EFFECTIVENESS OF THE USE OF COMPENSATION BONUSES IN THE CZECH REPUBLIC

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Abstract: Aim: This paper focuses on the evaluation of the impact of the use of compensation bonuses during a pandemic on the economic situation of companies. Methods: In order to achieve this objective, a primary quantitative survey in the form of a questionnaire survey was conducted in Czech enterprises and two research questions were set. The research questions were answered by testing four hypotheses, which focused on testing the relationship between the use of compensation bonuses and the nature of the change in the economic situation of the enterprise in terms of sector, size and prevailing business relationship. The parametric two-sample one-factor ANOVA and Pearson's Chi-squared test were used to test the hypotheses. Main findings: The results showed that the use of compensation bonuses was associated with a negative change in the economic situation of the firms. Differences in the magnitude of the effect were observed in terms of the prevailing business relationship and the size of the enterprises. The business sector did not affect the strength of the association between bonus use and change in economic situation. Limitations of the paper: the paper focuses on observing the short-term trend and is limited to Czech enterprises during the pandemic period.

Keywords: post-crisis period, financial turnaround, compensation bonus, industry, trade and services, B2B and B2C, firm size.

1 Introduction

The Covid-19 pandemic had a significant impact on national economies around the world, including the Czech Republic (Lebedeva and Moskalenko, 2021). According to Bienvenido-Huertas (2021), repeated closures and restrictions on the movement of people caused a significant decline in economic activity, leading to serious consequences for businesses, workers and the state budget. Sectors such as tourism, travel, gastronomy and retail have been the hardest hit. This has led to a significant drop in the income of these sectors and an increase in unemployment. It was not only the national economy of the Czech Republic that suffered a decline in GDP and an increase in public debt (Daniels et al., 2021). Klimovsky and Nemec (2021) reported that governments of various countries, including the Czech Republic, introduced various measures to support the economy during the pandemic. One of these measures was the provision of compensation bonuses to help businesses maintain operations and sustain employment. Laca and Laca (2021) explained that the Antivirus program was introduced, which provided support to employers in the form of compensation bonuses per employee. These bonuses were intended to help employers retain their employees and minimize layoffs. The bonuses were provided based on the comparison of the firms' sales in the previous period (Lasak, 2023). According to Lizcova (2020), the share of compensation bonuses in the state budget was significant. In the Czech Republic, several programs were implemented to support businesses during the pandemic, such as the Antivirus, Compensation Bonus and Guarantee Covid programs. These programmes were in the order of billions of crowns and were introduced in the Czech Republic during the Covid-19 pandemic to provide support to firms and tradesmen in difficult financial situations and ran from 2020 to the present. However, the exact share of the state budget depends on specific figures and government decisions (Melnyk, Mazaraki and

Pugachevska,2021). Song and Zhou (2020) think that the effectiveness of the use of compensation bonuses in the Czech Republic and abroad is a debatable issue. Stukalo, Simakhova and Baltgailis (2022) in their research stated that the effectiveness of the use of compensation programs depends on many factors, including the way the programs are implemented, controls and payouts, transparency and efficiency of the use of funds. It is important to ensure fair and transparent criteria for awarding bonuses and to monitor the impact on employment retention and economic recovery (Dostal et al., 2022).

An interesting question is how the use of compensation bonuses has affected the economic prosperity of Czech companies. The main objective of this paper is to find out how the use of compensation bonuses has affected the change in the economic situation of enterprises.

To address this issue, the following research questions were constructed:

1. What was the impact of compensation programs on the change in the economic situation of Czech enterprises during the Covid-19 pandemic?
2. How did the impact of compensation programs on the change in the economic situation of enterprises differ in terms of the prevailing business relationship(B2B/B2C), sector (services, trade, industry), size (micro / small / medium)?

2 Literature review

The Covid-19 pandemic has had a significant impact on value chains in many sectors. Production and supply chains were disrupted due to mobility restrictions and factory closures (Strange, 2020). This led to shortages of raw materials, components and finished products, causing delays in supply and reduced production. A firm that depended on foreign raw material supplies may have faced challenges associated with dependence on a single supplier (Tejani and Fukuda-parr, 2021). Havakawa and Mukunoki (2021), Xiong et al. (2021), and Sagapova and Dusek (2021) pointed out that tourism industries such as aviation, accommodation, and travel agencies were severely affected. Travel restrictions and quarantine measures have caused a dramatic decline in demand for tourism services. Airlines had to cancel flights and lost many customers. The hotel industry was forced to close operations or operate with very low occupancy rates (Xia et al., 2022). Many small businesses in the tourism industry found themselves in a difficult situation because they could not retain employees. According to the research of Choudhury et al. (2022), retail chains had to adapt to new measures and changed customer behaviour. Many stores were forced to close or reduce their hours of operation. Retailers also had to get used to the increase in online shopping and had to allow customers to use delivery services (Frederico, Kumar and Garza-Reves, 2021; Pollak et al., 2021). Retailers that can quickly adapt to new trends and changes in demand may have seen a decline in sales and even closures (Magableh, 2021). According to Paul, Adhikari, and Bose (2022), the pandemic also had an impact on global supply chains and international trade. Restrictions on mobility and closing borders have led to difficulties in transporting goods and services between countries. Many companies have had to rely on local sourcing and reduce their dependence on foreign suppliers.

Compensation programs are government measures that were introduced in the aftermath of the Covid-19 pandemic to provide financial assistance to entrepreneurs and compensate them for the negative impacts that the pandemic caused to their businesses (Shtembari, Kufo and Haxhinasto, 2022). Three of these compensation programs that have been implemented are the Antivirus, Covid and Compensation Bonus and the Covid Guarantee (Zelenska and Bell,2022). Covid and Compensation Bonus was another compensation program that focused on self-

employment (Bedford et al., 2023). Entrepreneurs who were significantly affected by the pandemic and had to stop or reduce their activities could apply for financial compensation. This support was intended to help them keep their businesses alive and minimise the negative financial impact of the pandemic (Ricci et al., 2020). According to Stephany et al. (2020), the Covid Guarantee was a program to provide entrepreneurs with a guarantee for their loans and borrowings. As a result of the pandemic, many entrepreneurs faced financial hardship and problems repaying their obligations. The Covid Guarantee program provides a guarantee for these loans, which reduces the risk to lenders and helps entrepreneurs maintain access to funds. Overall, a significant amount of funding has been disbursed under these compensation programmes. Each program had its own budget that was allocated to provide support to entrepreneurs (Satiani and Davis, 2020).

During the Covid-19 pandemic, the financial situation of businesses changed significantly. Many sectors and industries, especially those related to travel, entertainment and retail, suffered significant losses (Streimikiene and Kaftan, 2021). In contrast, digital sectors, such as e-commerce, telecommunications and online payments, experienced significant growth (Ciemlaja and Kozlovskis, 2021). Large companies with sufficient financial resources have been better able to withstand the effects of the crisis. According to Heo, Grable and Rabbani (2020), small and medium-sized enterprises often faced greater difficulties and many had to close or downsize. Financial situations have had a significant impact on the economy as a whole, with some businesses able to adapt and take advantage of new opportunities, while others are struggling and restructuring their business models (Chodnicka-Jaworska, 2022). The change in the financial situation during Covid has also triggered the need for new financial strategies and measures (Szustak, Gradon and Szewczyk, 2021, Straková et al., 2021). Many firms had to rely on government stimulus packages, loans and support to maintain their liquidity and protect jobs. Banks and financial institutions provided support and flexible loans to struggling businesses. Growing investment in digital technology, enabling remote working and sales, is becoming a priority for many businesses (Ramirez, 2022).

Efficiency in the use of compensation programs has become a central issue around the world. Many countries and organizations are struggling to find optimal ways to maximize the effectiveness and outcomes of these programs. Research by Ben-Gal et al. (2022), Aman-Ullah et al. (2022) and Amantea et al. (2022) shows that these programs are well designed and properly implemented. Moreover, compensation programs are expected to have a positive impact on employees and the organization as a whole. For example, a study conducted internationally by Fabio and Suriano (2021) found that compensation programs that focus on employee motivation improve job performance and meet employee satisfaction. Thorough evaluation and measurement of the effectiveness of these programs are crucial to ensure that they are properly set up and tailored to the needs of the organization (Takci, Gozel and Hocaoglu, 2021). Studies have also been conducted in the Czech Republic to investigate the effectiveness of compensation programs. For example, research by Antosova, Hazuchova and Stavkova (2022) conducted by the Management Association (CMA) found that properly designed compensation programs can lead to increased employee motivation, employee loyalty and productivity. It is clear from these studies that the effectiveness of compensation programs is influenced by many factors, including appropriate program design, transparency, fairness, and clear communication channels (Elkmash, Abdel-Kader, and Badr El Din, 2022). In the Czech Republic, several programs have been implemented to support business, compensation programs during the pandemic, such as Covid and compensation bonus programs, Antivirus programs, Covid CK guarantee programs, and others. For the individual bonus periods, the financial administration has paid out approximately CZK 48.3 billion under the KB (Compensation Bonus) programme between 2020 and 2022. A graphical representation of the amount of compensation bonus paid and the number of

beneficiaries is shown in Figure 1 (National Audit Office (NAO), 2023).

Fig. 1. Amount of compensation bonus paid and number of beneficiaries.
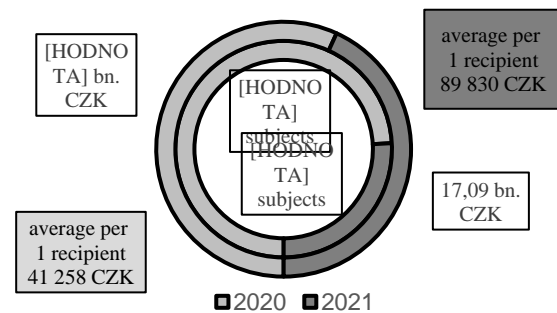
Another programme was aimed at supporting employment retention (Antivirus A, A+, B programmes). The Antivirus programme has supported a significant majority of small and micro enterprises, which tend to be the most vulnerable in times of crisis. Specifically, 86% of the firms fell under 25 employees. Businesses with 100 or more employees accounted for only 5% of those supported. Summary statistics of the Antivirus programme are presented in Figure 2 (Ministry of Labour and Social Affairs of the Czech Republic (MLSA), 2021).

Fig. 2. Antivirus summary statistics

Total	
Mode A (in CZK)	10 860 100 616
Mode B (in CZK)	18 147 765 966
Mode A+ (in CZK)	21 171 445 850
Total (in CZK)	50 179 312 432
Total supported companies	74 278
Total supported employees	1 073 133

Share of supported employees in the private sector

Guarantee programmes (e.g. the Covid CK Guarantee programme) aimed to help small and medium-sized CKs to take out the legal obligation to take out bankruptcy protection insurance (bankruptcy insurance). A total of CZK 299 billion of taxpayers' money has been paid out until 12 January 2022. One measure of the effectiveness of the provision of compensation schemes is the trend in the number of defunct businesses.

3 Methods

3.1 Methods of data collection

The research questions were defined as follows:

RQ1: What was the impact of compensation programs on the change in the economic situation of Czech enterprises during the Covid-19 pandemic?

RQ2: How did the impact of compensation programs on the change in the economic situation of enterprises differ in terms of the prevailing business relationship(B2B/B2C), sector (services, trade, industry), size (micro/small/medium)?

To answer the first question, H0 and H1 were determined. H0: The use of compensation bonus has no impact on the change in the economic situation of the enterprise. H1: The use of the compensation bonus affects the change in the economic situation of the enterprise. To answer the second RQ, H2, H3, H4 were determined. H2: The degree of influence of the use of compensation bonus on the change of the economic situation of the enterprise is related to the business sector (the degree of influence is higher for B2C than for B2B). H3: the degree of influence of the use of compensation bonuses on the change in the economic situation of the enterprise is related to the business sector (the degree of influence is higher for service providers than for industrial enterprises and trades). H4: the degree of impact of the use of compensation bonuses on the change in the economic situation of the enterprise is related to the size of the enterprise (the degree of impact is higher for small enterprises than for medium-sized enterprises). To test the defined hypotheses, a primary quantitative survey will be conducted in Czech enterprises in the form of a questionnaire survey. The questionnaire questions and response options are presented in Table 1.

Table 1: Survey questions including response options

Question	Answer options
1. Main field of business	Production company, Service provider, Retail and wholesale
2. Company size	0 – freelancer; 1 - 10 employees – micro-firm; 11 - 50 employees – small company; 51 - 250 employees – medium-sized company
3. Predominant type of business relationship	B2B, B2C; another
4. How did you do in business before the crisis?	The business was profitable, earning money for its operations and the owner´s daily life; The business was becoming profitable; Stagnated; The company was loss-making
5. How do you assess the current situation of the company (situation as of October 2021)	We are considering going out of business; We are trying to recover, but the situation is still uncertain, we have a number of problems; We are almost recovered and we are getting on with business; We are now fully recovered and continuing as before the pandemic; We are now fully recovered and better off than before the pandemic; The pandemic did not have a negative impact on the company)
6. Have you used any of the programs to support affected businesses?	Employment retention support (Antivirus programmes); Support for entrepreneurs (Covid and compensation bonus programmes); Warranty programs (Covid Warranty programs), Did not use

In this survey, the sample will be defined by non-probability sampling based on voluntary sampling. A minimum threshold of 150 enterprises has been set for this survey due to the likely return rate of the questionnaires. The sampling of enterprises for the survey will be carried out by random selection. A key element of the testing is to define the change in the economic situation (the difference between the situation at the end of 2021 and the economic situation before). The definitions of positive change, negative change and no change situation are described in Table 2.

Table 2: Definition of economic change during a pandemic (2020-2021)

Positive change (B11)		
Economic situation before	Economic situation after (end of 2021)	
The company was profitable	We are almost recovered, and we are getting on with business	We are now fully recovered and continuing as before the pandemic	We are now fully recovered and better off than before the pandemic
Stagnated			
Negative change (B12)		
Economic situation before	Economic situation after (end of 2021)	
The company was profitable, earning money for operations and the owner´s daily life	We are considering going out of business	We are trying to recover, but the situation is still uncertain, we have several problems	
The company was becoming profitable			
Without change (B13)		
Economic situation before	Economic situation after (end of 2021)	
The company was loss-making	We are considering going out of business	We are trying to recover, but the situation is still uncertain, we have a number of problems	
Stagnated			
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
The company was profitable, earning money for operations and the owner´s daily life	We are almost recovered, and we are getting on with business	We are now fully recovered and continuing as before the pandemic	We are now fully recovered and better off than before the pandemic

The description of the samples for testing the relationships within each hypothesis H1-H4 is presented in Table 3.

Tab. 3. Description of samples for H1-H4 testing

Sample description for H1 testing		
Use of bonuses	Change in the economic situation during the pandemic	
A11: took advantage of the bonus	B11: positive	
A12: did not take advantage of the bonus	B12: negative	
	B13: without change	
Sample description for H2 testing		
Use of bonuses	Change in the economic situation during the pandemic	Prevailing business relationship
A11: took advantage of the bonus	B11: positive	C21: B2B

A12: did not take advantage of the bonus	B12: negative	
	B13: without change	C22: B2C
Sample description for H3 testing		
Use of bonuses	Change in the economic situation during the pandemic	Business sector
A11: took advantage of the bonus	B11: positive	C31: provision of services
A12: did not take advantage of the bonus	B12: negative	C32: production/ industry
	B13: without change	C33: retail, wholesale
Sample description for H4 testing		
Use of bonuses	Change in the economic situation during the pandemic	Company size
A11: took advantage of the bonus	B11: positive	C41: micro-firm
A12: did not take advantage of the bonus	B12: negative	C42: small company
	B13: without change	C43: medium-sized company

3.2 Methods of data processing

Hypothesis testing will be conducted in two stages.

In the first stage, H0 and H1 will be tested. The companies will be divided into three categories according to the symptom Change in economic situation: positive, negative, no change. Furthermore, the sample will be divided according to the use of compensation programs (A/N).

Testing will be done using one-factor ANOVA and Pearson chi-square test. Normality of data will be ensured by similar sample size, allowable difference 5 percent. The significance level will be set at 3 percent.

During the second stage, hypotheses H2, H3 and H4 will be tested, aiming to establish the association between the change in the economic situation of enterprises and the use of compensation bonuses in terms of differentiation according to different criteria (predominant type of business relationship (B2B and B2C), sector (trade, manufacturing, services), size of the enterprise (micro, small, medium). Testing will be carried out using Pearson's Chi-squared test. The significance level will be set at 5 percent.

One-factor ANOVA

One-factor ANOVA, or analysis of variance, is a statistical method used to test the validity of hypotheses by comparing the differences between the treatment groups. The ANOVA method of testing is performed on more than two treatment groups, thus differing from the so-called t-test, which looks at only two groups. When using ANOVA to determine statistical significance, we work with two hypotheses. The null hypothesis (H0) puts forward that the means of all groups are the same and therefore there is no statistical difference between them. In contrast, the alternative hypothesis (H1) proposes that at least one mean of the selected groups is different (Cavus, 2022).

Pearson's Chi-squared test

Pearson's Chi-squared test is the most widely used statistical method from the category of Chi-squared tests, this method has found its use in comparing differences of categorical variables. The principle of this method is based on the probability of the observed difference occurring by chance. As with ANOVA, Pearson's Chi-squared test works with two basic hypotheses. The null hypothesis (H0) assumes that there are no observable

differences between the treatment groups and therefore they are not statistically dependent on each other. The alternative hypothesis (H1) operates with the assumption that there is a statistical association between the observed groups (Hodges et al., 2022).

$$\chi^2 = \Sigma \frac{(O - E)^2}{E}$$

Where:

E = Expected frequency,
O = Observed frequency.

4 Results

A total of 251 enterprises participated in the survey. This whole set was tested under H0/H1. For testing H2, H3, H4 a set of 209 enterprises was used, according to the symptom of the predominant business relationship B2B and B2C.
The hypothesis H1 was confirmed. The use of compensation bonus affects the change of economic situation in the enterprise. The results of testing using Pearsons Chi-squared test and one-factor Anova are presented in Table 4.

Tab. 4: Test results H1

Pearson's Chi-squared test results			
File	X-squared	df	p-value
Change in the economic situation of the company	12.816	2	0.001648
ANOVA test results			
	Df	Sum Sq	Mean Sq	F value	Pr (>F)
Use of the program	1	1.38	1.3774	8.261	0.0044
Residuals	249	41.52	0.1667		

However, it can be concluded that the use of the compensation bonus is rather related to a negative change in the change in the economic situation shows a negative tendency with the use of compensation bonuses, Table 5.

Table 5: Description of the sample for testing H1

Change.economic. situation	Yes	No
Without change	78	128
Negative	24	10
Positive	5	6

Hypothesis H2 was not confirmed. The degree of influence of the use of compensation bonuses on the change in the economic situation of the company is higher for B2B compared to B2C. The results of the testing are presented in Table 6.

Table 6: Results of H2 testing, Pearson's Chi-squared test and ANOVA test

Pearson's Chi-squared test results			
File	X-squared	df	p-value
Change in the economic situation of the company, B2C	5.1408	2	0.00765
Change in the economic situation of the company, B2B	13.359	2	0.001257
ANOVA test results			
	Df	Sum Sq	Mean sq	F value	Pr (>F)
B2C					
Use of the program	1	0.724	0.7244	4.775	0.00311*
Residuals	105	15.930	0.1517		

B2B					
Use of the program	2	3.184	1.5922	7.46	0.00096*
Residuals	99	21.129	0.2134		

Again, this is an inverse proportionality. That is, the use of the compensation bonus in the short term has resulted in a rather negative change in the economic situation.

Hypothesis 3 was partially confirmed. The results of testing H3 are presented in Table 7. Primarily, there is no relationship between the degree of influence of the use of compensation bonuses on the change in the economic situation of the enterprise and the business sector. However, it can be concluded that the effect of the use of compensation bonuses is more evident in-service providers than in other industries.

Table 7: Results of H3 testing using Pearson's Chi-squared test

Pearson's Chi-squared test results, H3			
File	X-squared	df	p-value
Production	1.5032	2	0.4716
Services	5.166	2	0.07555
Sales	1.2311	2	0.5404

The results of H4 testing are presented in Table 8.

Table 8: Results of H4 testing using Pearson's Chi-squared test.

Pearson's Chi-squared test results, H4			
File	X-squared	df	p-value
Micro firms	4.6752	2	0.09656
Small companies	7.1198	2	0.02844
Medium-sized companies	2.676	2	0.2624

Hypothesis 4 is confirmed, the degree of influence of the use of compensation bonuses on the change in the economic situation of the enterprise is higher for small enterprises than for medium-sized enterprises.

5 Discussion

The scientific article focuses on the evaluation of the impact of the use of compensation bonuses during the Covid-19 pandemic and their influence on the change of the economic situation in Czech enterprises in the short term.

The Covid-19 pandemic had a significant negative impact on the national economy of the Czech Republic, especially on the tourism, travel, catering and retail sectors. The loss of revenue in these sectors led to an increase in unemployment and a reduction in GDP. Compensation programmes, including the Antivirus, Covid and Compensation Bonus and Covid Guarantee programmes, have been introduced to provide financial assistance to businesses in the Czech Republic. These programmes were designed to keep businesses operating and minimise redundancies. Fairness and transparency in the process of granting compensation bonuses is an important criterion for granting them. The literature search shows that the effectiveness of the use of compensation programs depends on many factors such as proper program design, transparency, fairness, and a clear communication strategy. Thorough evaluation and measurement of the effectiveness of these programs are key to their success. Most studies report that well-designed and properly implemented compensation programs can have a positive impact on employees and overall organizational performance.

In the course of our research, we focused on two research questions and four hypotheses to understand the short-term effects of compensation programs during the Covid-19 pandemic in Czech companies. The results of the conducted research show

that there was a negative change in the economic situation in the short term when compensation bonuses were used. Differences were observed in the effectiveness of use in terms of sector, size and prevailing business relationship. We now discuss each hypothesis in more detail and evaluate them on the basis of the results obtained.

According to the results of testing hypotheses H0 and H1, it can be concluded that the use of compensation bonus affects the change in the economic situation of the company. Our analysis reveals a link between the use of compensation bonus and negative change in the economic situation of the company in the short term. Compensation programs helped firms to retain employees and minimize losses, however, in the short run it resulted in a rather negative change in the economic situation (Zelenska and Bellova, 2022). The testing of hypothesis H2 determined that the degree of impact of the use of compensation bonuses on negative change in economic situation is higher for B2B firms than for B2C firms. The relationship between the effect of the use of compensation bonuses on the change in the economic situation of the enterprise and the business sector was not confirmed during the testing of hypothesis H3. However, the impact of compensation programs varied across sectors. Some sectors, such as tourism, catering and retail, were affected by a greater decline in sales and a higher risk of bankruptcy (Kovacs and Zsigmond, 2020). These sectors showed a greater use of compensation programs, especially the Antivirus program, and were also more dependent on government support. On the other hand, sectors such as IT and pharmaceuticals showed less dependence on compensation programs because their revenues were less affected by the pandemic. Although there is no correlation between the degree of impact of the use of compensation bonuses on the change in a company's economic situation and the business sector, the impact of the use of compensation bonuses is more evident for service providers than for other sectors. The results of testing hypothesis H4 suggest that there is a stronger tendency for negative short-run change in economic situation among small businesses when compensation bonuses are used. The Antivirus, Covid and compensation bonus programs were mainly aimed at supporting small and micro enterprises, which allowed them to retain their employees and operations even in times of crisis (Zubikova and Smolak, 2022).
The results of other studies (Dostal et al., 2022; Lizcova, 2020; Hedvicakova and Kozubinova, 2021) show that compensation programs were an effective tool for improving the financial situation of many enterprises, but did not have the same impact on all entities. improving and optimizing these programs could lead to their even more effective use in future crisis situations. Criticism of compensation bonuses has focused, among other things, on the claim that bonuses have only led to the pumping of state money into dysfunctional (uncompetitive enterprises) and are a short-sighted solution (Zubikova, Vesela and Smolak, 2023). It can be concluded that, according to their own results, recipients of compensation bonuses "got poorer" than "non-recipients". Another important aspect is the extent of the potential threat from which the introduction of compensation bonuses protected entrepreneurs. It can be assumed that, despite the negative change in the economic situation, the recipients of compensation bonuses were saved from the complete liquidation of their own businesses. The observed correlation also suggests that the support was given to 'at risk' enterprises, which were helped by the bonus to survive, not to improve their financial situation (overall, by prevailing business relationship and by size). However, from a sectoral perspective, we cannot conclusively establish this link. It can therefore be summarised that none of the sectors mentioned was particularly vulnerable compared to the others.

6 Conclusion

The main objective of the paper was to find out how the use of compensation bonuses affected the change in the economic situation of companies. In order to achieve the main objective, quantitative research was carried out using a questionnaire survey in Czech enterprises. The relationship between the use of compensation bonuses and the deterioration of the economic

situation of the beneficiaries in the short term was found. The survey in Czech enterprises showed that compensation programmes such as Antivirus, Covid and Compensation Bonus and Covid Guarantee were more associated with a negative change in the economic situation in the short term. This generalized conclusion was confirmed in the sub-assessments by size and sector of enterprises. The results show an association between the use of compensation programmes and a worsening of the economic situation for small enterprises, with a predominantly B2B business relationship. No association was found for the business sector attribute.

Several recommendations for the target segment can be made from the results of the study. A complex set of metrics, including potential macroeconomic impact, must be considered when planning the delivery and then evaluating the effectiveness of similar programmes. For example, the financial stability of the enterprise and the extent of damage would be useful in assessing the suitability of the beneficiary. The compensation programme may have helped reduce the number of businesses going out of business, but it has not promoted greater economic stability (at least in the short term).

Overall, it is important to ensure transparency and fairness in the compensation bonus process to maintain business confidence in government support measures. Greater transparency can reduce the risk of corruption and misuse of bonuses. Based on the survey results, it can be recommended that the government further assess the needs of different sectors and industries and tailor compensation programs to be as effective and targeted as possible.

The research carried out has some limitations. On the one hand, the results are limited in terms of time, as they only examine short-term trends. On the other hand, the results are limited in terms of objects, as they focus exclusively on small and medium-sized Czech enterprises. It is therefore not possible to determine with certainty whether a similar trend would be sustained in other settings.

The main directions for future research include (1) monitoring the long-term impact of the pandemic and creating new models of economic growth forecasts, (2) assessing the effectiveness and optimality of government support measures for businesses.

The first line of research would focus on the long-term economic consequences of pandemics and examine how prolonged economic changes affect corporate strategies, competitiveness, and recovery. Formulating new models of economic growth forecasts that take into account pandemic effects and analysing trends in consumer behaviour and preferences can contribute to a better understanding of future market developments.

The second line of research would focus on a critical assessment of the effectiveness and impact of the existing support measures provided during the pandemic on the corporate economy. The aim would be to identify which specific measures have been most effective in maintaining business stability and growth. The effects of various factors such as enterprise size, sector, regional specificities, etc. on the effectiveness of support measures should also be analysed. This research would provide a more comprehensive and detailed view of the mechanisms that affect the corporate economy during pandemics and the subsequent period. Such knowledge could lead to better adapted and more effective policies to support the economy in the event of future crises. In conclusion, compensation programs in the Czech Republic played a key role in improving the financial situation of many businesses during the Covid-19 pandemic. However, it is important to continuously examine and optimize these programs to be as effective as possible in supporting businesses during difficult times. Future research could be directed towards examining the long-term effects of these programmes on the economy and identifying best practices to support businesses in the event of future crises. In light of the results, we suggest that the Czech government further assess the needs of different sectors and industries and tailor compensation programs to be as

effective and targeted as possible. Such adjustments could lead to even more successful use of these programmes in future crisis situation.

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