

**REPUBLIC OF TURKEY  
ISTANBUL GELISIM UNIVERSITY  
INSTITUTE OF GRADUATE STUDIES**

Department of Economics and Finance

**THE ASSESSMENT OF THE IMPACT OF PANDEMIC ON THE  
ECONOMY: A CASE STUDY OF PRIVATE AND PUBLIC  
FIRMS**

Supervisor

Asst. Prof. Dr. Gizem UZUNER

**STANLEY CHIGOZIRIM ORJI**

**Istanbul – 2022**



## THESIS INTRODUCTION FORM

**Name and Surname** : Stanley Chigozirim ORJI

**Language of the Thesis** : English

**Name of the Thesis** : The Assessment of the Impact of Pandemic on the  
Economy: A Case Study of Private and Public Firms

**Institute** : Istanbul Gelisim University Institute of Graduate Studies

**Department** : Economics and Finance

**Thesis Type** : Master

**Date of the Thesis** : 23.06.2022

**Page Number** : 75

**Thesis Supervisors** : Asst. Prof. Dr. Gizem UZUNER

**Index Terms** : COVID-19 Pandemic, Quantitative Approach, Small  
Firms, Victoria Island

**Turkish Anstract** : Bu araştırmanın önemli amacı, pandemi sonrasında  
COVID-19'un Victoria Adası iş dünyası üzerindeki  
ekonomik etkisini belirlemektir.

**Distribution List** : 1. To the Institute of Graduate Studies of Istanbul  
Gelisim University  
2. To the National Thesis Center of YÖK (Higher  
Education Council)

*Signature*

*Stanley Chigozirim ORJI*

**REPUBLIC OF TURKEY  
ISTANBUL GELISIM UNIVERSITY  
INSTITUTE OF GRADUATE STUDIES**

Department of Economics and Finance

**THE ASSESSMENT OF THE IMPACT OF PANDEMIC ON THE  
ECONOMY: A CASE STUDY OF PRIVATE AND PUBLIC  
FIRMS**

Supervisor

Asst. Prof. Dr. Gizem UZUNER

**STANLEY CHIGOZIRIM ORJI**


**Istanbul – 2022**

## **DECLARATION**

I hereby declare that in the preparation of this thesis, scientific ethical rules have been followed, the works of other persons have been referenced in accordance with the scientific norms if used, there is no falsification in the used data, any part of the thesis has not been submitted to this university or any other university as another thesis.

Stanley Chigozirim ORJI

.../.../2022



**TO ISTANBUL GELISIM UNIVERSITY**  
**THE DIRECTORATE OF SOCIAL SCIENCES INSTITUTE**

The thesis study of STANLEY CHIGOZIRIM ORJI titled as The Assessment of the Impact of Pandemic on the Economy: A Case Study of Private and Public Firms has been accepted as MASTER THESIS in the department of Economics and Finance by out jury.

	<i>Signature</i>
Director	<i>Asst. Prof. Dr. Gizem UZUNER</i> (Supervisor)
	<i>Signature</i>
Member	<i>Asst. Prof. Dr. Uju Violet ALOLA</i>
	<i>Signature</i>
Member	<i>Asst. Prof. Dr. Hasan RUSTEMOGLU</i>

**APPROVAL**

I approve that the signatures above signatures belong to the aforementioned faculty members.

... / ... / 20..

*Signature*  
*Prof. Dr. Izzet GUMUS*  
Director of the Institute

## ABSTRACT

The COVID-19 pandemic has had a profoundly negative impact on firm survival and performance across the globe. Early analyses from developed countries have found that the most negatively affected companies were small firms, particularly in industries most sensitive to social distancing. The significant goal of this research is to determine the economic impact of the COVID-19 on the Victoria Island business community following the aftermath of the pandemic. A quantitative approach was used in the research, with a questionnaire as the tool. A convenient sampling method was employed as 220 respondents from various firms in the research area provided the data for analysis. The data was analysed with IBM SPSS version 22 using correlation, t-test, and chi-square analysis for hypothesis testing.

The results shows that there is a statistical significant difference between the impact of the pandemic and perception of firms ( $p < 0.05$ ). There is a strong positive relationship between response of the firms and perception of firms ( $R = 0.707$ ). The analysed results also reveal that there was no statistical significance difference between gender and response to crisis ( $t(218) = -0.128$ ,  $p > 0.05$ ). According to the analysed results, firms in Victoria Island have faced great challenges in the epidemic. Their production and operation activities have been limited, and they are facing significant risks. It is necessary to implement policies that would profoundly lower production costs for firms, help them survive this difficult period, and gradually return to normal business.

The government should collaborate with affluent individuals and non-governmental organizations to aid these firms. While this coronavirus concern is present, small business owners must manage expectations and communicate with employees, suppliers and banks. Reduce costs, be open about money with their staff, continue marketing, try out new delivery ways, and recover from the tragedy.

**Keywords:** COVID-19 Pandemic, Quantitative Approach, Small Firms, Victoria Island

# TABLE OF CONTENTS

<b>ABSTRACT.....</b>	<b>i</b>
<b>TABLE OF CONTENTS .....</b>	<b>ii</b>
<b>LIST OF TABLES .....</b>	<b>iv</b>
<b>LIST OF FIGURES .....</b>	<b>vi</b>
<b>ACKNOWLEDGEMENT.....</b>	<b>vii</b>

## CHAPTER ONE

### INTRODUCTION

1.1 Background Information .....	1
1.2 Statement of Problem.....	4
1.3 Study Subjects .....	5
1.4 Significance of the Study .....	5

## CHAPTER TWO

### LITERATURE REVIEW

2.1 Overview .....	6
2.2 Global Pandemic and Effect on Economics .....	7
2.3 Implications of Global Pandemic on Firms and Businesses.....	8
2.4 Effects of Global Pandemic and Major Disruptions on Small Businesses.....	12
2.5 Overview of Nigerian Economy In Terms Of Small and Medium Enterprises.....	16
2.6 Impact of COVID-19 on Businesses in Nigeria .....	17
2.7 Hypothesis of the study.....	18

## CHAPTER THREE

### METHODOLOGY

3.1 Research Design .....	20
3.1.1 Research Model .....	20
3.2 Quantitative research consideration of the study .....	21
3.3 Population size and Sampling Technique .....	22
3.4 Data Collection and Research Instruments .....	22



3.5 Secondary Literature Sources .....	23
3.6 Data Analysis .....	23

**CHAPTER FOUR**

**RESULTS AND DISCUSSION**

4.1 General Information.....	24
4.1.1 Gender of the respondents .....	24
4.1.2 Number of employees .....	25
4.1.3 Firm/Industry Category .....	26
4.2 Impact of the global pandemic on firms .....	28
4.3 Response of the firms to the crisis .....	33
4.4 Expectations/perceptions of the firms .....	35
4.5 Reliability of the study .....	39
4.6 Research questions.....	40

**CHAPTER FIVE**

**CONCLUSION AND RECOMMENDATION**

5.1 Conclusion.....	50
5.2 Limitation of the Study .....	51
5.3 Recommendations.....	51
<b>REFERENCES.....</b>	<b>52</b>
<b>APPENDIX.....</b>	<b>58</b>

## LIST OF TABLES

<b>Table 4. 1:</b> Gender of the respondents .....	24
<b>Table 4. 2:</b> Number of employees in firms .....	25
<b>Table 4. 3:</b> Firm category .....	27
<b>Table 4. 4:</b> Extent of effect of pandemic on production and operations of the firms .....	29
<b>Table 4. 5:</b> Reasons for the suspension of production and operations in the firms .....	29
<b>Table 4. 6:</b> Main operating pressures the firms are currently facing .....	31
<b>Table 4.7:</b> Current situation regarding the supply of raw materials, spare parts and other production and operation materials in the firms .....	32
<b>Table 4. 8:</b> Company's plan to reduce or increase the number of employees .....	33
<b>Table 4. 9:</b> Effect of pandemic on recruitment .....	33
<b>Table 4. 10:</b> How the firms plans to cope with cash flow shortage .....	34
<b>Table 4. 11:</b> Are you willing to transform to online commerce? .....	34
<b>Table 4. 12:</b> What self-help measures has your firm taken so far? .....	35
<b>Table 4. 13:</b> What are the potentially positive impacts of the pandemic in your view? .....	36
<b>Table 4. 14:</b> What policies do you expect the government will put in to place to help your firm overcome the difficulties? .....	36
<b>Table 4. 15:</b> To what extent do you expect this pandemic will affect your firm's development in the first quarter of 2020? .....	37
<b>Table 4. 16:</b> What has been the effect on your city's economic (GDP) growth in the first quarter of this year? .....	38
<b>Table 4. 17:</b> Reliability of the study .....	39
<b>Table 4. 18:</b> Table showing correlation analysis between impact of pandemic on firms and response to crisis .....	40
<b>Table 4. 19:</b> Table showing correlation analysis between impact of pandemic on firms and perception of firms .....	41
<b>Table 4. 20:</b> Table showing correlation analysis between perception of firms and response to crisis .....	42
<b>Table 4. 21:</b> Table showing t-test analysis between gender and perception of firms .....	43
<b>Table 4. 22:</b> Table showing t-test analysis between gender and response to crisis .....	44

**Table 4. 23:** Table showing chi-square analysis between number of employees and impact of pandemic on firms..... 45

**Table 4. 24:** Table showing chi-square analysis between firm’s category and impact of pandemic on firms ..... 46



## LIST OF FIGURES

<b>Figure 3. 1:</b> Proposed research model of the study.....	21
<b>Figure 4. 1:</b> Bar chart showing gender of the respondents.....	25
<b>Figure 4. 2:</b> Bar chart showing number of employees in the firms .....	26
<b>Figure 4. 3:</b> Bar chart showing the categories of the firms.....	28
<b>Figure 4. 4:</b> Bar chart showing reasons for the suspension of production and operations in the firms .....	30
<b>Figure 4. 5:</b> Main operating pressures the firms are currently facing.....	31
<b>Figure 4. 6:</b> Extent of effect of pandemic on firm’s development.....	38
<b>Figure 4. 7:</b> Effect of GDP growth in the first quarter of the year.....	39

## **ACKNOWLEDGEMENT**

I would like to acknowledge and give my warmest thanks to my supervisor, Dr. Gizem Uzuner who made this work possible. Her guidance and advice carried me through all the stages of writing my thesis.

I would also like to thank my parents (Mr and Mrs. John C. Orji) for their continuous support, encouragement and prayers when undertaking my research and writing my thesis.

Finally, I would like to thank God for letting me through all the difficulties. I have experienced your guidance day by day. You are the one who let me finish my degree.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background Information

In the first half of 2020, the world was hit by a pandemic. A Coronavirus Disease-19 or COVID-19 was described as a new virus (Qui et al., 2020). Though COVID-19 emerged in the town of Wuhan in the province of Hubei, China, it quickly became a global disaster, leading to enormous economic loss. More than 8 million cases of COVID-19 had been recorded globally by mid-June, killing 436,000. The planet is now grappling with the Coronavirus Pandemic (COVID-19) that has resulted in massive economic losses for thousands of enterprises worldwide. This failure is due to the government's order to close down company activities. Following the aftermath of the pandemic, the financial and non-financial success of private enterprises has been impaired against the backdrop of government lockdown and stopping market operations. A sharp decrease in revenue, resulting in inadequate cash reserves for different operations, funding and investment. The stock is now outdated which leads to a lack of economic value. The financial implications due to the decline in sales has led to the downsizing of private companies and the reduction of jobs (increased work loss) (Kim et al., 2020).

Following the aftermath of the COVID-19 crisis in 2020, a significant decrease in economic activities has been projected to be the product of the COVID-19 distribution. Preliminary estimates predict a 3% decline in global GDP by the year 2020 (International Monetary Fund, 2020a). Even worse than the global financial crisis of 2008-2009, this recession is expected. A 4.9 percent contraction in 2020 was forecast by the International Monetary Fund in the most recent report (2020a) (June 2020). Impacts to labour markets, industry supply networks and the global economy will be difficult to forecast. The negative effects on the economy has been determined by the degree, duration, and degree of conformity with which people are socially isolated (Auerbach and Miller, 2020). Some socio-demographic groups are particularly vulnerable to the negative consequences of the epidemic, as well as the government's efforts to combat it. Research in behavioural science has previously focused on how people have been coping with stress and perceived hazards (Van Bavel et al., 2020). Academics have focused first on the physical health

risks associated with the COVID-19 pandemic (Mehta et al., 2020), but interest in the pandemic's mental health implications is developing. There has been a great deal of discussion on how the pandemic is impacting people's mental well-being and the economy since it began (Bierman et al., 2021). We don't yet know, however, how the pandemic control measures lead to mental health issues through economic influence. The pandemic may have resulted in people suffering more economic losses and falling into financial difficulties, resulting in major mental health problems, however some researchers argue that people's mental health has not deteriorated, despite the pandemic causing massive economic losses (Timming et al., 2021).

With the creation of COVID-19, many scientists tried to think from the historical point of view of economic influence. While the economic impact of a pandemic, such as COVID-19 can be estimated by scientists, the exact effects differ depending on the number, severity and need for social measures to curb their spread (Jonas, 2016). While the economic harm caused by the global pandemic cannot be clearly stated, analysts are widely agreed that it would have significant negative impacts on the global economy. Due to premature fatalities, workplace absenteeism, and a decrease in productivity, the COVID-19 pandemic has had an immediate impact on income due to the worldwide supply chain disruptions and factory closures that have occurred as a result of the pandemic (Bierman et al., 2021).

The effect of pandemics is likely to be serious in the short term, at least. The influence of social dissociation interventions (e.g., people do not use or buy such goods and services), minor immediate costs (e.g., hospitalization and treatment costs), high indirect costs (loss of labor, output) or offsetting and cascading impacts (Jonas, 2016). This could place pressure on e-commerce, and many argue that shoppers are going to move further towards online shopping like Amazon. However, as the possibility of distributing and processing problems is increasing, commodity deficits and possible decreased market demand have also reduce e-commerce growth because consumers are being quarantined and not wishing to risk exposure to the virus. As needed from a medical point of view, interaction with the outside world has been avoided by a flipside: vast swaths of the economy are stopped. And since this COVID-19 is worldwide, it has also had global implications. COVID-19 has tested professional services companies and forced them to operate on a remote basis, plan to reduce their customers' sales capacity and adapt their business models to fast-changing consumer dynamics and customer behaviour.

The economic transmission mechanism by which the shocks are negatively impacting the economy should be understood to explain the future economic effects of COVID-19. There are three primary communication networks, according to (Ellison, 2020). First of all, the direct effect of the reduction in goods and services consumption. Consumers' caution, discretion, and pessimism about long-term economic prospects may be lowered as a result of the pandemic's prolonged length and the social distance it has created. The second is the impact of financial market shocks on the global economy. Savings are predicted to rise, while household wealth is expected to drop. The third is the loss of supply, which would adversely affect supply chains, labour requirements and jobs when COVID-19 stops manufacturing, leading to extended layoffs and increasing unemployment. Many reports show the impact of COVID-19 on work hours and losses in employment. With regard to the business, the temporary closures and the (perhaps constant) loss of manufacturing jobs have significant short term impacts, as well as decreases in the postings, which are marked by high industrial heterogeneity (Aminjonov & Bargain, 2020) A limited number of companies in the US have surveyed and they record that all of them are briefly shut down and have decreased their number of workers by January 2020. The companies surveyed were not positive about the federal government's effectiveness of the fiscal stimulus (CARES loan program). Another research showed that employment losses were higher in businesses with heavily focused labor markets (i.e. where workers are few), non-tradable (e.g. manufacturing, healthcare) and credit-restricted enterprises (Binder, 2020). They offer proof that some companies predict expanded growth prospects in the middle of a market revolution based on conference call results. Eventually, the COVID-19 pandemic can be regulated. People are returning to function. Consumption is going to rebound, and in particular social consumption. The surviving companies will start manufacturing again (Wagner, 2020). Travel will restart both in- and out-of-country. Many post-pandemic investigations would attempt to identify the exact origins and epidemiological actions of the virus. There will also be a crucial examination of the reaction of governments and supranational organizations (especially the World Health Office) all over the world to suppress viral health effects and to mitigate economic effects.



## 1.2 Statement of Problem

Growth in national macroeconomics depends on the activity of companies as a fundamental unit of the national economy (Zajacova et al., 2020). A pandemic like COVID-19 requires an understanding of the ramifications for businesses, their coping strategies, and government policies. However, just as with other outside impacts, businesses and E-Commerce firms must evolve their marketing and transform their corporate activities and business structures to achieve greater customer loyalty and adjust to changes that result from external interference (Kaplinsky, 2020). Integrity is a significant feature of business activities for younger and older companies, and a coordinated reaction to their external effect is also critical. The main benefit to enterprises in other industries is that skilled services companies have fast pivotal role in changing situations (Chattu et al., 2020). They are less leveraged than certain industries and do not stock vast quantities of currency. Instead, they focus on human resources that their demand pipelines can scale up and down. It may also retrain their employees to concentrate on emerging demand markets. There are several implications for customers for the COVID-19 scenario, but many retailers have a divided view of the magnitude and effect of COVID-19. The condition of COVID-19 has many implications for customers, but many retailers have mixed views of the severity and effect of COVID-19. Any part of the world has been infected by the virus. If the delivery of vital goods is halted, the situation will get more precedential. (Keen & Ronald, 2015). Therefore, any contingency planning must be considered when conducting business in times of a pandemic. Companies should respond to the possible new medium and ensure that their company performs properly through the crisis. During that moment, e-businesses and e-commerce have better chances, as users do not go outside and get exposed to the virus. Digital tools are a good way to get orders, buy supplies, collect shipments, run manufacturing, distribute and after-sales services (Chattu et al., 2020). The disturbances the companies face as a result of COVID-19 can also affect the value chains of the company. Value chain changes will impact the economy and the value that the end-user receives. Many companies, big and small, have had difficulties surviving through the pandemic and this will undoubtedly rely on the perceived failures of their previous corporate structures and on how they can create more stability in the future. At the beginning of 2020, COVID-19 has become the worldwide catalyst of improvements to the international market climate. The impact on e-commerce companies is almost unknown, so this report is exceptional. The objective of this study is to learn more about how multinational e-commerce companies react

to the pandemic. The aim of this study is to examine how COVID-19 affects e-commerce companies internationally.

### **1.3 Study Subjects**

The significant goal of this research is to assess the impact of a global pandemic on the economy specifically focusing on businesses and firms as case study. The objectives are; to investigate the impact of the global pandemic on firms, to assess the predicament of the pandemic on the economy and to assess the future expectations of the firms whilst thriving with the pandemic. The main research questions entails assessing the impact of COVID-19 on the financial performance of the firms and the relationships between demographic data and decline in performance of the firms and businesses.

### **1.4 Significance of the Study**

The COVID-19 pandemic challenges the mind-set of the small companies who have an unprecedented core of our economies. This matters more than on a personal level because entrepreneurs have a greater feeling of perseverance, productivity and innovation.

Following the aftermath of the pandemic, this research will allow us to learn how they have respond optimistic in the face of these challenges – how they are able to effectively manage the aftermath of COVID-19 crisis. This involves managing the volatility and tension caused by the recession to safeguard and sustain your company or eventually innovate and make your business even stronger. In reality, COVID-19 amplified several reforms already at the beginning of this year that disrupted professional services firms. Companies have been reacting to the pandemic by better using technological influence, reassessing their talent proposal and increasing the emphasis on reputational risk management. Now they should all reconsider their market strategies and ensure that they have the finance, expertise, instruments and price mechanisms to draw in what is expected to be an age of opportunities and a time of protracted uncertainty in preparation for likely future challenges.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Overview

Today's market world can be turbulent and companies must adapt adequately to new challenges and opportunities. The leader of an organization, who makes the best choices that promote creativity and adaptation, is responsible for the success of the firm. Organizational adjustment focuses on improvements to address, take advantage and exploit external challenges (Adarov & Stehrer, 2019). Opportunities from diverse areas can be discussed, such as emerging technology, evolving economies, changing consumer demands and preferences. Due to these global conditions that can pose risks and opportunities, companies have little detrimental impact on their ability to respond to these external changes. At times, the market climate can be very volatile, and as times change quickly, volatility is greater. In addition, political and economic changes and instability will be part of uncertainty. In order to make an effective response to the changes a company could face, it will be important to them to accept innovation (Burgess & Sievertson, 2020). Then there is strategic strategy to determine where the business is, where it needs to be and how to get there in the future. In cases of adaptation, the strategic planning phase requires the identification of tactics and determination of the tools and measures required to execute the strategy through the adaptation process. In addition, an organization should consider the external transition and what results it wants to achieve. The aim is to contextualize opportunities and risks and to decide on how to respond (Bodnar et al., 2020).

The spread of COVID-19 is projected to delay economic activities considerably. It is estimated that the recession will be much worse than the global financial crisis of 2008-2009. The International Monetary Fund (2020b), however, in its recent report, updated the provision to 4.9 percent in 2020. The adverse economic impact can vary based on the magnitude and degree of conformity with social distancing initiatives (i.e., locking offsets and related policies). Moreover, the pandemic and the government response will contribute to mental health problems, increased economic deprivation and especially detrimental effects for some social population groups (Jorda et al., 2020). The purpose of this work is to study emerging literature on the economic impact of

COVID-19 and the reaction of governments and to bring together the perspectives gained from increasing numbers of studies.

## **2.2 Global Pandemic and Effect on Economics**

A rare tragedy, a pandemic coronavirus, has led to the deaths of unfortunately many people. The planet has been put under great aperture as countries apply appropriate quarantines and practices for containing the pandemic. The size and the speed of the after-effect breakdown is different from anything observed in our lives (Laeven & Valencia, 2018). In the light of the pandemic in the second half of 2020 and the effectiveness of global political measures to avert large-scale corporate bankruptcies, protracted employment losses, and systemic financial pressures, we expect global growth to rise to 5.8% by 2021. It is a truly worldwide crisis because no country is spared. There are especially significant disorders in countries dependent on tourism, transport, hospitality and leisure for their development. Emerging and emerging markets face additional obstacles with unprecedented capital flow reversals as global appetite for risk wanes and currency tensions, as well as weakened health services and a more constrained fiscal capacity for funding. In addition, many countries have been fragile with slowing growth and high levels of debt in this crisis. For the first time, the industrial economies and the developed and developing economies are in decline since the Great Depression (Laeven & Valencia, 2018). Development is expected to be 6.1% for this year in the advanced economies. Emerging and developed markets with normal rates of growth well above emerging economies often anticipate negative growth rates of -1.0% in 2020 and -2.2% if China is not included. The per capita revenue of over 170 countries is estimated to decrease. Both advanced and developing economies are expected to rebound in 2021 in part. Flattening COVID 19's spread of lock-downs enables healthcare facilities to deal with the epidemic and causes commercial growth to resume. There is no trade-off in this method of preserving one's life and livelihood. Countries should continue to lavishly fund their health care systems, conduct a wide range of tests, and avoid commercial restrictions on the availability of medical supplies. As new medicines and vaccines are developed, a global commitment is made to ensure that all affluent and poor countries have immediate access (Ma et al., 2020). As the economy closes, governments must be able to satisfy their demands and to ensure that firms are capable of recovering after the

pandemic passes are sharp. There are many policymakers who have been lifelines for families and businesses because of their comprehensive and timely financial and monetary policies, including credit guarantees, liquidity services, debt avoidance programs, extended unemployment insurance, better welfare and tax relief. This funding should help to reduce chronic scars that could arise from reduced spending and employment losses in the serious decline across the containment stage (Burgess & Sievertson, 2020). Politicians ought to prepare the rebound, too. When containment strategies come in, policies should change quickly to help demand, incentivize firm recruitment and remedy private and public sector balance sheets to support growth. Fiscal stimulus synchronized between fiscal countries would enhance both economies' advantages. Debt redemption moratoria and restructuring of debts may be necessary during the rehabilitation period (Jorda et al., 2020).

Also non lockout sectors, at the same time, could be indirectly impacted by decreased sales of intermediate products to the sectors concerned (Laeven 2020). It depends on the pace at which jobs are re-allocated across industries and companies if such losses in employment becomes irreversible. The effects of pandemic-related labor market conditions, including a decrease in the workforce as the number of discouraged jobs increases or foreign migration flows to advanced economies, could result in a prolonged contraction of the workforce. This contraction, along with the effect of widespread school closures on the accumulation of human resources, could compound the workplace loss (Burgess & Sievertson 2020). At the same time, it should be understood that losses rely on the policy reaction and performance in reducing these consequences of the labour market policies.

### **2.3 Implications of Global Pandemic on Firms and Businesses**

The effect of organizational flexibility on the output of companies and firms following the COVID-19 pandemic was assessed in the latest study conducted by Liu et al. (2021). Their findings have shown that operational flexibility at firm level is substantially positively linked to the accumulated abnormal production from stocks during the Event Fester, and in the provinces most affected by the Epidemic this positive connection is stronger. In companies that have comparatively less fixed assets, this positive relationship is even more apparent. Their findings thus offered immediate empirical proof that the real optional versatility during the COVID-19

outbreak played an important role (Liu et al., 2021). An additional recent study examined the unpredictable threats and strategic reactions of restaurant companies in China as part of the COVID-19 pandemic. Social distance, self-isolation and travel restrictions were placed on the global market to control the pandemic of coronavirus (COVID-19). The purpose of the study is to examine the factors which affect the financial turnaround of the restaurant companies for sustainability after the shutdowns in the COVID-19 pandemic to show how COVID-19 impacts the restaurant industries. The exploratory method of this research successfully evaluates the positive impact from three dimensions of the operating properties by using total sales data from 86,507 small and medium-sized restaurant firms from nine cities in mainland China (Kim et al., 2021). According to the research, restaurant businesses with earlier characteristics, such as larger size features and higher leverage as well as greater cash, less ROA, and more internationalization, have a greater power to respond to falls in stock prices than COVID-19 organizations. In contrast, the connection between COVID-19 and stock income from dividends, franchise, institutional ownership, and management ownership was not significantly moderated. The research topic is highlighted in this paper by providing information on the stock returns of restaurant industry drivers during the COVID-19 shock. The factors and methodologies employed in the analysis should be used in future research to understand the situation (Song et al, 2021).

Rapaccini et al. (2020) also performed another research to determine the COVID-19's effect on production companies. The research is based on detailed data from the COVID-19 pandemic, and interviews. The respondents were managers of manufacturing companies in northern Italy with plants, warehouses and centers. This is without any doubt the first and most affected area in Europe to suffer from the pandemic, and radical lockout steps are being introduced, prohibiting nonessential travel and requiring all nonessential companies to shut down. There are many key consequences, including the disruption of field operations and supply networks, on both product and service enterprises. The authors present a four-stage crisis management model in order to help companies handle the crisis and position themselves better after the pandemic. The study examines how sovietisation can improve readiness for future crisis, by presenting a collection of metrics on what the management expects to be the new normal position for and effect on service activities (Rapaccini et al, 2020).

A major jolt to companies around the world and the global economy was the Coronavirus Pandemic (COVID-19) and its related economic blocage. Due to the continuing volatility, situations were different across industries and regions, but business organizations' common aim was to respond effectively, build strategies for managing turbulence and speeding up recovery. The literature on its effect on corporate strategic management has been scarce due to the novelty of the case. In India, another research was conducted to assess the crisis effect of companies and to uncover Indian firms' tactical strategic short- and long-term responses (Bhattacharyya & Thakre, 2021). The outbreak of the COVID-19 pandemic, including energy stock, has had major negatives. However, new Green Recovery Plans are being proposed and introduced which could lead to better results for renewable energy firms than fossil fuel companies following the pandemic. If more voices call for the update of renewable energy, investor attention theory suggests the opportunity to invest in clean energy stocks would be given more attention by investors. Research carried out by the Wan et al. (2021) found that the negative effect of the epidemic on fossil fuels and renewable energy firms was more important, based on a sampling duration of eight weeks before and after the pandemic. Their findings have shown that increased returns on renewable energy companies have been recorded during the pandemic, not for fossil fuels companies as a consequence of investor interest. Their results show the empirical advantages of green recovery programs, particularly for renewable energy stocks, when influencing financial markets. These findings indicate advantages for further promotion and adoption of post-pandemic green recovery stimulus measures (Wan et al, 2021). In addition to the disruptive time of unsettling, confusion and risk, the coronavirus crisis can be seen as a period in which Digital Technologies are being expanded, micro-level initiatives taken as well as existing resource-intensive forms taken into consideration.

Ding et al. (2021) recently conducted research into the global pandemic of corporate immunity. Data from nearly 6,700 companies in 61 countries was used to examine the link between company characteristics and stock return reactions for COVID-19. Reduced COVID-19 exposure through global supply chains, client sites, increased social responsibility initiatives, and less devoted management have all contributed to a lesser pandemic-induced fall in equity returns for companies with stronger finances prior to 2020. Hedge funds and other asset management organizations run by family members fared worse than those run by non-family members, significant corporations (especially those owned directly by the family), and the government. Stock markets have positive

prices for small management, but negative costs in the course of the pandemic have high levels of management (Ding et al, 2021). An additional analysis in 2021 evaluated the impact of COVID-19 on certain companies' and firms' expectations. You tracked and assessed how companies respond through August 2020 to the COVID-19 crisis. First, businesses perceive the (so far) shock as a big demand shock instead of supply shock on the net. A greater proportion of companies experience moderate or serious sales disruption than supply chains. They then compared these disruptive steps to their anticipated selling pricing adjustments and found that they predicted, except for companies reporting a disturbance in the supply chain, the average short-term selling prices. They also demonstrated that companies are undertaking wage cuts and plan to reduce their salaries by the end of 2020. These cuts are made by companies which were affected by the pandemic disproportionately. Secondly, companies (like skilled forecasters), by reducing their 1 year ahead of inflation forecasts, have responded to the COVID-19 pandemic. These responses contrast sharply with domestic inflation expectations (Meyer et al, 2021).

The energy industry is another area of companies impacted by the pandemic. A research by Corbet et al. (2020) also evaluated the effect on their renewable energy companies of the pandemic. To see if there are spillovers in volatility and co-movements among energy-driven firms during the COVID19 pandemic, even in April 2020 when West Texas Intermediate (WTI) oil future prices have gone negative, we are conducting tests. They studied the energy sector's transmission mechanisms for volatility shocks and contagion. According to a number of studies, the drop in petroleum prices has had a favorable and economic impact on renewable and charcoal markets. A minor portion of our sample, however, shows this finding around the WTI scenario that is negative. Instead of a significant increase in oil supplies, their conclusions were translated into a sharp decline in worldwide demand for oil, gas, and coal. Investment in renewable energy was considered more efficient than fracking despite the US fracturing industry losing market share in coal (Corbet et al, 2020). The corona virus pandemic effects and company performances in the country were also measured in another study in Nigeria. Their research studied the effects of the Coronavirus Pandemic Outbreak on private sector results in Nigeria in order to understand the implications of the strict steps implemented in countries around the world. For this research, the survey design was adopted. The data comes from online questionnaires for private companies and financial analysts in Lagos, Nigeria. A linear reversal has shown that the Pandemic coronavirus



(COVID-19) is detrimental to Nigerian private businesses' financial and non-financial results. Coronavirus (COVID-19) was proven to be damaging to Nigeria's strong results, according to the research. Private enterprises should be included in government stimulus and palliative programs to ensure that they can continue to operate after the pandemic (Aifuwa et al, 2020). The impact of COVID-19 on businesses and organizations was also explored by Strange (2020). After the COVID-19 epidemic has been contained, his research examines how the company's global value chains (GVC) may change as a result. The merits of alternative locations and of the various governance structures (internalization versus externalization) in relation to GVC activities are compared. It raises the likelihood of free selling foreign direct investment and emphasizes the broader geopolitical sense. The broad human tragedy is seen as is the global problem in balance lives and livelihoods faced by national governments (Strange, 2020).

#### **2.4 Effects of Global Pandemic and Major Disruptions on Small Businesses**

Recent centuries have seen a number of economic crises, which have sparked a number of studies in academic circles. Global economic crises include the 2008 recession, World Wars, World Depression of 1930s, 1973 oil price crisis, 1997 Asian financial crisis, and other civil wars around the world (Bieler & Morton, 2018). All of these tragedies had one thing in common: a financial crisis that rippled out across the affected communities or perhaps around the world. The financial systems of the world's governments, if not all, have generally been affected by such crises. This research examines the unexpected impacts of crises on individuals and corporations. An analyst must define "crisis" properly in order to adequately analyze the relationship between crises and economies. Doern (2016) describes the civil unrest that erupted in London in 2011 for four days as a "unique form of crisis" in his study. The author's attitude to a crisis is determined by the nature of the event—the reason of the catastrophe. "Unique crisis" phrase was employed because Doern (2016) argues that the civil disturbance in London was a conflict-oriented, human-caused crisis. As Herbane (2010) points out, all kinds of crises, including business interruptions, disasters, contingency emergence and catastrophes, have shared components that imply fundamental commonality, regardless. There were more than 2,000 small businesses that experienced major losses because to the London instability, according to Doern. During the 2011 London riots, the vulnerability of small businesses was exposed owing to a lack of preparedness and insufficient resources. Small businesses were particularly hard hit by the economic downturn because they

lacked the necessary business infrastructure to handle the disruption. Read the Riots in 2012, a lack of resources is cited as a reason for small firms' susceptibility by Doern (2016), who underlines crisis management's relevance. According to Strange (2020), a company's characteristics (such as industry and size) and preparation also play a role in its ability to bounce back from a crisis and stay afloat. Subprime mortgage crisis of 2007–2008 was also a major disaster. After beginning in the United States, the event swiftly spread throughout the world. A year later, the global financial crisis was foreshadowed by the burst of the US housing bubble in 2006, as Saracco, Di Clemente, Gabrielli, & Squartini (2016) argue. It is widely accepted that the financial crisis of 2007–2008 was the biggest economic catastrophe of the last few decades, and that it was the result of both market and regulatory failures. To better understand how small businesses in the UK fared financially during this time period, Cowling, Liu, & Ledger (2012) did extensive research. Pre-existing arrangements in the region encouraged the survival of large firms over smaller ones, according to their findings. In addition, the statistics show that small firms had less access to external financing during the crisis than larger ones. Furthermore, the results show that 119,000 small businesses in the United Kingdom were unable to obtain financing at their peak, according to the survey (Cowling et al., 2012). Adding insult to injury, financial institutions allegedly favoured large businesses by using faulty criteria, such as the size of the company, as a way to gain an unfair advantage. In the same way, banks and other financial institutions were reluctant to lend money to women-owned businesses.

To survive in the last decade, small businesses have relied heavily on government initiatives aimed to help the sector grow again. For the sake of this investigation, the subprime mortgage crisis will be used as a backdrop. Chowdhury (2011) argues that the crisis's toll on small businesses has been uneven throughout the world, with some bearing a heavier burden than others. There was pressure on many financial institutions to give priority to lending to established, well-capitalized clients, as Chowdhury (2011) points out. Small businesses have a hard time getting loans because of their poor credit ratings.

Research also looks at how Hurricane Katrina, which hit the Gulf Coast of the United States in 2005, affected small businesses. Businesses' resilience and survival in the face of crises depended heavily on their social capital, say Torres, Marshall, & Sydnor (2019). In a quantitative study, researchers found that small firms with strong community ties and resources were more successful

than those without these links towards the end of the crisis. In a nutshell, community relationships and social capital are intertwined (Torres et al., 2019). Researchers discovered that small business owners with strong ties to their local communities were more resilient in the face of disaster than those with less connections to their neighbours. In another study, Runyan (2006) revealed that crises share traits such as significant ramifications, decision-making time constraints, uncertainty, and low likelihood. Hurricane Katrina's demise of most small businesses in the United States was attributed to a lack of money, sensitivity to cash flow disturbance, infrastructure-related concerns, and insufficient preparation, according to the study.

There has been no return to regular living since the World Health Organization declared the new coronavirus a worldwide pandemic in early 2020. Nearly every aspect of day-to-day life has been affected by the declaration, from the financial to the social to the political to the natural environment. It is a different story when it comes to the current research, which focuses on how the pandemic has affected global economies, particularly in terms of the private sector. There has been a major economic impact from the coronavirus on small enterprises, according to Bartik et al. (2020). Numerous academic studies have sought to analyse the epidemic from various angles in order to properly understand the impact of the pandemic on small businesses as well as on the global economy. Small businesses and other stakeholders' ability to prevent or adapt to the effects of the coronavirus is one of the primary goals of most research. The influence of COVID-19-related laws on small businesses is also a significant study objective in this area. To conclude, researchers are looking for strategies to not only survive but even recover from the coronavirus. Based on the second aim, the purpose of this study is to give relevant information that can have a substantial impact on the small company sector. Quantitative research by Batik and colleagues (2020) indicated that the pandemic had a considerable impact on private sector businesses within a few weeks of the onset.

Supply chain activities decreased and active employment decreased in the country, resulting in major difficulties for small businesses. Only businesses with a strong support structure and a high level of social capital were able to weather the storm of financial instability. According to Fairlie (2020), many businesses have closed because owners cannot afford to pay their continuing operational expenditures. According to Buffington et al. (2020) the SBPS was used to examine the impact of COVID-19 on a small-business focus group in the United States. The SBPS saw a

decrease in the number of small businesses operating in the United States. Businesses in other industries, on the other hand, had no choice but to cut back on their workforce. Statistics show that small firms have turned to various methods of survival, such as cutting back on operation hours, in order to survive. Other small businesses advised their employees to work from home in order to save on expenses. The outbreak of COVID-19 is still going on. Consequently, further study is needed to fully understand the consequences of the global financial crisis. However, early pandemic studies showed that small businesses, particularly those owned by minorities, were severely affected by the virus. There was a 22% drop in the number of active company owners in the United States between February and April 2020, according to his study.

African Americans witnessed a 41% decline in business activity as a result of the epidemic. A 32 percent drop in Latino-owned businesses, and a 26 percent drop in Asian-owned businesses, were the results of the recession (Fairlie, 2020). Small enterprises owned by immigrants (down 36%), as well as those run by women, are also at risk in this situation (25 percent reduction rate). Worse, the survey indicated that during May and June, the number of business owners who were actively conducting business dropped by 15% and 8%, respectively (Fairlie, 2020). According to Kraus et al., COVID-19 has had an effect on nearly every organization (2020). Family-owned companies were found to be affected by the pandemic in different ways based on factors like as the size of the company, the business style of the owners, and the overall adaptability strategies. The study's conclusions showed that operational activity was reduced, organizational culture was altered, and digitalization was boosted. While previous studies have concentrated on the negative consequences companies had during the pandemic, Kraus et al. (2020) focused on the positive effects businesses had. Researchers discovered that the pandemic had a positive impact on business culture, with employees rallying to aid one another in the midst of a harrowing experience. Digitalization has led to an increased focus on technology-enabled operational mechanisms, such as the use of cloud-based ERP systems.

There have been a number of studies that have specifically examined how small businesses have dealt with the epidemic. In this context, the term "mechanisms" refers to the strategies employed by individual business owners to keep their companies afloat and avoid bankruptcy. Companies in both emerging and growing economies are becoming increasingly aware of cutting-edge technology, according to a study by Akpan, Udoh, & Adebisi (2020). The study used a qualitative

approach and looked at secondary sources in order to gather information. According to the source, COVID-19 has had a greater impact on small businesses in emerging and developing nations because of technology and digitalization challenges. To deal with the COVID-19 business climate, small businesses might make use of Liguori & Pittz (2020)'s insights. As a starting point, ecommerce marketing may help bridge the gap between businesses and their customers. When it comes to maintaining consumer and client connections, firms should use efficient communication techniques. Social media platforms like Facebook and Twitter might be used to increase their accessibility and availability. Final point: instead of laying off workers, small businesses should practice transparency and promote remote working.

## **2.5 Overview of Nigerian Economy In Terms Of Small and Medium Enterprises**

A total of 41, 543, and 028 MSMEs make up 99.8%, 0.17 percent, and 0.004 percent of all Nigerian businesses, with Lagos, Osun, and Oyo having the highest concentrations (KPMG, 2020). Small and medium-sized enterprises (SMEs) make up 96% of all companies and 84% of all jobs in the country, and they produce 48% of the country's GDP. These small businesses, employing fewer than 10 people and having assets worth no more than five million naira, are called micro-enterprises (excluding land and buildings). Small enterprises are typically run by a single person. Sole proprietorships make up 65 percent of small businesses, while private limited liability corporations (PLLCs) make up 21 percent and faith-based ownerships make up 6 percent (KPMG, 2020). Because the majority of Nigeria's businesses are micro-enterprises, any economic or business shock would have an effect on many people's lives. Governments are working to contain the spread of the COVID-19 pandemic and limit its impact within their own borders (Obiakor, 2020). All public areas, including airports, schools and marketplaces, have been closed to prevent the spread of the virus. On March 30, 2020, Nigeria's Federal Capital Territory, Lagos, and Ogun States would be shut down totally following a state-wide distribution of COVID-19 cases.

Adenomon et al. (2020), utilizing evidence from GARCH models, evaluated how the COVID-19 outbreak influenced the performance of the Nigerian Stock Exchange and concluded that earnings in Nigeria decreased during the COVID-19 timeframe compared to pre-COVID-19 outcomes. Pandemic lessened the impact of the COVID-19 outbreak on Nigeria's economy, which resulted

in an increase in Nigeria's debt servicing to revenue ratio of 60 percent, according to Chukwuka & Ekeruche (2020).

## **2.6 Impact of COVID-19 on Businesses in Nigeria**

The rapid spread of COVID-19 has resulted in an urgent global health crisis. In addition to the human toll, there is a significant impact on the world's economy, businesses, and commerce. The consequences of viruses will continue to spread since they know no bounds. According to Fortune 1000 businesses, 94 percent of the world's largest corporations have been affected by COVID-19. The coronavirus (COVID-19) epidemic in Nigeria has had no good impact on the majority of businesses, particularly those that are informal. Although just five percent of formal firms stated the epidemic presented new business opportunities, nine percent of informal enterprises said the pandemic resulted in reduced worker compensation.

It has been almost a year since the World Health Organization declared the coronavirus epidemic to be a worldwide pandemic. More than 4 million people have died and 200 million more have been infected as a result of COVID-19. Every aspect of contemporary life has been affected by the epidemic, from public health to the global economy to travel and supply networks to community and social relationships. The IMF predicts that by 2020, the global economy would have shrunk by 4.4% as a result of rising unemployment. Negative GDP growth has triggered recessions in the vast majority of countries throughout the world. The pandemic's social and economic effects have disproportionately affected underdeveloped countries. "To stop the virus from spreading, wealthier countries may implement crippling lockdowns and restrictions, as well as feed its populous so they can stay at home and reduce community spread. On the other hand, many developing nations had to rely on a patchwork of limited measures to buffer the impact on populations already living in poverty or relying on daily jobs.

Rich countries can order large quantities of vaccine candidates in advance and ramp up vaccinations to help their countries combat the pandemic's obstacles, but developing countries must wait in line and depend on mechanisms like COVAX that can only vaccinate a small percentage of the population in order to protect their citizens from infection. In Nigeria, which has one of the world's highest rates of multidimensional poverty, the outbreak had a disproportionate socioeconomic impact. After years of falling oil prices, insurgent warfare, and resource rivalry, the pandemic's aftermath plunged Nigeria's economy back into recession, its deepest in more than

four decades, with real GDP declining by 6.1% and 3.6% in the second and third quarters of 2020, respectively. Rather than being consistent across industries, the impact has been uneven, with some companies suffering more than others.

It is clear from this overhead perspective that the public health crisis has led to a widespread increase in suffering, poverty, unemployment and company closures. The overall image is obscured by the dynamics and changes that make up the picture. It is only via UNDP's partnership with Nigeria's national statistics agency that an in-depth database of the country's business climate and the pandemic virus' impact on enterprises and company owners can be compiled, allowing researchers to get a more nuanced picture of the situation. COVID-19's long-term effects are examined in great detail in the survey results. There have been major effects on the economy as a result of the outbreak forcing the closures of two-thirds of the country's businesses. A third of informal enterprises stayed open throughout the epidemic despite government lockdown directions and regulations, according to the results. One out of every ten businesses was still closed at the time of the survey. As a result of the pandemic's shock, many businesses may not have been able to handle it. One in three firms polled indicated they were aware of a business that has gone out of business because of pandemic-related operational concerns. Enterprises across the country reported a reduction in production, sales, and income, albeit to various degrees. In comparison to revenues in 2019, the median revenue decrease was 44%. Meanwhile, compared to the transportation and mining and quarrying sectors, the utilities and agriculture sectors were considerably less affected, with some businesses even reporting increases. Even after the limits on mobility and containment measures were eventually eased, the pandemic's impact lingered, with 74 percent of businesses seeing sales and revenues decline.

## **2.7 Hypothesis of the study**

1. Is there any statistical difference between impact of pandemic on firms and response to crisis?
2. Is there any statistical difference between impact of pandemic on firms and perception of firms?
3. Is there any statistical difference between response of firms to crisis and perception of firms?

4. Is there any statistical difference between gender and perception of firms?
5. Is there any statistical difference between gender and response to crisis?
6. Is there any statistical difference between number of employees and impact of pandemic on firms?
7. Is there any statistical difference between firm's category and impact of pandemic on firms?





## **CHAPTER THREE**

### **METHODOLOGY**

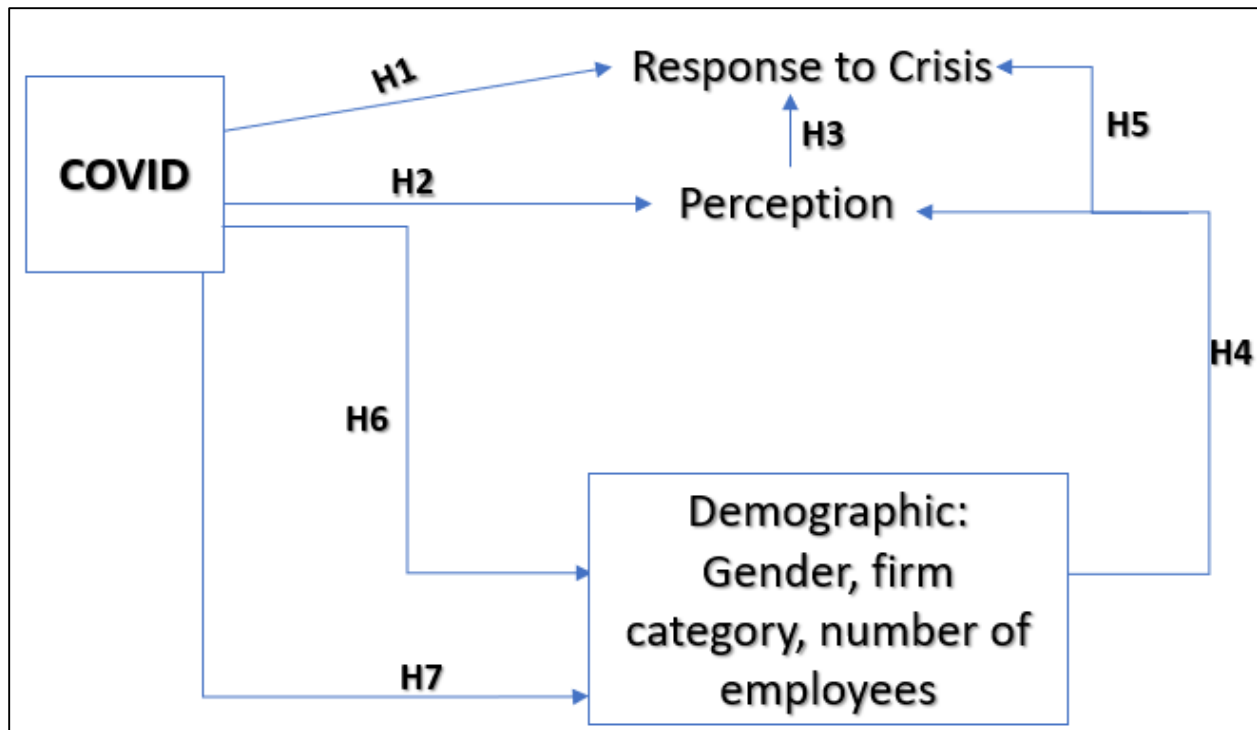
This research approach will be based on the priorities and goals of the study. This chapter details how the testing has been carried out. It specifies the architecture, topics, processes of data collection and instruments for study. The data analysis and presentation strategy are also given. In addition, there are also drawbacks and ethical concerns.

#### **3.1 Research Design**

Bryman (2016) described the concept of research as a master plan that specifies the methods to direct research. It is a strategic technique for a research project which outlines the broad outlines and main characteristics of the work to be carried out, including methods of data collection and analysis to be used and how the research strategy addresses specific aims and goals. Another researcher added that a research design offers fundamental techniques for scientific evidence creation. The study focused on an assessment of the global pandemic on the economy. Leavy (2018) has defined mixed methodology as a kind of research design that brings together quality and quantitative methods and is a third model of education research. The thesis applied quantitative research to resolve its basic goals using descriptive and analytical elements.

##### **3.1.1 Research Model**

As postulated by Zou et al. (2020), the research model was designed in assessing the relationship the variables as seen in Figure 3.1. The correlation (R) between the demographic information and firm's response as well as perception of the small firms was assessed.



**Figure 3. 1:** Proposed research model of the study

### 3.2 Quantitative research consideration of the study

The aim of this research is to focus specifically on impact of COVID-19 on private and public firms in the district of Victoria island due to the presence of various large scale industries in the state. The aims of the analysis are focused on assessing the future expectations of different firms whilst thriving with the global pandemic. For this analysis, the option of approach is based on estimation of a sample size in order to improve the reliability of the data.

Quantitative analysis refers to the formal scientific examination by statistical, mathematical or computational methods of social phenomena. The measuring method is essential to quantitative analysis because it forms a fundamental link between scientific observation and quantitative relationship mathematical expression. Kumar (2014) clarified that the techniques of quantitative analysis seek to address questions about the relationships between observable variables. Cause among the variable can also be explained, analysis generalized and relations between variables can be predicted.

### **3.3 Population size and Sampling Technique**

The district of victoria island is represented as the study area used for this research. The aim is to survey the different districts of the city in terms of the private and public firms. From a list of companies released by the government, these businesses will be chosen based on their size and the city's industrial features. Following the aftermath of the pandemic, the survey was carried out. According to NigerianBusiness.com (2022), there are 444 companies in victoria island out of which 125 are large scale industries. The research chose 25 large scale firms specifically representing each subzone of victoria island (Ikoyi, lagos island, lekki peninsula, lagos lagoon and Eti-osa) and to each firm, 10 questionnaires was distributed specifically to the managers, and executive personnels who would have a better understanding of the firm's profiles and predicaments. The total questionnaires distributed was 250. Purposive random sampling technique will be adopted, which is a survey procedure of little chance where the researcher elects a sample for fixed class of firms of interest. The purposeful survey technique is used in quantitative analysis for the identification of individuals based on basic experience. In order to provide information that is important for the researchers' purposes, the surroundings, individuals or events are chosen purposefully in order to provide them. Some researchers use their skills or know-how about a certain demographic to pick topics that match the public.

### **3.4 Data Collection and Research Instruments**

The compilation of data for this analysis study mostly on the basis of quantitative methods. A convenient sampling method was used to examine the impact of the global pandemic on the firms. The research instrument utilized for this study involves a convenient sampling method from a research study by Zou et al. (2020). The questionnaires from Zou et al. (2020) were divided into four sections. First section entails the demographic information of the respondents. Information about the location of the firms, class of industry, number of employees is addressed in the second section. The impact of the global pandemic is the third section involving an overview of the various industries, number of workers, staff. The forth section entails the impact of the pandemic on the firms and how they respond to the crisis (Zou et al., 2020).

### **3.5 Secondary Literature Sources**

In this research analysis, secondary details were also useful for learning the historical context of the problem. It is mandatory to look for some information about effect of crisis or global pandemic on the economy to have a better understanding on the topic. In addition to them, it is mandatory to search the websites of the Ministry of commerce, the World Health Organization, and e-commerce journals. These websites have relevant literature on the impact of crisis on the global economy.

### **3.6 Data Analysis**

Data from the interviews and findings will be reviewed using SPSS version 21 statistical tools for assessment of global pandemic effect on private and public firms. The Microsoft Excel will be used to compute the means and standard deviations of the different data obtained in charts, graphs and graphic analysis. An independent sample t-test, chi-square and correlation analysis will also be conducted to assess the impact of the global pandemic on the different demographics.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

This chapter describes the analysis of the collected data along with discussions of the research questions and hypothesis of the study. This involves demographic analysis, impact of global pandemic on firms, how the firms responds and perception or expectations of the firms. According to the survey conducted, 250 questionnaires were distributed and 220 were filled by the respondents indicating a response rate of 88%.

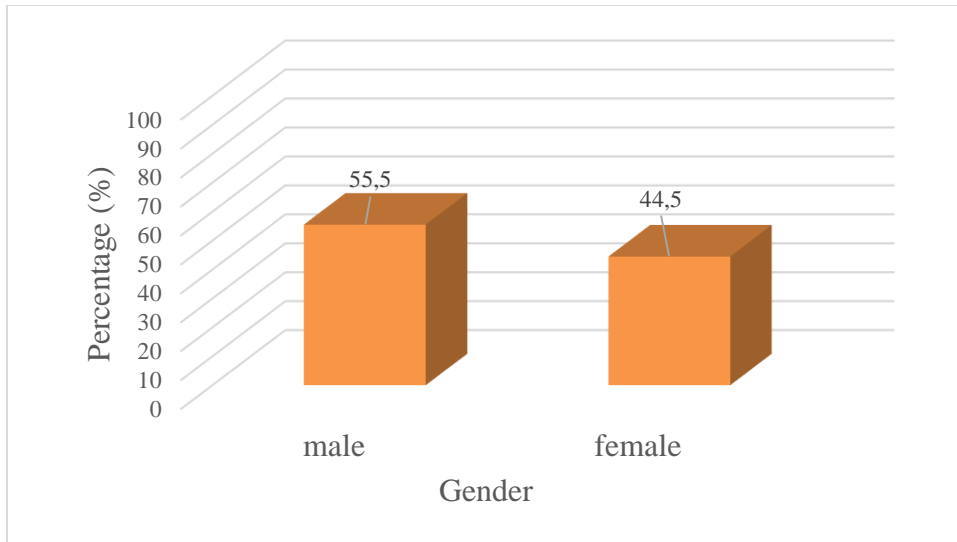
#### 4.1 General Information

##### 4.1.1 Gender of the respondents

As seen in Table 4.1 which shows indicates the gender of the respondents according to this survey. The analysed results reveals the percentage of the male respondents to be 55.5 while that of the female was 44.5% as shown in Figure 4.1.

**Table 4. 1:** Gender of the respondents

	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Male</b>	122	55.5
<b>Female</b>	36	44.5
<b>Total</b>	220	100.0



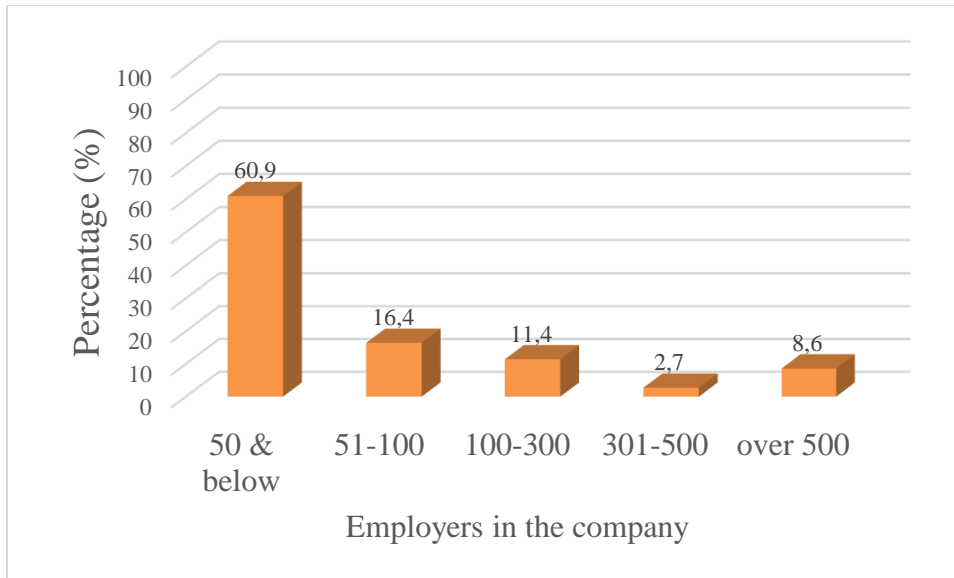
**Figure 4. 1:** Bar chart showing gender of the respondents

#### 4.1.2 Number of employees

According to Table 4.2 which entails the number of employees in the firms/companies used for this survey. The analysed reveals that majority of the firms had employees less than 50 (60.9%), an indication for a small scale firm. About 16.4% of the firms had between 51-100 employees, while some large scale firms had between 301-500 employees (2.7%) and over 500 employees (8.6%) as seen in Figure 4.2.

**Table 4. 2:** Number of employees in firms

	Frequency	Percentage (%)
<b>50 and below</b>	134	60.9
<b>51-100</b>	36	16.4
<b>101-300</b>	25	11.4
<b>301-500</b>	6	2.7
<b>Over 500</b>	19	8.6
<b>Total</b>	220	100.0



**Figure 4. 2:** Bar chart showing number of employees in the firms

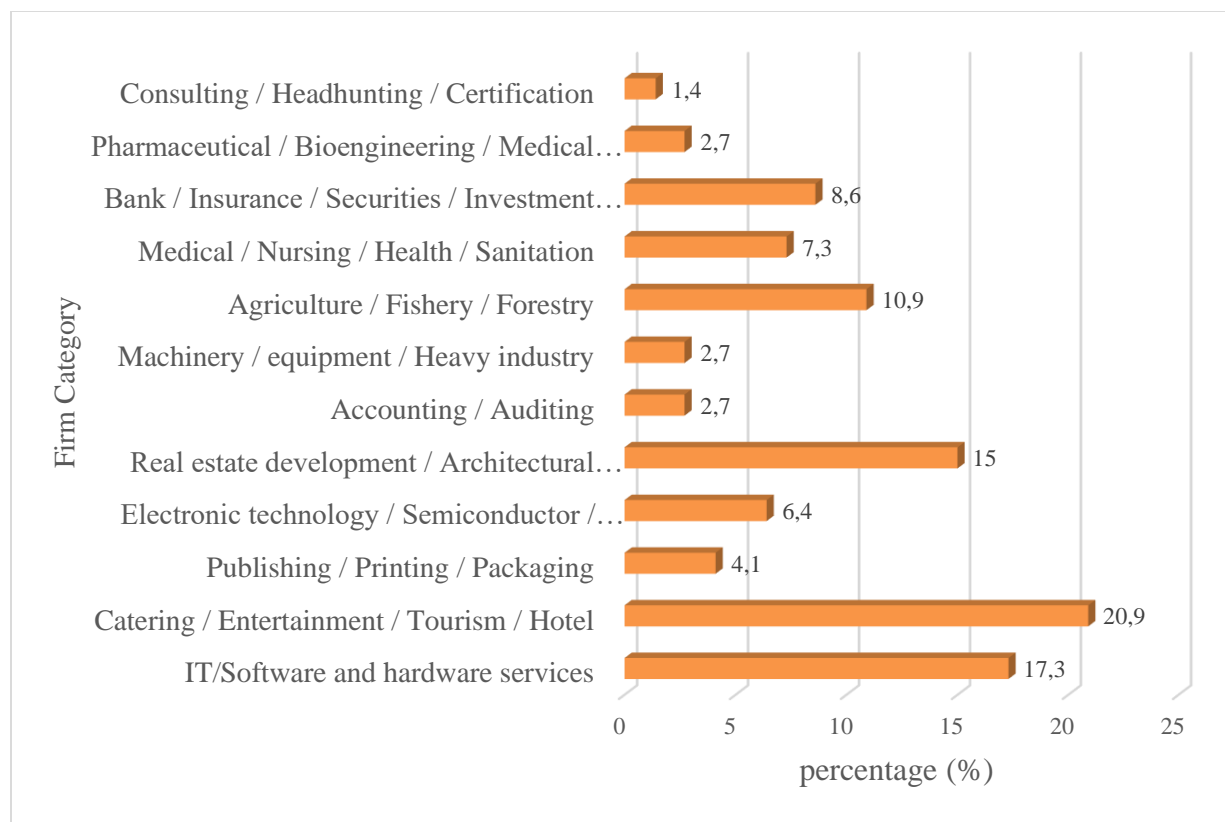
#### 4.1.3 Firm/Industry Category

According to the analysed results, the category with which the firms or industries belonged to is shown in Table 4.3. According to the analysed data, it was observed that some of the firms surveyed belonged to IT/software (17.3%), catering/entertainment (20.9%), publishing (4.1%), electronic technology (6.4%) and some belonged to real estate development (15.0%). Only few of the firms surveyed belonged to accounting (2.7%), machinery (2.7%), pharmaceuticals (2.7%), consulting (1.4%). About 10.9% and 8.6% of the firms belonged to agriculture and banking/insurance respectively as seen in Figure 4.3.

**Table 4. 3:** Firm category

	<b>Frequency</b>	<b>Percentage (%)</b>
<b>a. IT/Software and hardware services</b>	38	17.3
<b>b. Catering / Entertainment / Tourism / Hotel</b>	46	20.9
<b>c. Publishing / Printing / Packaging</b>	9	4.1
<b>d. Electronic technology / Semiconductor / Integrated circuit</b>	14	6.4
<b>f. Real estate development / Architectural engineering / Design</b>	33	15.0
<b>g. Accounting / Auditing</b>	6	2.7
<b>h. Machinery / equipment / Heavy industry</b>	6	2.7
<b>i. Agriculture / Fishery / Forestry</b>	24	10.9
<b>j. Medical / Nursing / Health / Sanitation</b>	16	7.3
<b>k. Bank / Insurance / Securities / Investment Bank / Risk Fund</b>	19	8.6
<b>l. Pharmaceutical / Bioengineering / Medical Equipment</b>	6	2.7
<b>m. Consulting / Headhunting / Certification</b>	3	1.4
<b>Total</b>	220	100.0





**Figure 4. 3:** Bar chart showing the categories of the firms

#### 4.2 Impact of the global pandemic on firms

It is known that the global pandemic is expected to impact every area of the economy by the year 2020. All industries have been affected by the epidemic, although certain companies and sectors have taken a greater toll than others. Policies to limit virus propagation, infection risks from various activities, and the capacity of enterprises to function remotely all had a part. Current business and future expectations have been influenced by all of these. According to Table 4.4 which reveals the effect of the pandemic on the production and operations of the firms, it was observed that majority of the respondents believed that there has been very serious impact leading to difficulties in operations and bankruptcy (29.5%) as well a great impact leading to operations in the firms barely being maintained (23.6%). Only a few of the respondents from the firms believed there was no significant impact (7.7%) and the pandemic had a positive impact whilst providing new opportunities (11.8%).

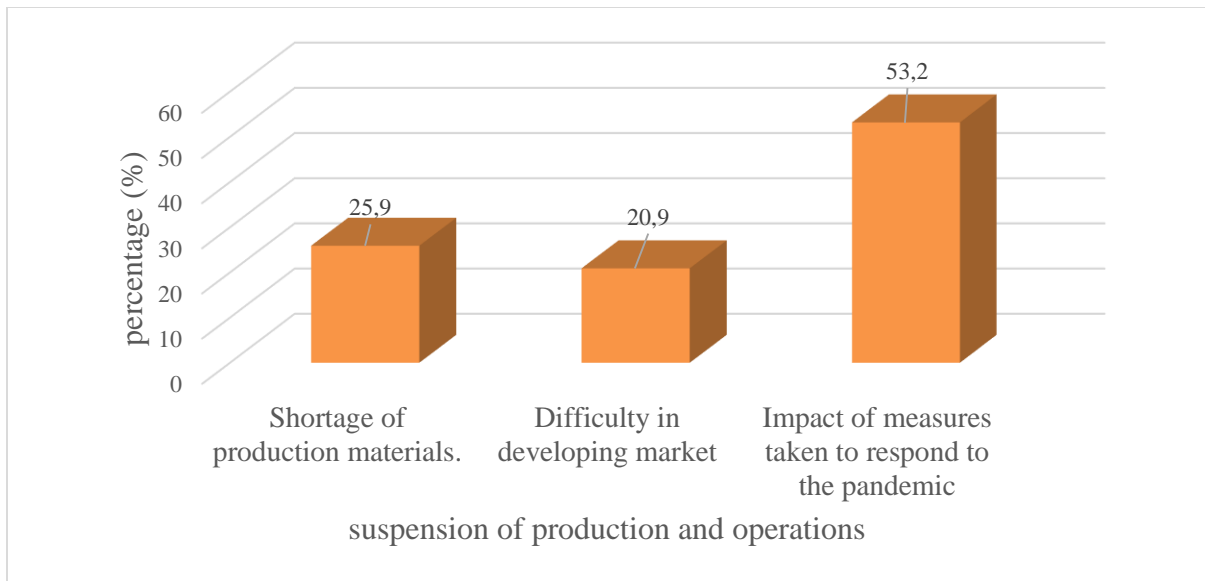
**Table 4. 4:** Extent of effect of pandemic on production and operations of the firms

	Frequency	Percentage (%)
<b>a. Very serious impact, leading to serious difficulties in business operations and bankruptcy</b>	65	29.5
<b>b. Great impact: operations barely maintained</b>	52	23.6
<b>c. Small impact, some difficulties in business operations, but overall stability</b>	60	27.3
<b>d. No significant impact</b>	17	7.7
<b>e. Positive impact, providing new opportunities for development</b>	26	11.8
<b>Total</b>	220	100.0

As seen in Table 4.5, a number of factors contributed to the suspension of production and activities in the surveyed companies. As shown in Figure 4.4, there was a 25.9 percent lack of production materials, a 20.9 percent difficulty in building a market, and a 53.2 percent impact of the steps taken to respond.

**Table 4. 5:** Reasons for the suspension of production and operations in the firms

	Frequency	Percentage (%)
<b>a. Shortage of production materials.</b>	57	25.9
<b>b. Difficulty in developing market</b>	46	20.9
<b>c. Impact of measures taken to respond to the pandemic</b>	117	53.2
<b>Total</b>	220	100.0

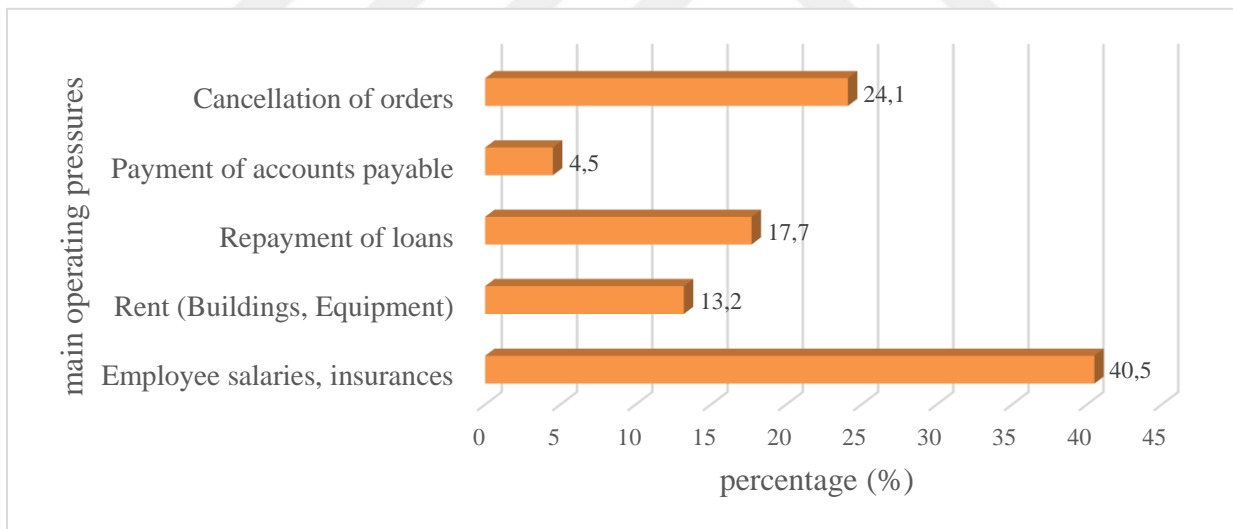


**Figure 4. 4:** Bar chart showing reasons for the suspension of production and operations in the firms

During the global pandemic, majority of the small and large scale had been facing operating pressures, and according to the analysed results majority of the respondents suggested that employee salaries and insurances (40.5%) were the main operating pressures their firms were facing as seen in Table 4.6. Others includes rent (13.2%), repayment of loans (17.7%) and cancelling of orders (24.1%) as shown in Figure 4.5.

**Table 4. 6:** Main operating pressures the firms are currently facing

	Frequency	Percentage (%)
<b>a. Employee salaries, insurances</b>	89	40.5
<b>b. Rent (Buildings, Equipment)</b>	29	13.2
<b>c. Repayment of loans</b>	39	17.7
<b>d. Payment of accounts payable</b>	10	4.5
<b>e. Cancellation of orders</b>	53	24.1
<b>Total</b>	220	100.0



**Figure 4. 5:** Main operating pressures the firms are currently facing

According to the analysed collected data, the response of situation regarding raw materials supply as well as other spare parts for operation and production in the firms during the pandemic are shown in Table 4.7. It was observed that majority of the respondents believed that the raw materials were in shortage (35.5%) while some were disrupted (19.5%) and some barely maintained production in the firms (15.9%). Some firms also had a steady supply rate (8.2%) and some of the firms had a normal supply (20.9%) according to the analysed data. As seen in Table 4.8, which

reveals the state at which the firms are planning to adjust to the pandemic in terms of reduction and increment of number of employees. It was observed from the analysed data that 35% of the firms believed to reduce their number of employees slightly (10-30%) and some preferred to maintain their staff quota (30.9%). Only few of the firms surveyed preferred to increase their number of employees slightly (11.4%) in response to the impact of the pandemic. As a result of the global pandemic, many of the firms had to shed off their staff quota due to insufficient and inefficient production and operations and this will greatly influence recruitment. According to the analysed data, it was revealed that majority of the firms' plans to postpone or cancel their recruitment plans (32.3%) and this has led to increase in labour costs (27.7%). Due to the fact that there was a lockdown at the time of the pandemic, majority of the firms preferred online recruitment (28.6%) as seen in Table 4.9.

**Table 4. 7:** Current situation regarding the supply of raw materials, spare parts and other production and operation materials in the firms

	Frequency	Percentage (%)
<b>a. Total disruption of supply</b>	43	19.5
<b>b. Supply shortage</b>	78	35.5
<b>c. Supply barely maintains production</b>	35	15.9
<b>d. Satisfactory supply</b>	18	8.2
<b>e. Normal supply</b>	46	20.9
<b>Total</b>	220	100.0

**Table 4. 8:** Company’s plan to reduce or increase the number of employees

	Frequency	Percentage (%)
<b>a. Reduce greatly (30–50%)</b>	50	22.7
<b>b. Reduce slightly (10–30%)</b>	77	35.0
<b>c. Remain basically the same</b>	68	30.9
<b>d. Increase slightly (10–30%)</b>	25	11.4
<b>Total</b>	220	100.0

**Table 4. 9:** Effect of pandemic on recruitment

<b>a. Increase in labor costs</b>	<b>61</b>	<b>27.7</b>
<b>b. Unable to find a suitable recruitment channel</b>	25	11.4
<b>c. Postponement or cancelation the existing recruitment plan</b>	71	32.3
<b>d. Transition to online recruitment</b>	63	28.6
<b>Total</b>	220	100.0

### 4.3 Response of the firms to the crisis

According to the analysed data as seen in Table 4.10, majority of the surveyed plans to cope with cash flow shortage by requesting for loans (25.5%), adding new shareholders (22.7%), cutting pay and jobs (22.3%), funding from existing shareholders (19.1%) and delaying payment (10.5%). As a result of the lockdown in 2020, this drove majority of the firms to emulate e-commerce and by that means transforming to online commerce. According to the analysed data, majority of the firms surveyed were willing (34.5%) to transform to online commerce, some were very willing (23.6%) while only a few of the surveyed firms were unwilling (4.5%) and very unwilling (12.7%) to

transform to online commerce as seen in Table 4.11. In response to the pandemic, the surveyed firms have taken some self-help measures to increase online operations (40.5%), application for financing (27.3%), implement a remote office (20.0%). Few of the surveyed firms had to implement a cut pay (12.3%) according to analysed data as seen in Table 4.12.

**Table 4. 10:** How the firms plans to cope with cash flow shortage

	Frequency	Percentage (%)
<b>a. Funding from existing shareholders</b>	42	19.1
<b>b. Adding new shareholders</b>	50	22.7
<b>c. Loans</b>	56	25.5
<b>d. Delaying payment</b>	23	10.5
<b>e. Cutting pay and jobs</b>	49	22.3
<b>Total</b>	220	100.0

**Table 4. 11:** Are you willing to transform to online commerce?

	Frequency	Percentage (%)
<b>a. Very unwilling</b>	28	12.7
<b>b. Unwilling</b>	10	4.5
<b>c. Reasonably willing</b>	54	24.5
<b>d. Willing</b>	76	34.5
<b>e. Very willing</b>	52	23.6
<b>Total</b>	220	100.0

**Table 4. 12:** What self-help measures has your firm taken so far?

	Frequency	Percentage (%)
<b>a. Applied for financing</b>	60	27.3
<b>b. Increased online operations</b>	89	40.5
<b>c. Cut pay and jobs</b>	27	12.3
<b>d. Implemented a remote office (digital office)</b>	44	20.0
<b>Total</b>	220	100.0

#### **4.4 Expectations/perceptions of the firms**

The cause and magnitude of the pandemic has been exceptional and detrimental. While it may seem counterintuitive to think of a sudden drop in supply and demand as a macroeconomic phenomenon, this is exactly what has occurred. In today's competitive economy, customer experience is one of the most important differentiators. From gaining consumers to engaging with and maintaining them over time, more and more firms are concentrating their efforts on experience-led interactions and journeys. If you want to develop a long-lasting and profitable brand, you need to put your customers first. According to the analysed data, the positive impact of the pandemic according to the respondents was to realize firm's shortcomings (36.8%), promote remote office establishment (35.9%) as well as enhancing information and digital firm's construction (27.3%) as seen in Table 4.13. In times of crisis like the COVID-19, most firms seek assistance from the government in order to overcome such a decline in economy. According to Table 4.14, which reveals the possible policies the respondents expects the government to put in place in tackling the pandemic. The analysed data reveals that reduction in value added, income tax (48.6%) is imminent, provision of subsidies for rent, utilities (27.3%) and stimulate consumption (18.6%) is necessary as a future policy to be amended by the government.



**Table 4. 13:** What are the potentially positive impacts of the pandemic in your view?

	Frequency	Percentage (%)
<b>a. Promote the establishment of remote office work</b>	79	35.9
<b>b. Enhance information and digital construction of firms</b>	60	27.3
<b>c. Help to better realize firm's shortcomings and solve existing</b>	81	36.8
<b>Total</b>	220	100.0

**Table 4. 14:** What policies do you expect the government will put in to place to help your firm overcome the difficulties?

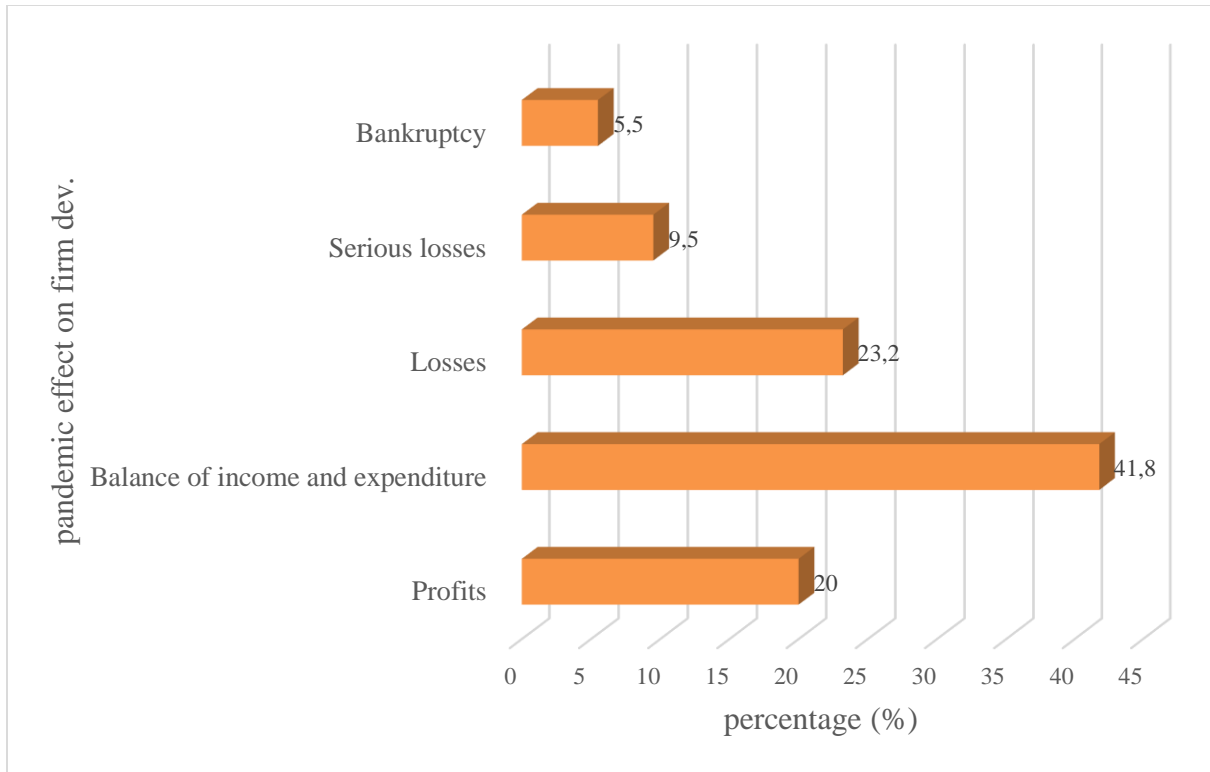
	Frequency	Percentage (%)
<b>a. Reduce, exempt or postpone value-added tax, income tax, insurance premiums and other taxes</b>	107	48.6
<b>b. Stimulate consumption</b>	41	18.6
<b>c. Allow firms to implement a staged flexible salary method</b>	12	5.5
<b>d. Provide subsidies for rent, utilities, post stabilization etc</b>	60	27.3
<b>Total</b>	220	100.0

As seen in Figure 4.6, which reveals the extent of the pandemic effect on the firm's development. According to the analysed data, it was observed that the respondents believed that a balance of income and expenditure (41.8%), losses (23.2%), and profits (20.0%) will have a great impact to the development of the surveyed firms as seen in Table 4.15. Since the pandemic started, the global economy had been in jeopardy and this has significantly influenced firms and small businesses.

According to the analysed data as shown in Table 4.16, majority of the respondents believed that the gross domestic product (GDP) has reduced significantly (41.8%), reduced slightly (35%) while few of the surveyed firms believed that it has increased slightly (11.4%) and increased significantly (4.1%) as shown in Figure 4.7.

**Table 4. 15:** To what extent do you expect this pandemic will affect your firm’s development in the first quarter of 2020?

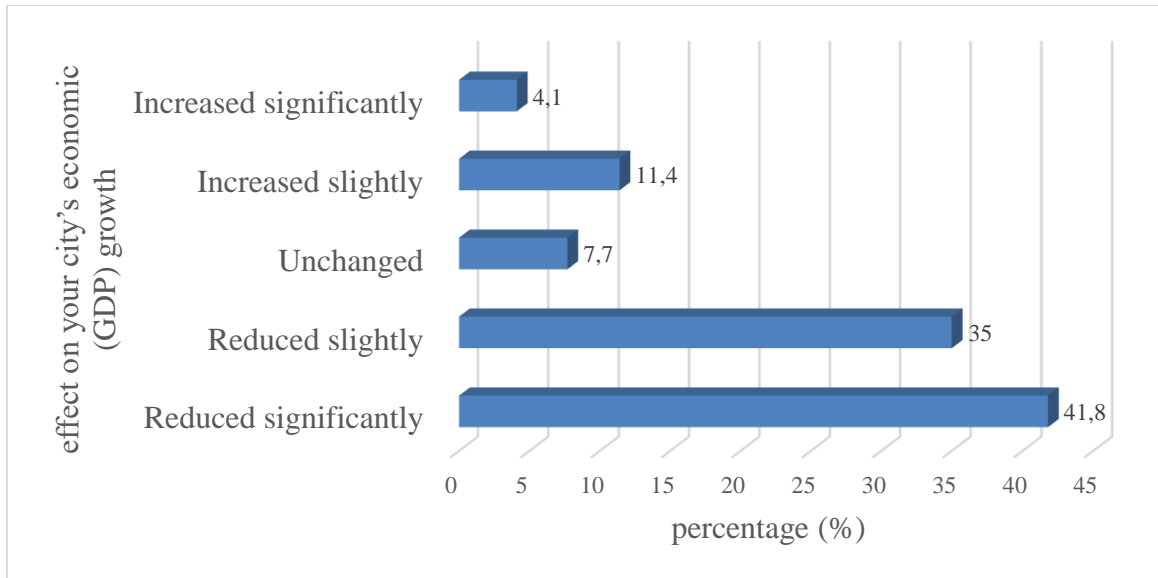
	Frequency	Percentage (%)
<b>a. Profits</b>	44	20.0
<b>b. Balance of income and expenditure</b>	92	41.8
<b>c. Losses</b>	51	23.2
<b>d. Serious losses</b>	21	9.5
<b>e. Bankruptcy</b>	12	5.5
<b>Total</b>	220	100.0



**Figure 4. 6:** Extent of effect of pandemic on firm's development

**Table 4. 16:** What has been the effect on your city's economic (GDP) growth in the first quarter of this year?

	Frequency	Percentage (%)
<b>a. Reduced significantly</b>	92	41.8
<b>b. Reduced slightly</b>	77	35.0
<b>c. Unchanged</b>	17	7.7
<b>d. Increased slightly</b>	25	11.4
<b>e. Increased significantly</b>	9	4.1
<b>Total</b>	220	100.0



**Figure 4. 7:** Effect of GDP growth in the first quarter of the year

#### 4.5 Reliability of the study

Cronbach's alpha is a metric used to gauge a scale or test item set's dependability or internal consistency. That is to say, the consistency with which a measurement measures a notion is one method to assess its dependability, and Cronbach's alpha is one approach to do just that. Using Cronbach's alpha, one can determine a test's trustworthiness by comparing the instrument's total variance to the variation shared across its components. According to this theory, there should be a high degree of covariance between the items on an instrument if it is valid. The accepted range of the Cronbach alpha is between 0.7- 0.9 (Bryman, 2016). According to Table 4.17, the reliability of this study for 16 items indicating the number of survey questions was 0.855 which meets the accepted range.

**Table 4. 17:** Reliability of the study

Cronbach's Alpha	N of items
0.855	16

#### 4.6 Research questions

**RQ1: Is there any statistical difference between impact of pandemic on firms and response to crisis?**

**H<sub>0</sub>: there is no statistical difference between impact of pandemic on firms and response to crisis**

**H<sub>1</sub>: there is a statistical difference between impact of pandemic on firms and response to crisis**

The first research aims to determine the significant difference between impact of the pandemic on the firms and how the firms respond to crisis. The Pearson's Correlation was used to test the relationship between the two variables. Table 4.18 shows the correlation analysis between the variables. The strength of the relationship is given as a coefficient (Pearson product-moment correlation coefficient), which shows that there is a strong positive relationship between impact of pandemic and response to crisis ( $R=0.842$ ). According to the analysed data, it can be deduced that there is a statistical significant difference between impact of pandemic on firms and response to crisis ( $p<0.05$ ) which means we reject  $H_0$ . This is an indication that the predicaments encountered by the firms during the pandemic were addressed by the respondents.

**Table 4. 18:** Table showing correlation analysis between impact of pandemic on firms and response to crisis

		<b>Impact of pandemic</b>	<b>Response of firms</b>
<b>Impact of pandemic</b>	Pearson Correlation	1	0.842**
	Sig. (2-tailed)		0.000
<b>Response of firms</b>	Pearson Correlation	0.842**	1
	Sig. (2-tailed)	0.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed)

**RQ2: Is there any statistical difference between impact of pandemic on firms and perception of firms?**

**H<sub>0</sub>: there is no statistical difference between impact of pandemic on firms and perception of firms**

**H<sub>1</sub>: there is a statistical difference between impact of pandemic on firms and perception of firms**

The second research question aims to determine the significant difference between impact of the pandemic on the firms and the expectation/perception of the firms. Correlation analysis which tests the relationship between variables in terms of strength and direction was used. As seen in Table 4.19, the strength of the relationship is given as a coefficient (Pearson product-moment correlation coefficient), which shows that there is a moderate relationship between impact of pandemic and perception of firms (R=0.557). According to the analysed data, it can be deduced that there is a statistical significant difference between impact of pandemic on firms and perception of the firms (p<0.05)

**Table 4. 19:** Table showing correlation analysis between impact of pandemic on firms and perception of firms

		Impact of pandemic	Perception of firms
Impact of pandemic	Pearson Correlation	1	0.557**
	Sig. (2-tailed)		0.000
Perception of firms	Pearson Correlation	0.557**	1
	Sig. (2-tailed)	0.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed)

**RQ3: Is there any statistical difference between response of firms to crisis and perception of firms?**

**H<sub>0</sub>: there is no statistical difference between response of firms to crisis and perception of firms**

**H<sub>1</sub>: there is a statistical difference between response of firms to crisis and perception of firms**

The third research question aims to determine the significant difference between response of the firms and the expectation/perception of the firms. Correlation analysis which tests the relationship between variables in terms of strength and direction was used. As seen in Table 4.20, the strength of the relationship is given as a coefficient (Pearson product-moment correlation coefficient), which shows that there is a strong positive relationship between response of the firms and perception of firms (R=0.707). According to the analysed data, it can be deduced that there is a statistical significant difference between response of the firms and perception of the firms (p<0.05)

**Table 4. 20:** Table showing correlation analysis between perception of firms and response to crisis

		<b>Perception of firms</b>	<b>Response to crisis</b>
<b>Perception of firms</b>	Pearson Correlation	1	0.707**
	Sig. (2-tailed)		0.000
<b>Response to crisis</b>	Pearson Correlation	0.707**	1
	Sig. (2-tailed)	0.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed)

**RQ4: Is there any statistical difference between gender and perception of firms?**

**H<sub>0</sub>: there is no statistical difference between gender and perception of firms**

**H<sub>1</sub>: there is a statistical difference between gender and perception of firms**

In order to assess the relationship between demographic information (gender) and perception of the firms, an independent t-test analysis was carried out. T-test is a statistic that helps to check if two means are reliably different from each other. An independent sample t-test specifically was used to test the means of the two different groups. According to the analyzed results, a Levene's test for equality of variances was carried out to determine the variance homogeneity of the variables. We can conclude that equal variances are assumed ( $p > 0.05$ ) which indicates first row analysis of the independent sample t-test will be considered for interpretation. As seen in Table 4.21, it can be deduced that there was no statistical significance difference between gender and perception of the firms ( $t(218) = -1.371, p > 0.05$ ).

**Table 4. 21:** Table showing t-test analysis between gender and perception of firms

		<b>Levene's Test for Equality of Variances</b>		<b>t-test for Equality of Means</b>		
		F	Sig.	t	df	Sig. (2-tailed)
<b>Perception</b>	<b>Equal variances assumed</b>	0.471	0.493	-1.371	218	0.172
	Equal variances not assumed			-1.369	207.275	0.172



**RQ5: Is there any statistical difference between gender and response to crisis?**

**H<sub>0</sub>: there is no statistical difference between gender and response to crisis**

**H<sub>1</sub>: there is a statistical difference between gender and response to crisis**

The fifth research questions aims to determine the relationship between gender of the respondents and response to crisis. An independent sample t-test specifically was also used to test the means of the two different groups. According to the analysed results, a Levene's test for equality of variances was carried out to determine the variance homogeneity of the variables. We can conclude that equal variances are assumed ( $p > 0.05$ ) which indicates first row analysis of the independent sample t-test will be considered for interpretation. As seen in Table 4.22, it can be deduced that there was no statistical significance difference between gender and response to crisis ( $t(218) = -0.128, p > 0.05$ ).

**Table 4. 22:** Table showing t-test analysis between gender and response to crisis

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
<b>Perception</b>	<b>Equal variances assumed</b>	0.388	0.534	-0.128	218	0.899
	Equal variances not assumed			-0.128	211.426	0.898

**RQ6: Is there any statistical difference between number of employees and impact of pandemic on firms?**

**H<sub>0</sub>: there is no statistical difference between number of employees and impact of pandemic on firms**

**H<sub>1</sub>: there is a statistical difference between number of employees and impact of pandemic on firms**

In order to test the relationship between number of employees and the impact of the pandemic on the firms, a chi-square analysis was used. Chi-square analysis basically tests for the association between variables whether or not there is a significance between two categorical variables. The analysed results showed that there is a statistical significance between number of employees in the firms and impact of pandemic ( $\chi^2 (100) = 517.548, p < 0.05$ ) as seen in Table 4.23.

**Table 4. 23:** Table showing chi-square analysis between number of employees and impact of pandemic on firms

	<b>Value</b>	<b>df</b>	<b>Asymptotic significance (2-sided)</b>
<b>Pearson Chi-Square</b>	517.548	100	0.000
<b>Likelihood Ratio</b>	366.771	100	0.000
<b>N of Valid cases</b>	220		

**RQ7: Is there any statistical difference between firm's category and impact of pandemic on firms?**

**H<sub>0</sub>: there is no statistical difference between firm's category and impact of pandemic on firms**

**H<sub>1</sub>: there is a statistical difference between firm's category and impact of pandemic on firms**

In order to test the relationship between the firm's category and the impact of pandemic on the firms, chi-square was also used. It is a hypothesis-testing method known as a Chi-square. Chi-square tests can be used to determine if the observed frequencies in one or more categories are in line with the expected frequencies in the same category. When comparing categorical variables in the same population, researchers utilize the Chi-Square test as a statistical approach. According to analysed data as shown in Table 4.24, it can be concluded that there is a statistical significant difference between the firm's category and the impact of the pandemic on firms ( $\chi^2 (140) = 906.790, p < 0.05$ )

**Table 4. 24:** Table showing chi-square analysis between firm's category and impact of pandemic on firms

	<b>Value</b>	<b>df</b>	<b>Asymptotic significance (2-sided)</b>
<b>Pearson Chi-Square</b>	906.790	140	0.000
<b>Likelihood Ratio</b>	524.895	140	0.000
<b>N of Valid cases</b>	220		

According to the analysed data, majority of the respondents were male (55.5%), and having 50 or less number of employees in their firms or businesses. The results also indicated the firms surveyed belonged to IT/software services (17.3%), catering/entertainment/hotel (20.9%) and real estate (15.0%). Additionally, businesses and governments both export and import goods and services from throughout the world. Flowing in and out of a country is stimulated by imports and exported. As a result, the flow of money is now complete. Since the COVID-19 pandemic began, key economic activity have been stifled over the world, including Nigeria, as a result of the global lockdown. A substantial share of productive resources are currently idle, which means that the flow of income has been considerably restricted. As a result, the ability of businesses to pay their fair share of taxes to the government is severely limited. As a result of the closing of seaports and airports to slow the spread of the epidemic, there has been a considerable drop in international trade. Many firms had to tell their staff not to come to work because of the pandemic. While they were not working, some companies continued to pay their employees' health insurance premiums. There had a significant impact on manufacturing, utilities, administration of businesses, banking and insurance and mining, quarries, and oil and gas extraction. Workers in these industries had at least 80 percent of their health insurance premiums covered even when they were not working for their employers. Health insurance premiums were not paid for employees who were ordered not to come to work while receiving a coronavirus-related loan or grant. This was beneficial for most sectors. A wide range of businesses were affected by the economic downturn, including construction, agriculture, forestry, fishing and hunting as well as professional and technical services, as well as the arts, entertainment, and recreation industries. Many more enterprises in these areas continued to pay health insurance premiums for some or all of their employees after obtaining a loan or grant than non-recipients of coronavirus loans or grants.

The size of the company has a significant impact on whether or not it offers health insurance to its employees. Employees who were instructed to stay at home owing to the pandemic were also a major issue in whether or not they were able to continue to pay their health insurance rates. Accommodation and food services are mainly affected by the size of the establishment. The percentage of enterprises that continue to pay health insurance premiums for some or all of their employees is just 9% when compared to companies with more than 1,000 employees. Despite the Affordable Care Act's adoption, more than half of businesses with fewer than five employees and six out of ten businesses with more than 1,000 employees continued to pay premiums for some or

all of their employees' health insurance. NCDC's national COVID-19 strategy, the Federal Government's attitude and approach to governance, and communication methods should all be explained, according to the majority of participants. A majority of those polled agreed that the public's fear of law enforcement should be alleviated by making messaging more specific. Some respondents said that public opinion should be solicited before implementing a policy. Some of the things that respondents thought were lacking were: low COVID-19 testing rates, inadequate facilities, a lack of enforcement of movement restrictions, media and other stakeholders profiting from COVID-19, security agencies failing to enforce interstate travel, a lack of trust in local drugs, Nigerians breaking lockdown rules, an increase in hunger, and an ineffective distribution of relief materials.

Patient care, religious faith, and family support were all found to increase workers' willingness to put in long hours. The ability of participants to "learn a new way of living" in order to deal with problems was found to be a good finding given that data collection took place one year after the pandemic began. This shift in time is reflected in research suggesting that personal growth and development might help people become more resilient and better able to deal with stressful situations. Organizational interventions should be used in conjunction with individual coping methods in order to increase employees' willingness and capacity to work. Since July 2021, outbreaks of the extremely contagious COVID-19 Delta and Omicron strains have occurred in Nigeria, despite the widespread belief that most businesses were "starting up again." This has been the case since July 2021. By comparison, Nigeria's immunization rate is lower than that of wealthy countries with a total of four million doses administered from March to August 2021.

During the course of the epidemic, surveys examining the impact on employment and commercial activity at various phases of the pandemic will provide more direct data. In the near term, catastrophic results have been documented throughout nations in terms of revenue loss, company closures, mass layoffs, and liquidity. There was a huge drop in sales and a major shift in employment as a result of the COVID-19 epidemic, which had a wide variety of implications. Three facets of the outbreak's impact are examined here: operational status, sales, and workforce. Data shows that among the examined organizations, revenues have taken a considerable and widespread hit. There has been a strong focus on intensive margin adjustment in the labour market's response to the shock, with many employers providing leave or cutting hours or wages

while only a few companies have cut staff. During the pandemic, the vast majority of businesses increased their use of technology, adjusted their product mix, or did both. Expanding the use of digital platforms has been the most typical company response to the pandemic shock. The evidence of potential complementarities between the different responses, as well as evidence of response bundling, is an intriguing aspect of the investigation.



## CHAPTER FIVE

### CONCLUSION AND RECOMMENDATION

#### 5.1 Conclusion

This research was aimed at exploring the impact of the global pandemic (COVID-19) on the world economy from the perspectives of businesses in the district of Victoria island. Following the aftermath of the pandemic, the questionnaires used to collect primary data from firms and businesses on the island in Lagos city were based on a quantitative approach. During the pandemic, small companies in the city suffered operational and financial difficulties, which were the focus of the research questions established to guide the analytical process. In addition, the inquiries sought to find out how firms might reduce and lessen the pandemic's consequences.

Since the pandemic started there has been a major impact on firm's operation and production which was also suggested by the respondents. There has also been an imbalance of operations in most of the firms surveyed due to shortage of raw materials, difficulty in developing market. According to the results, it was observed that most of firms have been facing pressures such as salaries and wages, insurances, order cancellations as well as rental of infrastructures. As a results of these, plans to reduce number of staff, increase in labour cost, transition to online recruitment has been some major challenges the firms had been facing since the pandemic. In testing the research hypothesis, correlation, independent t-test and chi-square analysis was used. According to analysed results, there was a strong correlation between impact of pandemic and response to the crisis ( $R=0.842$ ), between response of the firms and perception of the firms ( $R=0.707$ ). The t-test analysis showed no significance between demographic information (gender) and response or perception to the crisis ( $p>0.05$ ). The analysed result also reveals a statistical significant difference between the firm's category and the impact of the pandemic on the firms ( $p<0.05$ ).

The impact of COVID-19 disruptions is not the same for all organizations. However, although some remained open because they were deemed important, others were compelled to shut down. With remote work, some firms may have reduced the danger of employee contagiousness, while others were unprepared for the change in policy. For a number of factors relating to both the underlying structure of the business and managerial skills, COVID-19 looked to be an existential

threat to some firms at the time of the assessment. Businesses have been hit hard by the COVID-19 epidemic, which has resulted in many setbacks at the same time. The financial health of companies is worsening owing to a lack of available capital, and they face huge future risks on top of the decline in sales. Uncertainty is at an all-time high, leading to lower investments and more job losses, since a big number of enterprises have signalled that they are on the edge of bankruptcy. While public policies can help firms prepare for the worst, they can also aid in the long-term rebuilding process. Given the magnitude of the shock, comparable considerations about targeting criteria for policy actions supporting enterprises prior to COVID-19 are required, taking into account the high heterogeneity across firms in the same sector and of similar size. In future research, it will be critical to evaluate the distribution of policy support programs and how these interventions can aid in recovery, as well as promote technological adoption and productivity increase.

## **5.2 Limitation of the Study**

Because this research was conducted during the global pandemic, only a few of the businesses in the study area were open at the time. This made sharing the questionnaires and locating the respondents within the districts more challenging. Financial constraints as well as time constraints were also encountered during this study. Time is crucial in every research project. The study's outcome may be influenced by the fact that the research time was too brief to allow appropriate data gathering on the subject of inquiry.

## **5.3 Recommendations**

Future research could look into some of the other problems that the companies faced during the pandemic and how they dealt with them. Only a few samples were evaluated as a result of this research project. Perhaps a more detailed quantitative study with a larger sample size would allow us to make more generalizations and gain a better understanding of how companies estimate pandemic risk. A larger quantitative study assessing the total impact of the pandemic and comparisons between private and public enterprises in the study area is required.



## REFERENCES

- Adarov, A. and Stehrer, R. (2019). “Tangible and Intangible Assets in the Growth Performance of the EU, Japan and the US”, wiiw Research Reports 442, The Vienna Institute for International Economic Studies.
- Adenomon, M.O.; Maijamaa, B.; John, D.O. (2020). On the Effects of COVID-19 outbreak on the Nigerian Stock Exchange performance: Evidence from GARCH Models . Preprints 2020, 2020040444 (doi: 10.20944/preprints202004.0444.v1
- Aifuwa, H., Musa, S., & Aifuwa, S. (2020). CORONAVIRUS PANDEMIC OUTBREAK AND FIRMS PERFORMANCE. *Management and Human Resource Research Journal*, 9(4), 62-85.
- Akpan, I.J., Udoh, E. A. P., & Adebisi, B. (2020). Small business awareness and adoption of state-of-the-art technologies in emerging and developing markets, and lessons from the COVID-19 pandemic. *Journal of Small Business & Entrepreneurship*, 1–18.
- Auerbach, J., and Miller, B. F. (2020). COVID-19 exposes the cracks in our already fragile mental health system. *Am. J. Public Health* 110, 969–970. doi: 10.2105/AJPH.2020.305699
- Bargain, O., & Aminjonov, U. (2020). Trust and Compliance to Public Health Policies in Times of Covid-19. *Social Science Research Network*, 35-45.
- Bartik, A. W., Bertrand, M., Cullen, Z., Glaeser, E. L., Luca, M., & Stanton, C. (2020). The impact of COVID-19 on small business outcomes and expectations. *Proceedings of the National Academy of Sciences*, 117(30), 17656–17666
- Bhattacharyya, S., & Thakre, S. (2021). Coronavirus pandemic and economic lockdown; study of strategic initiatives and tactical responses of firms. *International Journal of Organization Analysis*, vol 5.
- Bieler, A., & Morton, A. D. (2018). *Global capitalism, global war, global crisis*. Cambridge University Press.

- Bierman, A., Upenieks, L., Glavin, P., and Schieman, S. (2021). Accumulation of economic hardship and health during the COVID-19 pandemic: social causation or selection? *Soc. Sci. Med.* 275:113774. doi: 10.1016/j.socscimed.2021.113774
- Binder, C. (2020). Coronavirus Fears and Macroeconomics Expectations. *Social Sciences Research Network*, 34, 2-8.
- Bodnár, K., Le Roux, J., Lopez-Garcia, P. and Szörfi, B. (2020). “The impact of COVID-19 on potential output in the euro area”, *Economic Bulletin*, Issue 7, ECB.
- Bodnar, K., Roux, J., Lopez-Garcia, P., & Szorfi, B. (2020). The impact of COVID-19 on potential output in the euro area. *Economic Bulletin*, 2(7).
- Bryman, A. (2016). *Social research methods Fifth*. Oxford University Press, 48-64.
- Buffington, C., Dennis, C., Dinlersoz, E., Foster, L., & Klimek, S. (2020). Measuring the effect of COVID-19 on U.S. small businesses: The small business pulse survey (No. 20–16), 1–20.
- Burgess, S and H Sievertson (2020), [“Schools, Skills and Learning: the impact of Covid-19 on education”](#), VoxEU.org, 1 April.
- Chattu, K., Yaya, S., & Adishes, A. (2020). Canada’s role in strengthening global health security during the COVID-19 Pandemic. *Global health research policy*, 5, 6-8.
- Chowdhury, S. R. (2011). Impact of global crisis on small and medium enterprises. *Global Business Review*, 12(3), 377–399.
- Chukwuka O, Mma AE ( 2020) Understanding the impact of the COVID-19 outbreak on the Nigerian Economy. 8 April 2020. [www.brookings.edu](http://www.brookings.edu)
- Corbet, S., Goodell, J., & Gunay, S. (2020). Co-movements and spillovers of oil and renewable firms under extreme conditions: New evidence from negative WTI prices during COVID-19. *Energy Economics*, 92, 104978.
- Cowling, M., Liu, W., & Ledger, A. (2012). Small business financing in the UK before and during the current financial crisis. *International Small Business Journal*, 30(7), 778–800.
- Creswell, J., & Poth, C. (2016). *Qualitative inquiry and research design: Choosing among five approaches*. Sage publications, 15-25.

- Ding, W., Levine, R., Lin, C., & Xie, W. (2021). Corporate immunity to the COVID-19 pandemic. *Journal of Financial Economics*, vol 23.
- Doern, R. (2016). Entrepreneurship and crisis management: The experiences of small businesses during the London 2011 riots. *International Small Business Journal*, 34(3), 276–302.
- Ellison, G. (2020). Implications of Heterogeneous SIR Models for Analyses of COVID-19. *National Bureau of Economics*, 33-39.
- Fairlie, R. (2020). The impact of COVID-19 on small business owners: Evidence from the first three months after widespread social-distancing restrictions. *Journal of Economics & Management Strategy*, 29(4), 727–740
- Fund, I. M. (2020a). *World Economic Outlook*. WEO publications, 14-52.
- Herbane B. (2010) Small business research: Time for a crisis-based view. *International Small Business Journal*, 28(1): 43–64.
- Helleiner, E. (2011). Understanding the 2007–2008 global financial crisis: Lessons for scholars of international political economy. *Annual Review of Political Science*, 14, 67–87.
- International Monetary Fund. (2020a). *World Economic Outlook*. WEO publications, 14-25.
- Jordà, Ò, S R Singh and A M Taylor (2020), “Longer-Run Economic Consequences of Pandemics”, Federal Reserve Bank of San Francisco Working Papers No 2020-09.
- Jonas, O. (2016). Pandemic Risk (p. 40) [World Development Report 2014 on Risk and Opportunity; Managing Risks for development. National Bureau of Economic Research. , 8-14.
- Kaplinsky, R. (2020). Globalisation and Unequalisation: What Can Be Learned from Value. *The journal of Development Studies*, 37(2), 117-146.
- Keen, P., & Ronald, W. (2015). Value architectures for digital business: beyond the business. *Mis Quarterly*, 37(2), 643-647.
- Kim, J., Kim, J., Lee, S., & Tang, L. (2020). Effects of epidemic disease outbreaks on the financial performance of restaurants: Event study method approach. *Journal of Hospitality and Tourism Management*, 43, 32-41.

- Kim Jaewook, Kim Jewoo, Wang Yigi. (2021). Uncertainty risks and strategic reaction of restaurant firms amid COVID-19: Evidence from China. *International Journal of Hospitality Management*, vol 95, 102752.
- KPMG, (2020). Covid-19: A Business Impact Series. Financial, Tax and Regulatory Considerations to Manage COVID-19 Disruptions. Issue 2.
- Kraus, S., Clauss, T., Breier, M., Gast, J., Zardini, A., & Tiberius, V. (2020). The economics of COVID-19: Initial empirical evidence on how family firms in five European countries cope with the corona crisis. *International Journal of Entrepreneurial Behavior & Research (IJEBR)* 26(5), 1068–1092.
- Kumar, R. (2014). *Research methodology: a step-by-step guide for beginners* 4th ed. Sage Publications.
- Laeven, L (2020), "[COVID-19 and the effects of social distancing on the economy](#)", VoxEU.org, 31 August.
- Laeven, L and F Valencia (2018), "Systemic Banking Crises Revisited", IMF Working Papers No 18/206.
- Leavy, P. (2018). *The Oxford handbook of Qualitative Research*, USA. Oxford University Press, 12-54.
- Liguori, E. W., & Pittz, T. G. (2020). Strategies for small business: Surviving and thriving in the era of COVID-19. *Journal of the International Council for Small Business*, 1(2), 106–110.
- Liu Hao, Yi Xingjian, Yin Libo. (2021). The impact of operating flexibility on firms' performance during the COVID-19 outbreak: Evidence from China. *Finance Research letters*, vol 38, 101808.
- Ma, C, J Rogers and S Zhou (2020), "Modern Pandemics: Recession and Recovery," *International Finance Discussion Papers 1295*, Washington: Board of Governors of the Federal Reserve System.

- Mehta, P., McAuley, D. F., Brown, M., Sanchez, E., Tattersall, R. S., and Manson, J. J. (2020). COVID-19: consider cytokine storm syndromes and immunosuppression. *Lancet* 395, 1033–1034. doi: 10.1016/S0140-6736(20)30628-0
- Meyer, B., Prescott, B., & Sheng, X. (2021). The impact of the COVID-19 pandemic on business expectations. *International Journal of Forecasting*, vol 3 25-36.
- NigerianBusiness.com. (2022) [https://www.nigeriabusinessweb.com/find\\_in-lagos-victoria\\_island-72-3.html](https://www.nigeriabusinessweb.com/find_in-lagos-victoria_island-72-3.html).
- Obiakor, 2020 COVID-19 and the Informal Sector in Nigeria: The Socio-Economic Cost Implications. retrieved on July 6, 2020<https://businessday.ng/opinion/article/covid-19-and-the-informal-sector-in-nigeria-the-socio-economic-cost-implications/>
- Qui, Y., Chen, X., & Shi, W. (2020). Impacts of Social and Economic Factors on the Transmission of coronavirus disease 2019 (COVID-19) in China. GLO Discussion Paper, 15-58.
- Rapaccini, M., Saccani, N., Kowalkowski, C., Paiola, M., & Adrodegari, F. (2020). Navigating disruptive crises through service-led growth: The impact of COVID-19 on Italian manufacturing firms. *Industrial Marketing Management*, 88, 225-237.
- Runyan, R. C. (2006). Small business in the face of crisis: identifying barriers to recovery from a natural disaster 1. *Journal of Contingencies and Crisis Management*, 14(1), 12–26
- Saracco, F., Di Clemente, R., Gabrielli, A., & Squartini, T. (2016). Detecting early signs of the 2007–2008 crisis in the world trade. *Scientific Reports*, 6(1), 1–11.
- Song, H., Yeon, J., & Lee, S. (2021). Impact of the COVID-19 pandemic: Evidence from the U.S. restaurant industry. *International Journal of Hospital Management*, vol 92, 102702.
- Strange, R. (2020). The 2020 Covid-19 Pandemic and global Value Chains. *Journal of Industrial and Business Economics*, 455-465.
- Timming, A. R., French, M. T., and Mortensen, K. (2021). Health anxiety versus economic anxiety surrounding COVID-19: an analysis of psychological distress in the early stages of the pandemic. *J. Affect. Disord. Rep.* 5:100152. doi: 10.1016/j.jadr.2021.100152

- Torres, A. P., Marshall, M. I., & Sydnor, S. (2019). Does social capital pay off? The case of small business resilience after Hurricane Katrina. *Journal of Contingencies and Crisis Management*, 27(2), 168–181.
- Van Bavel, J. J., Baicker, K., Boggio, P. S., Capraro, V., Cichocka, A., Cikara, M., et al. (2020). Using social and behavioural science to support COVID-19 pandemic response. *Nat. Hum. Behav.* 4, 460–471. doi: 10.1038/s41562-020-0884-z
- Wan, D., Xue, R., Linnenluecke, M., Tian, J., & Shan, Y. (2021). The impact of investor attention during COVID-19 on investment in clean energy versus fossil fuel firms. *Finance Research Letters*, 101195.
- Wagner, A. F. (2020). What the stock market tells us about the post-Covid-19 world. *Nature Human Behavior*, 4, 440.
- Zajacova, A., Jehn, A., Stackhouse, M., Choi, K. H., Denice, P., Haan, M., et al. (2020). Mental health and economic concerns from March to May during the COVID-19 pandemic in Canada: insights from an analysis of repeated cross-sectional surveys. *SSM Popul. Health* 12:100704. doi: 10.1016/j.ssmph.2020.100704
- Zou, P., Huo, D. & Li, M. The impact of the COVID-19 pandemic on firms: a survey in Guangdong Province, China. *glob health res policy* 5, 41 (2020). <https://doi.org/10.1186/s41256-020-00166-z>

# APPENDIX

## QUESTIONNAIRE

**Dear Participants,**

I am carrying out a survey to better understand the impact of the global pandemic on the running affairs of your firm. Therefore, we kindly request that you self-administer this questionnaire. Your responses will be treated with confidentiality and the findings are for the academic purposes only. Your co-operation will be greatly appreciated. Responses to these questions will be treated with confidentiality therefore your name is not required anywhere. Your answers would be valuable to my research. Thank you for your kind cooperation. Please tick (✓) where appropriate or fill in the required information on the space provided.

### **PART A: Demographic Information**

1. Gender.  
 Male     Female
  
2. How many employees are there in your company?
  - a. 50 and below
  - b. 51-100
  - c. 101-300
  - d. 301-500
  - e. Over 500
  
3. What industry does your firm belong to?
  - a. IT/Software and hardware services
  - b. Catering / Entertainment / Tourism / Hotel
  - c. Publishing / Printing / Packaging
  - d. Electronic technology / Semiconductor / Integrated circuit

- e. Law
- f. Real estate development / Architectural engineering / Design
- g. Accounting / Auditing
- h. Machinery / equipment / Heavy industry
- i. Agriculture / Fishery / Forestry
- j. Medical / Nursing / Health / Sanitation
- k. Bank / Insurance / Securities / Investment Bank / Risk Fund
- l. Pharmaceutical / Bioengineering / Medical Equipment
- m. Consulting / Headhunting / Certification
- n. Other. Please specify.....

**PART B: Impact of the global pandemic on Firms**

Indicate your level of agreement on the following statements:

1. To what extent does has production and operations of your firm been affected by this pandemic?
  - a. Very serious impact, leading to serious difficulties in business operations and bankruptcy
  - b. Great impact: operations barely maintained
  - c. Small impact, some difficulties in business operations, but overall stability
  - d. No significant impact
  - e. Positive impact, providing new opportunities for development
2. What are the reasons for the suspension of production and operations of your firm?
  - a. Shortage of production materials.
  - b. Difficulty in developing market
  - c. Impact of measures taken to respond to the pandemic
3. What are the main operating pressures that your firm is currently facing?
  - a. Employee salaries, insurances
  - b. Rent (Buildings, Equipment)
  - c. Repayment of loans



- d. Payment of accounts payable
  - e. Cancellation of orders
4. What is the current situation regarding the supply of raw materials, spare parts and other production and operation materials in your firm?
- a. Total disruption of supply
  - b. Supply shortage
  - c. Supply barely maintains production
  - d. Satisfactory supply
  - e. Normal supply
5. Does your company plan to reduce or increase the number of employees?
- a. Reduce greatly (30–50%)
  - b. Reduce slightly (10–30%)
  - c. Remain basically the same
  - d. Increase slightly (10–30%)
6. How has the pandemic affected recruitment?
- a. Increase in labor costs
  - b. Unable to find a suitable recruitment channel
  - c. Postponement or cancelation the existing recruitment plan
  - d. Transition to online recruitment

### **PART C: How firms responds to the crisis**

Indicate your level of agreement on the following statements:

1. How are you currently or planning to cope with the cash flow shortage?
- a. Funding from existing shareholders
  - b. Adding new shareholders
  - c. Loans
  - d. Delaying payment
  - e. Cutting pay and jobs

2. Are you willing to transform to online commerce?
  - a. Very unwilling
  - b. Unwilling
  - c. Reasonably willing
  - d. Willing
  - e. Very willing
3. What self-help measures has your firm taken so far?
  - a. Applied for financing
  - b. Increased online operations
  - c. Cut pay and jobs
  - d. Implemented a remote office (digital office)

#### **PART D: Expectations/Perceptions of the firms**

Indicate your level of agreement on the following statements:

1. What are the potentially positive impacts of the pandemic in your view?
  - a. Promote the establishment of remote office work
  - b. Enhance information and digital construction of firms
  - c. Help to better realize firm's shortcomings and solve existing
2. What policies do you expect the government will put in to place to help your firm overcome the difficulties?
  - a. Reduce, exempt or postpone value-added tax, income tax, insurance premiums and other taxes
  - b. Stimulate consumption
  - c. Allow firms to implement a staged flexible salary method
  - d. Provide subsidies for rent, utilities, post stabilization etc
3. To what extent do you expect this pandemic will affect your firm's development in the first quarter of 2022?
  - a. Profits
  - b. Balance of income and expenditure

- c. Losses
  - d. Serious losses
  - e. Bankruptcy
4. What has been the effect on your city's economic (GDP) growth in the first quarter of this year?
- a. Reduced significantly
  - b. Reduced slightly
  - c. Unchanged
  - d. Increased slightly
  - e. Increased significantly