

Survivability of micro-enterprises during the pandemic crisis

ABSTRACT

The Covid-19 pandemic crisis has been viewed by many scholars as a 'sudden threat', to the global socio-economy. In Malaysia, the movement control order (MCO) has significantly disrupted the small businesses, especially the micro-enterprises, which are more financially-fragile than the larger counterparts. Micro-enterprise is the prime contributor to economic development, thus business survival strategy during a crisis is critical for this enterprise to endure in a new normal way of doing business. However, little is known about the survival approaches in which micro-enterprises respond during the pandemic crisis. This study explores the business survival strategy of 60 micro-entrepreneurs in Sabah during five phases of movement control orders in Malaysia. The results of structured questionnaires provide insights that micro-enterprises experienced a relatively severe impact of pandemic crisis than natural disasters, terrorist attacks, or political crises. It is found that most micro-entrepreneurs opt for online business as the main business survival approach during MCO. The majority of respondents perceived themselves as well-prepared for crisis though able to sustain only for 3-5 months of a crisis duration. This study hopes to provide insights on business survival approaches and the appropriate business supports for micro-enterprises during a crisis.