

The Pandemic and Its Impact on Business Creation in Magdalena (Colombia)

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Abstract

This study analyzes the impact of the COVID-19 pandemic on the creation of new companies in Magdalena (Colombia); in the same terms, looks for contrasting the outlook of variation of companies between 2019 and 2020 at the departmental and national level, to identify how much the changes in the information of birth of businesses between Colombia and Magdalena are alike. For the development of this study, the company's creation information in Magdalena in a period of five years (from 2016 – until 2020) were obtained as a reference, concentrating the analysis on the variations and changes in the data among 2019 - 2020 (period of the emergence of COVID-19 in Colombia). Among the key results, it was clear that, when associating the years 2019 and 2020, there was a reduction of 2.6% in the conception of new businesses in the department of Magdalena, a proportion that represents 202 companies less than in 2019; This declining tendency in corporate units creation was originated in 2019, the year in which there was a 0.8% drop in the births of new companies contrasted to 2018 -62 less companies-; The undoubted reduction in 2020 is an image of the catastrophic consequence of the arrival of COVID-19 on corporate dynamics in Magdalena.

Keywords: Adaptation; Company; COVID-19; Change; Entrepreneurship.