In a business context, this dimension considers relationships and social interactions between the firm and stakeholders (Aragón, Narvaiza, & Altuna, 2016). Drawing on Cicourel’s (1973) work, Nahapiet and Ghoshal (1998) refer to the cognitive dimension in terms of resources afforded shared interpretations, systems of meaning, and representations among parties. Furthermore, sharing values, culture, vision, rules, or a common language is necessary for individuals to exchange information or knowledge (Aragón et al., 2016). Thus, the cognitive dimension is associated with the firm’s shared values and vision (Aragón et al., 2016). Finally, the relational dimension emphasises the specific relationships individuals have, including friendship and respect, that exert an influence on their behaviour, and facilitate sociability or prestige (Nahapiet & Ghoshal, 1998). In a firm context, the dimension is based upon cooperation, trust, and truth, and enables sharing resources, experiences, and information, for instance, when a firm and associated stakeholders develop socially responsible activities (Aragón et al., 2016).

In referring to the ‘Italian experiment’, documented through the establishment of regional governments in this nation, Putnam (1994) further stresses the value of civic engagement, which encompasses fundamental community-based activities, such as membership in literary circles and choral societies, or voter turnout, as a key hallmark of a successful region. Furthermore, in regions identified as successful, civic communities value integrity, civic participation, and solidarity (Putnam, 1994). More importantly, in these regions, the considerable level of civic engagement was illustrated through networks and norms, which led Putnam (1994) to conclude that social capital “seems to be a precondition for economic development…” (p. 9).

Contemporary research has considered social capital as a lens to understand the plight of communities and businesses. Wu’s (2020) study, for instance, ascertains the significance of social capital in dealing with the COVID-19 crisis at a societal level from data gathered in China and through the World Values Survey (2016–2020). Wu’s (2020) findings reveal the significance of social capital in a) promoting public compliance and acceptance with control measures, notably, through norms and trust at an individual level, and b) facilitating collective actions. Wu (2020) further highlights the role of social capital in helping mobilise resources, particularly through networks operating at the community level.

From a business perspective, where the focus was on the 2008–2009
financial crisis, Lins, Servaes, and Tamayo (2017) analyse a database with CSR ratings of 3,000 large firms in the United States. Their results highlight that the increase in social capital stemming from CSR activities is particularly important at times “when trust in corporations at large has eroded” (p. 1820). In studying small hotel owners/managers’ perceptions of social responsibility, Njite, Hancer, and Sleight (2011) identify a strong link between businesses’ survival and various manifestations of social capital, including facets of friendship, trust, skills of communication, social networks, and relationships. Indeed, small firms are geographically located close to the local community and stakeholders; this characteristic can be a determinant factor in firms’ attitudes and perceptions to behave ethically (Lähdesmäki & Suutari, 2012).

However, as a longitudinal study of United Kingdom households (Lindström & Giordano, 2016) reveals, social capital can be affected by prevailing conditions. In fact, worse psychological wellbeing during and after the 2008 financial crisis was manifested through depleted stocks of social capital, in particular, decreased generalised trust (Lindström & Giordano, 2016). Consequently, Lindström and Giordano (2016) propose practical recommendations, one being a call for decision makers to gain more awareness concerning the impact of a crisis on a country’s trust levels. A related recommendation concerns the need for decision makers to prioritise policies aimed at restoring trust levels in order to improve psychological wellbeing within the population (Lindström & Giordano, 2016).

In addition, in disaster situations, a pre-existing wealth of social capital does not necessarily translate into an increased capacity for communities to deal with such events (Murphy, 2007). Indeed, the use and development of social capital can result in both negative and positive externalities (Murphy, 2007). On the positive side, a cooperative approach can ensue to manage emergencies, constituting a win–win situation for those members engaged in such efforts (Murphy, 2007). On the negative side, however, in an emergency situation, aid might not be necessarily available to people or strangers who are deemed ‘different’ (Murphy, 2007).

### 2.2. Stakeholder theory

Partly associated with the realms of social capital theory, stakeholder theory stresses the significance of investing in relationships with stakeholders, or those with a stake in a firm (Freeman, 2004). Stakeholder theory postulates that the essence of conducting business is based on the development of relations with stakeholders and the creation of value for them (Freeman & Dmytriyeve, 2017). While stakeholders’ characteristics are dependent upon a firm’s business model and industry, typically, stakeholders can include customers, communities, employees, suppliers, or investors; these groups are of equal importance to the firm (Freeman & Dmytriyeve, 2017). McKnight and Linnenluecke (2016) stress the importance of stakeholder theory as “an appropriate lens for studying the role that firms play in contributing to community resilience” (p. 295), as in disaster situations, “firms can engage with... communities through their stakeholder relationships” (p. 295). Freeman (1994) refers to stakeholder theory as “a genre of stories about how we could live” (p. 6).

In addition, stakeholder theory underlines the explicit and necessary nature of values as “a part of doing business” (Freeman et al., 2004, p. 364), including being clear about how managers want to operate their business, with clear implications for firms’ ethical responsibilities (Russo & Perrini, 2010). Furthermore, there is an assumption that managers are to develop relations with stakeholders, inspire them, and establish communities, whereby their members strive to achieve their best performance “to deliver the value the firm promises” (Freeman et al., 2004, p. 364). In these processes, managers can “incorporate personal values into the formulation and implementation of strategic plans” (Freeman, 2004, p. 234).

The work of Donaldson and Preston (1995) is also relevant in furthering the theoretical insights of the stakeholder concept, for instance, when they proposed the following four central theses:

1) Descriptive; it depicts the composition of the firm as an amalgamation of interests of a competitive and cooperative nature, and with intrinsic value.

2) Instrumental; it presents a framework enabling the examination of links between practicing stakeholder management and attaining different performance objectives.

3) Normative; it involves the recognition of two key ideas, with the first entailing the notion that stakeholders are groups or individuals who have genuine interests in aspects of firms’ activities. The second idea is that intrinsic value permeates the interests of the firm’s different stakeholders, that is, “each group of stakeholders merits consideration for its own sake” (Donaldson & Preston, 1995, p. 67).

4) Managerial; it recommends various attributes, such as practices, structures, and attitudes; when considered together, these attributes represent stakeholder management (Donaldson & Preston, 1995). Moreover, the managerial thesis provides guidance on how managers operate (Freeman et al., 2004).

Scholarly contributions help illuminate discourses of stakeholder theory within business and community contexts. For instance, Russo and Perrini (2010) emphasise some links between social capital and stakeholder theory, and differences between levels of expected responsibility vis-à-vis their stakeholders. Indeed, contrary to larger corporations, SME owners/managers do not encounter such pronounced obligations toward stakeholders (Russo & Perrini, 2010). Instead, they are more concerned with responding to the various stakeholders that are part of their social capital (Russo & Perrini, 2010). Further underscoring the links between both theoretical underpinnings, Russo and Perrini (2010) acknowledge that social capital includes relevant stakeholders that encompass SMEs relationships, one of the hallmarks of SMEs. Moreover, a key characteristic among SMEs is their stronger involvement with their members of staff at different organisational levels (Russo & Perrini, 2010).

Panwar et al.’s (2017) research also provides both conceptual and empirical context in relation to small firms’ engagement with their surviving stakeholders or community. In surveying nearly 500 small firms operating in the United States, they ascertained that, while minimally, a driver underlying businesses’ social engagement rested upon owners’ perceptions of potential intangible benefits. These perceived benefits included brand-building, goodwill development, and understanding the business context (Panwar et al., 2017). In contrast, owners’ perceived potential tangible benefits, for instance, cost reduction or access to capital, had no influence on engaging socially (Panwar et al., 2017). These findings led Panwar et al. (2017) to suggest that owners’ motivation to engage socially tends to be non-instrumental, mainly based upon the links with their community. In addition, financial resources appear to have the greatest impact on small firms’ social engagement (Panwar et al., 2017).

In the context of crises, numerous smaller firms fail due to their (too) limited resources (Magrizos et al., 2021). Aligned with the COVID-19 threat (Bartik et al., 2020; Eggers, 2020), the global financial crisis in 2008 seriously affected the smallest firms (Panwar et al., 2015). Thus, as Manzanneque-Lizano, Alfaro-Cortés, and Priego de la Cruz (2019) observe, the direct and indirect support from their community and stakeholders represents a vital lifeline. Indeed, during crises, SMEs’ dependence on other entities, including their customers, employees, and financial institutions, grew (Aragon, 2016).

Further supporting these observations, and in examining surviving and failed SMEs during an economic crisis, Manzanneque-Lizano et al.’s (2019) findings highlight the fundamental role of various stakeholders (suppliers, customers, employees) in safeguarding firms’ long-term survival. Another study focusing on a group of more stakeholder management-engaged SMEs during the global financial crisis (Magrizos et al., 2021) additionally underscores the significance of the surrounding stakeholders. As Magrizos et al. (2021) notice, CSR-related
strategies, particularly geared towards stakeholders geographically closest to businesses and with most salience, helped enhance firms’ survival.

The above review underscores the robust conceptual foundation social capital and stakeholder theory provide, including in examining micro and small firms’ relationships with their surrounding community. These conceptual frameworks, together with their notions, represent key antecedents to this study’s key research questions; these questions are verbalised as follows:

To what degree does a major crisis affect firm-community relationships?

How important is the survival of the firm in this unprecedented scenario to its surrounding community?

The contribution of Donaldson and Preston (1995) suggests potential linkages between the four prescribed theses and these questions. For instance, the descriptive thesis could provide a useful lens to understand how firms change their behaviour to become more open to collaboration with other stakeholders during the COVID-19 unprecedented situation. Similarly, the instrumental thesis could be useful in explaining the significance of the firm’s survival for its surrounding community. In addition, the normative thesis could enhance understanding of, for instance, the level of reciprocity that emerged during the crisis. Finally, the managerial thesis could be insightful in pinpointing which firm practices or behavioural aspects emerge as most pronounced during the devastating event. Together, the theses could provide conceptual guidance to gain a more nuanced understanding of business-community relationships and the importance of the firm’s survival.

3. Methodology

The study adopts an inductive paradigm, which entails a pursuit for patterns, where differences and similarities are searched in the data (Graneheim, Lindgren, & Lundman, 2017). Subsequently, these are depicted in themes and categories that, in turn, exhibit different levels of progression from specific and concrete data to a more general and abstract stage, or a progression towards theoretical understanding (Graneheim et al., 2017). Therefore, adopting inductive reasoning, theories can be formulated through general inferences from cases or particulars that are revealed in the empirical data (McAbee, Landis, & Burke, 2017).

The study’s unit of analysis, or ‘the who or what’ is the subject of inquiry (Babbie, 2016) is represented by business owners/managers’ perceptions in the age of the COVID-19 crisis. Related to both the inductive paradigm and the unit of analysis, the study adopts a purposeful sampling method. The power and logic of this method are based upon the selection of ‘information-rich cases’ to be investigated in-depth (Patton, 2002). To select information-rich cases, the study sought the participation of owners and managers of firms in Italy, one of the most affected nations by the COVID-19 crisis (Cozzi et al., 2020). The following criteria were established concerning the recruitment of participants:

- Respondents owned or managed the firm.
- All participants had at least three years of experience in the firm/industry. Three years were considered to be the bare minimum amount of time to acquire ground knowledge and experience in managing/owning a business.
- All firms were micro and/or small in size, or fewer than 50 employees according to the European Commission (2003).
- All the firms were still operating at the time of the study.

A search in websites of Italian regional business associations representing four different industries, namely, food production/manufacturing, wine, service/hospitality, and agriculture, helped identify the electronic addresses of 656 businesses. These businesses were operating across Italy, and no particular region, city, or town was favoured or targeted. The choice of these industries is based upon their significance for Italy’s economy, and their communities, including through employment (Coldiretti, 2018; Fipe-Federalberghi, 2020; ISMEA, 2019; ISTAT, 2019). In October of 2020, after gaining university ethics clearance, these businesses were sent an electronic message, which presented the aims of the study, and also requested recipients to access a URL link that would direct them to an electronic survey. In this study, the survey was divided into two parts, one gathering data from participants and their firms (e.g., role, gender, and years of working experience in the business/industry of participants, or age/industry of the firm). The second part of the questionnaire presented respondents with two open-ended questions:

- To what extent has the COVID-19 crisis affected the relations between your firm and the local community?
- How important is the survival of this firm to the local community in such an unprecedented scenario?

Members of the research team contributed to the development of the survey tool. Following premises put forward by Douglas and Craig (2007) multiple iterations, with the support of other individuals, contributed to enhancing the appropriateness of the required translations before disseminating the survey (from English to Italian language), and at the end of the data collection process (from Italian to English language). In addition, different articles focusing on firm-community relations, SMEs and crises, and crisis management and resilience were consulted during the process of constructing the research questions (e.g., Bohdanowicz & Zientara, 2009; Liguori & Pittz, 2020; Manzaneque-Lizano et al., 2019; Miller et al., 2007; Prasad, Tata, & Guo, 2012).

At the start of the online survey, participants were informed that their completion of the survey would represent their informed consent to partake in the study. The survey went live from October to the beginning of December 2020. During this time, 115 responses were gathered. Of these, five were incomplete and three featured firms that did not match the above selection criteria; consequently, they were excluded from further analysis. Thus, 107 valid responses were collected, a 16.3% response rate. While this research provides empirical evidence of business-community relations and underscores the significance of firm survival for the local community following an extreme crisis, there is a need for follow up research that could complement or extend the findings of the present study. Hence, the results need to be treated with caution.

Members of the research team were involved in the transcribing of the data and in the analysis. Given that the bulk of the responses was in the form of verbatim comments, a decision was made to utilise qualitative content analysis. This qualitative research method is based upon subjective interpretations of text data, whereby researchers employ a systematic process of classification, identifying, and coding patterns and themes (Hsieh & Shannon, 2005). This method also lends itself to the development of conceptual models (Elo and Kyngas, 2007), and, therefore, is associated with the chosen inductive paradigm. The software NVivo, version 12, assisted in the data management process, and facilitated the development of visual interpretations (e.g., Figs. 1-3). Finally, respondents’ remarks presented in the following sections will be abbreviated as follows: Participant 1: IT1, Participant 2: IT2 and so forth.

3.1. Demographic information – Participants and firms

The descriptive analysis (Table 1) illustrates that over 70 percent of participants had over a decade of experience in their chosen industry, clearly highlighting their appropriateness as information-rich cases (Patton, 2002). Similarly, owners totalled almost 80 percent of respondents, micro firms, or those employing fewer than 10 individuals (European Commission, 2003) represented over 80 percent of the
participating firms. In addition, almost 80 percent of the firms were family firms and at least a decade old. This finding suggests a potentially well-established relationship between these businesses, their community, and community stakeholders. Thus, it is acknowledged that such a long life of most businesses could have direct implications for the resulting degrees of involvement, engagement, and collaboration that could ensue stemming from a severe crisis. A much more balanced outcome was noticed regarding the gender of participants. Finally, three groups were predominant (food production/manufacturing, agriculture, and food service/hospitality/tourism).

4. Results and discussion

Complementing the inductive paradigm and the qualitative content analysis adopted in this study, the premises of the Gioia methodology (Gioia, Corley, & Hamilton, 2012) are considered fundamental in guiding the process of developing a conceptual framework. This methodology consists of increasing qualitative rigour, first, through the development of first-order themes that typically are closest to participants’ terms, categories, or themes that are revealed from the data (Gioia et al., 2012). First-order codes evolve into ‘the theoretical realm’, where concepts emerging from the themes might help researchers to explain or describe observed phenomena; subsequently, the second-order themes are refined into theoretical dimensions (Gioia et al., 2012). This process is demonstrated and depicted in Figs. 1 and 2.

4.1. Firm-community relations in the age of COVID-19

The inductive and qualitative analysis reveals two key dimensions (Fig. 1) concerning respondents’ observations of the state of firm-community relationships as a result of the COVID-19 crisis. The first, responsiveness, underscores proactive efforts geared towards preserving and strengthening social relations (Adler & Kwon, 2002), in this case, the community fabric, or its composition, during the crisis. The second,
unresponsiveness, illustrates a more subdued and pessimistic stance towards considering relations as a way to cope with or confront the unprecedented event. While not overwhelmingly, the largest group of owners/managers (43%) perceived that business-community relations had experienced a revival during the extreme crisis (Fig. 1).

Overall, participants’ responses did not differ across the various groups represented. To test whether differences between demographic characteristics of participants and their firms and the first-order codes (Fig. 2) existed, Pearson’s Chi Square was used. For instance, the nominal data from those participants whose comments adhered to the first-order codes and those who did not enabled the implementation of this test. In this case, no statistically significant results were revealed.

The following selected comments further highlight different demonstrations of enhanced social capital and concern for other community
stakeholders, ranging from reciprocity, unity, compassion, and solidarity:

IT2: Reciprocity in helping one another was triggered [by the crisis].

IT20: There were united efforts to overcome the crisis, more strongly than with previous crises.

IT46: The crisis has reinforced our relations with some clients. It also helped minimise the existing distancing between the local and regional governments.

These findings agree with recent research (Wu, 2020), which suggests that, in response to the extreme COVID-19 event, social capital emerges mainly through the facilitation of collective action, and mobilisation of resources through community-based networks. The comments also support principles of stakeholder theory, in that for-profit businesses can engage and respond to disaster-type situations (McKnight & Linnenluecke, 2016). Indeed, through various attributes (attitudes, practices, and structures), the firm seeks to enhance and deliver intrinsic value, extending its role beyond a mere informal business-community relation (Donaldson & Preston, 1995).

Apart from the above demonstrations, and aligned with Spence et al. (2003), ethical behaviour was also revealed in the form of cooperation, community investment, and goodwill (IT28): “During the lockdown, there was a substantial increase in ‘new poor’ members of the community. In response, we bought first necessity items from our suppliers, and donated them to the town hall and volunteering associations to be distributed.”.

These findings agree with recent research (Wu, 2020), which suggests that, in response to the extreme COVID-19 event, social capital emerges mainly through the facilitation of collective action, and mobilisation of resources through community-based networks. The comments also support principles of stakeholder theory, in that for-profit businesses can engage and respond to disaster-type situations (McKnight & Linnenluecke, 2016). Indeed, through various attributes (attitudes, practices, and structures), the firm seeks to enhance and deliver intrinsic value, extending its role beyond a mere informal business-community relation (Donaldson & Preston, 1995).

Apart from the above demonstrations, and aligned with Spence et al. (2003), ethical behaviour was also revealed in the form of cooperation, community investment, and goodwill (IT28): “During the lockdown, there was a substantial increase in ‘new poor’ members of the community. In response, we bought first necessity items from our suppliers, and donated them to the town hall and volunteering associations to be distributed.”.

When disaster strikes and human lives are at risk, organisations often have to alter their financial focus and switch “to supporting the community and fundamental goals like survival” (Gabler, Richey, and Steward, 2017, p. 130). In this context, collaboration could provide a fundamental yet potentially powerful means to address immediate

Table 1
Demographic characteristics – Participants and firms.

| Years of experience | n  | %  |
|---------------------|----|----|
| 3-5 years           | 12 | 11.2 |
| 6-10 years          | 14 | 13.1 |
| 11-20 years         | 32 | 29.9 |
| 21+ years           | 49 | 45.8 |

| Role of the participant | n  | %  |
|-------------------------|----|----|
| Owner                   | 83 | 77.6 |
| Manager / Director      | 24 | 22.4 |

| Size of the firm (in full-time employees) | n  | %  |
|------------------------------------------|----|----|
| 0                                        | 25 | 23.4 |
| 1-9                                      | 64 | 59.8 |
| 10-49                                    | 18 | 16.8 |

| Gender of the participant | n  | %  |
|----------------------------|----|----|
| Male                       | 57 | 53.3 |
| Female                     | 50 | 46.7 |

| Age of the firm | n  | %  |
|-----------------|----|----|
| 3-5 years       | 11 | 10.3 |
| 6-10 years      | 12 | 11.2 |
| 11-20 years     | 14 | 13.1 |
| 21+ years       | 70 | 65.4 |

| Industry participants are involved in | n  | %  |
|--------------------------------------|----|----|
| Food production/manufacturing (artisanal/industrial) | 35 | 32.7 |
| Agriculture                           | 31 | 29.0 |
| Food service and hospitality          | 27 | 25.2 |
| Wine production                       | 14 | 13.1 |
| Family business                       | 84 | 78.5 |
| No                                    | 23 | 21.5 |

* Where applicable, percentages were rounded off.
needs. In the present research, various observations underscore not only the need and the extent of collaboration between the participating firms and other entities, but also solidarity:

IT54: Collaboration has increased with suppliers, and also in ways that demonstrate businesses’ solidarity towards the local community.
IT55: Collaboration has increased because a spontaneous movement of solidarity emerged.
IT106: We are collaborating even more than before [the crisis], not only with the hotel industry, but also collectively with other entities in our community.

In contrast, Sawalha (2014) cautions that failure to collaborate in emergency situations will result in increased vulnerability towards potential disasters among societies and organisations. Nevertheless, the results also demonstrate a rather passive or even complete lack of involvement in collaborative relations. For instance, IT4 recognised that while “there has been extremely poor collaboration at the local level, through social media the dialogue has intensified.” Similarly, IT35 had experienced both sides of collaboration: “Limited by the lockdown, the local residents have increased their relations with our firm, and we have reciprocated by offering home deliveries. Collaboration with institutions, suppliers, and local businesses has remained the same as pre-COVID.” Others, however, recognised the domino effect that the crisis had caused:

IT45: The crisis has clearly diminished all types of relations.
IT102: The relationship with other companies and local institutions has changed: exchanges became almost completely inhibited due to the crisis.

4.2. The significance of the firm’s survival for its community

Respondents’ observations and reflections highlighted the serious implications that could ensue for the local community should the firm succumb or become further challenged by the effects of the crisis. The analysis depicted in Fig. 2 resulted in the identification of three dimensions: the community, the immediate stakeholder, and the broader community-society contexts. Numerous links between the findings, social capital, and stakeholder theory were also observed. Under the first dimension, the ‘intangible’ yet fundamental role of the firm emerged, notably, as an essential part of the community, contributing to the strength of its social fabric (Adler & Kwon, 2002) at a time when it was urgently needed. While this role was verbalised in various ways, it nevertheless strongly illustrated the significance of social networks, bonding social capital (Putnam, 2000), and principles of stakeholder theory (Donaldson & Preston, 1995):

IT19: Being embedded in a small community, the impact from a human point of view would be important because a microcosm has been created around our firm based on feelings of affection and friendship.
IT59: The hotel is located in a small tourist destination where everything revolves around tourism; however, if only one element is missing, it risks collapsing the whole sector.
IT94: We are a dairy that produces Grana Padano by processing milk from the stables of contributing members... So, if we were further affected by COVID-19, the impact would be disastrous.

Furthermore, and from a social capital angle, the comments above highlight the significance of bonding (Putnam, 2000), and the structural dimension, which emphasises the links between people (Nahapiet & Ghoshal, 1998), as well as business-stakeholder social interactions (Aragonés et al., 2016). From a stakeholder theory perspective, the comments also demonstrate alignments with the descriptive and the managerial theses (Donaldson & Preston, 1995).

The historical/traditional characteristics of the firm, alongside specific elements of production and product offerings, constituted additional intrinsic and valuable components that were associated with the scenario of firms’ demise; as IT11 noted: “My company provides the raw material that is transformed into jam, olive oil, wine and vegetable preserves according to a natural and traditional method, which represents a typicality of this territory.” On the other hand, there was recognition that the survival of the firm offers a lifetime to future generations, thus, preventing the further depopulation experienced in many Italian municipalities (Reynaud & Miccoli, 2018); IT105, for instance, posited: “An opportunity for a village that is dying, and a chance for young people to work in their own birthplace.”

Under the ‘immediate stakeholder context’ dimension, numerous comments emphasised a more ‘tangible’ form in which the community would be affected should the firm not overcome the unprecedented crisis. Moreover, the comments suggest the extreme efforts that owners/managers are prepared to undertake in order to prevent their community, in this case, employees and their families, from experiencing further losses, thus, contributing to the financial survival of members of staff, and upstream suppliers:

IT60: The activity of our company is the processing of milk collected from the stables in our area. If we were to go out of business, it would hugely damage our employees and the local industries.
IT15: It [the support of employees/suppliers] is quite important; a business similar to mine and with a greater amount of work, has already closed six months ago.
IT92: It would be difficult to survive another lockdown. We have jumped through hoops to keep our employees’ jobs.

These findings underscore several linkages with social capital’s cognitive dimension, where firms have a shared vision and mission, and more importantly, with the relational dimension, thus, stressing the value of relationships (Nahapiet & Ghoshal, 1998). Moreover, sharing resources, or, based on IT15’s and on IT92’s comments, exhibiting reciprocity (Putnam, 2001), is also illustrated. The descriptive and instrumental thesis are also reflected here (Donaldson & Preston, 1995), through cooperation and links between operationalising stakeholder management and achieving firm objectives.

Arguably, there is an expectation of reciprocity between firms and other stakeholders, which is an important manifestation of social capital (Putnam, 2001). In relation to the above cases, firms could conversely benefit from the local labour force in various ways, including physical proximity and potentially from their loyalty and effort, especially during crises. In fact, in considering the realms of stakeholder theory, Bosse, Phillips, and Harrison (2009) hypothesise that “perceptions of fairness result in reciprocity” (p. 447). In discussing firm–employee relations, Bosse et al. (2009) highlight the potential for employees’ reciprocity when these perceive fair treatment, or the fulfilment of three dimensions of justice (distributional, procedural, and interactional). Bosse et al. (2009) also explain that such treatment can encourage employees to contribute more positively towards the firm’s goals. Overall, the firm’s ethical behaviour illustrated in its goodwill (Spence et al., 2003), or fair practices (Bosse et al., 2009) strongly aligns with notions of social capital theory and stakeholder theory.

In addition, some participants’ comments suggest more wide-ranging implications stemming from the potential downfall of their firms; these observations are related to the broader community-society context. For example, extending from IT92’s views, IT5 also perceived that “… a further lockdown, would create difficulties that would be immensely challenging for the company to overcome… employees and suppliers would be directly affected.” In addition, IT5 considered the direct impacts on the wider consumer community: “customers would find themselves without a precise reference for their quality purchases.”

The following reflections underline these and other scenarios where the
firm’s survival exerts a wider influence:

IT49: Our products are different from those that customers can find in the supermarket; so, the first to lose would be our customers. Then, of course, there are also our suppliers and other entities (bars, restaurants) that rely on our products.

IT72: This firm is a very important partner of the agri-food supply chain of this territory, and many families directly depend on it, including a multiplier effect if we consider the related activities.

IT74: If we were to close [the firm], the first to suffer would be the wine producers of the surroundings who benefit from the visits and purchases of our customers. Many other links in the supply chain would be affected: laundry, food suppliers, wine producers, and five of our employees would lose their positions.

Finally, IT81’s thoughts are also related to discourses of both social capital and stakeholder theories. Moreover, while the participant identified the firm’s contribution to helping recuperate abandoned land, at the same time, the comments highlighted a sombre scenario that could ensue as a result of the firm’s inability to survive the extreme crisis:

In addition to jobs, our company has a direct impact on related industries. In fact, we have dozens of farmers in our area who work with us with supply chain contracts. Many of them, prior to our proposals, had vacant land. If our company does not survive, these lands could become uncultivated and become ‘fertile’ vacant land. If our company does not survive, these lands could become uncultivated and become ‘fertile’ again for organised crime.

IT81’s intent to cooperate, invest in the community, coupled with the desire to contribute through goodwill and continue the journey of enabling others to conduct business in a legal and transparent manner suggests strong ethical principles, and associations with social capital theory. Indeed, IT81’s comments have links with various demonstrations of social capital (Putnam, 1994, 1995; Spence et al., 2003), and with bonding dimension (Putnam, 2000). The comments also reverberate with the tenets of stakeholder theory, notably building trust, enhancing cooperation (Jones, 1995), emphasising the significance of networks and relationships with stakeholders, and overall, in creating value for them (Freeman & Dmytriiev, 2017).

Once again, Pearson’s Chi Square was used to ascertain potential inter-group differences against the first-order codes developed (Fig. 2); two statistically significant differences were identified. First, 54.2 percent of managers indicated the importance of their firms’ survival in terms of supporting local suppliers-small producers, compared to only 28.9 percent of owners (p = 0.029). Second, 66.7 percent of participants from non-family-owned firms perceived such importance through providing employment; in contrast, only 41 percent of family-owned firms’ participants shared such view (p = 0.018). Thus, and as with the analysis of Fig. 1, participants’ responses appear to be uniform for the most part.

4.3. The proposed framework

Fig. 3 encapsulates the dimensions that were revealed by adopting the inductive paradigm and principles of the Gioia methodology. At the outset, the unprecedented crisis presents extreme challenges, in this case, to micro and small firms; this group of firms is more vulnerable than are larger firms, given their scarcer resources (Caballero-Morales, 2021; Eggers, 2020). Given the significant contributions smaller firms make to their community (Madden et al., 2006; Miller et al., 2007), and as demonstrated in the findings (e.g., Fig. 1), the framework suggests that the crisis’s effects spill over into the community stakeholders, additionally affecting the broader community or society. The first central theme examined in the study relates to the extent to which changes might have occurred between the small businesses and their community stakeholders. The findings, which relate back to the two themes, suggest two dimensions that are useful for understanding one side of the business-community relations during an extreme scenario.

The first dimension, responsiveness, underscores a wide range of forms of strengthening business-community relationships, including a movement towards increased community investment. Therefore, the responsiveness dimension is characterised by various links with the tenets of social capital (networks, collaboration, and goodwill) and stakeholder theory (e.g., descriptive, managerial theses).

In contrast, the second dimension, unresponsiveness, was depicted by a weakening of relations and dialogue, or an invariable situation between businesses and their surrounding community, where no changes were perceived (status quo). The dotted line surrounding this dimension illustrates that this dimension is disconnected from the two considered theories. Nevertheless, the two dimensions provide valuable conceptual insights to explain how business-community relationships change during the course of an unprecedented event. This point is reinforced by the consistency of responses across various groups of participants, where, for instance, no statistically significant differences emerged between the identified themes and participants’ characteristics.

The second main theme, the significance of the firm’s survival for the community, encompasses three different dimensions. Here again, these dimensions present an opportunity to enhance the understanding of businesses and community relations at times of a severe crisis. More significantly, the dimensions clearly illustrate specific forms of businesses’ involvement, safeguarding different stakeholders, their region, and, overall, the broader society. Numerous comments support the view that businesses’ attitude is strongly associated with ideologies and discourses of social capital theory, notably, through socioeconomic contributions that are equally important to safeguard the future sustainability of the place, region, or community. The immediate stakeholder context dimension, which illustrates businesses’ more tangible contributions, and the broader community-society dimension, further support the above view. Together, the characteristics identified in the three dimensions have strong links to the adopted conceptual underpinnings.

Consequently, the study argues that key elements and principles of social capital and stakeholder theory are useful to understand the extremely challenging journey of micro and small firms, their survival, and the extent to which their relationships with their community may change. These principles go hand-in-hand with the different revealed dimensions. Moreover, the degree of strength of businesses’ relations with their communities could be a vehicle for both groups to enhance their adaptive capabilities and resilience and be better equipped to confront the crisis. In contrast, those aspects that owners/managers perceive would affect their community and/or society should their firm perish, imply the need for reciprocation, collaboration, goodwill, and overall enhancing relationships that, together, would also help firms continue their journey. Following this line of thought, the final portion of the framework suggests important implications for different stakeholders. For instance, business-community engagement could contribute to a stronger community fabric, which could enhance coping efforts to respond to an unprecedented crisis.

The framework’s central themes and its conceptual content align with recent discourses that, for instance, suggest that COVID-19 may have redefined the key purpose of a firm, as well as its role in society (Crane & Matten, 2020). For instance, due to the gravity of this unprecedented crisis, there is an argument that collaboration between businesses, civil society, or governments could be enhanced (Brammer et al., 2020). Furthermore, there is “an unexpected appetite for responding to the crisis in a relatively selfless and community spirited way” (Brammer et al., 2020, p. 501).

5. Conclusion

This study set out to accomplish various objectives, each contributing to both theory and practice concerning firm-community relations. First, by gathering the views of owners/managers of small businesses, the study not only examined a timely and challenging issue, but also
contributed to addressing a knowledge gap. Indeed, according to Wu (2020), studies have usually considered the links between social capital and COVID-19 crisis primarily from the perspective of place, including at the state and country levels, thereby largely ignoring the individual level. Second, by adopting an inductive paradigm, complemented with the consideration of the Gioia methodology, various theoretical dimensions were developed. These dimensions and associated concepts are consolidated in the proposed theoretical framework (Fig. 2).

The findings clearly demonstrate a split in perceptions concerning how business-community relationships have changed as a result of the crisis. For instance, the ‘responsiveness’ dimension emerged, with responses highlighting the strengthening of the community fabric and more collaboration. This dimension and related first-order codes have strong associations with both social capital and stakeholder theory. In contrast, another group’s views revealed the ‘unresponsiveness’ dimension, where a weakening of relations or unchanged relations were recognised.

Three dimensions were also identified concerning how participants perceived the aftermath or impacts on their community should their firms fail to survive as a result of the COVID-19 crisis. The first-order codes and related themes illustrate robust links with underpinnings of social capital, notably, through owners/managers’ perceived investment of their firms in the community, together with goodwill elements, such as supporting employment and supply-chain stakeholders. Overall, while two statistically significant differences were noted concerning the perceived importance of firms’ survival for their community, the findings are uniform across the different industry and participant groups. This uniformity highlights an additional contribution of the research. Moreover, the different dimensions identified could be confirmed/disconfirmed, or even complemented when exploring similar or other industries beyond the scope of this research.

5.1. Theoretical implications

The concepts developed in the study’s analysis underscore various practical and theoretical implications. Regarding the latter, first, the two dimensions revealed in Fig. 1 provide useful insights regarding the potential changes or outcomes from a severe crisis concerning businesses and community stakeholders. Clearly, different communities may exhibit a variety of levels of social capital that either enable or hinder resilience (Williams et al., 2017). Similarly, and as the study’s findings highlight, the development, change, or evolution of relationships in times of crisis could take different directions or maintain a status quo. Moreover, while stronger networks and increased collaboration appear to be more predominant, not only adhering to the realms of social capital and stakeholder theory, but also underlining ethical principles, it is important to also consider the potential for subduedness, and weakening business-community ties, or counter social capital outcomes. Reflecting upon business-community relationship through the ‘responsiveness’ and ‘unresponsiveness’ dimensions enables conceptual and practical understanding of the nature of those relations during an unprecedented event.

Second, Fig. 2’s dimensions equally provide insightful conceptual notions to reflect upon business owners/managers’ ethical behaviour when they shared their views on the importance of their firms’ survival for their community during the unprecedented COVID-19 event. This behaviour is illustrated through goodwill in investing in the community, and various contributions at the community and even societal level. Moreover, faced with the extreme complexities of an extreme situation, their perceptions of potential failure clearly demonstrate concern for their immediate community and associated stakeholders. The conceptual underpinnings of the three dimensions provide depth in understanding the concern, involvement, and overall contribution of businesses towards their immediate and wider community and society, again, with strong links to both the social capital and stakeholder philosophies.

Third, the consolidated framework (Fig. 3) provides a holistic conceptual path, which emphasises the significance of relations and the perceived relevance of firms’ survival, and how these can guide business owners/managers, as well as their immediate and broader community stakeholders, during an extreme event. While arguably other conceptual elements, such as frameworks that suggest ways to build resilience in the short and long-term could be similarly valuable, Fig. 3 provides a timely starting point to generate an in-depth understanding of two fundamental areas for firms and their surrounding environment.

5.2. Practical implications

The different dimensions showcased in Figs. 1-3 underscore a number of practical implications. First, the significance of increasing dialogue, strengthening business-community networks, collaboration, and bonding (Putnam, 2000) was reinforced in this research. In addition, the importance of firms as community supporters denotes their crucial role in stakeholder management, including through hands-on actions and practices that promote community cohesiveness and a strengthening of the community fabric. Associated with these points, Fig. 2, and previous research (e.g., Campbell & Park, 2017; Eggers, 2020) demonstrate the capacity of small businesses to make invaluable contributions to their communities and beyond. Thus, one implication that emerges relates to the relevance for community stakeholders, including residents/consumers and suppliers, to increase their support towards local businesses. In turn, by maintaining standards and giving back to the community in times of hardship, businesses can also demonstrate their support.

Second, due to the gravity of the COVID-19 crisis, some individuals, or community groups, might exhibit unresponsiveness, inaction, or be unable to engage and contribute. Therefore, it is important for firms and community stakeholders to develop strong networks, where responsiveness among these two groups is demonstrated through the elements that emerged under the umbrella of the responsiveness dimension (Figs. 1, 3). The establishment and enrichment of such networks could guarantee a rich supply of social capital and stakeholder management approaches. In turn, this reservoir of social capital could be readily available when it matters the most and is geared towards supporting those most vulnerable individuals or groups within a community. In the end, both the community and the individual/group win, the former in keeping and enhancing the lifestyle of residents, while the latter in learning and strengthening their coping capabilities.

Third, the crisis has demonstrated the vulnerability of small businesses (Donthu & Gustafsson, 2020; Verma & Gustafsson, 2020). Indeed, as some participants observations suggest (e.g., ITS, IT81, IT72, IT92), the crisis tested the strength of many businesses to the very limit. In these extreme circumstances, and without vital outside (institutional) to support them, their long-term commitment and role as community stakeholders, will be under serious threat. Thus, the severity of the unprecedented event calls for local, regional, or central government support, as businesses and community stakeholders hold the key to keeping communities and societies alive.

Therefore, a third implication concerns the role of decision makers, who could work towards the development and rapid operationalisation of policies. More precisely, alleviating measures could be proposed and actioned to enable businesses to have vital breathing space and continue their operations under unprecedented circumstances. Apart from the extension of loan terms, tax relief, or subsidies, policies could also encourage a stronger focus on catering for the needs of local consumers, and voluntary reciprocation, where local consumers increase or maintain their patronage of local product/service consumption.

5.3. Limitations and future research

Unavoidably, all research work presents limitations (Ioannidis, 2007), and the present study’s overall findings are no exception. For example, a review by Bartholomew and Smith (2006) highlights the
challenges of eliciting a sufficiently large number of responses from small businesses, whose response rates are notoriously low. This inference also applies to the present study, where the participation of only a fraction of the targeted firms clearly illustrates the significant challenges of persuading this group of firms to engage in research. Second, the study also collected a limited number of responses from four key industries. Third, this limitation also led to a low number of responses based on firms’ location.

While daunting, particularly in the COVID-19 climate, where millions of firms worldwide struggled to survive, future research could seek to increase the recruitment of the small firm population in larger numbers, featuring a more diverse industry and geographic representation. In doing so, and apart from the empirical and conceptual benefits, potentially, the representativeness and generalisability of the results could be enhanced.

Fourth, this research was conducted only among Italian firms, and in specific industries. To provide a broader perspective, future studies could seek to gather responses from various nations. Fifth, most participating firms were family-owned. Future research could consider recruiting a more balanced sample of firms (family versus non-family), which could potentially determine whether or not these two groups differ markedly regarding their attitudes and engagement in social capital and stakeholder-related practices during an extremely challenging event. Sixth, the research focuses on one group of primary stakeholders (Di Maddaloni & Davis, 2017); future examinations could integrate the perceptions from other stakeholder groups, including customers, suppliers, government officials, or competitors.

Finally, the adoption of the conceptual insights developed in this study, notably, Fig. 3, could be considered in future investigations associated with business-community relationships. Similarly, studies could extend this proposed framework by incorporating other underpinnings that could enhance the understanding of micro-small firm engagement and relations with their communities in times of severe crises.

CRediT authorship contribution statement

Alessandro Bressan: Writing – review & editing, Methodology, Investigation. Abel Duarte Alonso: Writing – review & editing, Writing – original draft, Methodology, Investigation, Conceptualization. Oanh Thi Kim Vu: Writing – review & editing.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Data availability

Data will be made available on request.

References

Adler, P. S., & Kwon, S.-W. (2002). Social capital: Prospects for a new concept. Academy of Management Review, 27(1), 17–40.
Aragon, C., Narvaiza, L., & Altuna, M. (2016). Why and how does social responsibility differ among SMEs? A social capital systemic approach. Journal of Business Ethics, 138(2), 365–384.
Babbie, E. (2016). The practice of social research (14th ed.). Boston, MA: Cengage Learning.
Bartik, A. W., Bertrand, M., Cullen, Z., Glaser, E. L., Luca, M., & Stanton, C. (2020). The impact of COVID-19 on small business outcomes and expectations. Proceedings of the National Academy of Sciences, 117(30), 17656–17666.
Bartholomew, S., & Smith, A. D. (2006). Improving survey response rates from chief executive officers in small firms: The importance of social networks. Entrepreneurship Theory and Practice, 30(1), 83–96.
Bodhanowicz, P., & Zientara, P. (2009). Hotel companies’ contribution to improving the quality of life of local communities and the well-being of their employees. Tourism and Hospitality Research, 9(2), 147–158.
Bosse, D. A., Phillips, R. A., & Harrison, J. S. (2009). Stakeholders, reciprocity, and firm performance. Strategic Management Journal, 30(4), 447–456.
Brammer, S., Brannick, L., & Linnemann, K. (2020). COVID-19, Societalization and the role of business in society. Academy of Management Perspectives, 34(4), 493–507.
Brown, R., & Rocha, A. (2020). Entrepreneurial uncertainty during the Covid-19 crisis: Mapping the temporal dynamics of entrepreneurial finance. Journal of Business Venturing Insights, 14, e00174.
Caballero-Morales, S. O. (2021). Innovation as recovery strategy for SMEs in emerging economies during the COVID-19 pandemic. Research in International Business and Finance, 57, Article 101396.
Campana, J. M., & Park, J. (2017). Extending the resource-based view: Effects of strategic orientation toward community on small business performance. Journal of Retailing and Consumer Services, 34, 302–308.
Chirico, F., Sacco, A., Nucera, G., & Magnavita, N. (2021). Coronavirus disease 2019: The second wave in Italy. Journal of Health Management, 23(4), 359–363.
Cicourel, A. V. (1973). Cognitive sociology: Language and meaning in social interaction. New York: Free Press.
Gravagnuolo, L., & Michailova, S. (2022). Why the world economy needs, but will not get, more globalization in the post-COVID-19 decade. Journal of International Business Studies, 53(1), 172–186.
Coldireti (2018). Vinitaly 2018: Wine revenues break the 10.6 billion mark, a record. Vinitaly 2018: Il fatturato del vino sale a 10,6 mld, è record. Retrieved 24 October, 2022, from https://www.coldiretti.it/economia/vinitaly-2018-fatturato-del-vino, record-a-106-miliardi.
Cowling, M., Brown, R., & Rocha, A. (2020). Do you save some cash for a rainy COVID-19 day? The crisis and SMEs. International Small Business Journal, 38(7), 593–604.
Cozzi, G., Franchi, C., Giangreco, M., Rabach, I., Calligaris, L., Giorgi, R., & Poropat, F. (2020). The impact of the COVID-19 lockdown in Italy on a paediatric emergency setting. Acta Paediatrica, 109(10), 2157–2159.
Crane, A., & Maiten, D. (2020). COVID-19 and the future of CSR research. Journal of Management Studies, 58(1), 280–293.
Dias, A., Rodrigues, L. L., & Craig, R. (2016). Global financial crisis and corporate social responsibility disclosure. Social Responsibility Journal, 12(4), 654–671.
Di Maddaloni, F., & Davis, K. (2017). The influence of local community stakeholders in megaprojects: Rethinking their inclusiveness to improve project performance. International Journal of Project Management, 35(8), 1537–1556.
Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. Academy of Management Review, 20(1), 65–91.
Donthu, N., & Gustafson, A. (2020). Effects of COVID-19 on business and research. Journal of Business Research, 117, 284–289.
Douglas, S. P., & Craig, C. S. (2007). Collaborative and iterative translation: An alternative approach to back translation. Journal of International Marketing, 15(1), 30–42.
Dunham, L., Freeman, R. E., & Liedtka, J. (2006). Enhancing stakeholder practice: A particularized exploration of community. Business Ethics Quarterly, 16(1), 23–42.
Egger, F. (2020). Masters of disasters? Challenges and opportunities for SMEs in times of crisis. Journal of Business Research, 116, 199–208.
Elo, S., & Kingsa, H. (2007). The qualitative content analysis process. Journal of Advanced Nursing, 62(10), 107–115.
European Commission, (2000). What is an SME? Retrieved 23 October, 2022, from https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en.
Fipe/Federalberghi (2020). Osservatorio mercato del lavoro XII rapporto. Retrieved 25 October, 2022, from https://www.fipe.it/centro-studi/2019.html.
Freeman, R. E. (1994). The politics of stakeholder theory: Some future directions. Business Ethics Quarterly, 4(4), 409–421.
Freeman, R. E. (2004). The stakeholder approach revisited. Zeitschrift für Wirtschafts- und Unternehmensethik, 5(3), 228–254.
Freeman, R. E., & Dmytriyev, S. (2017). Corporate social responsibility and stakeholder theory: Learning from each other. Symphonia. Emerging Issues in Management, 2, 7–15.
Freeman, R. E., Wicks, A. C., & Parmar, B. (2004). Stakeholder theory and ‘the corporate objective revisited’. Organization Science, 15(3), 364–369.
Gabler, C. B., Richey, R. G., Jr, & Stewart, G. T. (2017). Disaster resilience through public–private short-term collaboration. Journal of Business Logistics, 38(2), 130–144.
Gioia, D. A., Corley, K. G., & Hamilton, A. L. (2012). Seeking qualitative rigor in inductive research: Notes on the Gioia methodology. Organizational Research Methods, 15(1), 15–31.
Groneim, U. H., Lindgren, B.-M., & Lundman, B. (2017). Methodological challenges in qualitative content analysis: A discussion. Nurse Education Today, 56, 29–34.
Hsieh, H. F., & Shannon, S. E. (2005). Three approaches to qualitative content analysis. Qualitative Health Research, 15(9), 1277–1288.
Iglit, H., Ross, L., & Voller, B. G. (2020). Economic crisis and social capital in European societies: The role of politics in understanding short-term changes in social capital. European Societies, 22(3), 195–231.
Ioannidis, J. P. (2007). Limitations are not properly acknowledged in the scientific literature. Journal of Clinical Epidemiology, 60(4), 324–329.
ISMEA (2019). Rapporto sulla competitività dell’agroalimentare italiano. Roma. (July 2018). Retrieved 23 October 2022 from http://www.ismea.it/files/cm/pages/ ServeLIDB.php/1/IT/IDPagina/110831.
Jones, T. M. (1996). Instrumental stakeholder theory: A synthesis of ethics and economics. Academy of Management Review, 21(2), 404–437.

Kanugo, R. N. (2001). Ethical values of transactional and transformational leaders. Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l’Administration, 18(4), 257–265.

Kuckerz, A., Brandle, L., Gaudig, A., Hinderer, S., Reyes, C. A. M., Prochotta, A., ... Berger, E. S. (2020). Startups in times of crisis—A rapid response to the COVID-19 pandemic. Journal of Business Venturing Insights, 13, e00169.

Lahdesmaki, M., & Sauutari, T. (2012). Keeping at arm’s length or searching for social proximity? Corporate social responsibility as a reciprocal process between small businesses and the local community. Journal of Business Ethics, 108(4), 481–493.

Liguori, E. W., & Pittz, T. G. (2020). Strategies for small business: Surviving and thriving in the era of COVID-19. Journal of the International Council for Small Business, 11(2), 106–110.

Lindstrom, M., & Giordano, G. N. (2016). The 2008 financial crisis: Changes in social capital and its association with psychological wellbeing in the United Kingdom—A panel study. Social Science and Medicine, 153, 71–80.

Lins, K. V., Servaes, H., & Tamayo, A. (2017). Social capital, trust, and firm performance: The value of corporate social responsibility during the financial crisis. The Journal of Finance, 72(4), 1785–1824.

Madden, K., Scalfi, W., & Grissam, K. (2006). How and why small to medium size enterprises (SMEs) engage with their communities: An Australian study. International Journal of Nonprofit and Voluntary Sector Marketing, 11(1), 49–60.

Magrizes, S., Apospori, E., Carrigan, M., & Jones, R. (2021). Is CSR the panacea for SMEs? A study of socially responsible SMEs during economic crisis. European Management Journal, 39(2), 291–303.

Manuel, T., & Herron, T. L. (2020). An ethical perspective of business CSR and the COVID-19 pandemic. Society and Business Review, 15(3), 235–253.

Manzaneque-Lizano, M., Alfaro-Cortés, E., & Priego de la Cruz, A. M. (2019). Stakeholders and long-term sustainability of SMEs. Who really matters in crisis contexts, and when. Sustainability, 11(23), 6551.

McCabe, S. T., Lindo, R. S., & Burke, M. I. (2017). Inductive reasoning: The promise of big data. Human Resource Management Review, 27, 277–280.

McKnight, B., & Linnenluecke, M. K. (2016). How firm responses to natural disasters strengthen community resilience: A stakeholder-based perspective. Organization and Environment, 29(3), 290–307.

Miller, N. J., Besser, T., & Maldhe, A. (2007). Strategic networking among small businesses in small US communities. International Small Business Journal, 25(6), 631–665.

Modi, C., Bohn, V., Ferraro, S., Stein, G., & Seljak, U. (2021). Estimating COVID-19 mortality in early in the COVID-19 pandemic. Nature Communications, 12(1), 2729–2738.

Murphy, B. L. (2007). Locating social capital in resilient community-level emergency management. Natural Hazards, 41(2), 297–315.

Nabapiet, J., & Gboshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. Academy of Management Review, 23(2), 242–266.

Nijte, D., Hancer, M., & Sleijtch, L. (2011). Exploring corporate social responsibility: A managers’ perspective on how and why small independent hotels engage with their communities. Journal of Quality Assurance in Hospitality and Tourism, 12(3), 177–201.

Panwar, R., Nybakk, E., Hansen, E., & Pinkse, J. (2017). Does the business case matter? The effect of a perceived business case on small firms’ social engagement. Journal of Business Ethics, 144(3), 597–608.

Panwar, R., Nybakk, E., Pinkse, J., & Hansen, E. (2015). Being good when not doing well: Examining the effect of the economic downturn on small manufacturing firms’ ongoing sustainability-oriented initiatives. Organization & Environment, 28(2), 204–222.

PateI, P. C., & Rietveld, C. A. (2020). The impact of financial insecurity on the self-employed’s short-term psychological distress: Evidence from the COVID-19 pandemic. Journal of Business Venturing Insights, 14, e00206.

Putnam, M. Q. (2002). Two decades of developments in qualitative inquiry: A personal, experiential perspective. Qualitative Social Work, 1(3), 261–283.

Prasad, S., Taka, J., & Guo, X. (2012). Sustaining small businesses in the United States in times of recession. Journal of Advances in Management Research, 9(1), 8–28.

Putnam, R. D. (1994). Social capital and public affairs. Bulletin of the American Academy of Arts and Sciences, 47(8), 5–19.

Putnam, R. D. (1995). Bowling alone: America’s declining social capital. Journal of Democracy, 6(1), 65–78.

Putnam, R. D. (2000). Bowling alone: The collapse and revival of American community. New York: Simon and Schuster.

Putnam, R. D. (2001). Social capital: Measurement and consequences. Canadian Journal of Policy Research, 2(1), 41–51.

Reynaud, C., & Miccolis, S. (2019). Depopulation and the aging population: The relationship in Italian municipalities. Sustainability, 10(4), 1004.

Russo, A., & Perrini, F. (2010). Investigating stakeholder theory and social capital: CSR in large firms and SMEs. Journal of Business Ethics, 91(2), 207–221.

Russo, A., & Tencati, A. (2009). Formal vs. informal CSR strategies: Evidence from Italian micro, small, medium-sized, and large firms. Journal of Business Ethics, 85(2), 339–353.

Saha, A. A., Teo, M., Goonetilleke, A., & Ziyath, A. M. (2018). An inclusive and adaptive framework for measuring social resilience to disasters. International Journal of Disaster Risk Reduction, 28, 862–873.

Sander, T. H., & Putnam, R. D. (2010). Democracy’s past and future: Still bowling alone? The post-9/11 Split. Journal of Democracy, 21(1), 9–16.

Savaizha, I. H. S. (2014). Collaboration in crisis and emergency management: Identifying the gaps in the case of storm ‘Alexa’. Journal of Business Continuity and Emergency Planning, 7(4), 312–323.

Sen, S., & Cowley, J. (2013). The relevance of stakeholder theory and social capital theory in the context of CSR in SMEs: An Australian perspective. Journal of Business Ethics, 118(2), 413–427.

Spence, I. J., Schmidpeter, R., & Habisch, A. (2003). Assessing social capital: Small and medium sized enterprises in Germany and the UK. Journal of Business Ethics, 47(1), 17–29.

Treviso, L. K., & Brown, M. E. (2004). Managing to be ethical: Debunking five business ethics myths. Academy of Management Perspectives, 18(2), 69–81.

Verna, S., & Gustafsson, A. (2020). Investigating the emerging COVID-19 research trends in the field of business and management: A bibliometric analysis approach. Journal of Business Research, 118, 253–261.

Williams, T. A., Gruber, D. A., Sutcliffe, K. M., Shepherd, D. A., & Zhao, E. Y. (2017). Organizational response to adversity: Fusing crisis management and resilience research streams. Academy of Management Annals, 11(2), 753–769.

Wu, C. (2020). Social capital and COVID-19: A multidimensional and multilevel approach. Chinese Sociological Review, 53(1), 27–54.

Alessandro Bressan. Research interests include entrepreneurship, innovation, business and community.

Abel Duarte Alonso. Research interests include micro, small and medium enterprises, family enterprises, innovation, wine entrepreneurship, tourism, hospitality, and community development.

Oanh Thi Kim Vu. Research interests include tourism, hospitality, community-based tourism, culture, and local entrepreneurship.