

**THE UNIVERSITY OF ZAMBIA**  
**INSTITUTE OF DISTANCE EDUCATION**  
**MASTER OF BUSINESS ADMINISTRATION**

**AN INVESTIGATION ON SMALL AND MEDIUM ENTERPRISES (SMES) BUSINESS  
RESILIENCE DURING AND AFTER COVID 19 – A CASE STUDY OF CHONGWE  
DISTRICT IN ZAMBIA.**

**STUDENT NAME: OLUGA NKOLOLA**

**STUDENT ID NO. 720000056**

**A DISSERTATION SUBMITTED TO THE UNIVERSITY OF ZAMBIA IN PARTIAL  
FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTERS DEGREE IN  
BUSINESS ADMINISTRATION.**

**YEAR 2023.**

## **COPYRIGHT**

All rights reserved. No part of this dissertation may be reproduced, store in any retrieval system or transmitted in any form by any means without prior written permission of the author or the University of Zambia/Zimbabwe.

Oluga Nkolola 2024

## DECLARATION

I Oluga Nkolola do hereby declare that this work or any part thereof has not previously been presented to any University or to any other body whether for the purpose of assessment, publication or for any other purpose. For any express acknowledgements, references and/ or bibliographies cited in the work, I confirm that the intellectual contents of the work are the result of my own efforts and no other person. Any errors of omission, interpretation and emphasis remain my sole responsibility.

Date \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Signature: \_\_\_\_\_

Student's Name: \_\_\_\_\_

## **DEDICATION**

This research is dedicated to my family members and friends for their support and immense encouragement throughout the study period. I remain deeply thankful for having supported me until I successfully completed the study.

## **ACKNOWLEDGEMENT**

First and foremost, my sincere gratitude goes to the almighty God for his abundant grace endowed upon me, gift of life, good health, and the ability to carry out this study successfully. I would like to acknowledge the support and guidance rendered by my supervisor Dr. Taonaziso Chowa. His educative comments, advice, and guidance while carrying this study is highly appreciated and also the University of Zambia for according to me the opportunity to study with them. I would also love to extend a hand of appreciation to my son Giovanni Kai Kimpulumba and his father Faston Kimpulumba for their continued support rendered making it possible for this work to be a success.

## **APPROVAL**

This dissertation belongs to Oluga Nkolola and has been approved as partial fulfilment of the requirements for the award of a master's degree in business administration by the university of Zambia.

Supervisor

Name .....

Signature .....

Date .....

Coordinator

Name .....

Signature .....

Date .....

## ABSTRACT

The COVID-19 pandemic presented unprecedented challenges for businesses worldwide, particularly for Small and Medium Enterprises (SMEs), which constituted a significant portion of the global economy. This dissertation aimed to investigate the resilience strategies adopted by SMEs to navigate the disruptions caused by the pandemic and their subsequent recovery efforts.

The study employed a mixed-methods approach, combining quantitative surveys and qualitative interviews, to gather comprehensive data on the experiences of SMEs across various sectors and regions. Quantitative analysis will focus on assessing the impact of COVID-19 on SMEs, including financial performance, operational changes, and adaptation strategies. Qualitative interviews provided deeper insights into the specific resilience mechanisms employed by SMEs, such as innovation, digital transformation, supply chain management, and government support utilization.

Key findings contributed to the understanding of how SMEs have adapted to survive and thrive amidst the challenges posed by the pandemic. Additionally, the research shed light on the role of government policies and support initiatives in facilitating SME resilience. The study's implications extended to policymakers, business leaders, and academia, offering valuable insights into building resilience in SMEs and enhancing their capacity to withstand future crises.

## TABLE OF CONTENTS

Copyright.....	i
Declaration .....	ii
Dedication .....	iii
Acknowledgement .....	iv
Approval.....	v
Abstract .....	vi
Table of content .....	vii - ix
List of figures .....	x - xi

### Chapter One

1.1 Introduction.....	1
1.2 Background to the study .....	1 - 2
1.3 Statement of the problem .....	3
1.4 Purpose of the study .....	3
1.5 Objectives of the study .....	3
1.5.1 General objectives .....	3
1.5.2 Specific objectives .....	4
1.6 Research questions .....	4
1.7 Significance of the study .....	4
1.8 Scope of the study .....	5
1.9 Conceptual framework .....	5
1.10 Theoretical framework .....	5 – 6
1.11 Limitations of the study .....	7
1.12 Key definitions .....	7

### Chapter Two

2.0 Literature review .....	8
2.1 Coronavirus disease 2019 .....	8
2.2 Innovation for growth .....	9
2.3 Open innovation .....	9 – 15
2.4 Influence of covid 19 .....	15 – 17
2.5 The market .....	17
2.6 Personnel flow .....	17 - 18
2.7 Reasons to major impact on SMEs .....	18 - 20
<b>Chapter Three</b>	
3.1 Philosophical paradigm .....	21
3.2 Research design.....	22
3.3 Target population.....	22
3.4 Sample size.....	22 - 23
3.5 Sampling techniques.....	23 - 24
3.6 Data collection techniques .....	24 - 25
3.7 Data analysis.....	25
3.8 Pilot study .....	25
3.9 Time schedule .....	25 - 26
3.10 Ethical considerations .....	26
<b>Chapter Four</b>	
4.0 Data presentation, interpretation, and analysis.....	27

4.1 Demographic information of respondents.....	27 - 28
4.2 Information on SMEs.....	29 – 32
4.3 Business challenges that SMEs faced during the covid-19 pandemic.....	33 – 34
4.4 Impacts of covid – 19 on SMEs.....	34 – 36
4.5 Crisis Management plan applied by SMEs.....	37 – 38
4.6 Relief measures provided by government to support SMEs.....	39– 40
4.7 Resilience of businesses from the impact of the covid 19 pandemic.....	40 - 41
4.8 Discussions of the study .....	41 - 43

**Chapter Five**

5.1 Conclusions .....	44
5.2 Recommendations.....	45
References .....	46 - 47
Appendix .....	48
Appendices .....	49 - 57

## **List of figures**

Figure 1: Respondents by gender (pg. 27)

Figure 2; Age of Respondents (pg. 27 - 28)

Figure 3: Respondents by highest educational level (pg. 28)

Figure 4: Position of respondents at the business or company (pg. 29)

Figure 5: Sector Respondents by industry (pg. 29 - 30)

Figure 6: Respondents business period of operation (pg. 30)

Figure 7: Number of employees per sector before Covid-19 outbreak (pg. 31)

Figure 8: Number of employees per sector during Covid-19 outbreak (pg. 31 - 32)

Figure 9: Point at SMEs noticed that covid – 19 had impacted their business (pg. 32)

Figure 10: Cost of doing business increased during the pandemic due to health guidelines (pg. 33)

Figure 11: Some employees worked remotely because of the pandemic (pg. 33 - 34)

Figure 12: Social distance affected the social network of business (pg. 34)

Figure 13: Extent to which businesses totally closed, partially closed & did not close (pg. 34 - 35)

Figure 14: Impact of Covid-19 on business revenue (pg. 35 – 36)

Figure 15: Customer relation after covid-19 (pg. 36)

Figure 16: Business measures taken by SMEs to combat covid-19 pandemic (pg. 37)

Figure 17: Area of affective crisis management plan (pg. 37 – 38)

Figure 18: Goals of crisis management (pg. 38)

Figure 19: Government relief measures to support SMEs (pg. 39 – 40)

Figure 20: Business resilience during covid – 19 (pg. 40)

Figure 21: Business survival during the pandemic (pg. 41)

## **CHAPTER 1**

### **1.1 Introduction**

The chapter presents the proposed background of study, the proposed statement of the problem, the proposed research objectives and questions, the conceptual and theoretical framework, the significance of study, expected limitations of study and finally the operational definitions.

The outline provides a structured approach to explore the topic of SMEs' resilience during and after COVID-19, covering various aspects such as challenges faced, strategies employed, case studies, government support, and outlook.

### **1.2 Background to the Study**

SMEs are struggling with many challenges, such as disruptions in logistics, restrictions on labor mobility, and declines in market order. The major challenges vary by industry. For example, export firms suffer more than others, due to a decline in external demand and a lack of key parts that keep them afloat. SMES in the residential service sector are hit particularly hard because of shrinking demand. Agricultural enterprises report more problems with logistical disruptions.

This study will contribute to the emerging body of literature on the effects of COVID- 19 on firms and largely the economy. The coronavirus disease 2019 is produced by a new virus for which currently there is no pharmaceutical treatment. The dynamics of the disease are such that, in the absence of non-pharmaceutical interventions (NPIs), it overwhelms the capacity of national health care systems. Hence, governments choose to enact non-pharmaceutical interventions (NPIs) to contain the spread of the COVID-19pandemic. Even though there is a lot of uncertainty about the parameters of the mathematical models that describe the epidemiological dynamics of COVID-19, a recent study indicates that these policies may be necessary for a period of at least several months. The researcher aims to show the basic sources of problems in SMEs in Chongwe, their responses to the crisis, including counter measures taken, as well as directions (strategies) of transformation and adaptation to changes in the environment.

The Corona Virus known as the covid19 virus originated from China and was discovered in 2019 which later became widely known in year 2020. The origin of the Covid19 Virus has been quite crucial in the sense that it has brought about many challenges in society. COVID-19has become a global emergency leaving death, economic and business devastation, an impact on the

health system, social movements, employees, and employment opportunities. Global governments-imposed restrictions to contain the spread of COVID 19 including staying at home, quarantine, social distance, and limitation of social movements. All these steps resulted in the decline of supply and demand, the SMEs have experienced dramatic revenue drops, and this has increased the unemployment rate and prices of necessary goods.

The SMEs overwhelming competing challenges raised from the COVID 19 has taken steps to continue the existence including the reduction of working hours, dismissal, halting some of business operations, temporarily close, it increased the existing inequalities and vulnerabilities among the societies. Currently the confirmed cases in Zambia are low comparing to other countries in the horn of Africa, but this could change at any time. The impact of this pandemic increased the likely hood of poverty and inequalities in the entire world, during the emergencies of pandemic the global governments put highest priority to minimize the shortage of Personal Protective Equipment (PPE), ventilators, facemask, sanitizers to curb the outbreak of COVID 19. There are number of health workers that working on the frontline of this pandemic was lost (MoH, 2020). The rapid spread of the virus has exacerbated an already fragile economic situation in Zambia. There are several small businesses temporarily or permanently that has closed the doors of their business. The business transactions halted after the sales projection and business plans dragged down and businesses faced uncertain, traumatic, and panic to cover the operating expenses. The businesses that had dramatically impacted include travel agencies, hotels, restaurants, cafeterias, shops, roadside businesses, hairdressers, supermarkets. An observation made by the researcher indicates that the items of the sanitary and hygiene kits' prices increased as well as soap, shampoo, masks, and gloves' prices are also increased due to high demand and less supply especially masks and gloves. Zambia recorded its first case of covid19 on March 18<sup>th</sup> and took early to contain the spread. As of July 22<sup>nd</sup>, there were 3,583 confirmed deaths, about half of whom had recovered and 128 deaths. In response to the crisis, restrictions were imposed on public gatherings, schools and universities were closed including restaurants and bars, and there was a temporary lock down of some towns.

### **1.3 Problem Statement**

The widespread closing of stores and businesses in Zambia and around the world due to the coronavirus is unprecedented. Stores, factories, and many other businesses closed by policy mandate, downward demand shifts, health concerns, or other factors. Many of these closures may be permanent because of the inability of owners to pay ongoing expenses and survive the shutdown. The impact on small businesses around the world is likely to be severe.

This study looked at an investigation on small and medium enterprise business resilience during and after Covid 19 in the business sector operating in Chongwe and at the extent to which these businesses changed or adjusted their business activity or changed the extent to which they utilized open innovation tools and implement innovation promotion processes.

The government of the Republic of Zambia imposed lockdowns, curfew, banning of all movements from outside and other restrictions to fight the spread of COVID 19. These restrictions reduced the mobility of people which resulted in a decline in supply and demand. SMEs have a positive contribution to the country's economy which among them is to help create employment opportunities for youths. The small business covers family's daily income, education, home rent, utilities and other family's expenses and it is for this reason the study was carried out.

### **1.4 Purpose of the study**

The purpose of the research was to look at SMEs business resilience during and after Covid 19, and to also look at what measures were put in place by the government and by small and medium businesses owner to help adapt to the pandemic. The study contributed to the existing literature in crisis management and identifies survival and resilience strategies of small businesses during a long-lasting crisis and challenges.

### **1.5 Objectives of the study**

#### **1.5.1 General Objective**

To determine how small and Medium Enterprises adjust to economic disruptions resulting from covid-19.

### **1.5.2 Specific Objectives of the research**

1. To establish the business challenges that Small and Medium Enterprises faced during the Covid – 19 pandemic.
2. To examine the resilience strategies adopted by SMEs to navigate the challenges posed by covid-19.
3. To find out measures that need to be activated to mitigate the covid 19 effects.

### **1.6 Research Questions**

1. What are the business challenges that Small and Medium Enterprises faced during the Covid – 19 pandemics?
2. What are the resilience strategies adopted by SMEs to navigate the challenges posed by covid 19?
3. What are the measures that need to be activated to mitigate the covid 19 effects?

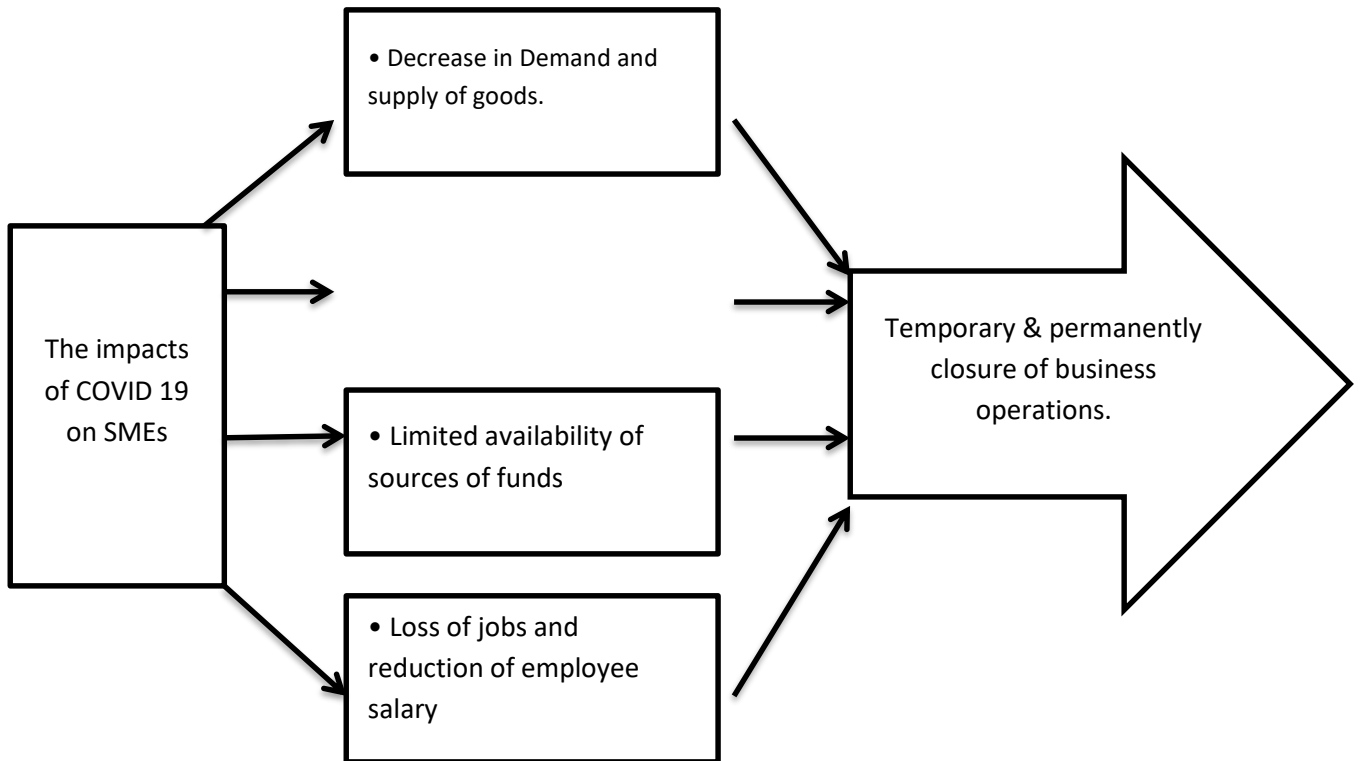
### **1.7 Significance of the Study**

The purpose of the study was to be able to develop a crisis management plan so that there is Adequate time to prepare an effective response before a natural peril strikes or a loss occurs also an opportunity to investigate and select an alternative response to different possible solutions. Drawing on a survey of more than 50 small businesses, this study may provide insight into the economic impact of business crises. The results shed light on both the financial fragility of many small businesses, and the significant impact Covid-19has on these businesses from the time Covid-19–related disruptions began. The results provided evidence of businesses’ expectations about the longer-term impact of Covid-19, as well as their perceptions of relief programs offered by the government. (Shen et al., 2020) have highlighted that it is one of the core aspects needed to consider by the businesses to enhance stakeholders' safety, introducing growth and profitability opportunities in the country's SMEs sector. The researcher has addressed the following aspects and analyzed SMEs' current performance and profitability in China that are currently affected due to COVID-19.

## 1.8 Scope of the study

This study looked at the small and medium enterprises business resilience during and after the Coronavirus Disease 2019 (COVID-19) pandemic from 2019 to 2023. The researcher intended to conduct this study in Chongwe district because, this study is self-sponsored and this location is easily accessible, there will be little or no language barriers and the researcher is familiar with the environment.

## 1.9 Conceptual Framework



## 1.10 Theoretical Framework

Many small businesses operate in the retail and service sectors and serve the end consumer through face-to-face interactions. These sectors were the most adversely affected by the COVID-19 pandemic, due to the restrictions and closures imposed by the authorities (Cao & Leung, 2020).

As noted, small businesses often operate in niche and highly specific markets and can provide something different from standardized products and services offered by large companies. In the

industry sectors particularly, many of them act as specialist suppliers of parts, components and subassemblies and work as subcontractors to large industrial companies (Yew Wong & Aspinwall, 2004), which for the most part continued to operate during the COVID-19period, in view of their status as essential industrial enterprises to the economy.

**Hence, the following hypotheses:**

**H1:** The revenue of most small businesses in the industry sector did not decrease during the COVID-19period as compared to the corresponding period last year.

**H2:** Most small businesses in the industry sector have not made changes or adjustments in their business activity during the COVID-19period.

**H3:** Most small businesses in the industry sector have not reduced their use of open innovation tools (knowledge-acquisition activities and external collaboration) during the COVID-19period.

**H4:** Most small businesses in the industry sector have not reduced the extent to which sharing processes were taking place in the business and the extent to which there was a change in the cultural processes implemented in the business during the COVID-19period.

Earlier studies noted the contribution of operating in international markets to business innovation (Autio et al., 2000; Chetty & Campbell-Hunt, 2005; Madsen & Servais, 2004; Rialp et al., 2005; Zahra et al., 2000).

The wider the range of foreign markets and cultures in which a business is active, the greater the firm's exposure to knowledge sources and to new and varied ideas that allow it to develop the capabilities and faster learning processes necessary for innovation and for the advancement of business opportunities. Thus, businesses that operate in the international market show greater flexibility that makes them better able to cope with change than businesses active solely in the local market (Autio et al. 2000; Zahra et al., 2000). Also, the pandemic began at different times in different countries, with differing levels of impact around the world.

### **1.11 Limitations of the study.**

Research on SMEs' business resilience during and after COVID-19 can be invaluable for understanding how smaller enterprises weathered the storm and what strategies they employed for recovery in Chongwe district. The major limitation encountered when conducting the research was:

**Access to Information:** Access to proprietary or confidential information from SMEs was restricted, limited the depth of analysis to fully understand certain resilience strategies or challenges.

### **1.12 Definitions of key terms, concepts, and variables covid-19:**

- Corona virus is an infection caused by a newly discovered corona virus.
- SMEs: SMEs are businesses that maintain revenues, assets, or several employees below a certain threshold.
- Lockdown: This is a restriction policy for people or community to stay where they are, usually due to specific risks to themselves or to others.
- Financial fragile: Is the vulnerability of a financial system to a financial crisis.

## **CHAPTER 2**

### **2.0 Review of related Literature**

To support the study, this chapter will discuss various studies that have been done in line with SMEs business resilience during and after covid 19 across the world. The review will discuss impact of covid 19 and SMEs resilience from the global, African, and also the Zambian perspective.

### **2.1 Coronavirus Disease 2019**

COVID-19, which was declared a global pandemic by the World Health Organization (WHO, 2019), has now infected more than 45 million persons and caused more than 1 million deaths as of the end of October 2020 (ECDC, 2020). The frantic effort to curtail the human-to-human transmission of COVID-19 led to a lockdown of communities and business closures (Akpan et al., 2020a).

A comprehensive literature review on COVID-19 did not provide a thorough overview of the current state of knowledge on the pandemic, drawing from a diverse array of scientific disciplines and research methodologies.

*The [World Bank COVID-19 Business Pulse Survey](#) found that almost one-fifth of Zambian firms experienced closures, while nine out of every 10 firms experienced decreased cash flows. Forty-two percent reported falling into arrears and 56% of women-led firms had outstanding credit. In addition, 98.5% reported a lack of access to public assistance, with support skewed in favour of large firms (2.3% of large firms accessed policy support, against 0% of micro firms). In the wake of the pandemic, it became critical for ZATP to adapt accordingly. Technology and digital platforms were leveraged for marketing and sales, enabling linkages with new local markets and chain stores by taking advantage of fall in imports. For example, the pandemic hit Lyeni Investments—a female-led SME specializing in processing smoked fish—hard, as they experienced a sharp, 40% decline in sales. With support from ZATP, Lyeni quickly identified social media as new platforms to advertise and make sales and mobile apps to receive payments in real-time. They also engaged a logistics company to deliver products to customers. This*

significantly increased Lyeni's sales, helping a company that was on the verge of closure not only survive, but reap real rewards.

## ***2.2 Innovation for growth and transformation***

Innovation has been central to ZATP's success at pivoting new approaches to market linkages for Zambian agribusinesses. SME MarketConnect initiatives and nearly 900+, tailor-made business development support service trainings—are proving to be key.

Seafood Fisheries, a Zambian-owned processed seafood company established in 2017, is one of the beneficiaries of MarketConnect. Through the initiative, the company received much-needed financial and technical support to expand and access new markets. Acquiring automated processing equipment increased their processing efficiency, allowing them to meet buyer demands. With ZATP's support, their processed crayfish has since secured a vast export market in China. The company has also established itself on the local market, now supplying to various restaurants, and creating more than 20 new direct jobs, and several more jobs indirectly. If the COVID-19 pandemic has shown us anything, it is the resilience and adaptability of Zambian entrepreneurs to turn a crisis into an opportunity – an unquestionable measure of the strength and resourcefulness of a nation that can, with continued support, achieve real economic transformation and break free from the shackles of poverty that continue to burden its hopes for a brighter future. Too many talented and deserving Zambian youth will go to bed jobless tonight, but together, we can make a difference as we support Zambia on its journey of resilience, recovery and finally reaping real rewards.

The literature mentions of resilience adaptability of the Zambian entrepreneurs to turn a crisis into an opportunity; however, it does not state how, also it did not state the strategies they used to remain resilient in the business.

## **2.3 Open Innovation**

The changes that have taken place in recent decades worldwide have led to changes in the innovation concept, from a closed model based on internal resources to an open innovation ('OI') model characterized by going beyond the business borders. OI can be expressed in the acquisition of technology or knowledge, the use of networking, cooperation with external entities for product

design, etc. The OI model enables businesses to employ both internal and external pathways and, concurrently, to acquire knowledge from external sources. Using the OI model enables small businesses to become part of the innovation landscape (Bigliardi & Galati, 2018; Chesbrough, 2003) because only a small number of them have sufficient ability to manage the entire innovation process independently, and they need to collaborate with other entities (Mitra, 2019). Harel et al. (2019b) differentiated between OI tools aimed at acquiring knowledge in a unidirectional manner from external open sources of information, like Internet searches for professional information or attending professional conferences, and OI tools aimed at obtaining knowledge by interacting with other factors in the business ecosystem. Lee et al. (2010), Radziwon and Bogers (2018) and Van de Vrande et al. (2009) also argue that small businesses need to find ways to benefit from economies of scale and therefore must develop external relationships to find the resources they lack for innovation.

### **Processes for Sharing and Utilizing Knowledge in the Business**

Knowledge is one of the main sources for innovation and creation of a competitive edge for any business (Caloghirou et al., 2004; Weijs-Perrée et al., 2019). However, exposing a business to new external knowledge is not sufficient for innovation (Jansen et al., 2005). To use the new knowledge effectively, a business must develop appropriate structured processes that will make it possible to integrate it into the existing knowledge (Björk et al., 2010). These structured processes are composed of regular and consistently practised patterns of individual and business behaviors that institutionalize and organize knowledge through activity and conduct in the business (Knight & Cavusgil, 2004).

### **Processes for Creating an Organizational Culture that Encourages Innovation**

Previous studies have shown that organizational culture is an important resource for promoting innovation and contributes greatly to business performance and growth (Ali & Park, 2016; Do et al., 2018; Hoyte, 2019). Organizational culture is defined as a framework of shared values and beliefs for employees at all levels of the organization that are reflected in its characteristics, and organizational culture that encourages innovation includes behavior that demonstrates an appreciation of creativity, risk-taking, freedom, teamwork, communication, trust, and respect (Dobni, 2008; Miron et al., 2004). Developing such organizational culture is an integral part of the

innovation process (Dasgupta & Gupta, 2009; Terziovski, 2010). Each organization has elements of leadership, skills, infrastructure, values, culture, and processes (Popli & Rizvi, 2016), and the challenge is to adapt these components to an innovation framework that is compatible with the organization and its objectives (Skarzynski & Gibson, 2013). The creation of a suitable organizational culture that encourages communication and knowledge sharing will make it available for use by the entire organization (Woodfield & Husted, 2017).

SMEs play a critical role in the local, national, and worldwide economy by creating jobs and income in both developed and developing countries like Zambia, it can be good to see the innovations and tools applied by SMEs during and after the covid 19.

The COVID-19 pandemic's effect on SMEs was documented in many countries. It had an enormous economic impact in China, and this increased considerably as the country tightened its trade restrictions. According to Lu et al. (2020), China's lockdown policy to contain the virus had a severe impact on the cash flow of SMEs. Keogh-Brown et al. (2020) proved that the pandemic had a negative impact on the ability of entrepreneurs in the United Kingdom to get entrepreneurial funding. Some research further revealed that SMEs in the United States were financially vulnerable (Juergensen et al., 2020; Bartik et al., 2020). Additionally, numerous multinational corporations have considerably restricted their commercial activity due to raw material supply shortages. Meanwhile, SMEs with short-term commercial agreements are also under pressure due to the epidemic outbreak (Tairas, 2020). In Indonesia, Ssenyonga and Shafiullah (2021) reported the economic and social implications of the pandemic. The decline in aggregate demand was due to the decrease in household and compa-11 469 Problems and Perspectives in Management, spending, with a surge in unemployment due to investments and exports. The government's quick response helped mitigate the crisis impact on the economy and vulnerable societal segments.

The pandemic exacerbated the Indonesian economy's pre-existing fundamental problems, such as de-industrialization and inter-regional digital division. Tairas (2020) reported the various obstacles faced by SMEs during the pandemic COVID-19 that occurred earlier in the year. Some of the challenges were encountered in manufacturing goods and services due to scarcity of raw materials, lack of financial liquidity, and decline in demand. Hermina et al. (2020) stated that external circumstances such as rivalry and customers negatively affected SME performance during the COVID-19 pandemic in West Java, Indonesia. A body of literature has indicated that the sector has

become vulnerable to the pandemic because it relied on human mobility and very close interactions (Gallen, 2020; Huang, 2020; Hao, Xiao, & Chao, 2020). The sector is also vulnerable to natural calamities such as earth quacks, world fires, floods, volcano explosions, and other diseases (Rogerson & Rogerson, 2020). In such situations, concerns are raised about the health and personal safety of citizens in a country resulting in the implementation of the same measures to mitigate the effects. With the COVID-19 pandemic, the result of lockdown measures such as restrictions in the movements and social distancing implemented in many countries, subjected the food and accommodation sector to several challenges including the following, reduced numbers of customers, a reduction in operating hours, loss of revenues and loss of jobs by employees (UNDP, 2020; Sun et al., 2020; Zhang et al., 2020). According to Elena (2020), the reduction in sales revenues and working hours has compelled most of the players in the industry to reduce their investment which has affected the performance of the hotels indicated a decline in revenues of 10 percent in the first quarter of 2020 and more than 85 percent revenues in the second quarter (Zhang et al., 2020). Other studies have also looked at the impact of COVID-19 on other aspects of the food and accommodation sector. From the time the first infection was reported in Zambia, studies have been conducted to determine the impact of COVID-19. Most of the studies conducted on the impact of the COVID-19 pandemic in Zambia have focused on the social-economic impact of SMEs operating in various sectors of the economy (Mukosa et al., 2020; Mwiinga et al., 2020; Business Survey, 2020; UNDP, 2020). To the best of our knowledge, this is the first study in Zambia to investigate the COVID-19 pandemic impact of food and accommodation. Therefore, catering and accommodation sector being a vital sector of an economy, this call for an understanding of the impact of the Covid-19 pandemic on SME operations in the new normal, challenges being faced, measures put in place to mitigate the impact, and the support needed by SMEs to survive during the pandemic. Many research studies examine effects and impacts of the pandemic crisis on different areas of the country's economy, and society. The results of these studies represent a valuable discussion platform and important recommendations for the policies' creators and for relevant institutions, even they are considerably heterogenous from the point of a research sample, and from the point of measurement types and assessment of the pandemic impacts. Al-Fadly (2020) examined negative economic impacts caused by the COVID-19 pandemic in SMEs, specifically, in tourism sector in Kuwait. The author interviewed selected samples of SMEs that were affected by the pandemic to identify the most important factors, which

influence business, labour force, supply chain and cash flow in SMEs. The analyses concluded that the pandemic caused high unemployment, and the government measures are required to reduce negative impacts of the pandemic and to avoid bankruptcy in SMEs.

The study looked at only the food production and accommodation, it did not look at the other sectors like Phone and computer accessories, restaurants, agricultural companies and many others. Therefore, this study is important that it is carried out to find out how the SMEs across survived the pandemic.

Aribisala and Olufolarin (2020) analyzed the effects of the COVID-19 pandemic on employment in SMEs in Nigeria. The authors emphasize an importance of active government measures that may reduce negative pandemic impacts, and the bankruptcy of many SMEs. Juergensen et al. (2020) examined the economic effects of the pandemic on SMEs, while they especially focused on the manufacturers. In their study, the authors distinguish between immediate impacts and long-term impacts of the pandemic on SMEs in terms of the global value chains. The demand disruption and the logistic challenges, that depend on the rate and the severity, and differ from the company and the sector, were the result of the short-term impacts. The study concludes that political interventions may not be universal, but they must consider the pandemic impact on the individual companies and sectors. Innovations, internationalization, and networks' formation are required to support the renewal and the growth of SMEs. Dimson et al. (2020) present the results of McKinsey survey that was conducted in August 2020 on the sample of 2200 SMEs in five European countries: France, Germany, Italy, Spain and the United Kingdom. It focuses on the assessment of the COVID-19 pandemic crisis impacts. Almost 70% of the respondents confirmed the revenue decline that caused serious economic consequences in the company. More than half of the respondents expected that their entrepreneurship may be terminated in one year due to the pandemic crisis. However, there were those respondents (20%) who used various forms of government support e.g., tax reliefs, and/or payments to furloughed staff. Similarly, as other authors, Eggers (2020) emphasizes an importance of SMEs in the economy of a country. The author examined 69 manuscripts to analyze an impact of the previous crises on SMEs. Consequently, the author suggests some prevention options on how to avoid an economic decline within the country in strategies, finances, and institutional environment. In the study by Deschryvere et al. (2020), the authors state that in many countries, the governments accepted support measures during the

pandemic crisis. However, many of those measures dealt only with short-term issues of liquidity. Thus, the authors consider the role of aid programs and support mechanisms to renew the economic structure. Also, the authors declare that it is important to remove any obstacles that prevent innovations, and to offer solutions to policies' creators and agencies that support SMEs for solving these system problems caused by the pandemic. Similarly, technological development level, including digital technologies use in SMEs, influences overall pandemic impacts. Priyono et al. (2020) evaluate to what extent SMEs are able to switch to various levels of digital transformations of their processes. This rate is related to digital literacy of SMEs that varies from company to company. The authors, whose study has limitations especially in generalizing the results for different sectors of the economy, emphasize the need to research digital aspects in the transformation processes of the companies on the sample of SMEs in various sectors. In the reports, many institutions intensively evaluated negative pandemic impacts on multiple economic areas. Their analyses' results assess the impacts from a short point of view. However, these findings are necessary to create such policies that would form effective systems to implement different grant mechanisms and supports. Subsequently, it is possible to assess to what extent the targeting of support mechanisms and policies was successful in preventing the bankruptcies of the most sensitive economic sector – SMEs (Bouer, 2020; United Nations Ethiopia (UNE), 2020; UNCTAD , 2020a; UNCTAD , 2020b; UNCTAD , 2020c; United Nations, 2020; Espitia et al., 2020; WTO, 2020).

The study by Kornelius et al. (2020) emphasizes a necessity to create effective strategies that would support SMEs during the pandemic, and that would also focus on other aspects apart from the elimination of negative impacts. This study covers strategies from various countries that successfully retain SMEs during a pandemic. The innovative capacities of SMEs are very important. Consequently, it is inevitable to set such strategies that would maintain SMEs by using the innovative potential of the companies, and that would not be only used as business compensation for damages. Also, the authors use experiences of multiple countries and search for optimal strategy that could be used in especially those countries, where the impacts in SMEs are the most critical. Some authors declare that it is important to obtain as much information as possible on the national SMEs and to closely monitor all factors that have an impact on their survivals to formulate effective strategies which would eliminate the COVID-19 pandemic impacts. In the study, Nurunnabi (2020) showed an example of Saudi Arabia and how this country

solved all changes in SMEs survival strategies during the pandemic. The author used interviews with the executive directors in 111 SMEs out of six administrative sectors. As the author suggests, close monitoring may provide sufficient flexibility to implement all necessary emergency plans in SMEs. Karácsony (2020) emphasizes negative changes in unemployment in Hungarian SMEs during the COVID-19 pandemic. The author conducted a survey via on-line questionnaires from 383 managers in SMEs. The survey results showed significant changes in the number of labors, its structure, and employment methods that were implemented due to the pandemic crisis in Hungarian SMEs.

These research studies encouraged the implementation of follow-up research focused on changes in the management systems in SMEs caused by the pandemic crisis. Although many countries have introduced different support mechanisms to eliminate the risks and to support entrepreneurship, their efficiency has varied across the different SME sectors and countries. Many SMEs will be touched by the effects of the crisis and the economic recovery of their processes in the long term as well as ensuring the enterprise growth and prosperity is a part of their strategic objectives. This will also have an impact on the creation of new risk management systems in the enterprise that should be more flexible to reflect on predictable as well as unpredictable changes in the external business environment and in the global environment too.

## **2.4 Influence of COVID-19**

Influence on SMEs in Europe, US, and Japan.

At the end of 2019, the sudden spread of COVID-19 disrupted the world economic development and brought huge risks and challenges to the progress of global economics. Multiple pressures such as production stagnation, slow growth in domestic demand, financial constraints, and difficulties in employment caused by the pandemic have severely affected the business activities of enterprises. The challenges are particularly difficult for SMEs with smaller scale and weaker risk tolerance. According to a survey conducted by the National Federation of Independent Business (NFIB) on March 20th, more than three-quarters of SMEs in the US have been affected by COVID-19. Among them, a survey of 700 companies with 360 employees or less shows that nearly 77% of the currently unaffected companies predict that if the pandemic spreads more widely in the next three months, they would not be spared. Due to the rapid spread of COVID-19, the US

has implemented lockdown orders since mid-March, which has brought the economy to a standstill. Within a month, the number of people applying for unemployment benefits for the first time had soared to nearly 22 million, and the unemployment rate of 15% hit the new low since the Great Depression. In addition, the market shrinkage and economic damage caused by the pandemic in Britain, France, Japan, and other countries are also extremely serious. Statistics have shown that France's GDP in the first quarter of 2020 fell by 5.3% compared with the previous quarter; Japan's first quarter GDP fell by 3.4% over the previous year; Brazil's first quarter GDP fell by 0.3% year-on-year; UK's first quarter GDP fell to \$703.3 billion, decreasing by 1.6% compared with the same period last year. The total production and manufacturing capacity of all countries has declined due to the pandemic. In this context, it is particularly tough for SMEs to make profits. As shown in a McKinsey survey of SMEs in the UK in early May, nearly 80% of the companies surveyed had a decline in their operating income during the pandemic, and the logistics, agriculture and construction industries were most significantly affected by the pandemic. Nearly 77% of SMEs with an annual income of less than 50 million pounds find that the demand for their products and services has fallen, and the supply and demand market has shrunk, which will have a further impact on the national economy. Therefore, the emergence of COVID-19 with high-uncertainty has trapped governments of different countries in the dilemma between saving lives and restoring the economy. SMEs in Zambia need to adjust strategies in time to deal with the huge challenges brought by public health issues.

### **Influence on SMEs in China.**

The spread of COVID-19 has a great impact on China's economy and has brought severe challenges to the survival of domestic SMEs. According to the "Research Report on the Countermeasures and Suggestions on the Impact of COVID-19 Pandemic on SMEs" issued by the China Association of SMEs on February 15th, 2020, nearly 67.69% of SMEs have reduced their operating income; 21.61% of SMEs cannot timely repay debts with increasing pressure on operating funds; 86.22% of SMEs cannot survive with funds on the account for more than 3 months; 33.73% of SMEs do not have enough funds to survive for one month; only 9.89% of SMEs say that they can survive for more than half a year. The fragile financial situation of SMEs backed themselves in a corner, and their trouble directly affected China's economic growth. As a result, China's GDP growth rate in the first quarter fell by 6.8% year-on-year, reaching the lowest

in 20 years. At the same time, the job market was sluggish, and the unemployment rate rose from 5.3% in January to 6.0% in April. This fully reflects the dependence of SMEs on internally generated liquidity. In the event of a significant public health incident, the disposable liquidity determines the capacity of SMEs to mobilize emergency reserves, that is, the financial capital that enterprises can invest to stimulate production and operation. The more funds invested, the stronger the company's ability to recover, and the smaller impact of the pandemic. However, the new financing needs coming together with the shortage of working capital can help companies repair the capital chain, which fully promotes the resumption of work and production, and restores production capabilities. In time of crisis, financing is crucial to SMEs, and sources of funds are greatly affected by the extreme uncertainty coming together with the pandemic. COVID-19 will have a greater impact on the financial status of SMEs, but establishing a functioning capital structure and ensuring sufficient cash flow will speed up the recovery process of enterprises and promote business development in the crisis.

## **2.5 The Market.**

By the analysis of the impact of the pandemic on SMEs on the market level, it can be concluded that common perspectives mainly include market supply, market demand, commodity prices, inventory levels, exports, and defaults. These factors are ultimately based on the adjustment of supply and demand under the market economy system. The pandemic has led to global traffic paralysis because the operations and demand of global airlines have been directly restricted by the government to prevent and control the pandemic. It has severely hindered the transportation of the entire region and further led to insufficient supply of raw materials, a large backlog of inventory orders and other issues. Due to the close relationship among the upstream and downstream of the SMEs' business, upstream suppliers cannot resume production in time, and the resumption of downstream enterprises will also be delayed.

## **2.6 Personnel flow.**

From the perspective of the impact of the pandemic on personnel mobility in SMEs, existing studies are focused on the difficulties in recruiting, large-scale layoffs, high personnel mobility, reduced working hours, and inconvenience to corporate management caused by online office work. During the pandemic, the loss of many employees has seriously affected the daily operations of

the enterprise and will accelerate the bankruptcy of enterprises to a certain extent. There are more job vacancies in SMEs, especially in high-tech enterprises. In addition, statistical results of relevant data show that remote work is popular during the pandemic. Employees are more adaptable to remote work, but it has brought greater inconvenience to the supervision of managers. At the same time, when the situation gets relatively better, the government has begun to promote enterprises to resume work and production. Since resuming work means an increase in social interactions and an increase in the risk of COVID-19infection, the perceived work insecurity of employees greatly reduces their work commitment and intention. The pandemic pushes forward the deterioration of the labor market and directly or indirectly restricts the operation of other departments of SMEs. Its impact on the number of employees in SMEs slows down the recovery of the production and processing service chain, and adversely affects the economic recovery of SMEs.

## **2.7 Reasons to why the major Impact is on SMEs and entrepreneurs.**

SMEs have often been more affected than large firms by the COVID-19crisis, which has exposed their greater vulnerability. The following reasons explain such disproportionate impact:

- **First**, SMEs are overrepresented in the sectors most affected by the crisis, in wholesale and retail trade, air transport, accommodation and food services, real estate, professional services, and other personal services. In these sectors, the share of SMEs in employment is 75% on average across OECD countries, compared to an SME employment share of about 60% for the economy. The share also varies greatly by country. In Greece and Italy, for instance, nearly 90% of employment in the affected sectors is in SMEs, compared to the United Kingdom, where the share is closer to 50% (OECD, 2020[2]).
- **Second**, smaller firms are typically more financially fragile and have smaller cash buffers than their larger counterparts. This makes them less resilient to crises. In the United States, for instance, half of SMEs operate with less than 27 days of cash reserve (JP Morgan and Chase Co., 2020[5]). In addition, smaller firms find it harder to tap into different sources of finance, including from the market. In contrast, smaller firms are often very reliant on retained earnings and traditional bank debt.

- **Third**, small companies have weaker supply chain capabilities than their larger counterparts. SMEs integrated into Global Value Chains (GVCs), either directly or indirectly, were impacted faster and harder from supply chain disruptions than larger firms. SMEs generally have smaller inventories and supplier networks making them more vulnerable to supply chain disruptions and price increases (WTO, 2020[6]). Similarly, they have less bargaining power to enforce attractive payment conditions. According to a large-scale survey among European SMEs conducted between February and May 2020, 51% of respondents reported that late payments squeezed their liquidity during the COVID-19 crisis, compared to 39% in 2019. In addition, there was a noticeable increase in the percentage of SMEs that had to accept longer payment terms than they are comfortable with (Intrum, 2020[7]).
- **Fourth**, smaller companies lag in terms of the uptake of digital tools and technologies which can help to build resilience in the current pandemic crisis (OECD, 2021[8]). Pre-crisis data from Germany highlights, for instance, that there is a wide gap in the prevalence of telework arrangements by firm size. Larger businesses use trust-based working time arrangements (a necessary condition for telework to function well) more often than their smaller counterparts (OECD, 2020[9]). Surveys show that the pandemic has increased the use of digital technologies by SMEs, although substantial differences exist between countries. At the same time, the difference between SMEs – and in particular small firms – and large firms continues to be significant, with the uptake of digital technologies by SMEs being roughly half of that by larger firms (OECD, 2020[2]).
- **Finally**, established small firms often struggle to adapt their business operations to the current situation, compared to large firms (and start-ups) and face more operational skills constraints. For example, SMEs are less likely to have managerial capability to comply with new regulatory frameworks to guarantee customers and employees safety. Similarly, SMEs are less likely to innovate both in processes and in goods and services, compared to their larger counterparts and to start-ups (OECD, 2019[10])

## **CHAPTER 3**

This chapter will present the proposed research methodology. The Chapter will specifically outline the research design, sampling method to be used, Population and how Data will be analysed. The research will use a case study in Chongwe district, Zambia.

### **3.1 Philosophical paradigm**

Examining SMEs' resilience during and post-COVID-19 through a philosophical lens involved delving into various philosophical paradigms that offered insights into the nature of resilience, adversity, and human response to challenges. Here are a few philosophical perspectives that highlights on this topic:

**Existentialism:** Existentialist philosophy emphasizes individual freedom, responsibility, and the search for meaning in a seemingly meaningless world. SMEs facing the challenges of covid-19 resonated with existentialist themes as they confronted the uncertainty and absurdity of the situation.

**Stoicism:** Stoic philosophy teaches acceptance of the things beyond one's control and focus on what can be controlled. SMEs can draw from stoic principles to navigate the challenges of covid-19 by focusing on adapting their business models, managing their emotions, and finding opportunities for growth within constraints.

**Pragmatism:** Pragmatist philosophy emphasizes practical consequences and problem-solving over abstract theories. SMEs can adopt a pragmatic approach to resilience by focusing on what works best for their specific circumstances, experimenting with different strategies, and learning from both successes and failures to adapt and thrive in a changing business landscape.

By considering these philosophical paradigms, SMEs gained deeper insights into the nature of resilience and develop more robust strategies for navigating the challenges posed by covid-19 and beyond.

### **3.2 Research Design**

Research design is the general plan of how the researcher will go about answering research questions. It specifies the sources from which the researcher intends to collect data, measurement, and analysis of data, (Saunders, Lewis, and Thornhill, 2009). The purpose of this study was to know resilient small and medium enterprises been during and after covid 19 and how covid-19has impacted SMEs negatively and positively to find solutions on how to reduce the negative impact. Therefore, a descriptive research design will be used as it is deemed to be the most appropriate. Various authors recommend the use of descriptive design (Orodho, 2004) contends that, to produce information that is of interest to other researchers or policy makers on how to create policies that will reduce the negative impact of covid-19.

### 3.3 Study Population

According to Singh (2006), population or universe means the entire mass of observations, which is the parent group from which a sample is to be formed. The sample observations provide only an estimate of the population characteristics. In this study, the population focus was on small and medium enterprise like Computer and phone accessories stores, clothing boutiques, restaurants etc..

### 3.4 Sample Size

Cooper and Schindler (2014) defined a sample size as a group of participants or events consisting of a portion of the entire target population that has been carefully selected to represent the population. Yamane (1967) formula for determining sample size was used. It is symbolized by the formula.

$$n = \frac{N}{1 + N(e)^2}$$

Where: n represents the corrected sample size, N the population size (in this case 100 registered SMEs) and e the margin of error used is 10%. In this research, a total sample size of 50 respondents (SMEs) were drawn using margin of error of 10%. This is because Yamane formula of 1967 to determine sample size allows for the margin of error to be either 10% (0.10) or 5% (0.05) depending on the target population and available financial resources. The computation of sample size for the SMEs in Chongwe district was based on the population of 100 registered SMEs.

$$n = \frac{100}{1 + 100(0.1)^2}$$

$$n = \frac{100}{1 + 100 \times 0.01}$$

$$n = \frac{100}{2}$$

$$n= 50$$

Therefore, the total sample size of the respondents that was drawn is 50 respondents of which 25 was managers and board members and 25 casual employees from the following types of businesses.:

**The types of SMEs in these townships includes those involved in the following:**

1. Bars and Liquors stores
2. Hair Saloon and Barbershop
3. Stock Feed Shops
4. Computer /Phone accessories store
5. Supermarket and Minimart Stores
6. Agri business companies

### **3.5 Sampling Techniques**

The target population sometimes may be too big, so a small representative group, called a sample, is needed to understand the whole population's characteristics. The goal is to produce a sample that will best represent the target population in a study. Therefore, this study employed a systematic random sampling technique. Systematic sampling was used because it is a very simple and convenient way of forming a sample population that is free from favoritism or bias. There is also no need to number each member of the sample. The procedure for completing the sampling process is fast and easy.

According to Bajpai, N. (2010) in systematic sampling (also called systematic random sampling) every Nth member of population is selected to be included in the study. It is a probability sampling method. It has been stated that “with systematic sampling, every Kth item is selected to produce a sample of size n from a population size of N”.

In this method, the researchers set a chosen sample size where a random number is picked, and then a regular interval number is used to determine the members of the sample set. It is systematic because a fixed process takes each sample element from the population using the

interval number. The method is also random because researchers start at a random number (within the range of the desired sample size).

### **3.6 Data Collection Techniques**

Data collection refers to the process of gathering information to effectively address the research problem being investigated (Calvert, 2013). The levels of the agreement run from 1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for strongly agree. The scaling approach of standardizing responses is advantageous in that it allows the measurement of the respondents' answers intensity in comparison to multiple choices response. The scale responses included numbers that can apply as codes directly in the research. The technique also helps in identifying the quantitative measures as well as the abstract elements in the study (Barua, 2013). The questionnaire constituted four sections, the first part with demographic questions of the respondents, second section has questions on the business challenges that Small and Medium Enterprises (SME) in Chongwe faced, the third section has questions on the impact of Covid 19 pandemic on the business survival of Small and Medium Enterprises (SME), and the fourth section has questions on the level of relief provided by government to the SMEs to mitigate the impact of the pandemic on their businesses.

The study used primary data. Questionnaires were used to gather primary information from the field. Several questions will be designed and will use both open-ended questions and closed ended questions, open ended questions will be used to encourage the interviewee to provide an extensive and developmental answer, comments and suggestions will also be included. Close ended questions were used to obtain specific information or objective response. Interviews will be conducted to have a conversation with the interviewees. Observations were also carried out so that the researcher can have a near experience.

### **3.7 Data Analysis**

Quantitative analysis the statistical package for social sciences (SPSS) will be utilized to analyze the qualitative data collected. The software will help to come up with frequency tables, pie charts, graphs among others.

Qualitative analysis Content analysis will be used to analyze the data which will be gathered from personal interviews. To this effect, three themes emerged from the qualitative data analysis. The researcher identified categories and subcategories of themes. The themes dealt with the respondents' experience of what they felt were the challenges and impacts of the pandemic on their businesses.

### **3.8 Pilot Study**

It is always necessary to pilot test research, especially the questionnaires before the actual study. The pilot test was conducted to fine-tune the questions before the actual study. The pilot project for this study involved 5 employees and 5 entrepreneurs. In Mugenda & Mugenda (2003), the instrument used in collecting data highly shapes the accuracy of the information. The pilot program is very vital in ascertaining the reliability and validity of the data through the instrument. Research is a sensitive undertaking and thus the state of the instruments must be established before the actual process. The pilot program feedback relating to the questionnaire was used to refine it before final administration. It is important to note that the data from the pilot study is never included in the actual research. The information is only useful in preparing for the actual study.

### **3.9 Time schedule**

The study involved collection, interpretation, analysis, compilation and finalizing of the research report. These steps were quite exhausting and demand a lot of commitment and sacrifice if tangible results are to be recorded. Thus, the proposed time schedule from proposal writing to actual research report is November 2021 to October 2023.

### **3.10 Ethical Consideration**

Various ethical issues such as the right to protection from harm: both the researcher and the respondents will be guaranteed safety during research. The Right to confidentiality, the respondent will be assured that the information the researcher obtained from the interviews and questionnaire will not be disclosed to third parties. The right to privacy, the respondent will not be forced to release information that they are not comfortable sharing. The right to informed consent: the respondent will be informed of the reason for the research.

Non- guarantee: the respondents will not be forced to answer to the interviews or questionnaires, will be considered when carrying out this research. The researcher will also obtain clearance from the university of Zambia ethics committee before proceeding with the study.

## **CHAPTER 4**

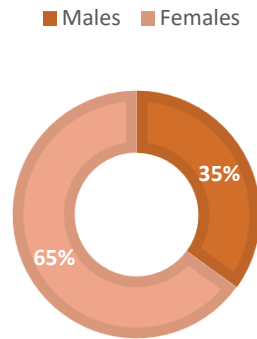
### **4.0 DATA PRESENTATION, INTERPRETATION AND ANALYSIS**

This chapter analysed the data that was collected from the questionnaires distributed to 50 SMEs in chongwe of which 10 were distributed to barbershop and saloon owners, 12 distributed to local bars and liquor store owners, 10 distributed to lodges and guests' houses, 8 distributed to filling stations and 10 to local companies in chongwe.

#### **4.1 Demographic information of the respondent**

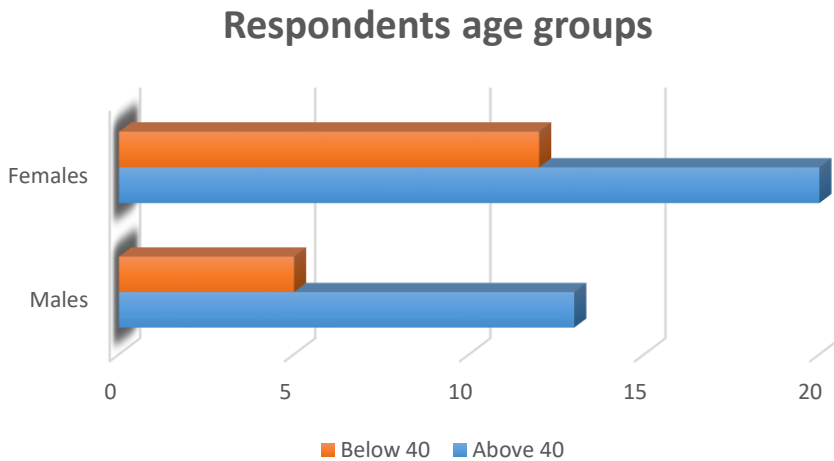
Figure 1: Gender of respondents

### GENDER RESPONDENTS



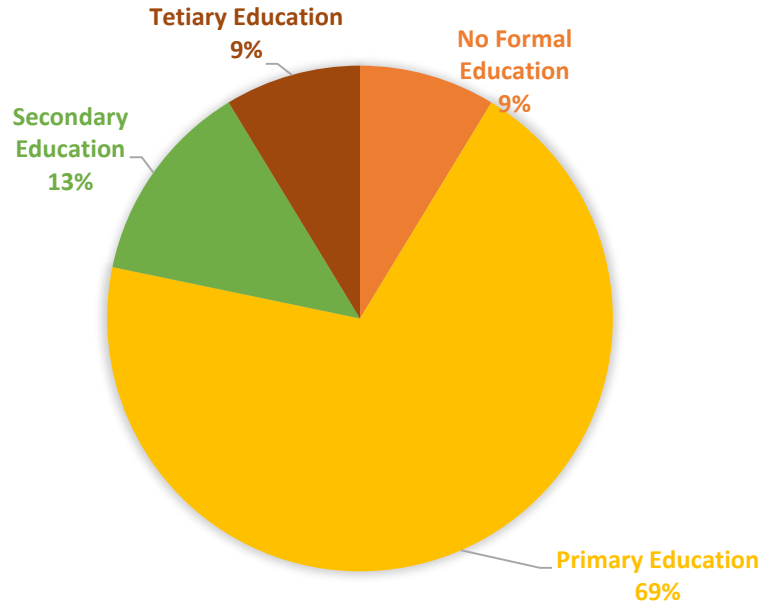
**Figure 1** shows that there were more female 65% respondents than male respondents with 35%.

Figure 2: Age group of respondents



**Figure 2** above describes that respondents above 40 were more than those below. It also shows females respondents were more than males respondents in both age group of above 40 and below 40.

Figure 3: Highest level of education

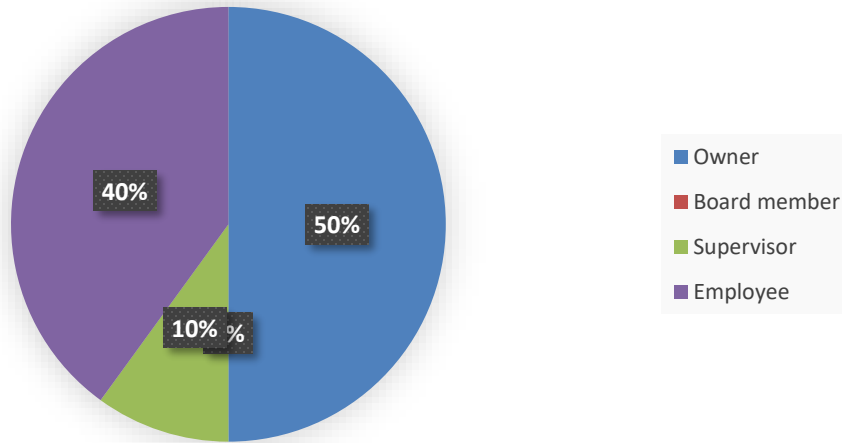


**Figure 3** indicates the level of education of respondents with 69% primary education of which majority were employees in hair salons, restaurants, hotels, minimarts, and companies 13% Secondary education, 9% tertiary education and no formal education 9%.

#### 4.2 Information on the Small, Medium Enterprises (SMEs)

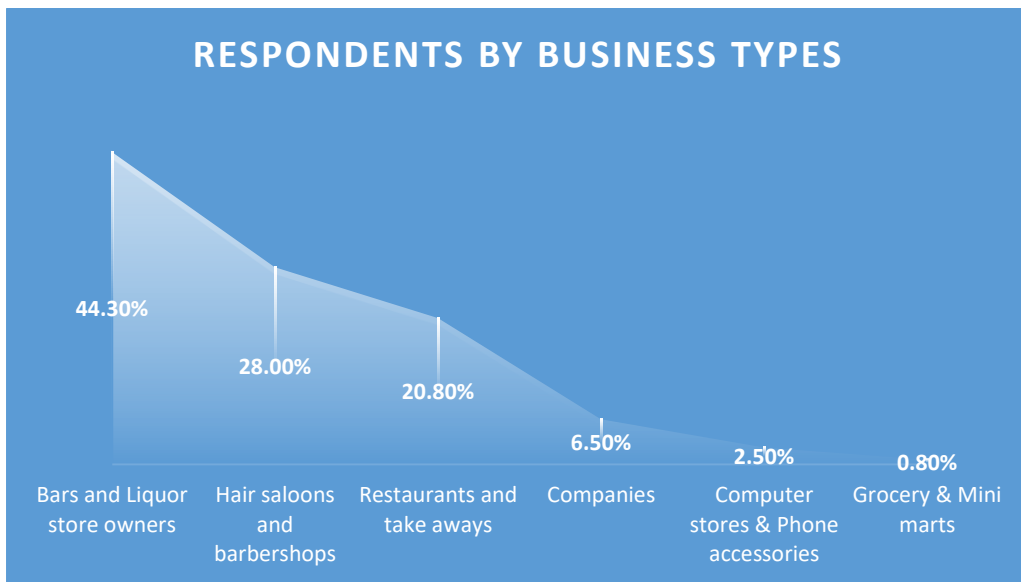
Figure 4: Position of the respondent at the company or in the business.

## respondent's position



**Figure 4** shows the respondents position of which 50% were business owners, 40% were employees and 10% were Supervisors and majority of respondents were business owners.

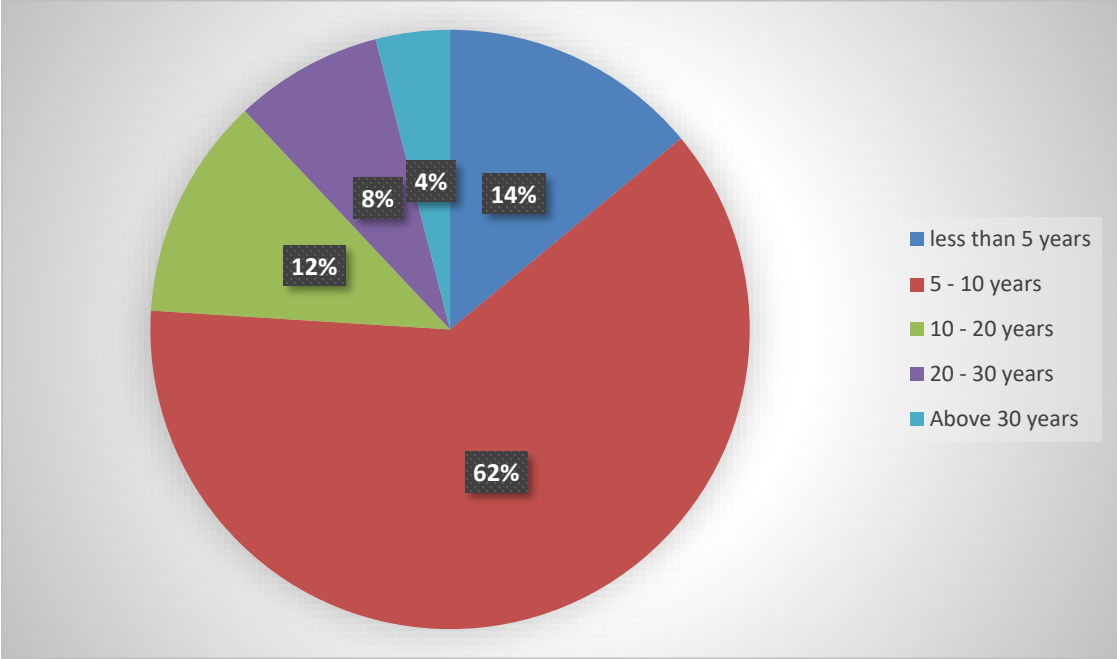
Figure 5: Respondents' industry sector or type of business.



**Figure 5** shows most of the respondents represented by 44.3% came from bars and liquors store owners, 28% of the respondents came from the hair salons and barbershops, 20.8% of the respondents were operating in restaurants/takeaways. Those in stock feeds (Nutri feeds) were

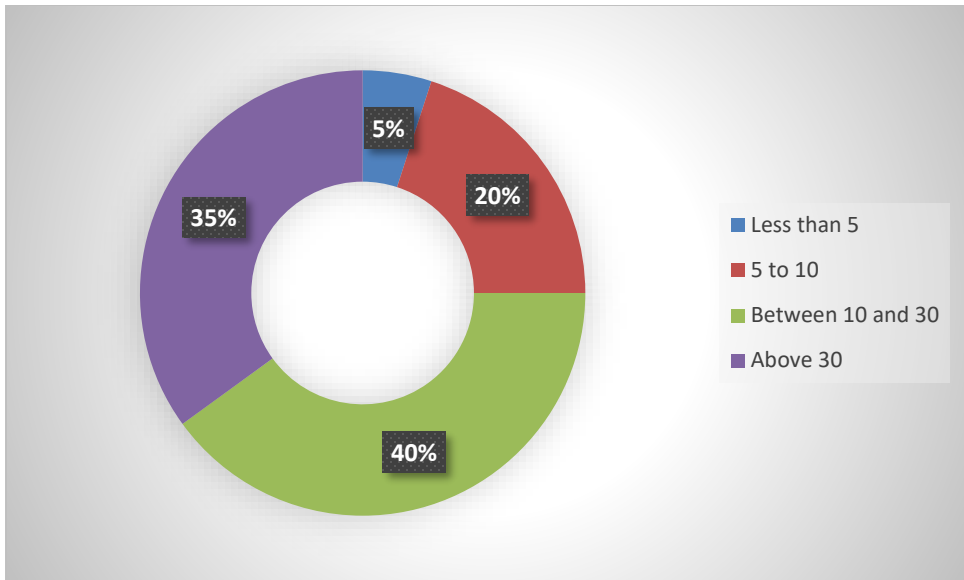
represented by 6.5% while 2.5% represented those in computer and phone accessories. Lastly, 0.8% of the respondents came from minimart/grocery stores.

Figure 6: The period of the respondent’s business operation.



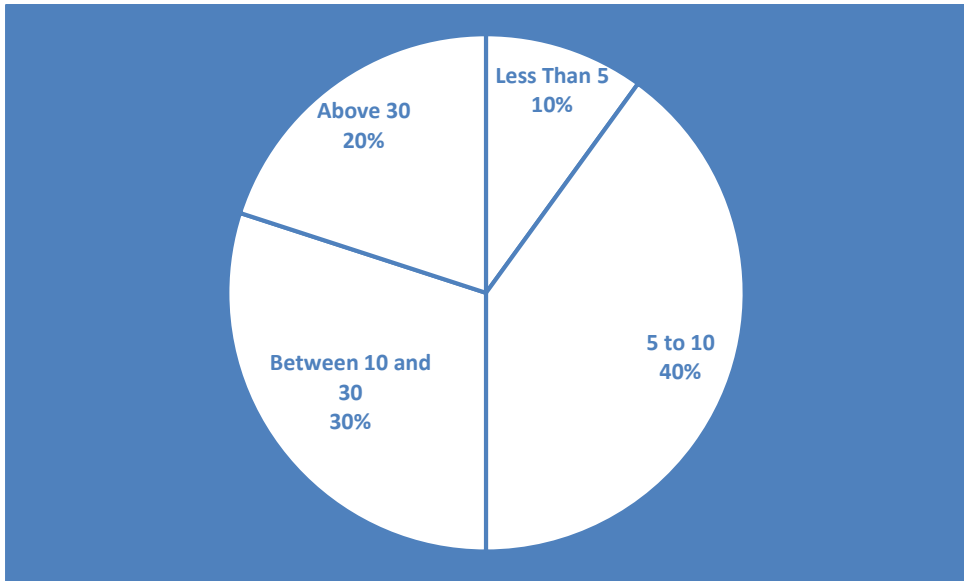
**Figure 6** indicates the period of the respondent's business operation, 62% represents the majority that have been operating businesses for 5 to 10 years, 14% those that have been operating for less than 5 years, 12% for 10 to 20 years of business operation, 8% for 20 to 30 years and lastly 4% above 30 years of business operations which means that all the businesses were operating during the covid 19 pandemic.

Figure 7: Number of employees before covid – 19 outbreak.



**Figure 7** indicates the number of employees before covid 19 outbreak where 40% of majority respondents stated between 10 and 30 employees, 35% above 30 employees, while 20% 5 to 10 employees and the rest of 5% had less than 5 employees.

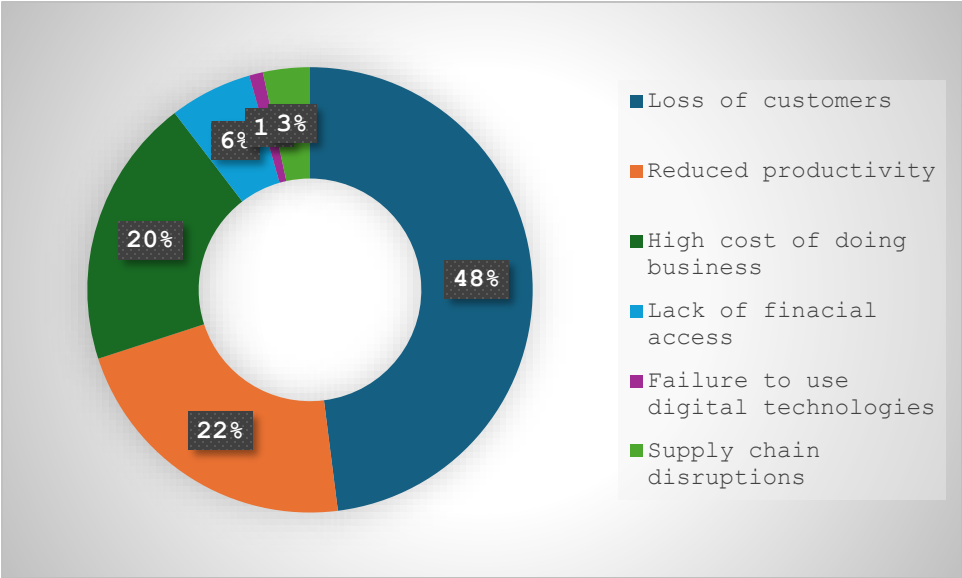
Figure 8: Number of employees after the covid – 19 outbreak.



**Figure 8** indicates number of employees after covid 19, compared to figure 8 above the number of employees reduced during the pandemic with 40% majority, 30% reduction between 10 and 30, 20% reduction above 30, and lastly 10% less than 5. The number of employees in small and medium-sized enterprises (SMEs) after the COVID-19 outbreak varied significantly across

regions, industries, and individual businesses. Many SMEs experienced layoffs, furloughs, or reduced work hours due to economic slowdowns, supply chain disruptions, and mandated closures. Some were able to adapt by shifting to remote work or adjusting their business models to survive, while others unfortunately had to shut down permanently.

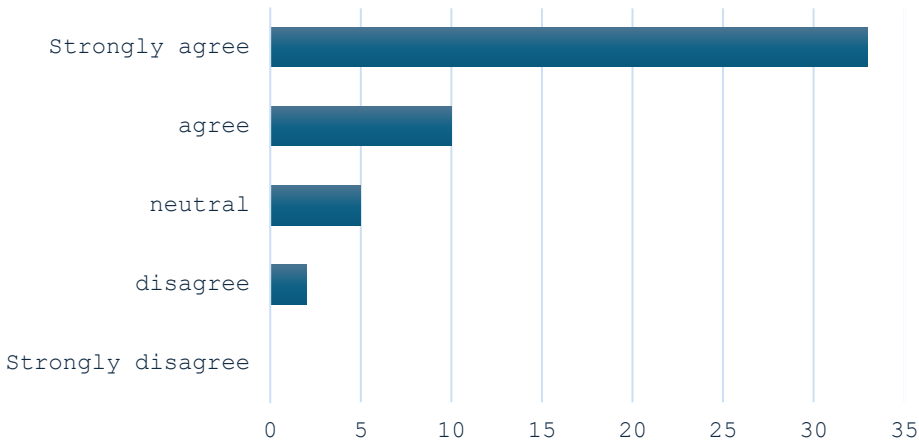
Figure 9: The point at which SMEs noticed that covid – 19 had impacted their businesses.



**Figure 9** shows statistical field data show that the major challenge faced by SMEs in chongwe due to the outbreak of Covid-19 is the loss of customers represented by 48%; reduced productivity due to workers working remotely accounting for 22% while high cost of doing business accounted for 20%. Other challenges cited by SMEs were lack of access to finances accounting for 6%; failure to quickly switch to digital technology accounting for 1% and supply chain disruption accounting for 3%. These findings are consistent with the Bank of Zambia (2020) survey on the challenges faced by SMEs which indicated that more than 86% of women-led firms reported decreased sales (a similar proportion of male led firms report the same) due to the decreased number of customers since the outbreak of the pandemic. The results also confirm findings that some companies in chongwe district were temporarily closed during the initial months of the crisis in order to meet social distancing guidelines.

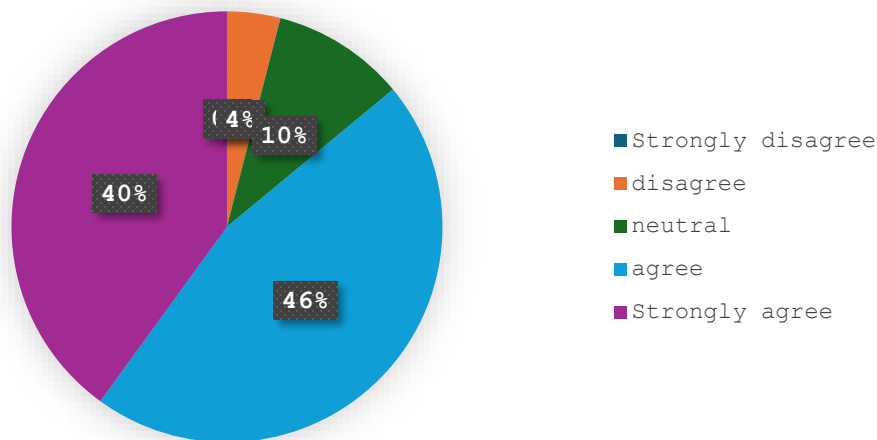
### 4.3 Business challenges that small and medium enterprises (SMEs) faced during covid – 19.

Figure 10: The cost of doing business increased during the covid 19 outbreak due to health guidelines imposed.



**Figure 10** indicates that most small and medium enterprises 33 strongly agreed, 10 agreed that the cost of doing business increased during the covid 19 pandemic due to health guidelines imposed by the government 5 were neutral. Only a few SMEs did not agree to them being impacted by covid 19 pandemic due to the type of businesses that they operated in, Example those that operated in health products supply like masks, gloves and personal protective equipment (PPEs).

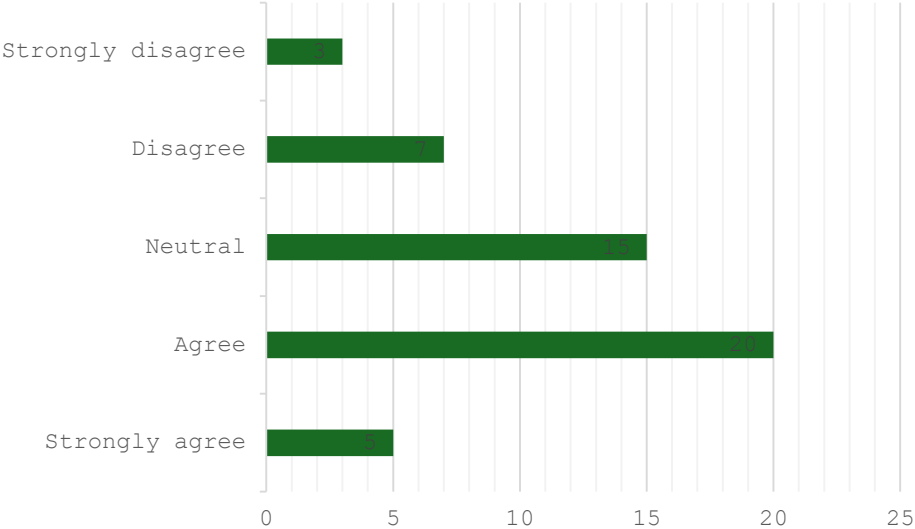
Figure 11: Some of the employees worked remotely because of the pandemic and that reduced the productivity due to lack of supervision.



**Figure 11** indicates that the majority of about 46% agreed that some of the employees worked remotely because of the pandemic and that reduced the productivity due to lack of supervision,

40% strongly agreed that productivity reduced because of the pandemic, 10% were neutral and only 4% disagreed which means that SMEs Productivity reduced because of the pandemic.

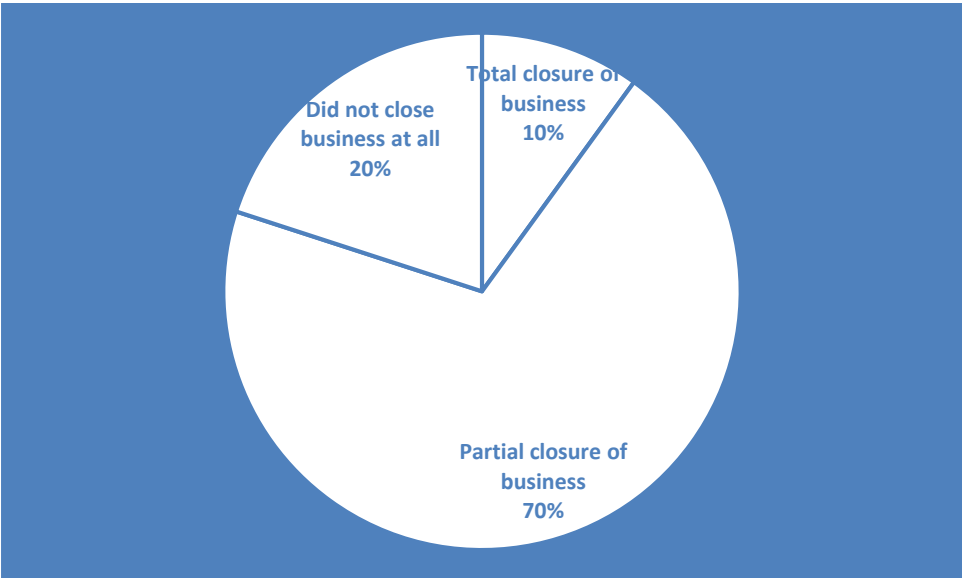
Figure 12: social distancing affected the social network of business.



**Figure 12** shows that most of the businesses faced challenges during the covid 19 pandemic due to social distancing that affected their social networking of business. 20 agreed, 5 strongly agreed that it affect their business, 15 were neutral, 7 disagreed and 3 strongly disagreed.

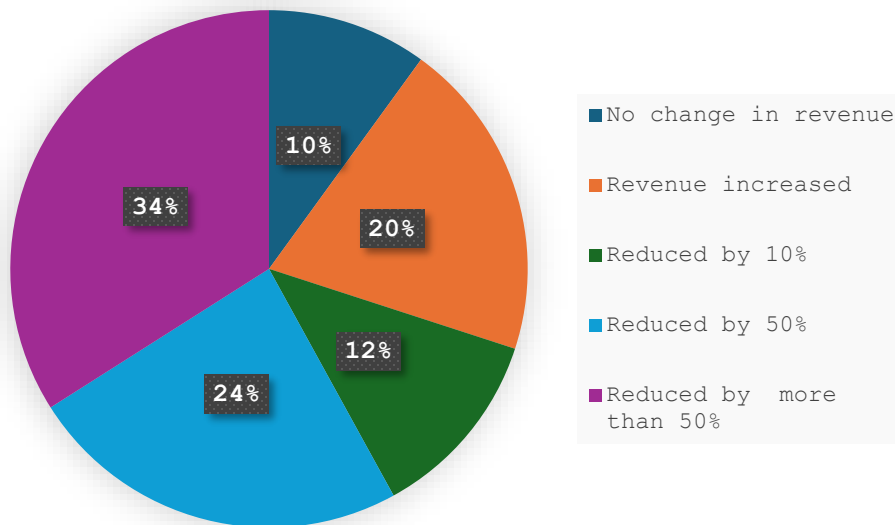
#### 4.4 Impacts of Covid-19 on Small and Medium Enterprises

Figure 13. The extent to which businesses totally closed, partially closed and did not close.



**Figure 13** indicates that 70% of businesses partially closed, while 20% did not close business at all and the rest of 10% closed business due to lack of support when the covid 19 pandemic hit their business. 70% of the businesses that partially closed received support to boost their businesses and the 20% that did not close at all their revenue reduced.

Figure 14. Impact of covid 19 on revenue.



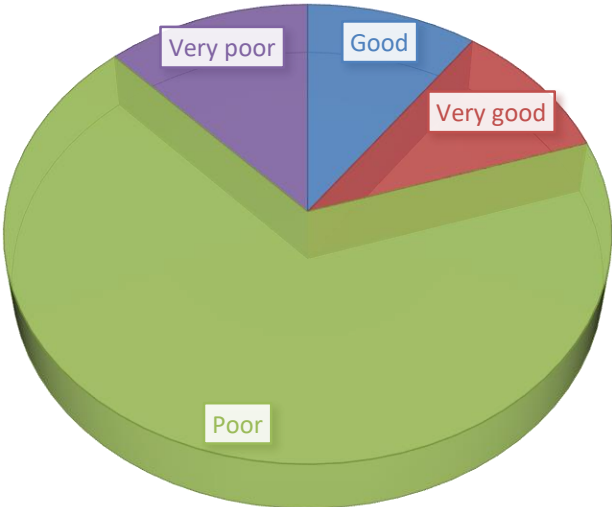
**Figure 14** shows that about 34% of the business had revenue reduction of more than 50% and around 24% of the businesses their revenue reduced by 50%. Besides, 12% of the businesses surveyed had their revenue reduced by 10%, while about 20% revenue increased and these were businesses that operated in health businesses or supplying health products. Those whose revenue did not change accounted for 10%. The results of the study indicated that the effects Covid - 19 pandemic on SMEs was significant in that 34% and 24% which is the majority of SMEs reported a decrease in business revenue generation since the beginning of the coronavirus outbreak. The predominant reason for a fall in revenue was a decline in consumer demand for the products (71%); followed by supply chain issues (15%). Interestingly, the study further revealed that about 20% of the SMEs reported an increase in revenue – these were mostly businesses that dealt with essential goods and services, delivery of foods and household goods, and security.

Further, the results of the study have been confirmed by Amin et al., (2020) who also conducted a study in India to assess the short- and long-term effects of the pandemic on the access to finances by SMEs. The results indicated that access to working capital, by far, was the most cited

requirement (71%) for businesses to grow and mitigate the adverse effects of the crisis. According to respondents, the least necessary requirement thus far was access to qualified workers and digital literacy skills. Despite the need for working capital, 73% of respondents have been unsuccessful in raising funds for their businesses to manage the impact of the pandemic.

Qualitative responses from the SMEs indicated that the impact of Covid – 19 on SMEs included total closure of business; revenue reduction; reduction in the number of employees and reduction in access to financial resources (such as loans) to finance their businesses.

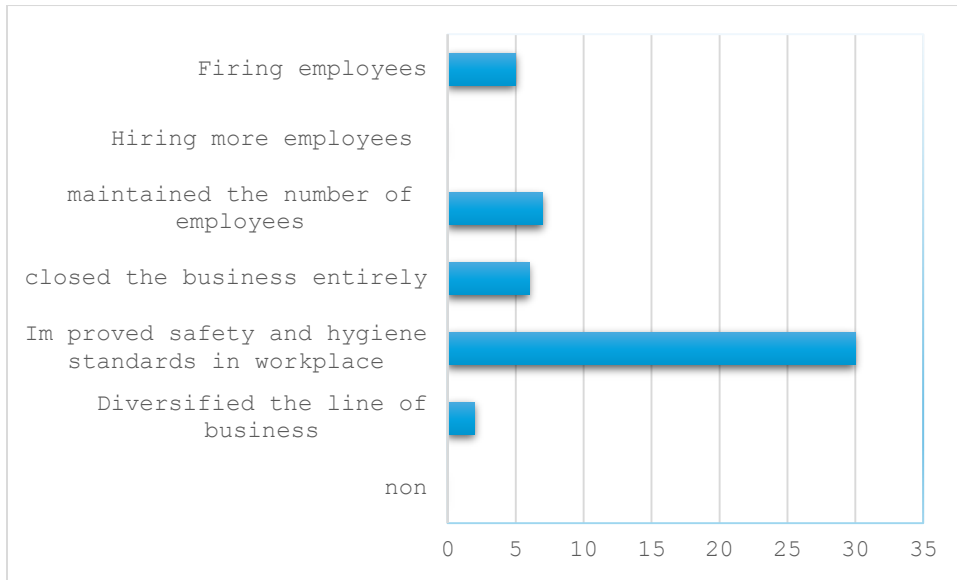
Figure 15. Customer relation after covid-19



**Figure 15** indicates that the majority of the respondents experienced poor customer relations after covid 19 outbreak, followed by those that responded with very poor customer relations while the other respondents had good customer relations and the rest, and few had very good customer relations and it was dependent on the type of the business they operated in.

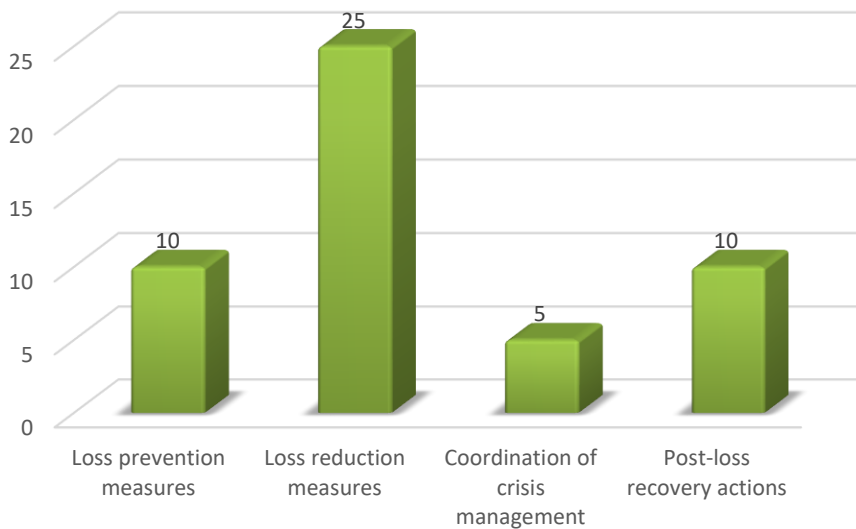
#### 4.5 Crisis management development plan applied by SMEs.

Figure 16; Business measures taken by Small and Medium Enterprises to combat the covid-19pandemic.



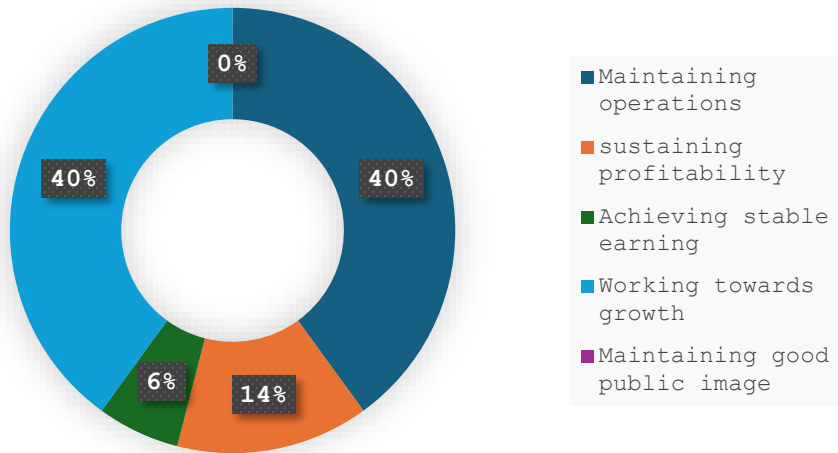
**Figure 16** shows business measures taken by Small and Medium Enterprises to combat the covid-19pandemic where 30 of the respondents improved their businesses by improving safety and hygiene standards in the business operations, while 12 maintained the number of employees, 6 closed the business entirely as a measure, 5 firing employees, while 2 diversified the line of business and the rest were zero.

Figure 17: area of affective crisis management plan



**Figure 17** shows the affective crisis management plan that SMEs applied, the majority 25 represented loss reduction measures in crisis management, followed by 10 post-loss recovery actions, and another 10 represented loss prevention measures, while 5 coordination of crisis management.

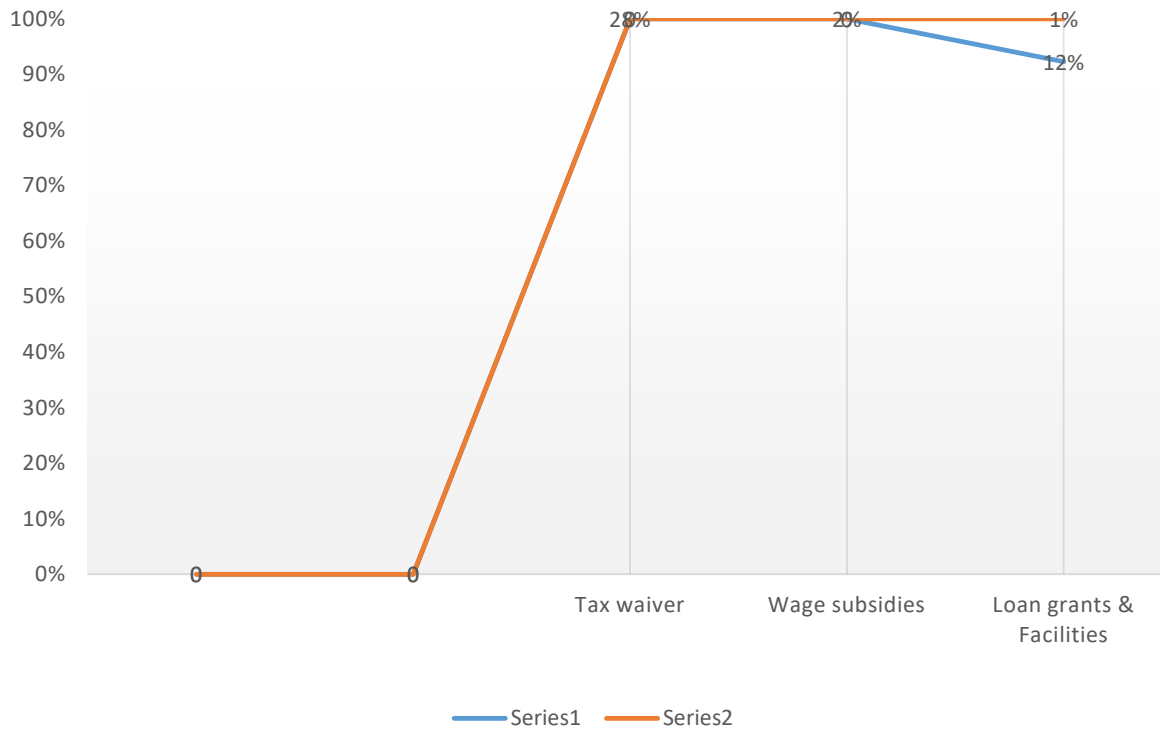
Figure 18. Goals of crisis management



**Figure 18** indicates the goals of crisis management where 40% of respondents represented maintaining operations, another 40% represented working towards growth, while 14% represented sustaining profitability and the rest 6% represented achieving stable earning and zero with maintaining good public image.

## 4.6 Government relief measures to support Small and Medium Enterprises (SMEs)

Figure 19: Government relief measures to support Small and Medium Enterprises (SMEs)

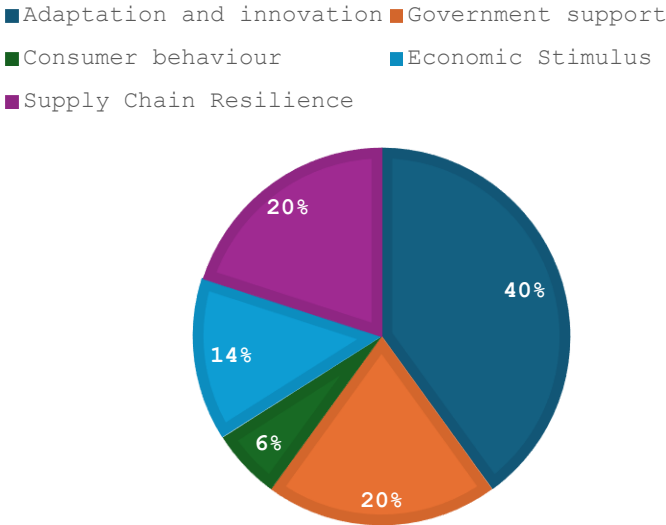


**Figure 19** shows Government Relief to SMEs to Mitigate the Impact of the Pandemic Quantitative field data indicate that 57% of the respondents stated that the major relief or support provided by government to mitigate the impact of COVID-19 on their businesses was a stimulus package. Tax waiver represented by 28% and wage subsidies accounting for 2% were also relief provided by government. Other relief packages included loan facilities and loan grants accounting for 12% and 1% respectively. It was, however, qualitatively learnt that errors of inclusion and exclusion were apparently clear in the distribution of the said relief package. Results on the relief provided by government to help SMEs mitigate the impacts of the pandemic indicate that government provided a stimulus package to help SMEs navigate through the impacts of the pandemic. However, some SMEs indicated that despite such an intervention being availed by government, they did not have access to such a package because they did not meet the requirements to be beneficiaries. As such most of them closed the operations which now has a negative impact on their livelihood. This implies that relief from government would help SMEs navigate through the impact of Covid – 19 on their businesses if proper distributive mechanisms were established. The Bank of Zambia report

indicates that the government approved K8 billion kwacha (\$439 million) economic stimulus package financed through a COVID-19 bond to alleviate the pandemic’s impact on SMEs. The government also announced a waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19. Additionally, the Zambia Revenue Authority (ZRA) issued guidelines on the period of relief, waiver qualification criteria and other related modalities. This was in a bid to help the SMEs survive in the midst Covid – 19 Outbreak. Furthermore, the Bank of Zambia, which is the country’s central bank, announced a series of regulatory relief measures for the banking sector to unleash financial liquidity into the market via reduced lending rates, among others. These relief measures are intended to also encourage banks, in turn, to provide financial relief to their borrowers (SMEs) (BOZ, 2020).

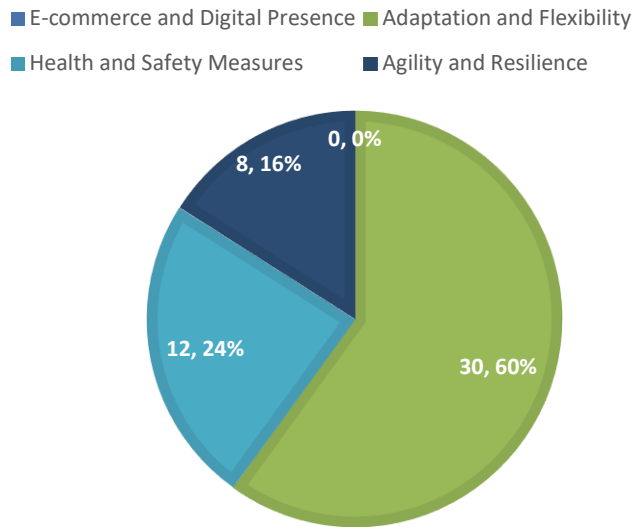
**4.7 Resilience of businesses from the impact of the covid-19 pandemic.**

Figure 20: business resilience during the covid 19 pandemic.



**Figure 20** indicates that 40% of the respondents stated that the major SMEs used adaptation and innovation to recover or thrive from during the covid 19 pandemic, 20% was through the government support, another 20% stated that through supply chain resilience while 14% through economic stimulus and the rest of 6% through consumer behavior. implementing strategies and fostering a resilient mindset throughout the organization, businesses can navigate the challenges posed by the COVID-19 pandemic and emerge stronger and more adaptable in the long run.

Figure 21 business survival during the pandemic



**Figure 21** shows business survival during the pandemic where 60% of the majority stated adaptation and flexibility, 24% healthy and safety measures, while 16% agility and resilience and zero % e-commerce and digital presence. Surviving the COVID-19 pandemic requires businesses to remain adaptable, innovative, and empathetic to the needs of employees and customers. By implementing a comprehensive survival plan and remaining resilient in the face of challenges, businesses can increase their chances of weathering the storm and emerging stronger on the other side.

#### **4.8 Discussions of the findings**

**Established challenges that Small and Medium Enterprises faced during the Covid – 19 pandemic and ways in which businesses built and increased business resilience.**

**Examined changes or adjustments small and medium businesses have made in their activity during the Covid – 19 period.**

**The measures that need to be activated before, during and after an actual or impending major pandemic.**

## **CHAPTER 5**

### **5.0 Conclusion and recommendations**

#### **5.1 Conclusion**

The resilience demonstrated by Small and Medium Enterprises (SMEs) during and after the COVID-19 pandemic underscores their ability to adapt, innovate, and persevere in the face of unprecedented challenges. Here are some key conclusions drawn from their experiences:

SMEs have showcased remarkable adaptability by swiftly pivoting their operations, embracing remote work, and diversifying revenue streams to mitigate the impact of the pandemic. The pandemic accelerated the pace of digital transformation among SMEs, highlighting the importance of investing in technology and e-commerce capabilities to maintain competitiveness and reach customers in a rapidly evolving business environment.

Innovation has emerged as a cornerstone of resilience for SMEs, driving the development of new products, services, and business models tailored to meet changing customer needs and preferences. Sound financial management, including cost control, cash flow optimization, and accessing available financial assistance programs, has played a pivotal role in ensuring the survival and sustainability of SMEs during times of uncertainty. Collaboration with other businesses, industry partners, and local communities proved invaluable for SMEs, enabling them to share resources, support initiatives, and contribute to collective recovery efforts. Effective leadership characterized by adaptability, transparency, and empathy was instrumental in guiding SMEs through the challenges of the pandemic, instilling confidence in employees, customers, and stakeholders alike. The pandemic underscored the importance of proactive resilience planning, prompting SMEs to develop contingency measures, risk assessments, and crisis management strategies to prepare for future disruptions and uncertainties.

In conclusion, the resilience demonstrated by SMEs during and after the COVID-19 pandemic reflects their ability to navigate adversity with creativity, resilience, and determination. By leveraging lessons learned and embracing innovation, SMEs are well-positioned to thrive in the post-pandemic era, contributing to economic recovery and sustainable growth.

## **5.2 Recommendations**

Recommendations for SMEs to enhance their business resilience during and after the COVID-19 pandemic:

### **Invest in Digital Transformation:**

Embrace digital tools and technologies to streamline operations, enhance customer experiences, and adapt to changing market demands. Develop or enhance e-commerce platforms, online marketing strategies, and digital payment systems to expand reach and facilitate remote transactions.

### **Diversify Revenue Streams:**

Explore new product lines, services, or markets to diversify revenue streams and reduce dependence on any single source of income. Identify emerging trends and consumer preferences to capitalize on new opportunities for growth.

**Enhance Supply Chain Resilience:**

Assess and diversify supply chains to mitigate risks associated with disruptions in global logistics and manufacturing. Foster collaborative relationships with suppliers, distributors, and logistics partners to improve flexibility and responsiveness to changes in demand.

**Embrace Sustainability and Innovation:**

Integrate sustainability practices into business operations to reduce environmental impact and enhance long-term resilience. Foster a culture of innovation and continuous improvement to drive creativity, efficiency, and competitiveness within the organization.

**Plan for Contingencies and Risks:**

Develop comprehensive resilience plans that anticipate potential disruptions, crises, and risks to business continuity. Regularly review and update contingency measures, crisis response protocols, and risk management strategies to adapt to changing circumstances.

By implementing these recommendations, SMEs can enhance their resilience, agility, and sustainability, positioning themselves for long-term success in a post-COVID-19 world.

**References**

1. BOZ, 2020. How can we help small businesses affected by the COVID-19 crisis? Retrieved June 24, 2020. s.l.: s.n.
2. ITC, ed. SME Competitiveness Outlook: Connect, Compete and Change for Inclusive Growth. SME Competitiveness Outlook. Geneva: International Trade Centre, 2015.
3. "World Has Entered Recession, May Recover next Year: IMF." The Print, March 28, 2020. <https://theprint.in/economy/world-has-entered-recession-may-recover-next-year-imf/390194/>.
4. Coleman, J., 2000. 'Social Capital in the Creation of Human Capital' in The American Journal of Sociology.94. Supplement: Organizations and Institutions: Sociological and Economic Approaches to the Analysis of Social Structure. S95-S120. s.l.: s.n.

5. CUTS, 2020. “Impact of COVID-19 pandemic on micro, small, and medium sized enterprises operating in Pakistan”, Research in Globalization, Vol. 2, p. 100018. s.l.: s.n.
6. Dixon & Chris, 2003. Rural Development in the Third World. Routledge, London... s.l.: s.n.
7. ECA & IEC, 2020. Insights on African Businesses’ Reaction and Outlook to COVID 19’s. IEC Mauritius, & ECA, Addis Ababa, 30th April 2020. s.l.: s.n.
8. FSD Zambia, 2017. Access to Finance: SME perceptions of Financial Service Providers, December 2017. s.l.: s.n.
9. WHO. (2020). WHO Coronavirus Disease (COVID-19) Dashboard. Available at: [https://www.who.int/health-topics/coronavirus#tab=tab\\_1](https://www.who.int/health-topics/coronavirus#tab=tab_1) (Accessed: 22 January 2021).
10. World Bank (2021) Small and Medium Enterprises (SMEs) Finance. Available at: <https://www.worldbank.org/en/topic/smefinance> (Accessed: 22 January 2021)
11. OECD. 2020. “Supporting people and companies to deal with the Covid-19 virus: Options for an immediate employment and social-policy response”, p. 17-21.
12. OECD, 2020. OECD SME and entrepreneurship outlook 2020. OECD Publishing, p.83.
13. Oluoch, J. O. 2016. The Impact of Cash Management Practices on Performance of SMEs: A Survey of SMEs in Eldoret Central Business District. Journal of Economics and Finance, 7(6), p. 2321-5925.
14. Review of Sociology, p. 24.
15. Reeves, M., Carlsson-Szlezak, P., Whitaker, K. and Abraham, M. 2020. Sensing and shaping the post-COVID era. Henderson Institute, Boston Consulting Group, p.103.
16. Ahokangas P, Haapanen L, Golgeci I, et al (2021) Knowledge sharing dynamics in international subcontracting arrangements: the case of Finnish high-tech SMEs. J Int Manag 100888. <https://doi.org/10.1016/j.intman.2021.100888>
17. Aidoo SO, Agyapong A, Acquah M, Akomea SY (2021) The performance implications of strategic responses of SMEs to the Covid-19 pandemic: evidence from an African economy. 101080/2332237320211878810 7:74–103. <https://doi.org/10.1080/23322373.2021.1878810>
18. Albats E, Alexander A, Mahdad M et al (2020) Stakeholder management in SME open innovation: interdependences and strategic actions. J Bus Res 119:291–301. <https://doi.org/10.1016/j.jbusres.2019.07.038>

19. Al-Hakimi MA, Saleh MH, Borade DB (2021) Entrepreneurial orientation and supply chain resilience of manufacturing SMEs in Yemen: the mediating effects of absorptive capacity and innovation. *Heliyon* 7: e08145. <https://doi.org/10.1016/j.heliyon.2021.e08145>
20. Ardito L, Raby S, Albino V, Bertoldi B (2021) The duality of digital and environmental orientations in the context of SMEs: implications for innovation performance. *J Bus Res* 123:44–56. <https://doi.org/10.1016/j.jbusres.2020.09.022>

## Appendix

Work plan of activities for proposed research.

S.no	Activities Planned	Start Date	End Date	Remarks
1	Research proposal writing/presentation	December 2022	March 2023	Completed
2	Developing of research questionnaire	April 2023		
3	Pilot testing questionnaire	May 2023		
4	Data collection	June 2023		
5	Processing and analyzing Data	July 2023		

6	Report writing and editing	August 2023		
7	Final research/report preparation	September 2023		
8	Submission of report	October 2023		
	Estimated Duration: 10 months			

#### Budget for the proposed research

S.no	Activities/Tasks	Items	Date	Cost (K)
1	Research proposal writing	Printing	March 2023	300
2	Pilot testing questionnaire	Typing and Printing	April 2023	100
3	Developing of research questionnaire	Ream of paper, Typing, and Printing	May 2023	200
4	Data Collection	Transport and Food	June 2023	1000
5	Data analysis and Interpretation	Typing and Printing	July 2023	200
6	Report writing and editing	Printing	August 2023	200
7	Submission of report	Printing and Binding	October 2023	200
	Total Budget			

The estimated total budget for all the items is approximately k2,200.

#### Appendices

##### **Questionnaire for the SMEs in Chongwe of Lusaka**

Dear Respondent,

My name is Oluga Nkolola, a postgraduate at the university of Zambia. I am carrying out a study on effects of COVID – 19 on the small medium enterprises (SMEs) in Chongwe of Lusaka. This study is purely an academic exercise and is meant to enable me to partially fulfil the requirements of the Degree of Master of Business administration. You have been selected to complete this questionnaire and I would be very grateful if you would spare some minutes to respond to the questions. Please answer the questions to the best of your knowledge, honestly and truth. Do not

hesitate to seek clarification where necessary. Be assured that the information you will offer will be kept strictly confidential. After the collection and analysis of data from all the questionnaires, interested parties in this study will be given feedback to the findings on requests.

Thank you in advance.

Sincerely,

Oluga Nkolola.

## **INSTRUCTION**

Please tick the appropriate answer to the question. Where the question asks you to write the

Answer, please do so in the space provided.

Date.....

## **SECTION A: DEMOGRAPHIC INFORMATION OF THE RESPONDENT**

(Please tick one box for each of the questions)

1. what is your sex?

Male [ ]

Female [ ]

2. What's your age?

Less than 30 [ ]

31-40 [ ]

41-50 [ ]

51-60 [ ]

61 and above [ ]

3. What is your highest level of education?

No formal education [ ]

Primary education [ ]

Secondary education [ ]

Tertiary education [ ]

### **INFORMATION ON THE SME**

4. What is your position at the company that you are completing the survey for?

Owner (Proprietor) [ ]

Board member [ ]

Supervisor [ ]

Employee [ ]

5. What is the industry sector of your enterprises or business?

- Catering and accommodation
- Commerce and trade
- Food Processing
- Livestock
- Other (Specify).....

6. How long has your business been running?

- Less than 5 Years
- 5 – 10 years
- 11 - 20 years
- 21 - 30 years
- Above 30 years

7. What was the number of employees in your business before COVID – 19 outbreaks?

- Less than 5
- Between 5 and 30
- Above 31

8. What is the number of employees in your business after COVID – 19 outbreaks?

- Less than 5
- Between 5 and 30
- Above 31

9. At what point did you notice that COVID-19has impacted your business?

- Decrease in revenue/cash flow

Supply Chain Challenges [ ]

Temporary stop closure [ ]

Difficulty planning [ ]

Challenges of logistic/delivery [ ]

Shift to remote working [ ]

10. How has COVID-19 impacted your business?

---

---

**SECTION B: BUSINESS CHALLENGES THAT SMALL AND MEDIUM ENTERPRISES (SME) FACE AMID COVID – 19**

10. Kindly say by ticking in the box to what extent you agree with the following statements on a scale of 1-5, where

a. The cost of doing business increased during the outbreak of COVID – 19 due to the health guidelines that were supposed to be followed during operation.

1	2	3	4	5

b. Some of my employees worked remotely because of the pandemic and this reduced the productivity due to lack of supervision.

1	2	3	4	5

c. social distancing affected the social network of my business.

1	2	3	4	5

--	--	--	--	--

**SECTION C: IMPACT OF COVID – 19 ON SMEs**

11 Kindly say to what extent you agree with the following statements on a scale of 1-5, where.

1 = strongly disagree, 2= disagree, 3= neutral, 4= agree 5=strongly agree

		1	2	3	4	5
A	Covid – 19 led to the total closure of the operations of my Business					
B	Covid – 19 led to a partial closure of the operations of my Business					
C	Covid - 19 did not lead to the closure of my Business at all					

12. Kindly say to what extent you agree with the following statements on a scale of 1-5, where

1 = strongly disagree, 2= disagree, 3= neutral, 4= agree 5=strongly agree

		1	2	3	4	5
A	Covid – 19 reduced the access to financial resources (such as loans) to finance my business					
B	Covid – 19 increased the access to financial resources (such as loans) to finance my business					
C	Covid – 19 has not changed the access to the financial resources (such as loans) to finance my business					

13. What are the measures your business has taken because of the COVID – 19? (Select appropriate answer)

A. Firing employees

[ ]

- B. Hiring more employees [ ]
- C. Maintained the number of employees [ ]
- D. Closed the business entirely [ ]
- E. Improve safety and hygiene standards in workplace [ ]
- F. Diversified the line of business [ ]
- G. None [ ]

Other (Specify) .....

14. How is the customer relationship after COVID – 19 outbreaks?

- 1. Good [ ]
- 2. Very good [ ]
- 3. Poor [ ]
- 4. Very poor [ ]
- 5. Other (Specify).....

**SECTION D: CRISIS MANAGEMENT DEVELOPMNET PLAN APPLIED BY SMEs**

15. What is your area of affective crisis management plan?

- 1. Loss prevention measures [ ]
- 2. Loss reduction measures [ ]
- 3. Coordination of crisis management [ ]
- 4. Post-loss recovery actions [ ]

16. How do you manage the business crisis or covid – 19 pandemics?

- 1. Anticipation [ ]

- 2. Authority to Act [ ]
- 3. All Necessary Parties [ ]
- 4. Awareness [ ]
- 5. Simulation [ ]
- 6. Communication [ ]
- 7. Others specify.....

17. What are your goals of crisis management?

- 1. Maintaining operations [ ]
- 2. Sustaining profitability [ ]
- 3. Achieving stable earnings [ ]
- 4. Working toward growth [ ]
- 5. Maintaining good public image [ ]

**SECTION E: RELIEF PROVIDED BY GOVERNMENT TO SMEs TO MITIGATE THE IMPACT OF THE PANDEMIC.**

15. Do you think government has provided any relief to mitigate the impact of COVID-19 on SMEs?

---

---

16. If YES to question 1, what do you think are some of the measure’s government has put in place to mitigate the impact of COVID-19on businesses?

---

---



---

17. In the face of the impact of the pandemic, government at all levels and financial institutions have announced relief measures to mitigate its impact. Which policy (s) do you believe is the most appropriate for your business? (Select only up to two options)

1. Waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19.
2. Reduction of financing costs for SMEs, extension of loan terms or partial debt relief
3. Temporary reduction of social insurance premiums and reimbursement of unemployment insurance to enterprises that do not lay off staff
4. Other (Specify).....

18. Kindly say to what extent you agree with the following statements on a scale of 1-5, where 1 = strongly disagree, 2= disagree, 3= neutral, 4= agree 5=strongly agree

		1	2	3	4	5
A	2 The government has provided a waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19					
B	Government has provided wage subsidies to help my businesses keep my workers					
C	The government has provided the stimulus package to mitigate the impact of COVID – 19 on my business.					

**SECTION F; RECOVERY OF BUSINESSES FROM THE IMPACT OF THE COVID – 19 PANDEMICS.**

1. *Innovation for growth and transformation*

A. Are there any pivoting approaches to market linkages for Zambian businesses?

Yes [  ]

No [  ]

2. If your answer to question 1 is “Yes” Then please state, the innovative and transformation success method you use.

---

---

---