

# Managing to Adapt: Structured Management Practices and Firm Resilience

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## ***Discussant***

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# Summary

- **RQ:** “Why do some firms adapt and even thrive when major unexpected shocks occur?”
  1. Exploit COVID-19 pandemic shock
  2. Management and Expectations Survey (MES) and Business Insights and Conditions Survey (BICS)
  3. UK firm-level data around 2019-2023

- **Answer:** Firms with more structured management practices are more resilient due to:
  1. More work from home, more online sales practices and a smaller turnover loss
  2. Driven by better SMP *before* the COVID-19 pandemic

# Discussion

1. The paper is well structured, easy to read and detailed at the same time.
2. The paper does a great job in assessing the differential impact of structured management practices (SMP), as well as investigating the underlying mechanisms based on the BICS
3. The paper addresses various concerns in their robustness section, and the next update will take more recent concerns into account.

# Suggestions/comments

## 1. Construction of the performance score

- The performance score [0-1] has been constructed as the mean of the four subcomponents with an equal (arbitrary) weight for each.
- I would recommend to 1) exploit a robustness test with different weights and/or 2) exploit the subcomponents.

## 2. Outcome variables

- The paper focusses on differential changes in work from home, turnover and online sales.
- Would it also be possible to focus on differential value added and/or profit changes?

## 3. Decile regressions

- The paper controls for firm size. I wonder also what the heterogeneous impact of SMP would be by firm size decile, or by firm size (small, medium, large).

## 4. Interpretation of the results

- “From Figure 4 we can also see that for the sector hit the hardest by the pandemic, accommodation and food services, the differential effect of management is close to zero.”
- Regarding interpretation, could you elaborate on this finding. What does it mean if the hardest hit sector is not affected by your main mechanism of interest?

End