

Pandemic Crisis and Firm Survival: Evidence from Italy

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Abstract ID: 216

Inviato: 12/04/2023

Evento: XXI Workshop Annuale SIEPI

Argomento: 12. Reti di imprese, distretti e cluster tecnologici

Parole chiave: COVID-19, Digitalization, Firm survival, Group, Italy., Local environment, Productivity, Small firms

The paper studies these characteristics that affected firms' ability to react to the economic crisis induced by the COVID-19 pandemic. The paper presents the first results of an empirical analysis based on firm-level data aimed at verifying which factors have affected the probability of firms surviving the pandemic. The variables considered pertain both to the internal organization (size, age, group membership, capitalization, profitability, productivity, debt maturity structure, ...) and to contextual, ecosystem/territorial factors. In addition to the overall results for Italy, a focus will be presented on enterprises located in Central Italy and in the Marche region. The study finds that micro-firms, highly indebted and less productive firms have a higher probability of exit the market. Group's membership, a low debt exposure, and pre-crisis expansion have favored the survival of the enterprises. Finally, external factors do not significantly affect the probability of permanently closing during the crisis.