



Public administration in the face of the challenges of the COVID-19 pandemic. Experience of the Małopolska Centre for Entrepreneurship in the implementation of the Małopolska Anti-Crisis Shield

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Abstract. The primary goal of this article is to examine the challenges faced by public administration and enterprises as they grappled with the consequences of the COVID-19 pandemic. The main objective is the presentation of a new attitude to the project management in a self-government entity. These goals were achieved due to the presentation of the latest experience of the Malopolska Centre for Entrepreneurship during the implementation of the Malopolska Anti-Crisis Shield. The authors deployed in this article different techniques. The main method was a participant observation directed by the authors and a case study. The authors' attention was focused primarily on the implementation by this public institution of the so-called "Entrepreneurship Package". The "Entrepreneurship Package" was a component of the Malopolska Anti-Crisis Shield and was targeted specifically at entrepreneurs from the SME sector who suffered as a result of the introduction of the lockdown. For the purposes of this case study, previously unpublished data collected by the employees of the Malopolska Centre for Entrepreneurship were used. The main conclusion of this article is that public intervention was necessary to rescue a lot of small and medium enterprises during the pandemic time, but the public money should hit the target. In this context, it means that the biggest support should be directed at some enterprises who had serious economic problems, but despite that they want to provide for their workers.

Keywords: COVID-19, Entrepreneurship, Anti-Crisis Shield, Public administration, Malopolska.

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INTRODUCTION

The COVID-19 pandemic has been a global experience that has permanently changed the way we see economic reality. The spread of the Sars COV-2 virus has caused disturbances in the global economy on an unprecedented scale and has forced unprecedented actions by public administration, both at regional, national and local levels. The aim of the article is to present the experience of the Malopolska Centre for Entrepreneurship during the implementation of the Malopolska Anti-Crisis Shield. In this context, the authors' attention was focused primarily on the implementation by this public institution of the so-called "Entrepreneurship Package". The "Entrepreneurship Package" was a component of the Malopolska Anti-Crisis Shield and was targeted specifically at entrepreneurs from the SME sector who suffered as a result of the introduction of the lockdown. For the purposes of this case study, previously unpublished data collected by employees of the Malopolska Centre for Entrepreneurship were used.

The article posits that effective crisis management at the local level, through the application of purposefully designed support instruments like the Malopolska Anti-Crisis Shield – Entrepreneurship Package, can significantly mitigate the economic impacts of the pandemic on the SME sector. The article aims to examine how specific actions taken by the Malopolska Centre for Entrepreneurship (MCP) contributed to stabilizing the local economy and supporting entrepreneurship in the region.

The authors of the article hope that this article will contribute to the exchange of experiences not only between representatives of the world of science but also representatives of public administration who, in theory and practice, had to face the effects of the COVID-19 pandemic in their institutions.

METHODOLOGY

The methodology adopted in the article includes a case study analysis and participant observation conducted by the authors. This choice is justified by the need for a deep understanding of the functioning of the Malopolska Centre for Entrepreneurship and its impact on the local economy in crisis conditions. The case study analysis allows for a detailed examination of processes and decisions within the institution, while participant observation provides direct insight into the actions and reactions of the involved parties. These methods enable the collection of both quantitative and qualitative data, offering a comprehensive perspective on the issue.

The observation was carried out from March 2020 to September 2022 and covered the period of implementation of the Malopolska Anti-Crisis Shield at the Malopolska Center for Entrepreneurship. This extended timeline allowed for a comprehensive understanding of MCP's responses and adaptations to the unfolding crisis. Aligning the study period with the onset of the pandemic provided a unique opportunity to examine MCP's strategic adjustments and operational challenges in real time. This time frame was critical to capturing the immediate impacts of the pandemic and MCP's rapid response measures, offering valuable insight into public administration crisis management during an unprecedented global health emergency.

LITERATURE REVIEW

The socio-economic experiences of the COVID-19 pandemic have become extremely inspiring for the world of science, which studies the impact of crisis situations on the economy and regional development. In the initial phase of the Sars-COV-2 crisis, researchers focused primarily on its global impact, and only then on its national dimension. These pioneering analyzes by authors such as: James K. Jackson (2021) or Jasper Verschuur, Elco E. Koks and Jim W. Hall (2021) or Karina Jędrzejowska and Anna Wróbel (2021, pp. 173-198) made us aware of the

scale of the upcoming crisis and tried to outline its possible consequences. To illustrate this problem more vividly – in March 2020, the economic history of the world first slowed down sharply, then accelerated equally sharply and it is not known when it will finally slow down. Almost every study of the time addressed past pandemics in some way. It is true that there have been four pandemics in the last 130 years: in 1889, 1918, 1957 and 1968, which have had some impact on the economy. (Maital and Barzani, 2020, p. 4). Nevertheless, most of this research was more theoretical than practical, which made it difficult to apply here and now - another pandemic, another economy, another world.

As more data from individual economies appeared, studies on the local dimension of the pandemic – regional, national and sectoral – began to appear. The studies of Polish researchers (Czech et al., 2020; Staniszewski, 2020; Nazarczuk et al., 2022) and their foreign colleagues (Susilawati, 2021; De Lyon & Dhingra, 2021) made us realize that the pandemic, although global, also has a local and sectoral dimension. In the context of the deepening crisis, we have once again become convinced that only an effective public administration - national or supranational (like the EU) is able to prevent the impending economic disaster (Holzer & Newbold, 2020). Only it had the necessary tools - public aid, which allowed to protect national economies from the tragic effects of lockdowns.

The issue of public intervention in the economy raised a fundamental question - whether or not there was - European solidarity, so necessary in this difficult time. After all, the European Union is a collection of 27 independent states - more and less developed, more or less economically liberal. This issue has already been thoroughly analyzed by, among others: Monika Bauhr and Nicholas Charron (2022). Despite the communitarisation of the actions of the European Union countries, individual EU countries have adopted different methods of action to mitigate the effects of the pandemic crisis. The scientific literature is rich in numerous studies on this topic presenting various national case studies, such as: countries of Western Europe like Italy (Di Mascio et al., 2020), Germany, France and Sweden (Kuhlmann 2021) or countries of Central and Eastern Europe like Czechia, Slovakia, Estonia and Hungary (Nemec et al., 2021).

The pandemic crisis caused by the spread of the Sars-COV-2 virus has become a kind of game changer for public administration. The COVID-19 pandemic has shown that the public sector is faced not only with simple and complex problems, but also with turbulent problems, characterized by the surprising emergence of inconsistent, unpredictable and uncertain events. Turbulent issues require robust state aid management solutions that are flexible and pragmatic enough to maintain a specific purpose or function in the face of constant disruption (Ansell et al., 2021, p. 949-960).

When analyzing the scientific literature on the activities of public administration in the face of the COVID-19 pandemic, a clear lack of work on the experience of public administration at the local level was noted. Apart from the ground-breaking work edited by Carlos Nunes Silva (2021), there are few studies devoted to this issue. On the ground of Polish science, some very inspiring works concerning the financial instruments used by Polish municipalities in response to the first wave of COVID-19 (Kańduła & Przybylska, 2021, p. 665–686), aid activities of local government units against epidemic (Klimek, 2021) or an attempt to assess the financial condition of local government units in the face of the COVID-19 pandemic (Ociepa-Kicińska et al., 2022, p. 149-165). Analysis of the existing literature showed that so far little space has been devoted to anti-crisis measures taken by local government units, from the perspective of these units. This article is therefore an attempt to fill the identified research gap.

THE PLACE OF THE MAŁOPOLSKA CENTER FOR ENTREPRENEURSHIP IN THE STRUCTURE OF PUBLIC ADMINISTRATION IN MAŁOPOLSKA

Public administration in Poland operates on two levels: state and local government. Local government is divided into three levels: gminas (gmina), powiats (powiat) and regions (województwo). As of December 31, 2019, there were: 16 regions, 314 powiats and 2,477 communes (Kańduła & Przybylska, 2021). Communes and counties are local in character, regions are the highest level of local government. A commune is the basic unit of local

government. Poviats perform tasks that go beyond the competences of communes, while regions are responsible for tasks that go beyond the competences of communes and poviats. The levels of local government are independent of each other and have different sources of funding.

Public administration in the region is composed of central government bodies: voivode (representative of the Council of Ministers in the region), who is responsible for general administration and administrative bodies, and locally elected authorities. Since 1 January 1999 there has been a dual structure of public administration at regional level. It consists, on the one hand, of regional self-governments that have independent legal identities, their own budgets, and extensive powers in the area of economic policy. On the other hand, the state-appointed voivode is responsible for ensuring that national policies are implemented and enforced within the region and that state institutions operating in the region perform their functions appropriately. He thus ensures the unitary character of the Polish State (Skorupa-Wulczyńska, 2022, p. 226).

The regional self-government is represented by the Regional Council (Sejmik) which is a governing and controlling body as well as the Board, with the executive powers, headed by the Marshal (Board Chairman). The Regional Council is elected every four years in general, by direct elections in a secret ballot. The Sejmik of the Region appoints its Marshall. Upon the Marshall's motion, the Council elects the remaining members of the Regional Board. They may be elected from outside the Regional Council.

The regional authorities are charged with elaborating a regional development strategy in the region, focusing in particular on boosting economic activities and enhancing competitiveness and innovation in the regional economy. In the case of Małopolska, this goal is served by the Regional Development Strategy "Małopolska 2030" (Urząd Marszałkowski Województwa Małopolskiego, 2020). The authors of the new strategy point to the following challenges related to entrepreneurship: improving the ability of the education system to shape universal competences, including digital skills, as well as pro-innovation and entrepreneurial attitudes (Szmigiel, 2020, pp. 131-132). In addition to the above, the Strategy also pays attention to further support for the start-up sector and support for the development of entrepreneurship in rural areas.

"Regional Innovation Strategy for the Małopolska Region 2030" is a tool for the implementation of the Regional Development Strategy "Małopolska 2030" in the field of ECONOMY, where the specific objective was formulated as: Innovative and competitive economy. The Innovation Strategy integrates also, in connection with smart specialisations of the region, selected activities in the field of education, entrepreneurship, competitiveness, digitisation or closed economy that are included in the Regional Development Strategy "Małopolska 2030" (Urząd Marszałkowski Województwa Małopolskiego, 2021). The document indicates seven smart specializations on which support provided to enterprises should be focused. The smart specializations of the region include: life science – including: health and the quality of life and bioeconomy, sustainable energy, information and communication technologies (including multimedia), chemistry, electrical engineering and industry machinery, production of metals and metal products, as well as nonmetallic mineral products, and creative and leisure industries. As argued by Szmiga (2021), support for enterprises is to focus on these sectors, because they are perceived by the authorities as both a development opportunity and a strength of the region.

Implementation of such an ambitious vision of development set by the authorities of the Region would not be possible without the funds of the European Union. The Regional Operational Program for the Małopolska Region 2014-2020 is as much as EUR 2.92 billion from the European Funds (Urząd Marszałkowski Województwa Małopolskiego, 2015). It is also the second largest (after the Silesia region) regional program in Poland. Compared to the period 2007-2013, Małopolska received almost one billion euros more. The aim of this multi-fund operational program using funds from the ERDF and the ESF was to increase the competitiveness of the Małopolska Region and improve the living conditions of its inhabitants by implementing the principles of sustainable development. As was the case in the previous financial perspective (2007-2013), the authorities of the Region decided to transfer some of the measures implemented under the Regional Operational Program to self-government organization units.

Pursuant to the Act on Regional Self-Government (Ustawa o samorządzie województwa, 1998): in order to perform tasks (both own and commissioned), the region may establish self-government organizational units.

Małopolska Centre for Entrepreneurship (MCP) is a self-government organisational unit of the Małopolska Region established on 29th October 2007 in order to implement European funds, especially for micro, small and medium enterprises (SMEs) in Małopolska. MCP implements tasks commissioned by the regional government and the Management Board: from the Małopolska Regional Operational Programme for 2007-2013 in the scope of Priority axis II "Economy of regional opportunity", the aim of which was to increase the competitiveness of the micro, small and medium enterprises and the Regional Operational Programme for the Małopolska Region 2014-2020 in the field of entrepreneurship, social policy and education.

FUNCTIONING OF PUBLIC ADMINISTRATION DURING THE COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization announced that the global spread of the Sars-COV-2 virus, causing a huge number of cases and deaths, is a global pandemic. The state and regional authorities and the public administration subordinated to them were forced to function in "new, specific" conditions. Apart from the new challenges, the public administration was obliged to continue to carry out its own tasks (Słobodzian, 2022, p. 67). In this context, it became necessary to introduce new solutions aimed at adapting public offices to serve their clients in new sanitary conditions. New solutions were necessary because, firstly, the offices concentrate a large number of employees, and secondly, they are a place of high turnover of people (Kowalczyk & Stępień, 2022, p. 134).

As Smoczyński (2021, pp. 319-320) points out, the organization of the work of offices, including restrictions on their functioning, in the vast majority of public administration units was the result of internal regulations issued by managers on the basis of guidelines of higher-level bodies. This practice was common, as it resulted from the provisions of law – the Regulation of the Minister of Health of March 13, 2020 on declaring an epidemic emergency in the territory of the Republic of Poland. Pursuant to § 8, the heads of organizational units were entrusted with the task of deciding on the type and form of restrictions introduced (Ministerstwo Zdrowia, 2020). In the initial stage of the pandemic, it was common practice to introduce detailed restrictions based on the recommendations of central government administration bodies and the recommendations of the Chief Sanitary Inspectorate (depending on the state of epidemic threat).

Paulina Szyja (2020, p. 275) distinguished four areas of public administration activity in which it became necessary to introduce significant changes, i.e.:

- customer service,
- internal organization,
- inter-institutional cooperation,
- performance of specific tasks entrusted by central and local government administration.

The above changes were important in the context of the implementation by some public institutions of new activities related to helping entrepreneurs who suffered as a result of lockdowns.

Table 1

Selected changes in the organization of the functioning of public administration offices in the era of the COVID-19 pandemic in Poland

The main areas of activity of public administration offices related to the economy and local government administration offices	List of changes in the operational activity of public administration
Customer Service	<ul style="list-style-type: none"> – physical closure of office buildings for customers; – designation of stationary duty hours of officials in offices; – defining the framework for remote work of officials (time, scope of duties, ICT solutions); – introduction of electronic forms, applications (including in cooperation with commercial entities, e.g. banks).
Intera; organization of the office	<ul style="list-style-type: none"> – remote work; – organization of the document flow system using internal intranet solutions; – maintaining contact between managers and subordinate officials in order to control and coordinate tasks.
Inter-institutional cooperation	<ul style="list-style-type: none"> – exchange of information between institutions
Performance of specific tasks entrusted by central and local government administration	<ul style="list-style-type: none"> – entrusting new duties to officials; – training of officials; – creating appropriate ICT systems allowing for customer service in connection with the entrusted tasks

Note. Source: Szyja (2020, p. 276).

The introduction of the above changes allowed to maintain the continuity of public administration offices while ensuring sanitary safety for employees and clients.

The COVID-19 pandemic also turned out to be a time to test the development of digital services offered by public administration. Since 2000, in all national and regional strategic documents, one of the main objectives has been the introduction of new technologies and the development of the information society. Particular attention was paid to the need to increase the accessibility of public administration through easy and quick handling of matters digitally. Unfortunately, during the epidemic, it turned out that despite the creation of national programs in this area for over 20 years, many local government units have not developed and implemented strategic documents regarding the computerization of the office and digitization of services (Kowalczyk & Stępień, 2022, p. 136).

EXAMPLES OF ORGANIZATIONAL GOOD PRACTICES IMPLEMENTED BY THE MCP

Organizational changes in public administration related to the pandemic have also affected the Malopolska Centre for Entrepreneurship. Starting from remote work, MCP began to implement a number of improvements that were to help maintain the continuity of work - related to the settlement of projects co-financed under the Regional Operational Programme; as well as preparations for new challenges - the implementation of the Malopolska Anti-Crisis Shield.

Work in the “cloud” using the Microsoft SharePoint environment and remote contact via Microsoft Teams and Cisco Webex

The Covid-19 pandemic made it necessary to organize alternative forms of work and the possibility of direct contact with colleagues not only at the MCP headquarters but also outside it. Looking for possibilities to organize work in the widest possible way, while maintaining safe forms of contact, the management of MCP decided to use tools for working in the “cloud” and Internet communication tools that allow you to stay in touch. This has become a standard over time and may well function in conditions without pandemic restrictions.

The selection of communication tools required organizing the work of a professional team of the IT department at MCP. The challenge was to reconcile the current tasks of IT employees with new responsibilities, such as implementing new solutions, training employees in the use of new remote communication tools and ensuring the comprehensive use of these tools. In order to achieve this ambitious goal, we focused on specialists who had experience in working with the systems implemented in the Malopolska Centre for Entrepreneurship. An additional advantage was the fact that these specialists were already employees of the MCP (they were not external employees), which allowed for more effective implementation of new solutions while maintaining the specific structure of the office.

The SharePoint environment, which is still used by the Malopolska Centre for Entrepreneurship and which guarantees work in the "cloud", has increased the possibilities of teamwork by creating a database of contacts on a given issue and dynamic and productive groups for each department. The use of work in the "cloud" was associated with quick and direct contact via Internet communication tools, which are Microsoft Teams and Cisco Webex. These tools made it possible to organize working meetings in a small group, as well as meetings of all the MCP employees.

Assessment of projects (the so-called panel of experts) conducted remotely

Due to sanitary restrictions, meetings of the panel of experts at the MCP headquarters turned out to be impossible. There was a problem how to conduct a panel assessment of projects so as to ensure maximum safety of applicants, experts and employees, while maintaining the planned dates of calls for proposals. Therefore, it was decided that the assessment of projects by MCP employees and experts will be made using electronic means of communication, e.g. in the form of a teleconference.

The organization of the expert panel in a remote form made it possible to conduct an assessment of projects without the need to suspend/extend it, and therefore contributed to the timely implementation of the Regional Operational Programme, despite the restrictions related to the pandemic.

Simplification of the control process - remote control of projects

Due to the complete limitation of project implementation control, which is necessary in the process of settling the co-financing obtained from the Regional Operational Programme, it was decided to introduce a simplified control, i.e. in a remote form – on documents sent by beneficiaries via the SL2014 system.

The above solution allowed to continue the process of verification and analysis of the documentation submitted by the beneficiary. The simplified control system ensured smooth implementation of projects and payment of public funds, primarily at the end of project implementation.

BACKGROUND OF THE MAŁOPOLSKA ANTI-CRISIS SHIELD

In the initial phase of the pandemic, virtually all sectors of the economy experienced changes related to disruptions. On the one hand, there were temporary shortages of some goods, which resulted in an increase in their prices; on the other hand, there was a need to lower the prices of other goods due to the lack of demand caused by,

among others: radical restrictions on the movement of people, closure of shopping centres and restaurants, etc. (Czech et al., 2020).

Pandemic restrictions have seriously affected the budgets of many enterprises in Malopolska. According to the declarations of respondents surveyed by the Malopolska Regional Development Observatory (MORR, 2020), almost half of them had to limit their activities for example by reducing the number of customers, limiting the volume of production and services provided, and almost every fifth entity faced the need to completely suspend their activities.

Table 2

Actions taken by entrepreneurs in response to the introduction of pandemic restrictions

Company size/type of activities undertaken	Changing the way of doing business/introducing an alternative offer	No impact of the epidemic on current business activity	Limitation of business activity	Suspension of business activity
Micro enterprise	21%	20%	48%	11%
Self-employment	19%	14%	48%	19%
Small enterprise	9%	19%	51%	21%
Medium and large enterprise	10%	17%	50%	22%
Total	14%	17%	49%	19%

Note. Source: MORR (2020, p. 31).

In the case of types of activity, the diversity of answers turned out to be much greater – a complete suspension of economic activity was declared by up to 40% of entities included in the "Leisure industries". This percentage automatically translated into an increase in the same indicator in the groups of activities related to culture, sport, recreation, accommodation and gastronomy.

Table 3

Actions taken by entrepreneurs in response to the introduction of pandemic-related restrictions by type of business activity

Company size/type of activities undertaken	Changing the way of doing business/introducing an alternative offer	No impact of the epidemic on current business activity	Limitation of business activity	Suspension of business activity
Industry	11%	8%	41%	40%
Construction	27%	15%	37%	21%
Trade, transport, accommodation, gastronomy, information	36%	20%	40%	4%
Financial and insurance activities, real estate services	7%	13%	51%	29%
Other forms of services	6%	18%	64%	13%
Leisure industries	8%	26%	57%	10%
Total	14%	17%	49%	19%

Note. Source: MORR (2020), p. 33.

This contributed to the deterioration of their self-assessment of their financial situation over the course of the year. While 2019 brought serious difficulties to only 3% of the surveyed entrepreneurs, 2020 ended in financial troubles for 21% of the respondents. The number of entrepreneurs describing their situation as stable also decreased – from 53% to 44% (MORR, 2020, p. 33).

In the aforementioned survey, entrepreneurs were asked to indicate the type of support they expect. The question was "open" and the answers obtained from the respondents were included in more general categories. The most frequently indicated answer was financial support (44%), exemption from social security contributions (16%) and advisory support (11%). What is very significant, as many as 19% of the respondents said that their enterprises "do not expect any support" and 7% of the answers concerned the difficulty in indicating a specific answer (MORR, 2020, p. 54).

Considering the above results, in many cases the only "lifeline" for entrepreneurs during the pandemic was support addressed to entities under the anti-crisis shields, implemented both at the national, regional and local level. "Financial support" indicated by 44% of respondents largely coincided with the instruments used under the subsequent Anti-Crisis Shields. They included both co-financing of employees' salaries, loan support, as well as support allowing for ongoing functioning during the pandemic. A characteristic feature of the expected assistance was that it should be low-interest and its repayment should be deferred or even non-refundable (MORR, 2020, p. 55). Interestingly, the growth of the surveyed entity increased the expectations regarding this type of support for entrepreneurship during the pandemic - most often in the group of medium-sized and large enterprises (52%), and least often among micro-enterprises (40%) (MORR, 2020, p. 57).

MAŁOPOLSKA ANTI-CRISIS SHIELD

Meeting the expectations of entrepreneurs, the Regional Board of the Malopolska Region very quickly launched aid instruments for SMEs most affected by the pandemic. "The Malopolska Anti-Crisis Shield – Entrepreneurship Package" was implemented as part of two grant projects – "Compensation vouchers" and "Vouchers for the self-employed". Its goal was to support SMEs and self-employed in Malopolska struggling with financial difficulties related to the COVID-19 pandemic. The main assumption of these projects was to provide entrepreneurs with non-repayable subsidies to meet the needs related to maintaining financial liquidity in order to maintain the declared number of full-time jobs in enterprises that qualify for support.

The Malopolska Center for Entrepreneurship, entrusted by the authorities of the Region with the implementation of the "Package for Entrepreneurship", announced a total of two calls for proposals:

- the first call for proposals was addressed to the entrepreneurs employing employees – with the allocation of PLN 247,086,000, conducted on May 7, 2020. It was originally assumed that PLN 198,197,323.13 would be available in the call for proposals, but due to the large number of applications that were on the reserve list, the Regional Board decided to increase the amount of available funds;
- the second call for proposal was addressed to the self-employed – with the allocation of PLN 33,291,000, recruitment carried out on 31 August. It was originally assumed that PLN 16 million would be available in the call for proposals, but due to the needs reported by entrepreneurs, the Regional Board decided to increase the amount of available funds.

The total amount allocated to public aid for entrepreneurs from Malopolska under this Package amounted to PLN 280,377,000. 8,067 SMEs benefited from this aid. Ultimately, these projects were to allow for the maintenance of 31,063 full-time jobs (3,659 self-employed and 27,404 SME employees).

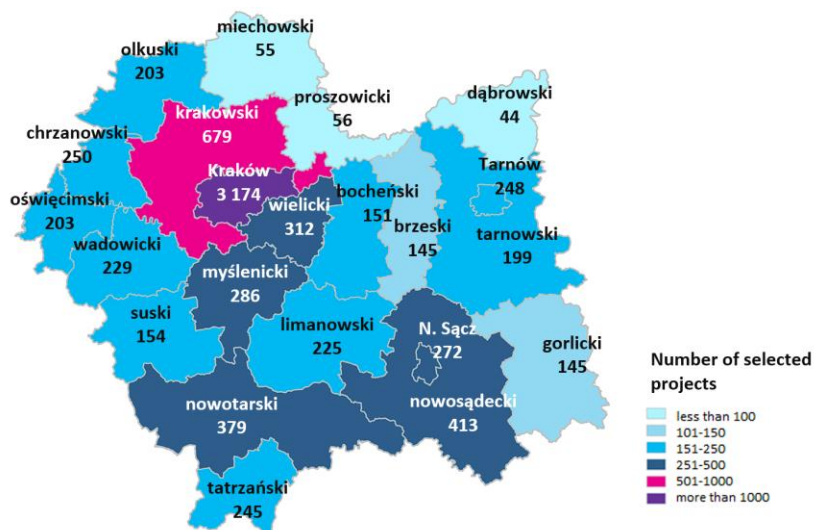
Entrepreneurs struggling with financial difficulties applying for this extremely attractive compensatory voucher (100% non-refundable subsidy from the EU) had to have their registered office and run a business in the Malopolska Region and demonstrate a decrease in turnover by at least 50% (comparing any month from February 1, 2020 to average monthly turnover in the second half of 2019).

Among the applications that received co-financing in the first and second call for proposals, most were submitted by entrepreneurs from Kraków, which is a consequence of the concentration of business entities in the capital of Malopolska. As many as 3,174 selected projects came from Krakow, and their value is over PLN 112.3

million (40% of the value of selected projects). These projects targeted the support of 12,480 full-time jobs (1,375 self-employed and 11,105 SME employees).

Map 1

Location of enterprises that received funding in the 1st and 2nd call for proposal



Note. Source: Own study, regarding 8,067 projects selected for co-financing.

Compensation vouchers

As part of the launched call for proposals, a total of 4,546 applications were submitted with the original value of PLN 258 million, which accounted for 130% of the allocation. These projects assumed co-financing of as many as 28,631 full-time jobs.

Due to the great interest of entrepreneurs, the authorities of the Malopolska Region decided to increase the pool of funds allocated for the recruitment by PLN 20 million.

As a consequence of this decision, 4,408 projects, i.e. 97% of all submitted projects, received funding in the first call for proposals. Their value is PLN 246,636,000.00, allocated to the maintenance of 27,404 jobs. It is worth noting that rejected applications accounted for only 1% of all submitted projects.

Table 4

Results of assessment of the application in the grant project on compensation vouchers

Assessment results	Projects	Value (PLN)	Full-time jobs
Positive	4,408	246,636,000	27,404
Negative	51	4,068,000	452
Left without consideration	30	1,602,000	178
Withdrawn applications	55	2,556,000.00	284
Withdrawal from the agreement	2	27,000	3
	4,546	254,889,000	28,321

Note. Source: Own study.

According to the classification of the Polish Classification of Activity (PKD), most applications were submitted by entrepreneurs operating in section "I - Activities related to accommodation and catering services" – it was every fifth application. Next was section "G - Wholesale and retail trade; repair of motor vehicles, including motorcycles", which was present in 18% of projects selected for co-financing.

Table 5

The most common areas of activity of enterprises that received funding - according to section of PKD

Section of PKD	PKD Section name	Number of applications*	% of applications with co-financing
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	915	20,76%
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	800	18,15%
C	MANUFACTURING	605	13,73%
F	CONSTRUCTION	417	9,46%
S	OTHER SERVICE ACTIVITIES	400	9,07%
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	328	7,44%
H	TRANSPORTATION AND STORAGE	292	6,62%
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	236	5,35%
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	220	4,99%
R	ARTS, ENTERTAINMENT AND RECREATION	122	2,77%
P	EDUCATION	112	2,54%
J	INFORMATION AND COMMUNICATION	75	1,70%
L	REAL ESTATE ACTIVITIES	62	1,41%
K	FINANCIAL AND INSURANCE ACTIVITIES	37	0,84%
E	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	9	0,20%
A	AGRICULTURE, FORESTRY AND FISHING	6	0,14%
B	MINING AND QUARRYING	3	0,07%
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	1	0,02%
Number of all applications selected		4 408	100%

Note. Source: Own study

*data regarding the number of applications for individual sections do not add up to the number of all applications selected, because several PKD codes could be selected in one application.

In the context of the PKD subclass, among the positively assessed applications, "Restaurants and other eating places" appeared most often, which account for approx. 13% of selected applications. A large group of recipients of support were also companies from the group "Hairdressing and other beauty treatment" – 7%. Other popular PKD codes are indicated in the graphic below.

Table 6

The most common areas of activity of enterprises that have been selected - according to PKD subclasses

Subection of PKD	PKD Subsection name	Number of applications*	% of applications with co-financing
56.10.A	Restaurants and other eating places	585	13%
96.02.Z	Hairdressing and other beauty treatment	403	5%
55.10.Z	Hotels and similar accommodation	264	3%
41.20.Z	Building works related to erection of residential and non-residential buildings	256	3%
49.39.Z	Other passenger land transport not elsewhere classified	208	3%
73.11.Z	Advertising agencies activities	195	2%

Note. Source: Own study.

Vouchers for the self-employed

The application process consisted of two different stages – approval and submission of the application. Participation in the application submission stage was conditional upon prior approval of the application in the first stage.

- First stage of the call for applications – approval of the application covered the period from August 17, 2020, 12.00 to August 28, 2020, 12.00. At that time, it was possible to work on applications in the system.
- Second stage of the call for applications – submitting the application covered the period from August 31, 2020, 12.00 until the value of grants in submitted applications exceeded 130% of the amount of the allocation allocated for grants.

Initially, the allocation available for the call was PLN 16 million, but due to the needs of entrepreneurs, the amount of available funds was increased by the Regional Board more than twice to PLN 33,291,000.

In total, 3,724 applications worth PLN 33,516,000 were submitted in the call for proposals. In the call for applications for the self-employed, 3,659 projects received funding, i.e. 98% of all submitted applications. Their value amounted to PLN 32,931,000.00.

According to the classification of the Polish Classification of Activities (PKD), the largest number of applications was submitted by entrepreneurs operating in sections "M - Professional, scientific and technical activity" and "G – Wholesale and retail trade; repair of motor vehicles and motorcycles", which was present in 15% and 13% of projects selected for co-financing, respectively.

Table 7

The most common areas of activity of enterprises that received funding - according to section of PKD

Section of PKD	PKD Section name	Number of applications*	% of applications with co-financing
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	652	17,82%
F	CONSTRUCTION	568	15,52%
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	496	13,56%
H	TRANSPORTATION AND STORAGE	373	10,19%
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	360	9,84%
C	MANUFACTURING	290	7,93%
P	EDUCATION	255	6,97%
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	223	6,09%
J	INFORMATION AND COMMUNICATION	164	4,48%
R	ARTS, ENTERTAINMENT AND RECREATION	164	4,48%
S	OTHER SERVICE ACTIVITIES	138	3,77%
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	107	2,92%
K	FINANCIAL AND INSURANCE ACTIVITIES	105	2,87%
L	REAL ESTATE ACTIVITIES	98	2,68%
A	AGRICULTURE, FORESTRY AND FISHING	7	0,19%
B	MINING AND QUARRYING	2	0,05%
E	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	1	0,03%
Number of all applications selected		3,659	100%

Note. Source: Own study.

In the positively assessed applications, the most frequent one was the PKD subclass "Taxi operation", which constitutes about 4% of the selected applications. Other popular PKD codes are indicated in the table below.

Table 8

The most common areas of activity of enterprises that have been selected - according to PKD subclasses

Subection of PKD	PKD Subsection name	Number of applications*	% of applications with co-financing
49.32.Z	Taxi operation	161	4%
41.20.Z	Building works related to erection of residential and non-residential buildings	128	3%
55.20.Z	Holiday and other short-stay accommodation	127	3%
43.39.Z	Other building completion and finishing	121	3%
73.11.Z	Advertising agencies activities	110	3%
79.90.A	Couriers on package tours and tour guides activities	109	3%

Note. Source: Own study.

CONCLUSIONS

The comprehensive analysis presented in this article delineates the profound impact of the COVID-19 pandemic on public administration, underscoring the imperative for an accelerated digital transformation. The Malopolska Centre for Entrepreneurship's implementation of the Malopolska Anti-Crisis Shield, particularly its Entrepreneurship Package, emerged as a salient case study demonstrating adept crisis management at the local government level.

The exigency to digitize public administration operations revealed a dual-faceted outcome. Primarily, it showcased the remarkable adaptability and resilience of public institutions in the face of sudden and unprecedented challenges. The Malopolska Centre for Entrepreneurship exemplifies this phenomenon, affirming its preparedness and effective management strategies during the crisis. The empirical evidence of this success is palpable in the substantial support rendered to local enterprises and the consequent preservation of jobs in the region.

Conversely, the swift shift towards digitalization also highlighted certain deficiencies within the existing infrastructure and readiness for such a transition, indicating areas that require ongoing improvement and investment. It is evident that the shift to a digital framework in public administration is not a transitory phase but rather a continuous progression, expected to evolve further, independent of the pandemic's trajectory.

Moreover, the implementation of the Malopolska Anti-Crisis Shield has yielded significant long-term benefits, contributing to the stabilization and recovery of the regional economy. The enhanced digital capabilities have facilitated greater accessibility and efficiency in public service delivery, leading to increased citizen satisfaction and engagement. The experience has also spurred innovation in policy design and service delivery, setting a precedent for future public administration initiatives.

This discourse contributes significantly to the wider conversation about the role of public administration in crisis scenarios. It accentuates the necessity for agility, proactive planning, and innovative approaches in governance. The insights derived from the Malopolska Centre for Entrepreneurship's experience during the pandemic are invaluable, offering key lessons for future policy formulation and implementation. These insights are instrumental in shaping a more resilient, adaptable, and responsive public administration framework, capable of effectively navigating and mitigating the challenges of unforeseen future crises.

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