



"ANTIFRAGILITY" OF RUSSIAN ENTREPRENEURS: FROM THE PANDEMIC CRISIS TO TURBOREALITY

Kot Julia
Mudretsova Elizaveta
Petrenko Elena
Smirnitsky Grigory

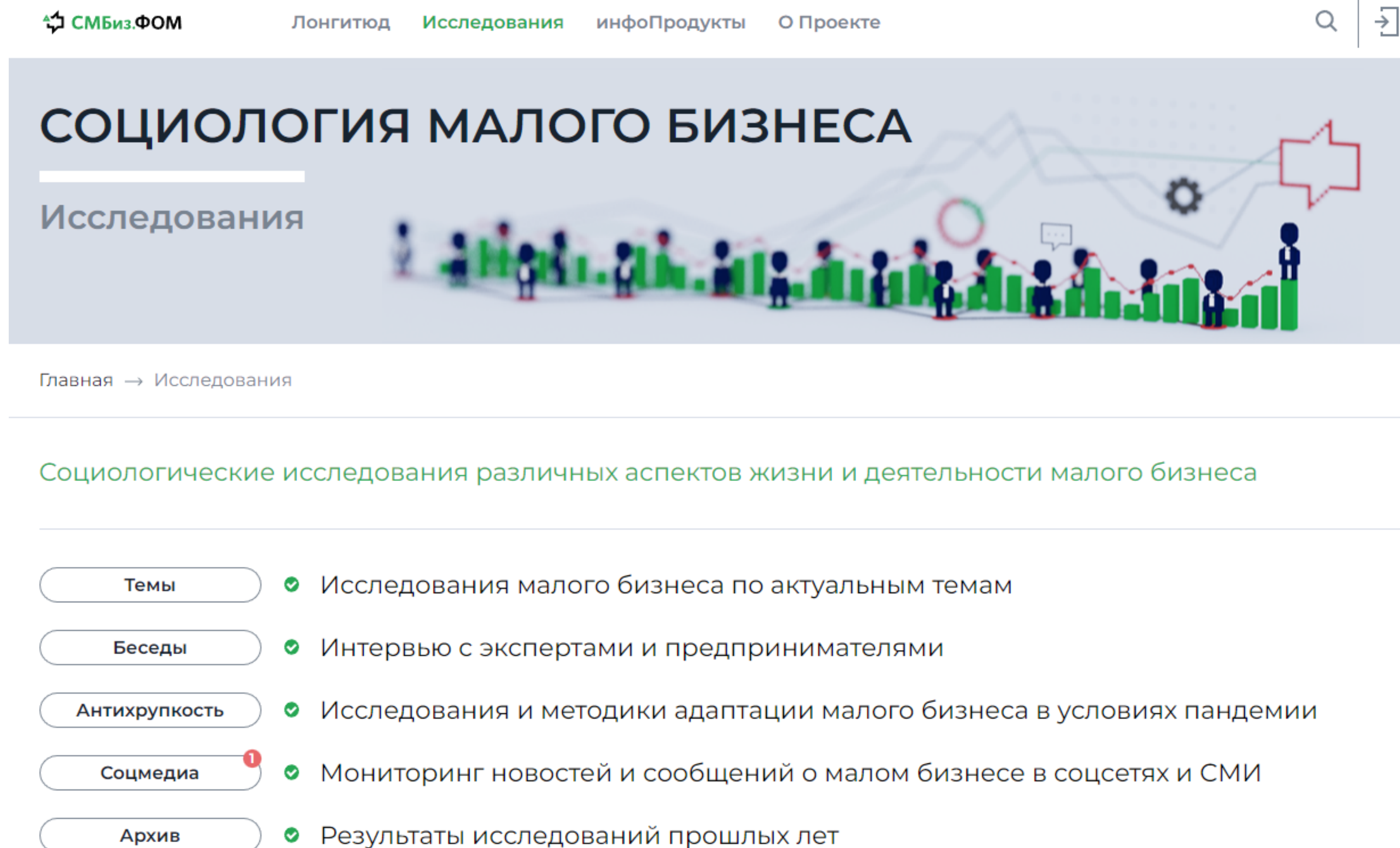
kot@fom.ru
mudretsova@fom.ru
petrenko@fom.ru
smirnitskiy@fom.ru



SMBiz project

A project in which FOM, together with Regional Partners, studies the problems of small Russian businesses

- Research on the data of the Small Business Panel (SMB)
 - Conversations with entrepreneurs
 - Social media monitoring
- and much more: <https://smbiz.fom.ru>



СМБиз.ФОМ Лонгитюд **Исследования** инфоПродукты О Проекте

СОЦИОЛОГИЯ МАЛОГО БИЗНЕСА

Исследования

Главная → Исследования

Социологические исследования различных аспектов жизни и деятельности малого бизнеса

- Темы ✓ Исследования малого бизнеса по актуальным темам
- Беседы ✓ Интервью с экспертами и предпринимателями
- Антихрупкость ✓ Исследования и методики адаптации малого бизнеса в условиях пандемии
- Соцмедиа ✓ Мониторинг новостей и сообщений о малом бизнесе в соцсетях и СМИ
- Архив ✓ Результаты исследований прошлых лет



Relevance of the topic

Adaptation of companies to the pandemic reality



Adaptation of companies to Western sanctions and new economic difficulties (TurboReality)

- **73% of small business representatives noted the negative impact of sanctions on their work** (according to the fourth wave of the FOM Small Business Longitude, which was held from April 15 to May 19, 2022)
- **The drop of the NAFL business climate index** from an estimate of +18 in February to an estimate of -19.8 points in March 2022 (the index is measured in the range from -100 to +100)

Source: NAFL Business Climate Index: Dynamics for 3 months. NAFL, 2022 [<https://nafi.ru/analytics/index-delovogo-klimata-nafi-dinamika-za-3-mesyatsa/>]



Antifragility is the ability of an organism or structure to benefit from failures, to improve under the influence of stress. It is characteristic of those who are able to change along with the surrounding reality in conditions of uncertainty

Nassim Taleb

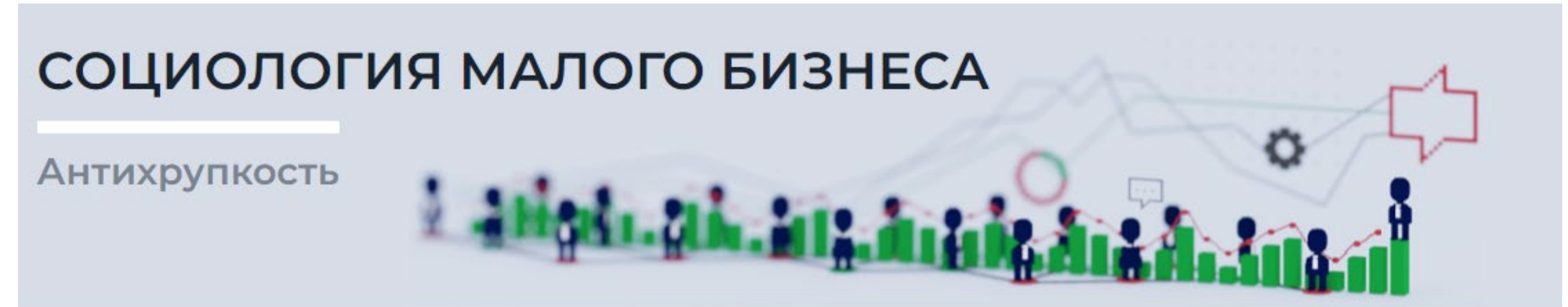
«Antifragility» topic

Книга «На пути к антихрупкости: как компании переживают коронаВирус»

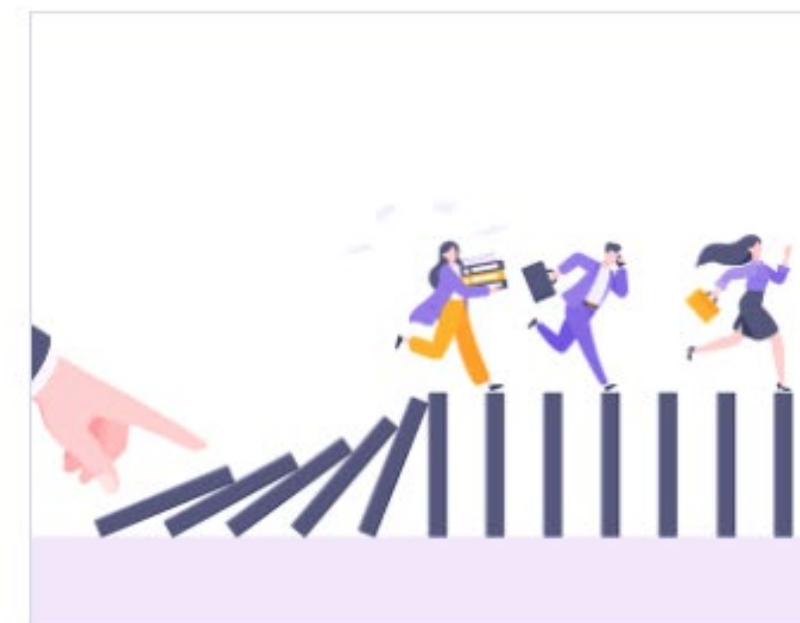
О том, как бизнесам научиться извлекать пользу из кризисных ситуаций



The release of the book "On the way to antifragility: how companies survive coronaVirus" in 2022



Главная → Исследования → Антихрупкость



Трудности первых месяцев турбоРеальности

19 июля

Исследовательский комментарий о том, с какими проблемами столкнулись компании после начала специальной военной операции на Украине



Как управлять бизнесом в условиях турбулентности

08 июля

Советы от руководителей компаний



«Руководитель должен оставаться для сотрудников образцом спокойствия и уверенности»

24 июня

Исследовательский комментарий о том, как трансформируется корпоративная культура и роль лидера в условиях

Analytical texts on the SMBiz project website



VUCA and BANI world



- V** Volatility
- U** Uncertainty
- C** Complexity
- A** Ambiguity

- B** Brittle
- A** Anxious
- N** Nonlinear
- I** Incomprehensible



Research information base

From March 2020 to November 2022, FOM conducted and analyzed 90 in-depth interviews with company executives

Selection of informants:

- Representatives of different spheres of small and medium-sized businesses
- The existence of employees
- The "snowball" method

Focus of attention:

- "Antifragile" companies that have overcome the pandemic crisis and benefited from it
- The impact of the current economic situation on business and changes in business processes
- The role of corporate culture in the new conditions
- Interaction with community representatives
- The role of state support
- Pandemic experience in adapting to new challenges



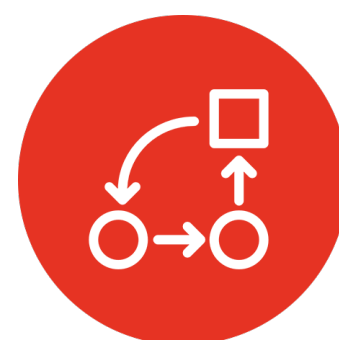
Antifragility Properties



Innovativeness: new areas of activity and niches



Optimistic attitude to changes



The ability to get rid of the fragile parts of the business



The "turquoise organizations" approach

Source: Lalu F. Discovering organizations of the future / Translated from English by V. Kulyabina. M.: Mann, Ivanov and Ferber, 2016. – 432 p.



Resource saving



Continuous improvement of products and services



Ability to cooperate, build collaborations



Innovativeness: new areas of activity and niches

A painful problem for entrepreneurs according to FOM surveys* was:

1. a decrease in the total number of orders (46%)
2. a general increase in prices (41%)
3. supply problems (39%)

- The heads of some companies face difficulties when launching new products and areas of activity, refuse to expand due to financial difficulties
- Focus on optimizing internal processes, establishing supply chains
- Representatives of companies learn new skills (for example, in the field of logistics)

"The prospect of expansion has been postponed indefinitely, because I do not know how the cost of renting additional premises will change. The landlord doesn't even ask me if I have plans for this room anymore – it's so clear"

Representative of the fitness studio, Moscow



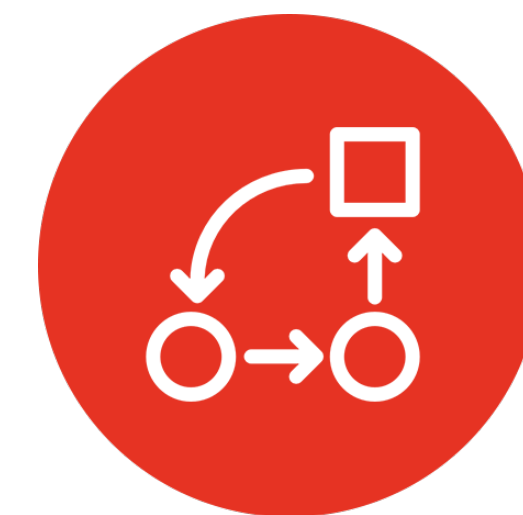
Optimistic attitude to changes

It is relevant both in the pandemic crisis and now in the period of TurboReality

- No fear of mistakes
- Willingness to change
- Both help to avoid frustration from failures and focus on step-by-step problem solving

"I always have a positive point of view, I can't do it any other way. Many colleagues from our business, of course, do not share this position. But it seems to me that if you don't have a positive attitude, you won't succeed and you're just out of place."

Representative of a management company in the field of hospitality, Moscow



The ability to get rid of the fragile parts of the business

The pandemic has helped to identify the most fragile parts of the business

- Many entrepreneurs abandoned the low-profit and least promising parts of the business during the coronacrisis
- Now the trend has continued: company executives note that they are trying to reduce or completely abandon the least relevant areas of business

"The wind of change, usually, worsens the situation in the field of additional education. Therefore, we did not rely on it, especially in recent years. And we did the right thing: now we have reduced the direction of additional education to minimum"

Vice-Rector of a private university, Moscow



The "turquoise organizations" approach

1. Self-management in the company
 2. Support of common values in the team
 3. Delegation of responsibilities
- Some entrepreneurs hire new employees if necessary even in times of crisis
 - Executives try to support employees: they report on the company's problems and ways to solve them, conduct general meetings

"I hired a partner to the team who complements me. He took over the operational part of the work, and I am responsible for the strategic direction. When you work in pairs, it gets better and easier"

Representative of a management company in the field of hospitality, Moscow



Resource saving

The desire to preserve the company's resources: staff, financial safety or different areas of activity

- Company executives buy consumables for the future in case of supply disruptions
- Some entrepreneurs are abandoning the strategy of accumulating a "financial cushion"
- Executives note the role of preserving human resources, not financial stability

"We are trying to save on what we can. We do not save only on wages. This, of course, is sacred. The human resource is the main thing that we have and what education is based on. Because the best teachers cost a lot of money"

Vice-Rector of a private university, Moscow



Continuous improvement of products and services

The bet is not only on the release of new products, but also on the improvement of old ones

- It is necessary to constantly monitor market trends
- Regular adjustment of products allows you to keep up-to-date, adapt to customer requests

"When you are constantly developing and adding new areas of activity, it is normal if the previous areas become irrelevant due to changing trends."

Representative of the
fitness studio, Moscow



Ability to cooperate, build collaborations

Divergence in the views of company executives

- Some see cooperation as a way to solve problems: collaborations can attract new customers, and professional communities can help find new suppliers or understand the intricacies of legislation.
- Others do not see the point in cooperating with other industry representatives, try to keep their distance and support competition

"Collaborations with other companies are absolutely necessary. And now they are needed even more. During the pandemic, we understood that collaborations were needed, but now it is very difficult for everyone and we need to find mutual support."

Head of a management company in the field of hospitality, Moscow



Conclusion

- Antifragility is a factor of survival and development of companies in a crisis
- Entrepreneurs work in unstable conditions and constantly change business models, look for new suppliers, understand legislative acts and revise the budget
- Antifragility, which entrepreneurs have increased during the period of the coronacrisis, is also used in new conditions
- The properties of antifragility, including ability to cooperate, adaptability and readiness for difficulties become mechanisms that allow not only to survive, but also to benefit from crises



THANKS
FOR YOUR ATTENTION!

Elizaveta
Mudretsova



mudretsova@fom.ru
Moscow, Rochdelskaya 15, p. 16A,
123022 (phone) +7 (495) 620-62-32

