COVID-19 Pandemic: Suggested Solutions from Accounting, Financial and Organizational Perspectives

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Abstract: ***Although the COVID-19 crisis is still ongoing, there has been a tremendous effort to research and analyze its causes and impacts. This paper after provide a cohesive review of the major findings in the literature concerning the role of accounting and strategy in crisis' condition; seeks to provides suggested solutions towards our current pandemic from the financial, organizational and strategically perspectives. From accounting and financial perspective, we recommend increasing and improving the level of disclosure, create new provision for pandemic and crisis, giving more focus on the integrated reporting, adopting the social character for business to rebuild the trust with market and issued a new accounting standard for pandemic settings. Our recommendation for business from strategic and organizational perspective is focus on strategic plans; invent original product ideas, vision for markets, building warehouses, targeted financing plans and building a global information system for crises and pandemics. While the previous literatures and even updated studies focus on the consequences of COVID-19 pandemic, our paper provides contributions through recommend different mechanisms and tools from different perspectives to interact with this current pandemic. Consequently, as far as we know, this paper is one of the updated researches that suggested solutions for the current pandemic.***

Keywords: COVID-19 pandemic, accounting in crisis, disclosure, provisions, social character, integrated reporting, accounting standards and organizational recommendations

1. Introduction

When thinking - deeply–about the COVID-19 pandemic (from the perspective of its reflection on the business world) we can define it as a widespread stalemate situation in the movement of money and trade all over the world. For reasons that businesses do not have a role in creating, however what created this huge pandemic is a very small virus. Consequently, the COVID-19 pandemic was not made by business organizations, or was not the result of the development of some errors and administrative problems within the companies, but rather, it is a case in which corporates are surprised in the surrounding business environment locally or globally. The COVID-19 Pandemic does not mean the death of business organizations or their products, unless those organizations or products fail to cope with the ongoing stalemate situation, in a manner that exceeds the capabilities of financial and organizational corporates.

The COVID-19pandemic within corporates (that cannot overcome this pandemic) compels the management to take negative strategic decisions, including stopping production and operations due to a stopped sales activity and a lack of revenue. Thus, these companies (in this case) may have to terminate employment contracts for many of their employees. This is an issue inconsistent with business principles and ethics in times of pandemics. Confronting the crises of epidemics and pandemics (from the view of businesses) is a war against the unknown enemy. This unknown makes the entire world vulnerable, for every organization or company on this planet, without exception, needs protection from this unknown. Where companies do not know when this unknown enemy will attack the world? And how? Where the starting point of the attack and what is the scope of the attack? Who are the people most likely to get severely sick or die? What is the effective treatment method? How can we eliminate and defeat this unknown? What we should strive for -in the context of the COVID-19pandemic-creating diagnostic and treatment methods (financial and organizational) in record time, on a record scale, to save millions of products and trillions of money, and to return the world's markets to a sense of "a normal life".

It is clear that the repercussions of the COVID-19pandemic on the world economy are more severe than the Great Depression in 1929, as well as from the global financial economic crisis in 2008. For the first time, mankind is facing a state of general closure in all countries of the world and stopping economic activity on the five continents. Global growth is now expected to decline by 3% in 2020, which is worse than during the global financial crisis (IMF, 2020).The International Monetary Fund indicated in its report that issued in April 2020 that the world economy may witness the worst recession during the year 2002. Consequently, IMF expects that the global economy will shrink at a rate 3%. It is also expected that the developed economies will shrink by 6.1%, while emerging economies will shrink by 1%.In total, about USD 23 trillion in global market value has been destroyed since the outbreak according to the Economist ''COVID-19 carnage" March 21, 2020.

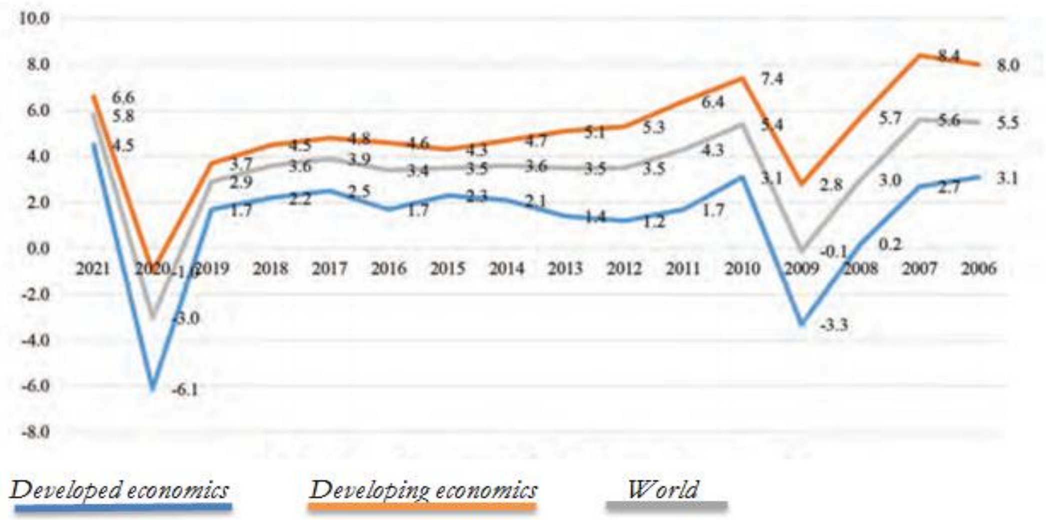

Chart (1): Comparing the impact of the COVID-19 pandemic on global growth (%) with the impact of the global financial crisis (IMF, 2020)

Related to any crisis and pandemic, the academic research is focus on different tracks. First, some academics measure the determinants or factors that cause the crisis and second, other studies that are focus on measuring the consequences of crisis (Fornaro and Wolf, 2020; McKibbin and Fernando, 2020; Antonio and Gómez, 2020, Fan et al., 2018). However, little researches focus on recovery mechanism during or after the crisis by recommending suggestion for business about interacting with the crisis. From the preceding discussion, the circumstances of COVID-19 should not be placed in the category of (confortable crises at the time of their occurrence), because it is a pandemic that requires early preparation and a proactive attack on this unknown enemy. Therefore, facing epidemics and epidemics crises globally requires organizations and companies to face an early and proactive financial and organizational response. Consequently, the researchers seek to recommend several points from accounting, financial and organizational perspectives as a recovery' solutions for corporations. The structure for the paper organized as follows: section 2 discusses the accounting in pandemic situation and scanning the related literatures. Section 3 outlines the suggestions from accounting and financial perspective towards COVID-19 pandemic. Section 4 presents some suggestions towards COVID-19 pandemic from the organizational and strategically perspective and finally conclusion presented in section 5.

2. The Accounting in Pandemic and Crisis Circumstances

According to Weick and Sutcliffe (2007) a substantial challenge of involving with circumstances of crisis is to engage with the unpredicted. For them; crises are well-defined as "Vague notions of contingency resources, imperfect knowledge of the system, unpredicted variations in staffing, irregular communication, quotas, and unstable command constructions. When the unanticipated wind swirled into...[the] system, the nebulousness, the incompleteness, and the shifting command were the feeble points that gave way" (p, 2).The Global Financial Crisis of 2008 has drawn attention to the role of accounting and its financial reporting in eras of financial recession and has led to a main argument including regulators, standard setters, and researchers (e.g., Paolucci & Menicucci, 2016; Cooper, 2015). This circumstance repeated through asking about the role of accounting generally and financial reporting particularly during and after COVID-19 pandemic.

In the crises environments as COVID-19, where governance is usually experienced by method of its limitations, accounting systems play plentiful roles out of the illustration of performance of the corporate (e.g., Carruthers, 1995; Tinker, 1991).According to Miller and Power (2013); accounting is the most influential system of demonstration for economic and social life today in several national sets (p.558). Awareness in the role of accounting as a management tool during crisis situations dates back many decades and Hopwood (1987) as one of the initial calls for advance examination into this subject, defined the subsequent argument "Alongside a more nuanced vision of the role of crisis, we need to appreciate the conducts in which novel bodies of knowledge, novel experts related with their practice, government regulatory efforts, and even the growth of diverse accounting rhetoric can present the foundation for action and change" (p, 231).

Walker (2016) reemphasizes the significance of this subject for the future agenda of accounting academics "A renewed emphasis on accounting in crisis circumstances is probable to accompany the sociology of disruption, shock and disaster, developing agendas regarding the functioning of accounting in the management of natural and humanitarian disasters and the control of dislocated populations would probable assume superior prominence in ‘catastrophic societies’ (p, 22).Through providing a portrait of what has been done associated with the influence of accounting over the crisis, it may help the reader, academics and any interest parties in identifying for what extent accounting can play a critical role in COVID-19 pandemic.

The purpose of this section is to provide a cohesive review of the major findings in the literature concerning the role of accounting in crisis' situation. The research has begun to explore the role of accounting in disasters, focusing mainly on how accounting contributes to control and gradually 'normalize' crisis situations. For example, Sargiacomo (2015) measures the role of accounting in managing the reaction to the 2009 earthquake in Italy. He shows how accounting groupings shaped a significant element to define the space of government intervention and providing not just discernibility to the costs of earthquake hurt sufferers. In additional historical paper on the dual association between accounting and crisis, Walker (2014) discusses how accounting working as a significant facilitative technology to support societies recovers from prolonged deficiencies that were stated as a national emergency in the US of the 1930s.

Taylor et al (2014) focus on the influence of the growing hierarchical and comprehensive responsibility in corporations with environmental and social missions by case study on the 2009 bushfire in Australia. They highlight that the notion of descending responsibility is challenging within a stakeholder-oriented responsibility structure that is normally in place in non-governmental organizations and other charitable institutions. This study provide visions into the role of accounting activities in defining 'exceptional' governance spaces in crisis situations and using accounting as a facilitative technology for societal conversion in crisis-affected societies. Moreover, Staci and Free (2018) examine uses of accounting in labour-management dialogues through the automotive manufacturing reform of 2008 and 2009 in Canada. They provide evidence about how dissimilar stakeholder clusters outlined the evolving crisis and drew upon accounting to supplementary their interests. The study outlines two crucial approaches of accounting in labour-management dialogues: (1) nurturing, where accounting is used in an integrative way to protected mutual profits; and (2) obliging, where accounting is drawn upon to sheltered concessions from further parties. They found the method that obliging modes of accounting displaced more nurturing modes as the crisis exaggerated. The paper contributes to understanding how accounting can be implicated in influential the edifice and contestation of organizational crises.

According to Barbera et al (2020); literatures about how accounting is engage in the financial crises and pandemic are restricted. Like this situation provide a stimulating occasion to discover the role of accounting in determining corporate financial flexibility and applicable adopted methods which can used as recovers. Based on multiple case examines of 8 Italian metropolises, this paper finds that accounting may support self–regulation and affect externally-led or internally-led adaptation. The outcomes provide indication of the circumstances, settings, processes under which accounting becomes a standard which can backing both expectation of and coping with financial crisis, backup cuts in some circumstances and resistance in the short run or driving long-term variations projected to sustain public services as much intact as probable. Based on the previous literatures that support the role of accounting in the crisis circumstance, the following section provides some suggestions for corporate and accounting bodies from the prospective of accounting and finance as recovery mechanisms towards COVID-19 pandemic.

3. Suggestions from accounting and financial perspective towards COVID-19 pandemic

3.1 Disclosure and COVID-19Pandemic

The crisis has two significant lessons when it comes to financial reporting and disclosure. First, stockholders need timely and more comprehensive disclosures round exposures and possible losses. There also need to be instruments that permit corporations to convey when they do not have substantial exposures in a method that stockholders can reliance. Second, the familiarity with obligatory supervisory disclosures that regulators required as part of their pressure tests exemplifies the significance of organized disclosures about insignificant exposures. The impacts of the novel coronavirus are evolving and presenting challenges to companies as they report on their financial condition and results of operations. When the effects of COVID-19 are material to a company, disclosure of the risks and COVID-19-related effects may be necessary for all stakeholders.

At the start of a crisis, disclosures are predominantly significant, providing applicable information about the exposures to concerned assets. Such information may decrease uncertainty. However revealing undesirable information can similarly activate corporate runs and start out a panic among stockholders as well as all stakeholders (e.g., Goldstein and Sapra, 2014; Morris and Shin, 2002).According to Bischof et al (2019), the late or imperfect disclosures and repeated rising revisions in corporate' exposures and banks, asset impairments and losses made issues worse and led to an attrition of investor confidence. Without conviction and trust, investors are more doubtful and even more probable to run on extremely levered corporations that rely deeply on short-term capital. Furthermore, if the marketplace cannot belief that negative information is revealed, there will be negative externalities for strong business. Matching with this clarification that the problematic throughout the crisis was not related to the volume of information, but instead a deficiency of reliable disclosures.

Many researchers measure the impact of crisis on the disclosure level. Result of this literature presents indicators for corporations in the current crisis. According to NurProbohudono et al (2013); the communication of risk data stays comparatively reliable (29% across the 3 Global Financial Crisis years). This is debatably a low degree of communication from a CSR lens. Marzouk (2016) study the business risk disclosure practices for listed corporations during the 2011 political crisis in Egypt. The results validate that businesses revealed more future, monetary and risk information during crisis period. Wang et al (2013) found that the level of voluntary disclosure has enhanced and increased in China during the crisis period.

Manganaris et al (2017) based on sample of European listed banks over 2005–2011; provide a proof that mutual conservatism and timeliness proposes an attempt of banks to growth transparency after the financial crisis burst to diminish the opposing impacts of the opaqueness. Gupta (2010) found that crisis as financial one can be banned in the future through consider numerous approaches as separating proprietary trade, regulating systemic risk and information transparency. Asongu (2013) across 20 of top 33 world banks found that just 25% of selected banks provide widely available liquidity risk management information, a vibrant signal that in the post-crisis period, several top ranking banks still do not consider Basel disclosure standards completely. This result shows the strong association between crises and considers disclosure. Abu Alrub et al (2018) argue that development in standards of transparency and decrease of intricacy both upsurge financial stability and thus return members' trust in the financial market

During a period of crisis, the investor as well as all stakeholders is disturbed and loses their ability to make any future investment decisions, and increases their needs for information and their needs for information increase for future economic decisions. Here, the importance of disclosure becomes more critical within and after this crisis' period. Consequently, we recommend increase the level of quantity and quality of disclosure in the annual reports and websites as well as all social media to send positive massages and indicators for investors as well as interested parties. During the COVID-19, the majority of the business added in their annual report simple descriptive section about this crisis and its impact over the business. But, we recommend developing these procedures through adding a comprehensive and separate part in the annual report or in the business' website as corporate governance report which disclose all information and estimations about the impact of COVID-19 or any similar a pending in the future.

This report should focus about the financial and organizational impacts for this crisis as well as how company interact with it and updated strategies to deal with this unusual situation. This category of disclosure should be periodically, even in the absence of crises. It should include an analysis for the global context and present any crisis promises and present different financial and organizational scenarios to interact with any crisis. The previous result asking more transparency after this crisis finished to send a massage for all stakeholders about the position of the firm. We also recommend that corporations should give full consideration for disclose more forward-looking information. This can achieve through increase the weight of forward-looking information in the annual report and can also accomplish by preparing and presenting two versions of annual reports: firstly, the regular and traditional one that is depend on historical basis and secondly, the other one that is prepare and present based on future basis. Like this approach can assist the investors and all stakeholders to predict the related risks and support them to take applicable economic decisions.

3.2 Social character and CSRD towardsCOVID-19 pandemic

Based on accountability theory, the concept 'accountability' refers to the duty of agents to provide information for all stakeholders. According to Jagadeesan et al (2009), directors' accountability is to attain a realized set of tasks, which support the instructions and standards that are feasible in their positions in the business. For Gray et al (1995) to be socially responsible, agents need to provide wholly information, financial or non-financial, to their stakeholders. The social and humanitarian aspect of companies should shine more in a period of crisis. According to Solomon (2010) "Corporations are so large, and their influence on society so persistent that they should release responsibility to several more segments of society than solely their stockholders… not only are stakeholders affected through businesses but they affect firms in some approach" (pp, 15).The financial crisis emphasized the significance of trust for well-operative markets and financial stability. Therefore, social character for business across COVID-19 is represent one of tool can be used to restore confidence and trust in the corporations and using as a recovery tool.

During and after the crisis' period; corporations expect to reflect the social character and role towards the society. We need to rethink and redefine the social value added of business activities toward society generally and during pandemic and crisis particularly as COVID-19 pandemic. For Shaker and Wright (2016); social character of businesses should include: (1) linking corporate activities to other social efforts designed at enhancing the quality of life, inspiring human existence and attaining progress, (2) recognizing techniques to decrease the dysfunctional effects of corporate activities on stakeholders, (3) redefining the range of corporate activities as a scholarly arena, (4) identifying corporate' social multiplier, and (5) pursuing combined value at the managerial level, focusing on balancing the making of financial, environmental and social wealth. Historically, corporations primarily comprised CSR in their performances in economically promising times. However can CSR be practical in economically problematic times as crisis, too, as a possible strategic instrument to recuperate from a business crisis? Vallaster (2017) seeks to advance empathetic of strategic CSR and crisis recovery, and their potential association. The findings propose that strategic CSR can have a positive influence on crisis recovery and encourage the modification of established practices essential to manage a business crisis.

Several studies measure the impact of crisis on level of CSRD. For example, Laidroo and Sokolova (2015) find that CSRD of global banks in 2013 were significantly superior comparing with 2005. Despite addressing the legitimacy gap after the 2008 crisis, substantial room for developments continued in the framework of sustainable products, application of environmental management rules and introduction of CSR initiatives. Based on 36 main listed Portuguese corporations in 2005, 2008 and 2011; Dias et al (2016) find that; before the crisis, Portuguese firms improved their CSRD practices significantly. There was a slim reduction in CSRD during the crisis. However, this was not as distinct, as it would otherwise have been because it was countered through improved level of disclosures of business interactions with society, especially in matters of community commitment and corruption prevention. Antonia Garcia-Benau et al (2013) shed specific light on the consequence of the financial crisis on CSRD. Even though the financial crisis has upraised the question whether assurance of CSR reports could be a risk for corporate, the

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analysis display that the number of CSR reports increased suggestively with the crisis.

Moreover, CSR activities as well as disclosure about these activities can used as a recovery tools against crisis and pandemics as COVID-19. According to Lins et al (2017) during the 2008–2009 financial crisis businesses with extraordinary social capital had share returns that were 4% to 7%point'supper than corporations with low social capital. Companies with high-CSR moreover experienced higher profitability and sales per employee comparative to low-CSR businesses, and they raised more liability. This evidence suggests that the trust between a firm and both its stakeholders and investors, built through investments in social capital, pays off when the overall level of trust in corporations and markets suffers a negative shock. We recommend corporations during the period of crises and beyond to focus on the societal role to confirm the human role of these firms in addition to sends positive indicators to all stakeholders, which support the confidence in them. The activities of this social role should be linked with treating the damage of this existing crisis. We recommend to forming and innovating financial and accounting indicators that reflect the impact of environmental and pandemic risks on the financial performance and position of the business. These indicators should be presented in the annual reports and can be named "environmental financial indicators".

3.3 Integrated Reporting and COVID-19 pandemic

According to Gareth (2013); integrated reporting (IR) is a leading expansion in a number of sustainability-associated accounting creativities and needs noteworthy progresses in professional accounting methodology mainly for reporting. These will encompass: a strategic rather than operational emphasis; longer- rather than short-term viewpoint; prospective rather than reflective examination; qualitative explanation and quantitative information; and reports on broader corporate performance metrics rather than on thinner outside financial reporting information or audit compliance.IR has been defined by the International Integrated Reporting Committee (IIRC, 2011) as follows "IR brings together the substantial information about a corporate's strategy, governance, performance and predictions in a manner that imitates the social, commercial and environmental setting within which it works" (p. 3). IR according to Eccles and Krzus (2010) has moreover been discussed to as ‘One Report’. This term implies that IR provides information on financial and non-financial performance in a distinct report and displays the association between financial and non-financial performance and how these interconnected dimensions are forming or destroying value for stockholders and further stakeholders as well as provides a richer image of the corporation.

Transparency in reporting is a significant vehicle for upgrading public confidence principally in the pandemic or crisis situation as COVID-19. Reporting provides visions into how a business views itself and its role in community. It communicates a business’s good and bad performance. It generates obligations to recover future performance and establishes responsibility for meeting purposes. In addition to the traditional approach of business performance, IR emphases on the corporate implications of sustainability matters as carbon emissions and human capital as well as intangible assets. IR should be observed as part of a wider reform agenda to support financial stability.

Attention should be paid to the presentation and disclosure of non-financial information and the impacts of businesses' performance on non-financial issues, such as consideration to the disclosure and presentation of financial information. Corporations have been handling with the very real risks and chances posed through environment modification. Its appears predictable now that COVID-19 will have an enduring influence on the technique businesses think and transfer about social, human and manufactured capital as well. Although it has permanently been recognized that there are contests in allowing strong and operative reporting across the reporting chain–comprising on financial and sustainability-associated information, with this pandemic, business reporting that includes financial and pre-financial information is more significant than ever. As the pandemic brings into sharp attention, going forward, several business reports will raise disclosure on preparedness and response. These reports will combination of financial concerns as effect to sales and income, but moreover comprise pre-financial matters as occupational safety and health, worker support and corporate continuity planning. Only when these are considered together can stakeholders get a holistic vision of value formation and impressions beyond the corporation. Therefore, businesses after COVID-19pandemicshould give more consideration for the integrated reporting and give the same level of significance for financial as well as for non-financial information.

3.4 Accounting bodies and standardstowardsCOVID-19 pandemic

12 years after the epidemic of the financial crisis, there are still determined discussions about the role that accounting standards may have worked in its genesis. Many critics of IFRS contend that they gave an overly rosy image of firms’ statement of financial position before the crisis and are still not practical enough despite enhancements since then. Other critics claim that extreme reliance on fair value accounting, which reflects an asset’s current market value, has encouraged early recognition of unrealized profits. The British bank HBOS, which collapsed and acquired through Lloyds Banking Group during the crisis, has been provided as an illustration of deteriorating pre-crisis accounting standards. HBOS met requirements of bank regulators’ capital, and its financial statements displayed that its financial position was maintained through no more than 3.3% of equity. The crisis did disclose that the present accounting standards gave businesses such as banks too much flexibility to postponement recognition of inevitable loan losses. IASB as a reaction developed an “expected loss model” that dropped the thresholds for recognizing loan losses.

Accounting bodies such as IASB and FASB have a great responsibility towards business enterprises in a period of crisis. This accountability as well as role in interacting with the pandemic is evident through the issuance of accounting standards or treatments that would regulate dealing with the consequences of crises and mitigating the negative effects of them. Regardless of the challenges ascending from the COVID-19 pandemic, the IASB remain to advance time-sensitive projects, such as the projects on IFRS-9 related to Financial Instruments (IFRS, 2020). Kusano and Sanada (2019) propose that the financial crisis had a substantial influence on the standardization of international accounting. Certainly, the crisis was a significant crossroads of the IASB's work on reviewing its accounting standards to decrease complexity.

IFRS 9 and COVID-19Pandemic: The guidelines for loan loss provisioning (LLP) and recognition received substantial attention through and after the crisis. For example, Financial Stability Forum (2009) recognized the instruction of LLP as a significant policy priority for reconstruct financial stability (Bernanke, 2009). Banks' recognition of losses was regularly critiqued as being too slight and coming too late and therefore as adding to procyclicality. The incurred LL Pimplanted in the dominant accounting rules were realized as a crucial reason for what we called "too-little-too-late" problematic, principally limiting banks' loss recognition (e.g., Abad and Suarez, 2018; Curry, 2013; Basel Committee on Banking Supervision, 2011;Financial Stability Forum, 2009). As a response to this criticism, IASB and FASB modified the accounting guidelines for loans from an incurred loss model to a more forward-looking "expected credit loss model" with the optimism that the innovative model enhancing the financial stability as well as decreases procyclicality and then support the economics to recovered (e.g., European Commission, 2016; Basel Committee on Banking Supervision, 2015b). IFRS 9 entered into force in 2018 in the EU and a large part of the world, whereas in the US, this method is arranged for 2021. The objectives behind this method to provisioning comprised inducing more cautious lending behavior in good times and encouraging earlier corrective practices in bad times.

This mechanism is applicable in the context of the COVID-19 pandemic where an unexpected shock has caused a sudden shrinkage in economic activity. The least traumatic absorption will require directing sufficient credit and liquidity to the greatest affected segments, therefore bringing into question the consequences of expected loss provisioning in such eras. The uncertainty concerning the depth and period of the COVID-19pandemic can make financial institutions face higher inconsistency in their provisioning needs under the original provisioning standards as compared to the old ones. The unexpected nature of the epidemic, and the conviction that its inferences will be less destructive for the economy if there is profusely of credit flowing against the affected corporate and households, propose the attractiveness of avoiding the procyclical destruction that the novel provisioning standards can cause in this pandemic.

This recommended standard needs more investigations and further researches for its benefits and applicability. Furthermore, this IFRS-9 standard is mainly applicable for banks and financial institutions which asking additional accounting standard that dealing with provisions for non-financial institutions. Similarly, we propose IASB to issue accounting standard for the presentation of financial reporting during period of global crisis such as COVID-19, and not only during the Hyperinflationary period, such as the IAS-29 standard[1]. This recommended standard expects to support business corporations to recognize measure and disclose their financial reporting in a manner consistent with the conditions of epidemics and natural disasters, and it may be under the name of "Financial Reporting under Crisis and pandemics circumstances".

3.5 Provisions and COVID-19 Pandemic

According to IAS (17); the provision is "an obligation of uncertain timing. The obligation may be legal requirement or constructive requirement. A constructive requirement rises from the corporate's actions, by which it has designated to others that it will accept definite duties, and as a result has shaped a probability that it will discharge those accountabilities". Examples of provisions might comprise: warranty provision; legal or constructive provisions to clean up polluted land; and obligations caused through a trader's policy to make recompenses to clients. Business identifies a provision if it is possible that outflow of cash will be obligatory to settle the provision. If an outflow is not possible, the element is treated as a contingent obligation. A provision is calculated at the sum that the business would sensibly pay to settle the debt at the end of the reporting period. Risks and uncertainties are taken into account in computing a provision. A provision is discounted to its present value. The recommend provision by IASB focus mainly on banking sector while did not consider the issue of provision for non-financial sector.

The researchers recommend the necessary to create a new financial provision(at rate not less than 10% of the company's capital) named "Crisis' Provision" that appears in the financial statement and used for cope with any exceptional circumstances or future financial or environmental crises. We recommend similarly the corporations to create a reserve named "Crisis and Pandemic' Reserve". This reserve may invest in the corporation' portfolio. In times of pandemics and global crises, we can use this reveres and its income over the company's activities, and to ensure that production and marketing, and innovation research are not stopped. The researchers similarly recommend allocating a percentage of the employee's salary as a financial provision (a rate of no less than 10% of the employee's salary), that is invested in an investment portfolio, and using this provision to ensure that employee's salary and remuneration will continues at the time of pandemics or epidemics as well as global crises.

[1]**IAS 29 Financial Reporting in Hyperinflationary Economies:** Hyperinflation is determined through different factors as interest, prices and wages correlated with a price index, and cumulative inflation over 3 years of around 100% or more. In this environment, financial statements, comprising comparative data, must be presented in units of the functional currency current. Restatement to current units of currency is made using the vacancies in a general price index. The gain or loss on the net monetary position should be involved in profit or loss for the period and should be distinctly revealed. Business should reveal the fact that the financial statements have been restated, the price index used for restatement, and whether the financial statements are organized on the base of the present costs or historical costs (IFRS, 2020).

3.6 Mergers and acquisitions and COVID-19 Pandemic

The COVID-19pandemic is having and will continue to have a substantial global influence on mergers and acquisitions (M&A). On a massive scale and in a very short period of time, hundreds of thousands of corporations have closed or cut back their processes significantly, millions of labors have been furloughed or laid off, customer spending has been radically abridged and supply chains have been disturbed. M&A world has suffered and recovered from earlier economic crises, comprising the burst of the dot-com effervesce in 2000-2002 and the Great Collapse of 2007-2009. As in the historical financial and economic crises, doubts in the corporate and capital markets have added to buyers suspending or cutting back on their acquisition tactics. But during COVID-19 things are diverse—the influence of the pandemic is not just on the financial system normally, the assessment of sellers, and the appetite of purchasers to get agreements done in the short term, but on a multitude of other factors affecting M&A transactions.
Universal M & A have now dropped as result of the COVID-19pandemic, and by the end of March 2020 had reached a close standstill. M&A degree in the US fell by more than 50% in the first quarter to $253 billion compared to 2019;however most of those dealings were closed earlier in the quarter before the pandemic feast worldwide. Parties to incomplete M&A dealings are abandoning noteworthy deals that were incomplete, such as Xerox lately sinking its $34 billion offer for HP, after having suspended summits with HP stockholders to emphasis on managing with the current pandemic. Softbank has dismissed its $3 billion tender proposal for We Work stocks, citing the COVID-19influence together with the disappointment of a number of closing circumstances. Bed Bath & Beyond has started litigation in Delaware with respect to postponements in the pending sale of one of its divisions to 1-800-Flowers for $250 million. Similarly, Boeing suppliers Hexcel and Woodward have called off their incomplete $6.4 billion merger of equals' deal noting the "unprecedented challenges" instigated through the pandemic.

Tampakoudis et al (2019) display a neutral crisis consequence on the assessment of M&A upon their announcement. Though, the paper provides decisive evidence that M&A completions are value-destroying proceedings for purchasing banks through the crisis' condition, far worse than in the pre-crisis time. Greek banks similarly fail to generate value from government-supported mergers. Therefore, while we recommend stopping all mergers and acquisitions process for large companies during this crisis, but for small and medium-sized companies, we suggest the necessity of merging to distribute the risks of the current crisis and survive.

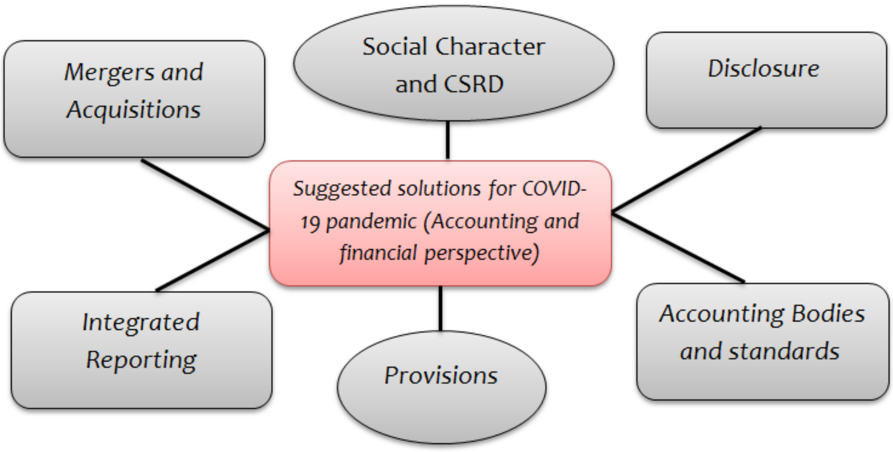

Chart 2: Suggestions from accounting and financial perspective towards COVID-19 pandemic

4. Suggestions towards COVID-19 pandemic from the organizational and strategically perspective

In this section, we present some suggestions to corporations from organizational and strategically perspective. Organizations and companies need to develop their **strategic plans** in accordance with methodologies for planning scenarios in times of pandemic, and that the concept of the pandemic widens in the minds of managers to include the stagnation of the trade movement locally and globally, in addition to all the concepts of the pandemic presented by scientific studies. The researchers suggest that it is necessary to invent **new product ideas** that ensure the company's business continues at a time of global pandemics, epidemics and crises, even if those products are completely different from the nature of the company's products. For example, restaurants such as McDonald's can create dining chairs surrounded by a cover that does not allow viruses and germs to enter while the customer eat his meal, and therefore the customer will be safe because no infection will spread to him from the customers around him. The researchers suggest that companies' **vision of markets** be a planetary vision and do not look at the planet's markets as if they were (separate islands), and then rise above the narrow and limited view of the geography of markets. Therefore, the company's capabilities must be developed at the level of digital marketing, to ensure the continued movement of the company's product markets across the entire planet. The researchers suggest that the international companies are keen on investing in **building warehouses** and networks of local distributors and agents in every city or village in the world, to ensure the availability of their products at all times, anywhere.

The researchers suggest the necessity of preparing **targeted financing plans** to enhance health investment, establish medical care infrastructures, build Impervious systems of health, in order to respond to pandemics and epidemics emergencies, and accelerate progress towards comprehensive global health care by investing a proportion of corporate funds in building a strong global health system, By establishing and building institutions for health care and medical research, and manufacturing therapeutic devices, masks, dresses, gloves, and medical equipment, based on the social and moral responsibility of companies towards the societies of the world, and contributing to protect the planet from human suffering, and preserve people from economic destructive. The researchers suggest the necessity of investing a percentage of the companies 'money in building a **global information system** for crises and pandemics, through owning, establishing, and building institutions to monitor, collect and analyze big data on viruses, microbes, diseases and epidemics, and anticipate their future and the extent of the possibility of their transformation into global pandemics, and the reflection of this transformation on the planet's economy and the movement of world trade.

5. Conclusion Remarks

The COVID-19pandemic was not the first nor will it be the last in the world of business crises, and therefore it needs to study deeply previous cases of the crises to confront subsequent ones. This study aims to present some tools which can used as recovery mechanisms by business to deal with COVID-19 pandemic from the perspectives of accounting, financial and organizational level. Based on scanning related literatures, we provides two categories of suggestions: (1) From accounting and financial perspective, we recommend to rebuild and recovered the trust for investors and all stakeholders across the market through improving the level of disclosure to sending a positive indicators for investors in addition to giving more focus on the integrated reporting. We furthermore ask accounting bodies and standards setters as IASB to create an innovative provision for pandemic and crisis as well as issued a new accounting standard for pandemic settings.

Victor Hugo believed that "The grave dangers carry a kind of beauty, as it sheds light on the bonds of brotherhood among strangers". According to IMF managing director Kristalina Georgieva proposes "It is this common threat that unites us, in order to harness the greatest strengths of its humanity - solidarity, courage, creativity and compassion". Consequently, COVID-19 is a critical test for business to reflect the human and social side. Therefore, we recommend business during and after this pandemic to give more focus on CSR activities as well as disclose more information about these practices. (2) Our recommendation for corporate from strategic and organizational perspective is emphasis on strategic plans; invent original product ideas, vision for markets, building warehouses, targeted financing plans and building a global information system for pandemics.

Philosophy of the corporations' existence depends on creating institutional systems to achieve goals - whatever type or nature of these goals - so these institutional systems will not leave the world plunged into chaos and darkness of pandemics and crises. This research attempts to move from observing the reality of business at the time of experiencing epidemics to the level of discovering and innovating solutions for confrontation and controlling the chaos and stalemate situation produced by COVID-19. The accounting, financial and organizational ideas that the research presents are recommendations or guidelines that we hope companies will try to implement to get out of the dark tunnel of COVID-19.

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